

- (ii) the rights under the Mineral Act of holders or owners of subsisting claims, 2 post claims or other interest in or that affect the land acquired or held under that Act or under any prior or subsequent enactment of the Province of British Columbia of like effect;
- (iii) the rights of holders or owners under subsisting licences or permits issued under the Petroleum and Natural Gas Act, or under any prior or subsequent enactment of the Province of British Columbia of like effect, to enter on, use and occupy the land for any purpose authorized by the Act, or the licence, permit or other authority issued under it or any prior or subsequent enactment of the Province of British Columbia to like effect;
- (iv) any statutory right-of-way that burdens the Crown Land.

14.07 Where a parcel of Crown Land has been identified under section 14.03 (b) for the development of an Independent Recreation Facility in a Base Area, the instrument conveying that parcel to Whistler shall contain

- (a) a restrictive covenant in form satisfactory to the Province prohibiting the land described in it from being subdivided or used for any purpose other than construction, operation and maintenance of the Independent Recreation Facility;
- (b) a condition that the fee simple estate is conveyed for so long as the land described in it is used for the purpose of constructing, maintaining and operating the Independent Recreation Facility.

14.08 Section 14.06 (a) and (b) applies to an instrument conveying Crown Land to Whistler under section 14.07.

14.09 Whistler shall execute and deliver to the Province all instruments and assurances that may be necessary to implement the provisions of section 14.07.

14.10 Notwithstanding section 14.04 (d), if a Development Scheme delivered by Whistler under section 14.04 (b) (i) does not comply with the subdivision and zoning by-laws of the Resort Municipality of Whistler, Whistler may elect to purchase the land described in the Subdivision Scheme at the price referred to in section 14.02 on the tenth anniversary of the reference date of this agreement.

14.11 If Whistler wishes to make an election under section 14.10, it shall

(a) do so by delivering written notice of its election to the Province; and

(b) pay the purchase price of the land to the Province;

not later than 30 days after the tenth anniversary of the reference date of this agreement.

ARTICLE XV - TRANSFERS AND ENCUMBRANCES

- 15.01 Subject to section 15.04, Whistler shall not sell, convey, transfer, or otherwise dispose of its Interest or any part of its Interest without the prior written consent of the Province.
- 15.02 The Province shall not unreasonably refuse to consent to a sale, conveyance, transfer, or disposition under section 15.01 so long as the purchaser, assignee, or transferee, in the opinion of the Province, has the financial capacity and proven management abilities and business experience to develop, operate and maintain the Recreation Improvements in accordance with industry standards for similar developments in British Columbia, this agreement and the Whistler Master Plan.
- 15.03 Section 15.01 does not apply to a transfer, sale or disposition referred to in section 12.02 or that does not constitute a default under section 12.01 (j) but in such event:
- (a) Whistler shall give written notice of the transfer, sale or disposition to the Province;
 - (b) this agreement and the Tenures shall be assigned by Whistler to the partnership or limited partnership; and
 - (c) the Province shall consent to the assignments referred to in section 15.03 (b).
- 15.04 Whistler shall neither assign this agreement or its rights under it nor mortgage, pledge, charge, assign, or otherwise encumber its Interest or any part of it as security for a debt obligation without, in either case, the written consent of the Province which consent the Province shall not unreasonably refuse so long as the party to whom the Interest or any part of it is assigned, mortgaged, pledged, charged or otherwise encumbered, will, in exercising its remedies, have no greater rights than Whistler.

ARTICLE XVI - RENEWAL

- 16.01 Whistler may, at four year intervals, beginning on the 30th anniversary of the reference date of this agreement, but not after the 47th anniversary of that date, apply to the Province for a renewal of this agreement and the Tenures.
- 16.02 So long as Whistler is not in default under this agreement or the Tenures, the Province shall, within 180 days after the application under section 16.01, make a written offer to Whistler to renew this agreement on terms and conditions that are consistent with the Provincial Ski Area Policy then in effect.
- 16.03 Whistler shall have a period of six months from the receipt of the Renewal Offer to accept the renewal of this agreement and the Tenures on the terms and conditions contained in it.
- 16.04 If Whistler declines to accept the renewal of this agreement and the Tenures on the terms and conditions contained in a Renewal Offer within the time specified in section 16.03, the Province shall at any time after the 47th anniversary of the reference date of this agreement be at liberty to enter into an arrangement with any other person for the right to purchase and operate the Recreation Improvements and develop the Base Areas but in so doing the Province shall not, for a period of five years after the expiration of this agreement, enter into an agreement with or grant Tenures to any person on terms and conditions more favourable than those specified in the most recent Renewal Offer without first offering a renewal of this agreement and the Tenures to Whistler on those terms and conditions.
- 16.05 Where the Province makes an offer to Whistler under section 16.04, the offer shall, unless accepted by Whistler within six months after it is made, be deemed to have been withdrawn and no longer open for acceptance whether or not notice of the withdrawal is given.

- 16.06 An agreement entered into by the Province with another person under section 16.04 shall not, so far as it relates to the purchase and operation of Recreation Improvements and the purchase and development of the Base Areas, come into force until the expiration or earlier termination of this agreement.
- 16.07 If Whistler fails to give notice to the Province of its intention to renew prior to the 47th anniversary of the reference date of this agreement, the Province may at any time thereafter negotiate with any other person for the right to purchase and operate the Recreation Improvements and purchase and develop the Base Area.

ARTICLE XVII - CONTROLLED RECREATION AREA

17.01 Subject to this agreement, the Province grants to Whistler the exclusive use, occupation and control of the Controlled Recreation Area and all authority, rights, and privileges incidental thereto including without limitation the following rights:

- (a) to establish a ski area boundary within the Controlled Recreation Area for the purpose of delineating the area or areas within such boundary operated and controlled by Whistler as a ski area and in which its Recreation Improvements are located and to designate such boundary by notices, posted signs, fences or otherwise;
- (b) to control, regulate and direct the movement and activities of skiers and all other persons within the Controlled Recreation Area at all times and upon such terms and conditions as Whistler may determine in its discretion;
- (c) to regulate the access and entry of all persons to the Controlled Recreation Area at all times and upon such terms and conditions as Whistler may determine in its discretion;
- (d) to evict persons from the Controlled Recreation Area;
- (e) to regulate the use and movement of vehicles of any nature whatsoever within the Controlled Recreation Area and at all times and upon such terms and conditions as Whistler may determine in its discretion;
- (f) to regulate the landing of aircraft within the Controlled Recreation Area at all times and upon such terms and conditions as Whistler may determine in its discretion.

17.02 Whistler may exercise the authority, rights and privileges set out in section 17.01 in any manner it may determine in its discretion provided that nothing contained in this agreement shall confer on Whistler the authority to arrest or detain any person.

17.03 Whistler shall use reasonable effort to ensure that skiers and other persons permitted by it to use the Controlled Recreation Area:

- (a) do not enter into areas within the Controlled Recreation Area that are in Whistler's opinion unsafe due to existing or potential hazards; and
- (b) do not carry on activities within the Controlled Recreation Area that are prohibited under the Land Act;

provided that this section shall not impose on Whistler any obligation to make safe any area or areas within the Controlled Recreation Area or to remove any existing hazards within such areas except to the extent it is required to do so under its operating covenants set forth in Schedule "I".

