

APPENDIX C

Purchase and Sale Agreement

[see attached]

**PURCHASE AND SALE AGREEMENT
(Lot)**

THIS AGREEMENT is dated for reference the ____ day of _____, 202 ,

BETWEEN:

VILLAGE OF BURNS LAKE
BOX 570 15 – 3rd Avenue
Burns Lake, British Columbia, V0J 1E0

(the “**Vendor**”)

AND:

(the “**Purchaser**”)

WHEREAS:

- A. Capitalized terms in these recitals have the meanings given to them in Section 1.1;
- B. The Vendor is the registered and beneficial owner of the Lands;
- C. The Purchaser has offered to purchase, and the Vendor has agreed to sell, the Lands;
- D. The Vendor has offered, and the Purchaser has agreed to accept, the Covenant, Option & RFR on the terms and conditions set out in this Agreement; and
- E. The Vendor and the Purchaser wish to enter into this Agreement to set out the terms and conditions upon which the Vendor will sell, and the Purchaser will purchase, the Lands.

NOW THEREFORE in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by each of the Parties to the other (the receipt and sufficiency of which are hereby acknowledged by each party) the Parties covenant and agree as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement, the following terms will have the following meanings:

- (a) “**Adjustment Date**” means the Completion Date or such other date as the Parties may further agree in writing;
- (b) “**Agreement**” means this agreement of purchase and sale and all schedules hereto, as amended from time to time;
- (c) “**Balance**” has the meaning given in subsection 2.2(b);

- (d) **“Business Day”** means any day which is not a Saturday, a Sunday, a statutory holiday in Burns Lake, British Columbia, or a day on which the Land Title Office is closed for business;
- (e) **“Closing Conditions”** means, together, the Purchaser’s Closing Conditions and the Vendor’s Closing Conditions;
- (f) **“Completion Date”** means that day that is sixty (60) calendar days after the date that the Vendor has signed and accepted this Agreement, or such date that the parties may agree in writing;
- (g) **“Council”** means the Council for the Village of Burns Lake;
- (h) **“Covenant, Option & RFR”** has the meaning given in Section 6.2 and set out in Schedule B to this Agreement.
- (i) **“Deposit”** means the amount of \$ _____, representing ten percent (10%) of the Purchase Price;
- (j) **“GST”** means goods and services tax payable under the *Excise Tax Act* (Canada) or any successor tax, including harmonized sales tax;
- (k) **“GST Certificate”** has the meaning given in Section 2.4;
- (l) **“Land Title Office”** means the Victoria Land Title Office;
- (m) **“Lands”** means the lands and premises legally described as: **[Select applicable Lot and delete rest]**
Lot A: PID:032-263-678 Lot A District Lot 2502 Range 5 Coast District Plan EPP131628;
Lot B: PID: 032-263-686 Lot B District Lot 2502 Range 5 Coast District Plan EPP131628; or
Lot C: PID: 032-263-694 Lot C District Lot 2502 Range 5 Coast District Plan EPP131628;
- (n) **“Mutual Conditions”** has the meaning given in Section 3.1;
- (o) **“Parties”** means the Purchaser and the Vendor, collectively, and **“party”** means either one of them, unless otherwise specified;
- (p) **“Permitted Encumbrances”** means the permitted encumbrances set out in Schedule A to this Agreement;
- (q) **“Purchase Price”** means _____ (\$ _____);
- (r) **“Purchaser’s Closing Conditions”** has the meaning given in Section 7.1;
- (s) **“Purchaser’s Legal Representative”** means the lawyer or notary public retained by the Purchaser before the Completion Date to complete on behalf of the

Purchaser the transactions required by the Purchaser in accordance with the terms herein;

- (t) **“Reference Date”** means the reference date of this Agreement, as first written on page 1 hereof;
- (u) **“Transfer”** means the Form A – Freehold Transfer under the Land Title (Transfer Forms) Regulation (in electronic form) required to transfer title to the Lands from the Vendor to the Purchaser in accordance with the terms of this Agreement;
- (v) **“Vendor's Closing Conditions”** has the meaning given in Section 7.2; and
- (w) **“Vendor's Legal Representative”** means the lawyer or notary public retained by the Vendor before the Completion Date to complete on behalf of the Vendor the transactions required by the Vendor in accordance with the terms herein.

1.2 Schedules

The following attached schedules are incorporated in this Agreement and deemed to be part of this Agreement:

Schedule A - Permitted Encumbrances

Schedule B - Section 219 Covenant, Option to Purchase and Right of First Refusal

2. PURCHASE PRICE AND PAYMENT

2.1 Purchase and Sale

The Purchaser hereby agrees to purchase and the Vendor hereby agrees to sell the Lands, subject to the Permitted Encumbrances, for the Purchase Price, on the terms and conditions set out in this Agreement.

2.2 Deposit and Purchase Price

The Purchaser and the Vendor hereby acknowledge and agree as follows:

- (a) the Purchaser has paid the Deposit to the Vendor, by certified cheque or bank draft, within 48 hours of being notified of the Vendor's acceptance of the Purchaser's offer to purchase the Lands; and
- (b) the Purchaser will pay the balance of the Purchase Price, subject to the adjustments made pursuant to Section 4.3, on the Completion Date as provided herein (the **“Balance”**).

The Deposit will not accrue any interest to the Purchaser's credit during the period in which the Deposit is held by the Vendor. The Deposit will be dealt with as follows:

- (c) on the Completion Date, the Vendor will credit the Deposit towards the Purchase Price if the parties complete the purchase and sale of the Lands on the Completion Date; or

- (d) the Vendor will return the Deposit to the Purchaser if the Mutual Conditions set out in Article 3 are not satisfied or waived in the manner and within the time provided therein; or
- (e) if the Purchaser is not in default of any of its obligations under this Agreement and the Vendor is in default of its obligation to complete the sale of the Lands hereunder, then the Vendor will return the Deposit to the Purchaser, as the Purchaser's sole remedy and in full and final satisfaction of any and all claims by the Purchaser against the Vendor; or
- (f) if the Purchaser is in default of its obligation to complete the purchase of the Lands hereunder, or if the Purchaser repudiates this Agreement, then the Deposit will be absolutely forfeited to the Vendor as liquidated damages, but without prejudice to any other rights or remedies of the Vendor whether at law or in equity.

2.3 Fees and Taxes

- (a) The Purchaser will, from the Adjustment Date, pay all taxes imposed pursuant to the *Property Transfer Tax Act*, if applicable, in connection with the registration of the Transfer and any other document required under this Agreement to be registered concurrently with the Transfer.
- (b) Without limiting the generality of Section 2.3(a), the Purchaser will, from and including the Adjustment Date, assume and will, on the Completion Date, pay to the Vendor in addition to the Purchase Price, the Purchaser's pro rata share, calculated per diem for the applicable calendar year, of taxes, rates, local improvements, assessments, and other charges applicable to the Lands, or a reasonable amount in lieu thereof calculated by the Vendor in accordance with Section 2.3(c), (the "**Property Tax Amount**") for the period from and including the Adjustment Date to the end of the calendar year, notwithstanding that the Lands may have been previously exempt from assessment for municipal taxation.
- (c) The Property Tax Amount will be estimated by the Vendor and will be the amount that is equal to the sum of:
 - (i) the amount that is the Purchase Price multiplied by the tax rate set for the property class of the Lands (as determined by the Village of Burns Lake's collector of municipal taxes in their sole discretion as if the Lands were eligible for taxation) and divided by 1,000, provided that if the current year's tax rates have not yet been determined, the tax rates to be applied to this item (i) will be the previous year's tax rates plus five percent (5%);
 - (ii) the water frontage parcel tax calculated in accordance with the Village of Burns Lake water frontage tax Bylaw No. 629, 1991, as may be amended or replaced from time to time; and
 - (iii) the sewer frontage parcel tax calculated in accordance with the Village of Burns Lake sewer frontage tax Bylaw No. 743, 1999, as may be amended or replaced from time to time.