17.04 Whistler's duty of care to persons entering the Controlled Recreation Area and its liability arising from its use, occupation and control of the Controlled Recreation Area shall not exceed that of an occupier under the Occupiers Liability Act.

ARTICLE XVIII - COVENANTS OF THE PROVINCE

18.01 The Province shall:

- (a) not grant to any person, corporation, municipality, governmental agency or Crown corporation title to or any right to use, occupy, lease or acquire in any manner whatsoever any part of the Resort Area or, subject to the existing Timber Licenses Numbers 8080P, 8090P, the area designated on page one of Schedule "A" as "Area for Further Expansion of Resort Area", without the prior written consent of Whistler;
- (b) assure to Whistler vehicular access to
 - (i) the north side Lift system above the North Side Base,
 - (ii) the land owned by the Province above the Gondola Base,
 - (iii) such other access to the Resort Area that may be necessary.

18.02 The Province shall not, without the prior written consent of Whistler, divulge, reveal, make known or deliver to any person, firm or corporation, or publish or otherwise disclose

- (a) the Financial Information or any other financial statement, balance sheet or financial report required to be delivered by Whistler to the Province under this agreement;
- (b) this agreement or any provision of it.

18.03 The Province shall not permit employee access to the information referred to in section 18.02 (a) except to

- (a) employees who are senior governmental employees;
and
- (b) professional consultants retained by the Province who undertake to maintain the confidentiality thereof.

ARTICLE XIX - ARBITRATION

19.01 In the event a dispute arises between the parties concerning

(a) whether or not a Renewal Offer made by the Province to Whistler under Article XVI is consistent with the Provincial Ski Area Policy in effect at the time the Renewal Offer is made; or

(b) the amount of the Appraised Market Value of a Recreation Improvement under Article XIII;

either party may refer the matter in dispute to a single arbitrator for determination pursuant to the Arbitration Act.

19.02 Notwithstanding the Arbitration Act

(a) the costs of the reference and the award shall be borne equally by the parties;

(b) the arbitrator shall only have jurisdiction to determine the matter referred to him under section 19.01 and shall not have any power to award damages or grant interim or permanent orders for equitable relief.

19.03 Where a dispute is referred to an arbitrator under this Article, each party shall have the right to

(a) representation by counsel;

(b) introduce written and oral evidence;

(c) submit written argument;

(d) insist upon transcripts of oral proceedings;

(e) reasons for judgment;

(f) pre-arbitration proceedings by way of discovery of witnesses and documents; and

(g) the examination of witnesses under oath.

ARTICLE XX - MISCELLANEOUS

- 20.01 Whistler and the Province shall perform such further acts and execute all further documents as may be required from time to time to give effect to the intent of this agreement.
- 20.02 If any term, covenant or condition of this agreement or the application of it to any person or circumstance shall, to any extent, be invalid and unenforceable, the remainder of this agreement or the application of that term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each term, covenant or condition of this agreement shall be valid and enforced to the fullest extent permitted by law.
- 20.03 Nothing in this agreement constitutes Whistler the agent, joint venturer or partner of the Province or gives Whistler any authority or power to bind the Province in any way.
- 20.04 If due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, laws, ordinances, rules, regulations or orders of governmental authorities, enemy or hostile action, civil commotion, fire or other casualty and any condition or cause beyond the reasonable control of Whistler other than natural reasons, Whistler is delayed in performing any obligation under this agreement, then the time for completion of performance of that obligation shall be extended by a period of time equal to the period of time of the delay so long as
- (a) Whistler gives written notice to the Province within 30 days after the commencement of the delay setting forth the nature of it and a revised development schedule; and
 - (b) Whistler diligently attempts to remove the delay.
- 20.05 For the purpose of section 20.04, the inability of Whistler to obtain financing or the funds necessary for the construction of a Recreation Improvement is not a cause beyond the reasonable control of Whistler.

20.06 Nothing in this agreement constitutes an obligation, express or implied, of the Province to use public funds for the construction or maintenance of any part of the development contemplated herein.

20.07 Any notice required to be given by either party to the other shall be deemed to be well and sufficiently given if mailed by prepaid registered mail in Canada or delivered at the address of the other as follows:

(a) to the Province:

Regional Director,
Ministry of Lands, Parks and Housing
4240 Manor Street,
Burnaby, British Columbia
V5G 1B2

(b) to Whistler:

602 - 325 Howe Street,
Vancouver, B.C.
V6C 1Z7

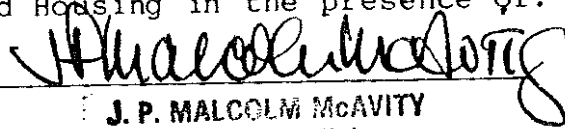
or at such other address as the other may from time to time direct in writing, and any such notice shall be deemed to have been received if delivered on the day of delivery, and if mailed, 48 hours after the time of mailing except in the case of mail interruption in which case actual receipt is required.

ARTICLE XXI - INTERPRETATION

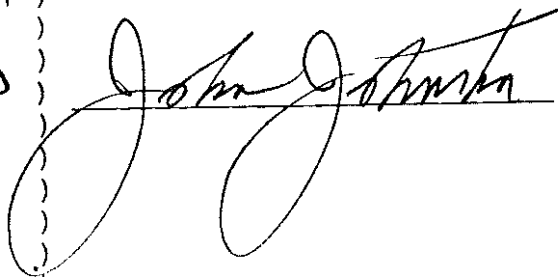
- 21.01 In this agreement, unless the context otherwise requires, the singular includes the plural and the masculine includes the feminine gender and a corporation.
- 21.02 The headings of Articles are inserted for convenience of reference only and shall not be construed as forming part of this agreement.
- 21.03 In the event of any inconsistency between the terms and conditions of any Tenure and this agreement, this agreement applies.

IN WITNESS WHEREOF the parties have executed this agreement
as of the day and year first above written.

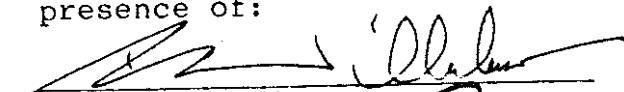
SIGNED, SEALED AND DELIVERED
on behalf of Her Majesty the
Queen in right of the Province
of British Columbia by a duly
authorized representative of
the Minister of Lands, Parks
and Housing in the presence of:

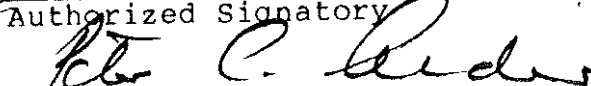


J. P. MALCOLM McAVITY
Barrister & Solicitor
Ministry of Attorney General
Parliament Buildings
Victoria, B.C.



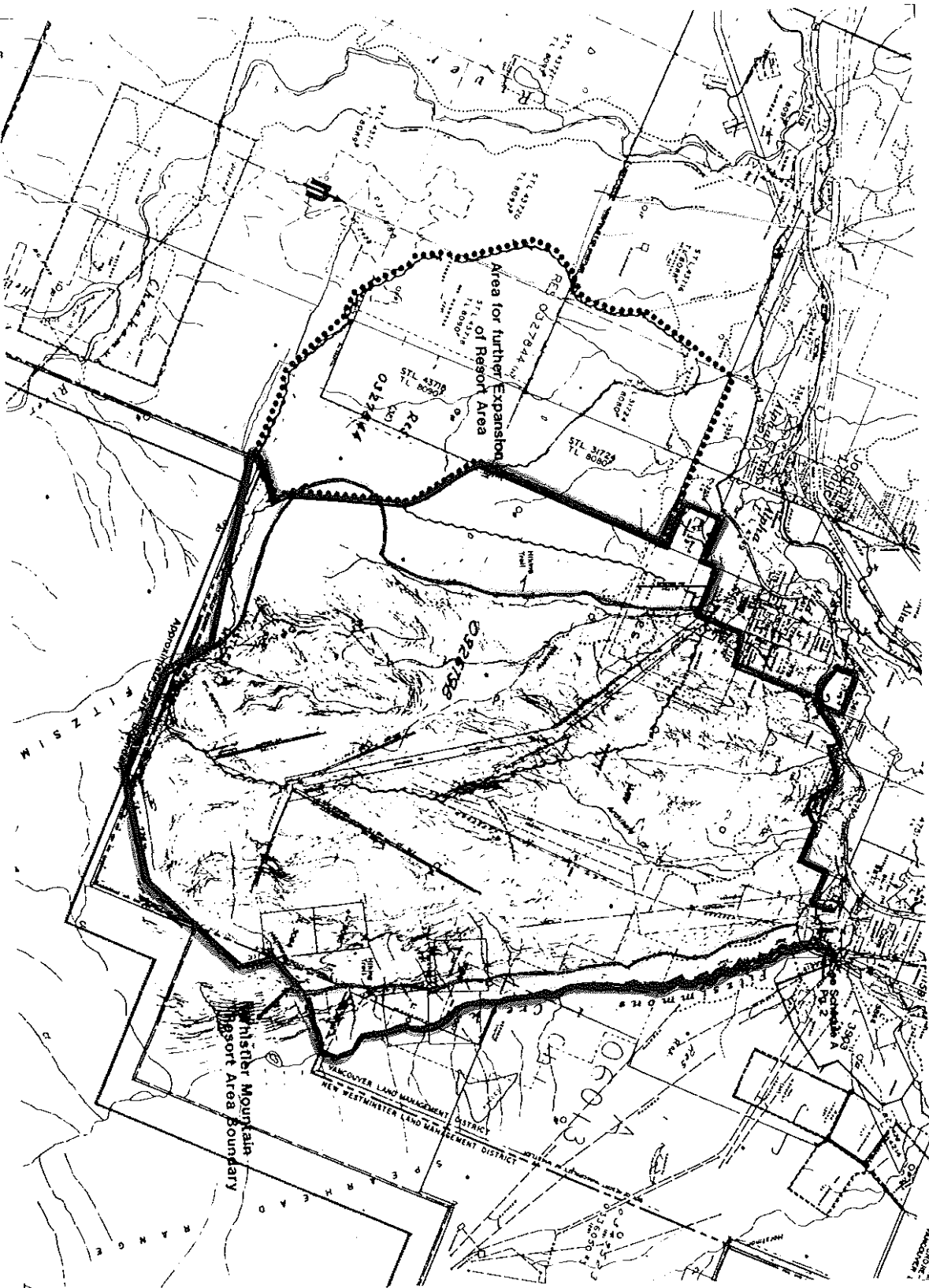
The Common Seal of Whistler
Mountain Ski Corporation
was hereunto affixed in the
presence of:



Authorized Signatory


Authorized Signatory

This is a photo reduction of Plan No. P 76 A dated September 2, 1982 deposited with the Regional Director of the Ministry of Lands, Parks and Housing, Lower Mainland Region.



[Handwritten signature]

Resort Area
Boundary

Hiking
Trails

Schedule A
Page 1

Date of Revision: September 2, 1982

WHISTLER
MOUNTAIN



Title

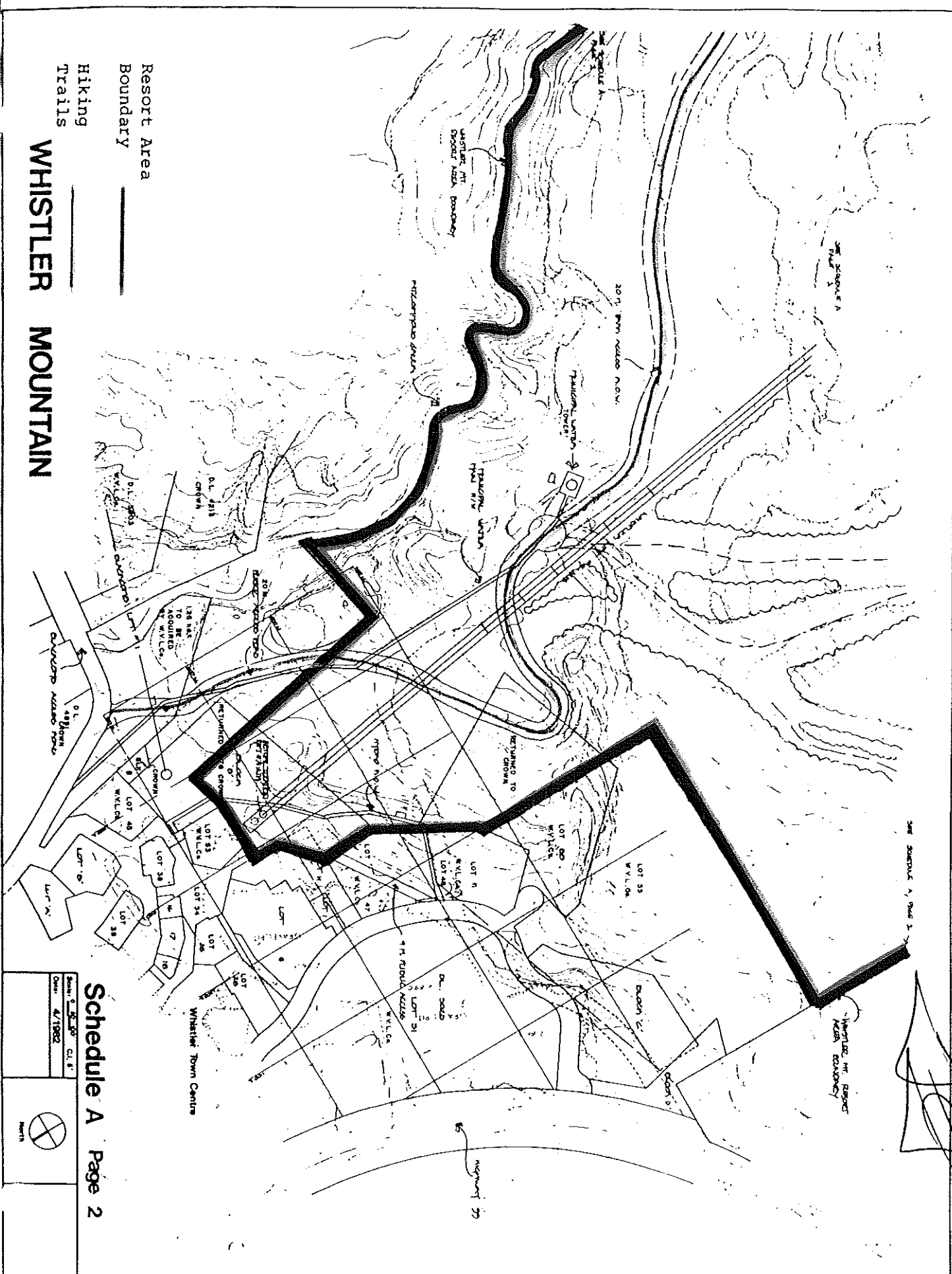
Scale 1:1320 c.s.m.