- (d) The Vendor will be responsible for any and all costs required in connection with discharging from title to the Lands any claims, liens or encumbrances not constituting Permitted Encumbrances.

2.4 GST

The Purchase Price does not include any taxes payable in connection with the purchase and sale of the Lands. If any transaction contemplated in this Agreement constitutes a "taxable supply" for GST purposes, the Purchaser may self assess and will account directly to the Canada Revenue Agency for the amount of GST payable in respect of such transaction, provided that the Purchaser delivers to the Vendor prior to the Completion Date and prior to the Vendor being required to approve statements of adjustments a certificate (the "**GST Certificate**") signed by the Purchaser confirming the Purchaser's GST registration number and the Purchaser's registered status.

2.5 Legal Fees

The Parties will each pay their own legal fees in connection with the preparation of their respective closing documents but the Purchaser shall remain responsible for registering the Vendor's Closing Documents in the Land Title Office and paying all associated Land Title Office registration fees.

3. CONDITION PRECEDENT

3.1 Vendor's Conditions Precedent

The obligation of the Vendor to complete the sale of the Lands on the Completion Date is subject to the following condition(s) precedent being satisfied or waived by the date that is 30 Business Days following the Reference Date (the "**Vendor's Conditions**"):

- (a) Council has, in its sole discretion, approved, by resolution or by bylaw, the transaction contemplated herein; and
- (b) the Vendor has complied with all statutory notice requirements regarding the Vendor's disposition of the Lands.

The Vendor's Conditions are for the sole benefit of the Vendor and may be unilaterally waived by the Vendor at the Vendor's election.

In consideration of \$10.00 non-refundable paid by the Vendor to the Purchaser and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Purchaser, the Purchaser agrees not to revoke the Purchaser's offer contained herein while this Agreement remains subject to the conditions precedent set out in Section 3.1.

3.2 Purchaser's Conditions Precedent

The obligation of the Vendor to complete the sale of the Lands on the Completion Date is subject to the following condition(s) precedent being satisfied or waived by the date that is 30 Business Days following the Reference Date (the "**Purchaser's Conditions**"):

- (a) Option to Purchase CB1382505 has been discharged from title to the Lands.

The Purchaser's Conditions are for the sole benefit of the Purchaser, and may be unilaterally waived by the Purchaser at the Purchaser's election.

In consideration of \$10.00 non-refundable paid by the Purchaser to the Vendor and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Vendor, the Vendor agrees not to revoke the Vendor's offer contained herein while this Agreement remains subject to the conditions precedent set out in Section 3.2.

4. COMPLETION, POSSESSION ADJUSTMENT AND RISK

4.1 Completion

The purchase and sale of the Lands will take place at the office of the Purchaser's Legal Representative on the Completion Date.

4.2 Possession

The Vendor will deliver to the Purchaser vacant possession of the Lands, free and clear of all encumbrances, except for Permitted Encumbrances, and free and clear of all tenancies and rights of occupation upon the delivery of any and all closing documents required to be so delivered in accordance with the provisions of Article 8 hereof.

4.3 Adjustments

All adjustments with respect to items as specified in this Agreement or that are normally adjusted between a vendor and purchaser on the sale of similar property will be made with respect to the Lands as at the Adjustment Date so that the Vendor will pay all expenses and receive all income, if any, related to the Lands which are in respect of any time prior to the Adjustment Date and the Purchaser will pay all expenses and receive all income, if any, related to the Lands which are in respect of any time on and after the Adjustment Date.

4.4 Risk

The Lands will be at the risk of the Vendor until the completion of the transactions on the Completion Date and thereafter at the risk of the Purchaser.