Date: 9/1982

Project:
Whistler Mountain
B.C. - Action

Figure

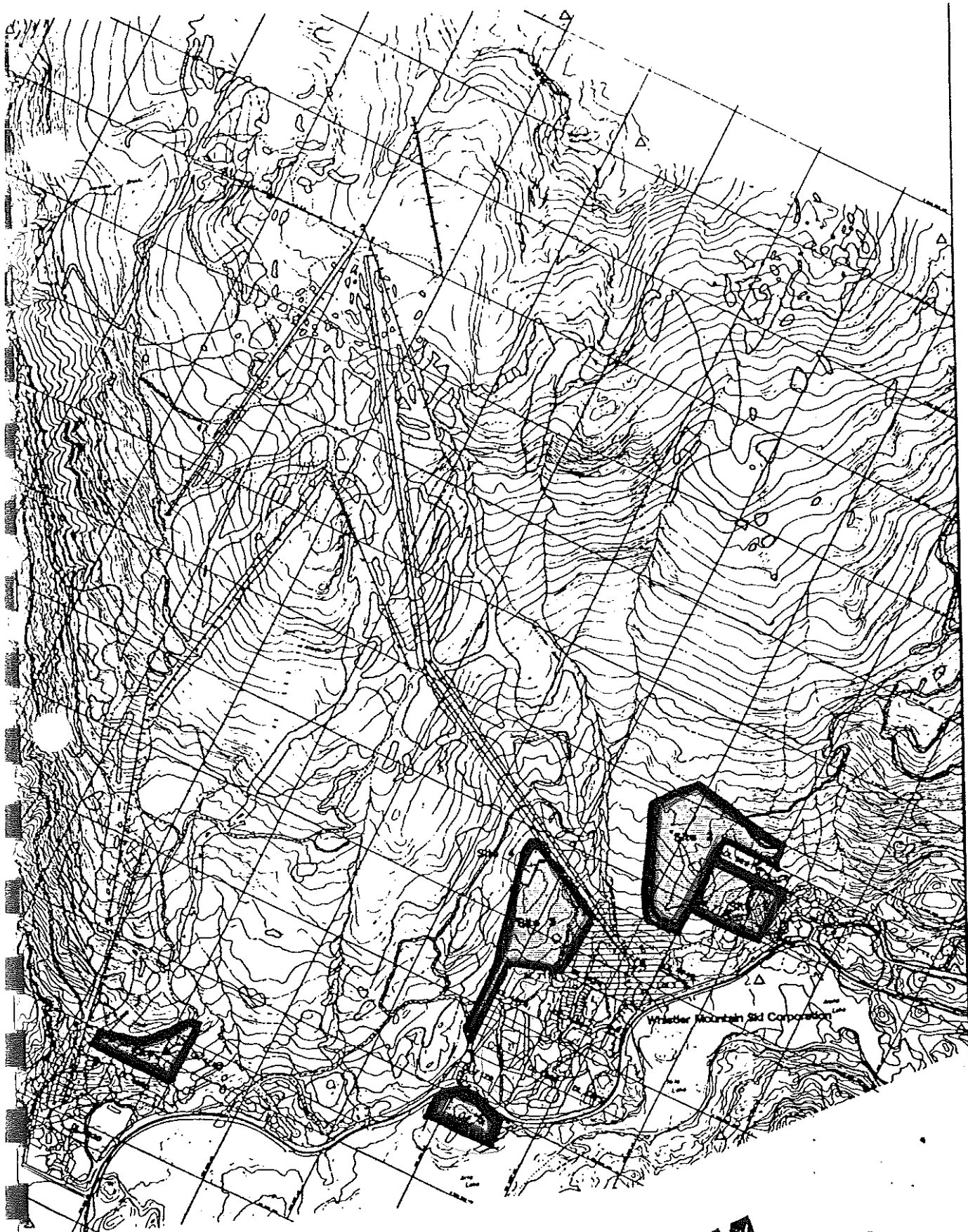
This is a photo reduction of Plan dated April, 1982 deposited with the Regional Director of the Ministry of Lands, Parks and Housing, Lower Mainland Region



Schedule A Page 2



Sheet 1 of 2	CL 1
Date: 4/1982	

This is a photo reduction of Plan No. P 76 A dated September 2, 1982 deposited with the Regional Director of the Ministry of Lands, Parks and Housing, Lower Mainland Region.



LEGEND



Date of Revision: September 2, 1982	
Planning by:	Plan Number P76A
	Date: 9/1982
Scale:	Scale: 1" = 1 mile
Sheet: Whistler Mountain Ski Corporation, B.C.	North: 

Schedule B

FIGURE

SCHEDULE "C"

Table 1.01

SKI AREA CLASSIFICATION AND BASE AREA CAPACITY ANALYSIS

SKI AREA CLASSIFICATION: WHISTLER MOUNTAIN

TYPE: D - (DESTINATION)

DESCRIPTION: 13 LIFTS, 220 HECTARES

vertical rise 1,309 m. (4295 ft.)

AREA EVALUATION:

SECTION:	PHASES 1 to 7	PHASE 8	PHASE 9
	EXISTING	INTERIM	FINAL
A. Variety of Terrain	5	5	5
Skier/Density	5	5	5
Travel Time	4	4	4
access	1	1	1
C. Population (market)	5	5	5
D. Unique qualities 1.	2	2	2
(i.e., tourism)			
E. Year round experience	4	4	4
Climate	3	3	3
length of season	4	4	4
snow conditions	2	2	2
TOTALS	35	35	35
Mountain Capacity	10,080	10,971	13,503
Capacity I rating	90%	90%	90%
(Theoretical)			
TOTALS (Bed Units)	9,072	9,874	12,153

1. Garibaldi Provincial Park, Whistler Village, 18 hole golf course, five freshwater lakes, sports and convention centre.

SCHEDULE "C"

Table 1.02

Whistler Mountain Phasing Schedule

<u>MOUNTAIN PHASES</u>				<u>BASE AREA PHASES</u>	
<u>Phase</u>	<u>Date of Completion</u>	<u>Mountain Capacity</u>	<u>Created Bed Units*</u>	<u>Phase No.</u>	<u>Sites</u>
1 to 5	1975	6113	nil		
6	1978	800	720		
7	1980	<u>3167</u>	<u>10,080</u>	<u>2850</u>	3,570
					1
					1,2,3,5&6**
8	Projected	891	802		
					2
					Sites to be identified
9	Projected	<u>2532</u>	<u>3,423</u>	<u>2279</u>	3,081
					3
					Sites to be identified
TOTAL		<u>13,503</u>		<u>6,551</u>	

* From Table 1.01 (90% of Mountain Capacity)
 ** See Tables 2.01 and 2.02

SCHEDULE "C"

Table 2.01

WHISTLER MOUNTAIN

BASE AREA SITE DESCRIPTIONS

<u>SITE</u>	<u>DESCRIPTION</u>	<u>LOCATION</u>	<u>TOTAL AREA (Hectares)</u>
1	D.L. 7135	Gondola Area	6.55
2	Unsurveyed*	Gondola Area	27.90
3	D.L. 7170 and unsurveyed*	Gondola Area	21.55
4	Unsurveyed*	Gondola Area (maintenance site)	1.98
5	S.T.L. 9434 unsurveyed*	Gondola Area	6.22
6	Unsurveyed*	North Side (above Whistler Village)	7.29

*See Table 2.02 for description.

SCHEDULE "C"

Table 2.02

WHISTLER MOUNTAIN BASE AREA SITE DESCRIPTIONS

<u>SITE NO.</u>	<u>LEGAL DESCRIPTION</u>	<u>INTENDED USE</u>	<u>AREA/HECTARES</u>
1	Block A, D.L. 7135, New Westminster District	Mixed Residential	6.55
2	Vacant Crown Land*	Mixed Commercial & Residential	27.90
3	Vacant Crown Land*	Mixed Residential	21.55
4	Vacant Crown Land*	Maintenance Area	1.98
5	Portion of STL 9434	Mixed Residential	6.22
6	Vacant Crown Land*	Mixed Residential	7.29

*See attached metes and bounds descriptions.

SCHEDULE "C"

Table 2.02

METES & BOUNDS DESCRIPTIONS FOR WHISTLER
MOUNTAIN BASE AREA SITE DESCRIPTIONS

Site 1

Block A D.L. 7135, New Westminster District

Site 2

Commencing at a post planted at the southwest corner of D.L. 5316, New Westminster District, thence $89^{\circ}45'15''$ and along the southerly boundary of said D.L. 5316 178.18 meters thence to the westerly boundary of a ski lift Right of Way as shown on Reference Plan 8181, thence $157^{\circ}25'35''$ and along said westerly boundary 638.52 meters, thence $225^{\circ}00'$ a distance of 264 meters, thence $279^{\circ}50'$ a distance of 586 meters, thence north a distance of 108 meters, to intersection with southerly boundary of D.L. 2291, thence easterly along southerly boundary of D.L. 2291 a distance of 340 meters more or less to the southeasterly corner of D.L. 2291, thence northerly and along the easterly boundaries of D.L. 2291, 7135 and 4749 to the point of commencement.

Site 3

Commencing at a post planted at the northeast corner of D.L. 7170, New Westminster District, thence easterly and along the southerly border of D.L. 4979 to the southeasterly corner, thence $0^{\circ}02'20''$ and along the easterly border of D.L. 4979 to the northeasterly corner of said D.L., thence northerly and along the easterly boundary of D.L. 7179 a distance of 280 meters, thence $151^{\circ}10'$ a distance of 70 meters, thence $177^{\circ}15'$ a distance of 349 meters, thence $167^{\circ}45'$ a distance of 500 meters, thence

Metes & Bounds Descriptions/Page 2

259°25' a distance of 63 meters, thence 176°30' a distance of 150 meters, thence 248°10' a distance of 71 meters more or less to the intersection with the northerly boundary of a ski lift Right of Way as shown on Plan 8181 at a distance of 375 meters along said northerly boundary from the westerly end of said boundary thence northwesterly and along said northerly boundary to intersection with the easterly boundary of D.L. 5316, thence northerly and along said easterly boundary of D.L. 5316 to the southwesterly corner of D.L. 7170, thence easterly along the southern boundary of D.L. 7170 to the southeast corner of D.L. 7170, thence northerly and along the easterly boundary of D.L. 7170 to the point of commencement.

Site 4

Beginning at the easterly corner of a ski lift Right of Way which lies to the east of the easterly boundary of D.L. 5316 as shown on Reference Plan 8181, thence 120°01'07" and along the northerly boundary of said ski lift Right of Way a distance of 375 meters to the point of commencement, thence 68°10' a distance of 71 meters, thence 356°30' a distance of 150 meters, thence 79°25' a distance of 63 meters, thence 167°45' a distance of 155 meters, thence 199°00' a distance of 110 meters more or less to intersection with the said northerly boundary of said chairlift Right of Way, thence 300°01'07" and along said northerly boundary 135 meters more or less to the point of commencement.

Site 5

That portion of S.T.L. 9434 bounded on the south by HWY 99, Plan 91, New Westminster District, on the east by the westerly boundary of D.L. 7258, on the north by the southerly boundary of D.L. 5411 and on the west by the

Metes & Bounds Description/Page 3

easterly boundary of D.L. 2749 and a portion of HWY 99.

Site 6

Commencing at a post planted at the southwest corner of D.L. 4980 thence $270^{\circ}00'00''$ and along the southerly boundary of D.L. 4980 and its production easterly a distance of 460 meters, thence south a distance of 50 meters, thence $255^{\circ}00'$ a distance of 235 meters, thence $224^{\circ}55'$ a distance of 190 meters, thence $215^{\circ}00'$ a distance of 104 meters, thence west a distance of 46 meters more or less to intersection with the southerly production of the easterly boundary of D.L. 4750 thence northerly and along said southerly production and the easterly boundary of D.L. 4750 a distance of 330 meters more or less to the point of commencement.

SCHEDULE "D"

SAOT FORMULA

$$\frac{CP = CL \times VR \times LE \times HO}{VSD}$$

Where:

CP = effective lift pod capacity
CL = hourly lift capacity (skiers/hour)
VR = vertical rise of specific lift
LE = lift loading efficiency (.9)
HO = hours of operation (7)
VSD = vertical skied per day (10,000' except
for beginners)

SCHEDULE "E"

FORM OF LEASE

THIS LEASE executed in triplicate and dated for reference the day of , 19 , BETWEEN Her Majesty the Queen in right of the Province of British Columbia, represented by the Minister of Lands, Parks and Housing, (the "Lessor") of the one part, AND Whistler Mountain Ski Corporation, a company incorporated under the laws of British Columbia and having an office at 602 - 325 Howe Street, Vancouver, British Columbia (the "Lessee") of the other part.

WITNESSES THAT WHEREAS the Lessor and the Lessee are parties to an agreement (the "Development Agreement") dated for reference the 30th day of September, 1982 for the development of the Resort Area (as defined in the Development Agreement);

AND WHEREAS pursuant to the Development Agreement, the Lessor has agreed to lease various parcels of land in the Resort Area to the Lessee on the terms and conditions therein set forth.

NOW THEREFORE, in consideration of the rents reserved and the covenants and agreements set forth below, the parties agree as follows.

ARTICLE I - GRANT OF LEASE

1.01 The Lessor demises and leases to the Lessee that parcel of land described as follows:

and being more particularly shown outlined in red on the plan annexed hereto as Schedule "A" (the "Land").

1.02 This lease and the estate herein granted is subject to the terms and conditions of the Development Agreement, and if there is any inconsistency between a provision of this instrument and a provision of the Development Agreement, the provision of the Development Agreement shall prevail.

ARTICLE II - TERM

2.01 TO HAVE AND TO HOLD the Land unto the Lessee for the term of years beginning on the reference date of this instrument and ending on the 30th day of September, 2032.