5. PURCHASER'S COVENANTS, WARRANTIES AND REPRESENTATIONS

5.1 Purchaser's Representations re: Inspections

Following the acceptance by the Vendor of this Agreement, the Purchaser or its agents, may enter and inspect the Lands for the purpose of undertaking all inspections and surveys including, without limitation, all soil testing, as the Purchaser may consider reasonably necessary. Notwithstanding the foregoing, the Purchaser agrees it will only enter and inspect the Lands on reasonable notice to the Vendor and in accordance with any written direction of the Vendor. The Purchaser will:

- (a) not damage the Lands and will forthwith restore and repair any damage or disturbance to the Lands arising from any investigations undertaken by the Purchaser hereunder to the Lands prior condition;

- (b) indemnify and save harmless the Vendor from and against all claims, demands, liabilities, losses, damages, costs or expenses suffered or incurred by the Vendor arising out of or in connection with the Purchaser's or its agents' actions pursuant to this Section 5.1; and
- (c) provide the Vendor with copies of all environmental, geotech and building condition reports, if applicable, that the Purchaser commissions as part of its due diligence and will obtain reliance letters in favour of the Vendor, from the authors of such reports.

5.2 Purchaser's Representations re: the Completion Date

The Purchaser hereby represents and warrants to the Vendor that the following are true, and covenants with the Vendor that the following will be true on the Completion Date:

- (a) Authority – the Purchaser has the power and authority to enter into and perform its obligations under this Agreement;
- (b) Authorization – this Agreement and the Purchaser's obligations hereunder and the documents and transactions contemplated herein shall have been authorized by all requisite proceedings and shall constitute legal, valid and binding obligations of the Purchaser, and the completion of the transaction contemplated by this Agreement shall not constitute a breach by the Purchaser of any statute, by-law or regulation nor, if applicable, of the constating documents of the Purchaser; and
- (c) Incorporation – if the Purchaser is a corporate entity, then:
 - (i) the Purchaser is duly incorporated and validly existing under the laws of British Columbia and has all necessary power, authority and capacity to enter into and perform its obligations under this Agreement; and
 - (ii) the Purchaser is in good standing with the Registrar of Companies for British Columbia and has made all necessary filings with the Registrar as required by the applicable legislation.

5.3 Purchaser's Representations re: the Village

The Purchaser acknowledges, covenants and agrees that:

- (a) the Vendor is making no representations or warranties whatsoever in respect of the Lands, including in respect of:
 - (i) the condition of the Lands (including surface and groundwater), environmental or otherwise, including the presence or absence of any toxic, hazardous, dangerous or potentially dangerous substances on or under the Lands and on or under any surrounding or neighbouring lands and the current and past uses of the Lands and any surrounding or neighbouring lands;
 - (ii) the fitness of the Lands for any particular use, including the intended use of it by the Purchaser;

- (iii) the general condition and state of all utilities or other systems on or under or which will serve the Lands;
- (iv) the zoning of the Lands and the bylaws of any governmental body which relate to the development, use and occupation of the Lands;
- (v) the application of any federal or provincial statute or law to the Lands; and
- (vi) the economic feasibility of the development of the Lands,

and the Purchaser has conducted, or had the opportunity to conduct, an independent investigation as to all of the above matters.

- (b) it is purchasing the Lands in an “as is, where is” condition and that the Purchaser has independently satisfied itself, or had the opportunity to independently satisfy itself, as to all matters relating to the Lands prior to executing and delivering this Agreement to the Vendor for acceptance, including without limitation, the condition and suitability of the Lands for the Purchaser’s purposes and intended uses, zoning of the Lands and the environmental condition of the Lands;
- (c) it expressly waives, to the extent permitted by law, any requirement for the Vendor to obtain or provide the Purchaser with a “site profile” or any other environmental report for the Lands pursuant to the provisions of the *Environmental Management Act* (British Columbia) or any regulation in respect thereto;
- (d) any material or information about the Lands that has been provided to the Purchaser by the Vendor for the purpose of this transaction has been provided as a courtesy only and the Vendor has made no representation or warranty concerning the accuracy, relevance, reliability or any other matter in relation to the material or information;
- (e) the Vendor will have no liability for any errors or inaccuracies in the material or information provided as referred to in subsection 5.3(d);
- (f) it has reviewed and accepted copies of the Permitted Encumbrances;
- (g) the Vendor is under no obligation, express or implied, to provide financial assistance or to contribute, in any way, to the Purchaser’s cost of servicing or developing the Lands or to assist the Purchaser in obtaining any permits or approvals in connection with the Lands; and
- (h) it is aware that this Agreement and any information regarding this Agreement or the Purchaser may be disclosed or may be required to be disclosed under the *Freedom of Information and Protection of Privacy Act*, governmental policy or otherwise.

6. VENDOR'S COVENANTS, WARRANTIES, REPRESENTATIONS AND OPTION

6.1 Vendor's Representations and Warranties

The Vendor warrants and represents to the Purchaser, as warranties and representations that are true as at the date of execution hereof by the Vendor and will be true as at the Completion Date, that:

- (a) it is a municipality duly incorporated and validly existing under the laws of British Columbia and has the power and authority to enter into and perform its obligations under this Agreement; and
- (b) it is not a non-resident in Canada within the meaning of the *Income Tax Act (Canada) RSC 1985 c. 1*.

The Vendor will grant authorizations reasonably required by the Purchaser to authorize statutory authorities to release information confirming compliance with laws with respect to potential statutory liens.

6.2 Covenant, Option & RFR

In connection with the purchase and sale of the Lands, the Purchaser will grant to the Vendor the Section 219 covenant, option to purchase and right of first refusal substantially in the form of the Covenant, Option & RFR, entitling the Vendor to purchase the Lands from the Purchaser on the terms and conditions set out therein ("**Covenant, Option & RFR**").

7. CLOSING CONDITIONS

7.1 The Purchaser's Closing Conditions

The Purchaser's obligation to complete the purchase of the Lands is subject to and conditional upon the Purchaser's satisfaction of the following conditions (the "**Purchaser's Closing Conditions**") on or before the Completion Date:

- (a) the representations and warranties of the Vendor contained in this Agreement will be true and correct in all material respects on and as of the Completion Date with the same effect as though such representations and warranties had been made on and as of the Completion Date; and
- (b) all of the covenants and agreements of the Vendor to be observed and performed, and all of the documents to be delivered by the Vendor to the Purchaser on or before the Completion Date pursuant to the terms of this Agreement, will have been duly observed, performed and delivered in all material respects.

7.2 Vendor's Closing Conditions

The Vendor's obligation to complete the sale of the Lands is subject to and conditional upon the satisfaction of the following conditions (the "**Vendor's Closing Conditions**") on or before the Completion Date:

- (a) the representations and warranties of the Purchaser contained in this Agreement will be true and correct in all material respects on and as of the Completion Date with the same effect as though such representations and warranties had been made on and as of the Completion Date; and
- (b) all of the covenants and agreements of the Purchaser to be observed and performed, and all of the documents and funds to be delivered by the Purchaser on or before the Completion Date pursuant to the terms of this Agreement, will have been duly observed, performed and delivered in all material respects.

7.3 Removal of Closing Conditions

Each of the Vendor's Closing Conditions is for the sole benefit of the Vendor and only the Vendor may waive, in whole or in part, any or all of the Vendor's Closing Conditions by giving written notice of waiver to the Purchaser on or before the Completion Date. Each of the Purchaser's Closing Conditions is for the sole benefit of the Purchaser and only the Purchaser may waive, in whole or in part, any or all of the Purchaser's Closing Conditions by giving written notice of waiver to the Vendor on or before the Completion Date. In the event that any of the Closing Conditions are not satisfied or waived by either the Purchaser or the Vendor, as the case may be, on or before the Completion Date, then upon written notice by the party having the benefit of such unsatisfied condition, this Agreement will be terminated and each of the Parties hereto will have no further obligations to, nor rights against, the other in respect of this Agreement, except as otherwise provided herein. Upon completion of the purchase and sale of the Lands on the Completion Date in accordance with the terms hereof, all Closing Conditions will be deemed to be satisfied.