ARTICLE III - RENT

3.01 YIELDING AND PAYING THEREFORE the rent provided in Article VIII of the Development Agreement.

ARTICLE IV - LESSEE'S COVENANTS

4.01 The Lessee covenants with the Lessor

- (a) to pay rent at the times and in the manner specified in the Development Agreement, including Fees (as defined in the Development Agreement);
- (b) to observe, comply with and perform all of the terms and conditions of the Development Agreement;
- (c) to pay all taxes, rates, duties and assessments whatsoever charged, levied or assessed on the Land;
- (d) to use the Land solely for the purpose of constructing, operating and maintaining the Recreation Improvement (as defined in the Development Agreement) described or shown in Schedule "A";
- (e) to pay and discharge when due all charges for electricity, gas and other utilities supplied to the Land;
- (f) to observe, abide by and comply with all laws, by-laws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Land or the Recreation Improvement that is now or becomes situated on the Land;
- (g) to keep the Land and the Recreation Improvement situate on it in a safe, clean and sanitary condition and in repair and to repair according to notice;

- (h) on the expiration of or earlier termination of the term, to peaceably quit, surrender, yield up and deliver the Land and the Recreation Improvement on it to the Lessor in a safe, clean and sanitary condition and in repair (reasonable wear and tear excepted) and all right, interest and estate of the Lessee in the Land and the Recreation Improvements on it shall cease and vest in the Lessor;
- (i) to permit the Lessor, its servants and agents at all times to enter on and inspect the Land and any Recreation Improvement situate thereon;
- (j) not to cut, destroy or remove timber or trees standing on the Land except in compliance with the Forest Act, and then only to the extent necessary to develop the Land in compliance with the Development Agreement;

ARTICLE V - ASSIGNMENT

- 5.01 The Lessee shall not assign, sublet or transfer this lease without the written consent of the Lessor.
- 5.02 Any assignment of this lease by operation of any law of bankruptcy or insolvency or any assignment of this lease for the benefit of the Lessee's creditors shall of itself be a forfeiture of this lease and the estate herein granted, but no forfeiture hereunder shall be deemed to affect any rights or damages that may have accrued to the Lessor against the Lessee by reason of any breach of the Lessee's covenants or obligations herein contained.

ARTICLE VI - MISCELLANEOUS

- 6.01 The Lessor is under no obligation to provide access to the Land or to maintain or improve existing or future access roads.
- 6.02 Any interference with the rights of the Lessee under this lease by virtue of the operation of the Mineral Act, Petroleum and Natural Gas Act, Coal Act, Forest Act, or Water Act or any certificate, lease, permit or licence issued under any of those Acts shall not constitute a breach of the Lessor's implied covenant of quiet enjoyment.

6.03 This lease and the estate herein granted is subject to:

- (a) all subsisting grants to, or rights of, any person made or acquired under the Mineral Act, Petroleum and Natural Gas Act, Coal Act, Forest Act or Water Act whether or not the Lessee has actual notice of them;
- (b) the exceptions and reservations of rights, interests, privileges and titles referred to in section 47 of the Land Act.

6.04 The terms and provisions of this lease shall extend to, be binding upon and enure to the benefit of the parties hereto, their successors and permitted assigns.

ARTICLE VII - INTERPRETATION

7.01 In this lease, unless the context otherwise requires:

- (a) defined terms shall have the meaning assigned to them in the Development Agreement;
- (b) the singular includes the plural and the masculine includes the feminine gender and a corporation.

7.02 The captions and headings contained in this lease are for convenience of reference only and are not to be construed as defining or in any way limiting the scope or intent of the provisions hereof.

IN WITNESS WHEREOF the parties hereto have executed their hands and seals as of the day and year first above written.

SIGNED, SEALED AND DELIVERED)
by the Minister of Lands, Parks)
and Housing or his duly)
authorized representative on)
behalf of Her Majesty the Queen)
in right of the Province of)
British Columbia in the presence of:)

_____)
_____)
_____)

The Common Seal of)
WHISTLER MOUNTAIN SKI)
CORPORATION was hereunto)
affixed in the presence of:)
)
)

Authorized Signatory)
)
)

Authorized Signatory)
)

SCHEDULE "F"

FORM OF RIGHT-OF-WAY

THIS INDENTURE, executed in triplicate and dated for reference the day of , 19 , BETWEEN Her Majesty the Queen in right of the Province of British Columbia, represented by the Minister of Lands, Parks and Housing (the "Grantor"), of the one part, AND Whistler Mountain Ski Corporation, a company organized under the laws of British Columbia and having an office at 602 - 325 Howe Street, Vancouver, British Columbia (the "Grantee") of the other part.

WITNESSES THAT WHEREAS the Grantor and the Grantee are parties to an agreement (the "Development Agreement"), dated for reference the 30th day of September, 1982 for the development of the Resort Area (as defined in the Development Agreement); AND WHEREAS pursuant to the Development Agreement, the Grantor has agreed to grant to the Grantee a right-of-way over that parcel of land described as

and being more particularly shown outlined in red on the plan annexed as Schedule "A" (the "Land") on the terms and conditions set forth below.

NOW THEREFORE in consideration of the premises and of the Fee (as defined in the Development Agreement) to be paid by the Grantee to the Grantor, the parties agree as follows.

ARTICLE I - GRANT OF RIGHT-OF-WAY

- 1.01 The Grantor hereby grants to the Grantee the full, free and uninterrupted right and privilege, for itself, its servants, agents, contractors, licensees and invitees to enter, pass and repass over the Land for the purpose of constructing, operating, maintaining and using a Recreation Improvement (as defined in the Development Agreement) that is a Lift or a Lift Terminal Facility (as defined in the Development Agreement), described or shown in Schedule "A".
- 1.02 The right-of-way herein granted is subject to the Development Agreement and if there is any inconsistency between a provision of this agreement and a provision of the Development Agreement, the Development Agreement shall prevail.

ARTICLE II - DURATION

- 2.01 The duration of the right-of-way herein granted shall be for the term of years beginning on the reference date of this agreement and ending on the 30th day of September, 2032.

ARTICLE III - FEES

- 3.01 The Grantee shall pay to the Grantor the Fees (as defined in the Development Agreement) at the times and in the manner specified in Article VIII of the Development Agreement.

ARTICLE IV - GRANTEE'S COVENANTS

- 4.01 The Grantee covenants with the Grantor
- (a) to observe, comply with and perform all of the terms and conditions of the Development Agreement;
 - (b) to pay all taxes, rates, duties and assessments whatsoever charged, levied or assessed on the Land;

- (c) to use the Land solely for the purpose for which this right-of-way is granted;
- (d) to pay and discharge when due all charges for electricity, gas and other utilities supplied to the Land;
- (e) to observe, abide by and comply with all laws, by-laws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Land or a Recreation Improvement constructed on it;
- (f) to keep the Land and any Recreation Improvement constructed on it in a safe, clean and sanitary condition and in repair and to repair according to notice;
- (g) on the expiration or earlier termination of this agreement, to peaceably quit, surrender, yield up, deliver and vacate the Land any any Recreation Improvement on it to the Grantor in a safe, clean and sanitary condition and in repair (reasonable wear and tear excepted) and all right, interest and estate of the Grantee in the Land and the Recreation Improvements on it shall cease and vest in the Grantor;
- (h) to permit the Grantor, its servants and agents at all times to enter on and inspect the Land and any Recreation Improvement constructed on it;
- (i) not to cut, destroy or remove timber or trees standing on the Land except in compliance with the Forest Act and then only to the extent necessary to develop the Land in compliance with the Development Agreement.

ARTICLE V - ASSIGNMENT

5.01 The Grantee shall not assign this agreement or the rights herein granted without the prior written consent of the Grantor.

- 5.02 Any assignment of this agreement or the rights herein granted by operation of any law of bankruptcy or insolvency or any assignment made for the benefit of the Grantee's creditors shall of itself be a forfeiture of the rights herein granted, but no forfeiture hereunder shall be deemed to affect any rights or damages that may have accrued to the Grantor against the Grantee by reason of any breach of the Grantee's covenants herein contained.

ARTICLE VI - MISCELLANEOUS

- 6.01 This agreement shall not confer any right to interfere with the rights of any person under or by virtue of the operation of the Mineral Act, Petroleum and Natural Gas Act, Coal Act, Forest Act or Water Act or any certificate, lease, permit or licence issued under any of those Acts.
- 6.02 This agreement and the rights herein granted are subject to:
- (a) all subsisting grants to or rights of any person made or acquired under the Mineral Act, Petroleum and Natural Gas Act, Coal Act, Forest Act or Water Act whether or not the Licensee has actual notice of them;
 - (b) the exceptions and reservations of rights, interests, privileges and titles referred to in section 47 of the Land Act.
- 6.03 The terms and provisions of this agreement shall extend to, be binding upon and enure to the benefit of the parties, their successors and permitted assigns.
- 6.04 The Grantor is under no obligation to provide access to the Land or to maintain or improve existing or future access roads.

ARTICLE VII - INTERPRETATION

- 7.01 In this agreement, unless the context otherwise requires
- (a) defined terms shall have the meaning assigned to them in the Development Agreement;

(b) the singular includes the plural and the masculine includes the feminine gender and a corporation.

7.02 The captions and headings contained in this agreement are for the convenience of reference only and are not to be construed as defining or in any way limiting the scope or intent of the provisions hereof.

IN WITNESS WHEREOF the parties have set their hands and seals as of the day and year first above written.

SIGNED, SEALED AND DELIVERED)
by the Minister of Lands,)
Parks and Housing or his duly)
authorized representative on)
behalf of Her Majesty the)
Queen in right of the)
Province of British Columbia)
in the presence of:)

The Common Seal of Whistler)
Mountain Ski Corporation was)
hereunto affixed in the)
presence of:)

Authorized Signatory)

Authorized Signatory)

c/s

SCHEDULE "G"

FORM OF LICENCE

This agreement executed in triplicate and dated for reference the day of , 19 BETWEEN Her Majesty the Queen in right of the Province of British Columbia, represented by the Minister of Lands, Parks and Housing (the "Owner") of the one part, AND Whistler Mountain Ski Corporation, a company incorporated under the laws of British Columbia and having an office at 602 - 325 Howe Street, Vancouver, British Columbia (the "Licensee") of the other part.

WITNESSES THAT WHEREAS the Owner and the Licensee are parties to an agreement (the "Development Agreement") dated for reference the 30th day of September, 1982 for the development of the Resort Area (as defined in the Development Agreement); AND WHEREAS pursuant to the Development Agreement the Owner has agreed to grant to the Licensee a licence over that parcel of land described as

and being more particularly shown outlined in red on the plan annexed as Schedule "A" (the "Land") on the terms and conditions set forth below.

NOW THEREFORE, in consideration of the Fee (as defined in the Development Agreement) to be paid by, and the covenants of, the Licensee, the parties agree as follows.

ARTICLE I - GRANT OF LICENCE

- 1.01 The Owner, on the terms set forth herein, hereby grants to the Licensee a licence to enter on the Land for the purpose of constructing, operating and maintaining Recreation Improvements (as defined in the Development Agreement) that consist of the Ski Trails or Access Routes (as defined in the Development Agreement) described or shown in Schedule "A".
- 1.02 This licence, and the rights herein granted are subject to the Development Agreement, and if there is any inconsistency between a provision of this agreement and a provision of the Development Agreement, the Development Agreement shall prevail.

ARTICLE II - DURATION

- 2.01 The duration of the licence and the rights herein granted shall be for the term of years beginning on the reference date of this agreement and ending on the 30th day of September, 2032.

ARTICLE III - LICENCE FEES

- 3.01 The Licensee shall pay to the Owner the Fees (as defined in the Development Agreement) at the times and in the manner specified in Article VIII of the Development Agreement.

ARTICLE IV - LICENSEE'S COVENANTS

- 4.01 The Licensee covenants with the Owner
- (a) to observe, comply with and perform all of the terms and conditions of the Development Agreement;
 - (b) to pay all taxes, rates, duties and assessments whatsoever charged, levied or assessed on the Land;
 - (c) to use the Land solely for the purpose for which this licence is granted;
 - (d) to pay and discharge when due all charges for electricity, gas and other utilities supplied to the Land;

- (e) to observe, abide by and comply with all laws, by-laws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Land or a Recreation Improvement constructed on it;
- (f) to keep the Land and the Recreation Improvement in a safe, clean and sanitary condition and in repair and to repair according to notice;
- (g) on the expiration or earlier termination of this agreement, to peaceably quit, surrender, yield up, deliver and vacate the Land and the Recreation Improvement on it to the Owner in a safe, clean and sanitary condition and in repair (reasonable wear and tear excepted);
- (h) to permit the Owner, its servants and agents at all times to enter on and inspect the Land and any Recreation Improvement situate thereon;
- (i) not to cut, destroy or remove timber or trees standing on the Land except in compliance with the Forest Act and then only to the extent necessary to develop the Land in compliance with the Development Agreement;

ARTICLE V - ASSIGNMENT

- 5.01 The Licensee shall not assign this licence or sublicense it (except to the extent necessary to permit its customers to use the Recreation Improvements constructed on the Land) without the prior written consent of the Owner.
- 5.02 Any assignment of this agreement or the licence herein granted by operation of any law of bankruptcy or insolvency or any assignment made for the benefit of the Licensee's creditors shall of itself be a forfeiture of the rights herein granted, but no forfeiture hereunder shall be deemed to affect any rights or damages that may have accrued to the Owner against the Licensee by reason of any breach of the Licensee's covenants herein contained.

SCHEDULE "H"

ENVIRONMENTAL REQUIREMENTS

1. Wheeled vehicle traffic will not violate drainage patterns except along predetermined access routes which provide adequate structures for channel protection at points of crossing.
2. All streambanks must be protected from soil breakdown by wheeled or tracked vehicle traffic other than for timber removal and initial road construction. During timber removal and all phases of road construction, soil disturbance of streambeds should be kept to a minimum.
3. Construction activity close to drainages on higher elevation areas should be held to a minimum until the dry season (July, August, September) results in reduced streamflows.
4. Construction in drainages may require the diversion of the clear water around the work site in some form of piping or culvert.
5. Where culverts and drainage are required, all culverts should be sized for maximum stream flow conditions.

6. Wherever possible, buffer strips or trees and natural rough vegetation should be left between work areas and drainages.
7. Wet areas on trails should be drained subsurface where practicable, using proper drainage methods, perforated pipe and rock fill. Drainage should be deep enough to prevent freeze-up. Manmade drainages, both surface and subsurface, should discharge into natural drainages or rough, rocky terrain.
8. Manmade drainages should not overload natural drainages thereby threatening their possibly fragile channel stability.
9. Care should be taken to ensure that surface flows from the side do not encroach on top of buried culverts.
10. Culverts should be placed so as to accept water flows straight on or have rock headers.
11. Use of existing work roads on the mountain shall be undertaken in order to minimize requirements for new access roads.
12. Temporary access routes must be filled and revegetated at the earliest opportunity.

13. Throughout the construction process there should be continual use of erosion control procedures including hay bailing of minor drainages, water-barring of the work area, containment of water flows within trail contouring and configuration, and settling ponds where sediment is being carried in the water, if required, prior to points of entry into a water course.
14. Waterbars shall have a maximum 10% cross slope fall.
15. Waterbars and drainage control procedures shall be checked as circumstances may require.
16. Trees should be closecut by power saw rather than bulldozed over, except where grooming standards may otherwise require.
17. Final grading should follow as closely behind the rough grading as is physically possible.
18. Chip mulching is acceptable, but even distribution is often hard to achieve. Hay mulch is preferable and shall be laid in to cover disturbed ground as quickly as practical.

19. Soil tests shall be taken in order to develop the appropriate seed and fertilizer mixtures and ratios. The Land Management Branch may be consulted relative to mixtures which have been used successfully at higher altitudes.
20. On slopes below 15 percent gradient, machine clearing should not be a problem. However, attention should be paid to sensitive areas, and existing work roads utilized insofar as possible. Mulch cover of disturbed areas should be implemented as quickly as possible consistent with reasonably construction procedures.
21. On slopes from 15-40 percent, use of machines should be allowable with the same constraints as noted above. Use of waterbars should be increased according to increases in slope and mulch laid down quickly.
22. On slopes in excess of 40 percent grades, the use of machines must be undertaken only after individual consideration of the specific problems directly related to each circumstance.
23. Completion erosion control procedures must be an integral part of steep work. On steeper faces mulch cover may be held down with light biodegradeable nylon

mesh. Jute matting may be required to enhance soil stability.

24. All areas requiring significant cut and fill should be mapped out in advance, with special consideration given to identifying beforehand the placement and configuration of erosion controls.
25. In all cases, management of the visual aspects of trail development should be considered. These include scalloping of trails, feathering tree cover, the use of islands and bays, etc.
26. An integral part of trail work will be the removal of diseased, damaged, or hazardous trees adjacent to trails. Any indication of infestation should be reported.
27. On steeper slopes (in excess of 40%) and in areas where environmental sensitivity so dictates, construction of ski trails with bulldozers should be limited. Felled trees should be stacked and burned if removal is not possible. A hand crew may be required to finish off and smooth the terrain to enhance the skiability of the trail surface.

Schedule "I"

OPERATING COVENANTS

Whistler covenants and agrees with the Province as follows:

- (a) to maintain at or near the Controlled Recreation Area a management office with a full-time on-site manager, and a sufficient staff of management, supervisors, operating and maintenance personnel to adequately perform the management, supervision, maintenance and operation of the Controlled Recreation Area;
- (b) to maintain and repair all Recreation Improvements, including without limiting the generality of the foregoing the Lifts and all ancillary facilities, in keeping with British Columbia industry standards of ski area development;
- (c) to keep the Ski Trails in satisfactory condition in accordance with British Columbia standards of ski area development;
- (d) to station in the Controlled Recreation Area not less than two first aid toboggans complete with necessary equipment for each major Lift and to provide such number of first aid caches as may be necessary to serve the Controlled Recreation Area adequately;
- (e) to maintain or cause to be maintained and to provide snow removal on all Access Routes and Parking Facilities;
- (f) to maintain avalanche forecasting, patrol and control for all parts of the Controlled Recreation Area serviced by Lifts within the Ski Area Boundary as determined from time to time by Whistler;

- (g) to dispose of solid waste and comply with all applicable laws relating thereto;
- (h) to maintain the Controlled Recreation Area, Parking Facilities and Day Skier Facilities substantially free of litter and to maintain sufficient litter barrels;
- (i) in connection with slope, trail and other clearing, to pay stumpage and royalty and all other charges payable under the Forest Act and dispose of any remaining timber and slash by piling and burning, lopping and scattering or chipping, all as may be approved by the Chief Forester, as defined in the Forest Act and in accordance with any necessary cutting permit obtained under the Forest Act;
- (j) at the request of the Province, to erect information signs indicating that the Controlled Recreation Area is under the management and control of Whistler;
- (k) to establish and maintain a preventive maintenance programme on all Lifts with trained maintenance personnel and to operate and maintain the Lifts in accordance with the requirements of Government Agencies;
- (l) to maintain the trails in accordance with British Columbia industry standards including the use of snowcats and grooming equipment to pack and groom;
- (m) to maintain a qualified staff of trained ski patrol during winter hours of operation to serve the skiing public;

- (n) to maintain a dispatch office on the mountain through which all snow safety programmes and the dispatching of patrollers will be handled;
- (o) to maintain in the Day Skier Facility a holding area for injured skiers;
- (p) to provide Ski Trail international identification signs within the Ski Area Boundary and provide appropriate postings and notices with respect to the degrees of skier ability required for them;
- (q) to maintain appropriate traffic and direction signs, adequately supervise the flow of traffic in the Parking Facilities whenever reasonably required, and otherwise supervise and control the Parking Facilities in accordance with British Columbia industry standards;
- (r) not to impose any charge for the use of Parking Facilities without the written consent of the Province and without including such charge in Gross Revenue provided that the Province shall not unreasonably withhold its consent to a charge for the use of Parking Facilities if such is the common practice in comparable ski area developments in British Columbia;
- (s) to operate or cause to be operated a ski school adequate for the Controlled Recreation Area with substantially all the instructors certified by the Canadian Ski Instructors Alliance or the Professional Ski Instructors of America or the international equivalent;
- (t) not to charge for use by the public of brown bag rooms and sanitation facilities;
- (u) within 120 days after the end of each Financial Year, deliver to the Province an audited financial statement for that Financial Year, made up of

- (i) a statement of profit and loss,
- (ii) a balance sheet, signed by two directors of Whistler,
- (iii) the auditors report on those statements and balance sheet;
- (v) within 120 days after a Season, deliver to the Province a statement showing the number of Day Skier Visits during that Season, on Weekdays and on Weekends and Holidays certified by the Secretary of Whistler;
- (w) not to reduce the Skier Carrying Capacity of a Lift or a Mountain Phase unless that reduction is expressly provided for in the Whistler Master Plan or approved by the Regional Director in writing;
- (x) to provide, in the vicinity of the Gondola Base, parking facilities for day skiers to accomodate approximately 1,030 vehicles;
- (y) not to construct Recreation Improvements or undertake any other works that may in any manner contaminate the waters of Whistler Creek without the prior approval of the Minister.