8. PREPARATION AND DELIVERY OF CLOSING DOCUMENTS

8.1 Vendor's Closing Documents

At the Purchaser's sole cost, the Purchaser will have the Purchaser's Legal Representative prepare (except the Covenant, Option & RFR) and deliver the following closing documents for review by the Vendor, at least five (10) Business Days prior to the Completion Date:

- (a) Form A Freehold Transfer;
- (b) the Covenant, Option & RFR;
- (c) the Vendor's statement of adjustments;
- (d) a statutory declaration given by the Vendor in respect of the Vendor's residency;
- (e) a closing certificate as to the Vendor's representations and warranties;
- (f) the Purchaser's GST Certificate; and
- (g) any other documents or assurances as either of the Parties respective legal representatives may reasonably require in order to complete the purchase and sale of the Lands in accordance with this Agreement.

8.2 Vendor's Delivery of Vendor's Closing Documents

At least one day prior to the Completion Date or as noted otherwise, the Vendor will have delivered to the Purchaser's Legal Representative copies of the following closing documents set out in Section 8.1 duly executed by the Vendor and each of which (except the Covenant, RFR & Option) will be in form and substance satisfactory to the Parties and their respective legal representatives or notaries, acting reasonably:

- (a) Form A Freehold Transfer;
- (b) the Covenant, Option & RFR;
- (c) the Vendor's statement of adjustments;
- (d) a statutory declaration given by the Vendor in respect of the Vendor's residency; and
- (e) a closing certificate as to the Vendor's representations and warranties, which may be delivered on the Completion Date.

8.3 Purchaser's Delivery of Purchaser's Closing Documents

On or before the Completion Date, the Purchaser will have delivered to the Purchaser's Legal Representative copies of the following closing documents duly executed by the Purchaser:

- (a) if applicable, the GST Certificate bearing the Purchaser's GST registration number;
- (b) the Covenant, Option & RFR;
- (c) the Purchaser's statement of adjustments;
- (d) the Purchaser's GST Certificate;
- (e) a closing certificate as to the Purchaser's representations and warranties; and
- (f) any other documents or assurances as either of the Parties legal representatives may reasonably require in order to complete the purchase and sale of the Lands in accordance with this Agreement,

each of which (except the Covenant, RFR & Option) will be in form and substance satisfactory to the Parties and their respective legal representatives or notaries, acting reasonably.

9. CLOSING PROCEDURE

9.1 The Balance

On or before the Completion Date, the Purchaser will pay to the Purchaser's Legal Representative, in trust, the Balance, less any amount to be advanced to the Purchaser on the Completion Date under any mortgage financing arranged by the Purchaser.

9.2 Submission of Closing Documents for Registration

Following receipt by the Purchaser's Legal Representative of the Balance in accordance with Section 9.1 and any mortgage financing arranged by the Purchaser, if applicable, and the executed copies of the closing documents referred to in Sections 8.2 and 8.3, on the Completion Date the Purchaser will cause the Purchaser's Legal Representative to submit for registration in the applicable Land Title Office concurrently as an all-or-nothing application in the following order:

- (a) a Landowner Transparency Registry Form in respect of the Lands;
- (b) a property transfer tax return in respect of the Lands;
- (c) Form A Freehold Transfer;
- (d) the Covenant, Option & RFR; and
- (e) if applicable, any security documents required by the Purchaser's lender in connection with any mortgage financing arranged by the Purchaser,

such that, in due course, the Covenant, Option & RFR shall rank in priority to the item set out in this Section 9.2(e) and Section 9.3(e).

9.3 Closing

Immediately following the submission of documents for registration referred to in Section 9.2 and the Purchaser's Legal Representative obtaining a post application search of the Lands which indicates that, in the normal routine of the Land Title Office title to the Lands will issue in the name of the Purchaser, subject only to the Permitted Encumbrances, and disclosing only the following:

- (a) the existing title;
- (b) the Permitted Encumbrances;
- (c) the pending registration number assigned to the Transfer;
- (d) the pending registration number assigned to the Covenant, Option & RFR; and
- (e) the pending registration number for any security documents required in connection with any mortgage financing arranged by the Purchaser, if applicable,

the Purchaser will cause the Purchaser's Legal Representative to deliver to the Vendor's Legal Representative the Balance, and the Purchaser's Legal Representative will release copies of the documents and items referred to in Section 8.1 to the Purchaser and concurrently therewith will release copies of the documents and items referred to in Section 8.3 to the Vendor's Legal Representative. It is expressly understood and agreed that the Vendor will be entitled to use the proceeds of the Purchase Price towards the payout of any financial charges that are not the Permitted Encumbrances, registered against title to the Lands on the Completion Date and for purposes of obtaining and registering in the Land Title Office a discharge of such charges on the Completion Date or within a reasonable time after the Completion Date on undertakings from the Vendor's Legal Representative as are typical in the Province of British Columbia for similar

transactions to those described herein, as such undertakings are approved by the Purchaser's Legal Representative.

9.4 Discharge of Vendor's Encumbrances

The Purchaser acknowledges and agrees that if the Vendor's title to the Lands is subject to any financial encumbrance which is not one of the Permitted Encumbrances, the Vendor will be required to register in the Land Title Office discharges of all financial encumbrances with respect to the Lands prior to the Completion Date or concurrently with the registration of the closing documentation, as applicable, such that those financial encumbrances will not charge the Lands upon the Transfer.

9.5 Concurrent Requirements

It is a condition of this Agreement that all requirements of this Article 9 are deemed to be concurrent requirements and it is agreed that nothing will be finalized at the Completion Date until everything required to be paid, executed and delivered on the Completion Date has been so paid, executed and delivered.

10. MISCELLANEOUS & INTERPRETATION

10.1 Commission

Any real estate or brokerage commissions payable in respect of the transaction contemplated in this Agreement will be the sole responsibility of the Purchaser and the Purchaser will indemnify and save the Vendor harmless in respect of any loss incurred by the Vendor in relation to any such commissions.

10.2 Business Day

Whenever any calculation or payment to be made or action to be taken under this Agreement is required to be made or taken on a day other than a Business Day, the calculation or payment is to be made, or action is to be taken, on the next Business Day.

10.3 Non-Derogation

Nothing contained or implied herein will derogate from, prejudice or affect the Vendor's rights, powers, duties or obligations in the exercise of its functions pursuant to the *Community Charter* and the *Local Government Act*, or any other act of the Province of British Columbia as amended from time to time and the rights, powers, duties and obligations of the Vendor under all public and private statutes, bylaws, orders and regulations, all of which may be, if the Vendor so elects, as fully and effectively exercised in relation to the lands which are subject to this Agreement as if this Agreement had not been executed and delivered.

10.4 Non-Merger

No warranty, representation, acknowledgment, covenant or agreement contained in this Agreement will be merged in the transfer or conveyance of the Lands but will survive the closing on the Completion Date.

10.5 Entirety

This Agreement constitutes the entire agreement between the Parties pertaining to the sale and purchase of the Lands and supersedes all prior agreements, negotiations and discussions, whether oral or written, of the Vendor and the Purchaser. There are no representations, warranties, covenants or agreements, express, implied, statutory, collateral or otherwise, save as expressly set out in this Agreement. No party has been induced to enter into this Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Agreement.

10.6 Time

Time will be of the essence of this Agreement and notwithstanding the extension of any of the dates under this Agreement.

10.7 Interpretation

In this Agreement words signifying a male person include a female person and words signifying a female person include a male person, and either word includes a corporation, and vice versa, and words signifying the singular include the plural, and words in the plural include the singular. The division of this Agreement into Articles, Sections, and subsections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. References in this Agreement to an Article, Section, subsection, or Schedule are to be construed as references to an Article, Section, subsection, or Schedule of or to this Agreement unless otherwise specified.

10.8 Currency

All dollar amounts referred to in this Agreement are Canadian dollars.

10.9 Governing Law

This Agreement will be governed by and construed in accordance with the laws of British Columbia and the laws of Canada applicable therein. The Parties will submit to the jurisdiction of British Columbia with respect to any dispute relating to this Agreement.

10.10 Tender

Notwithstanding any statute or rule of law to the contrary, any tender of documents or money required to be made pursuant to this Agreement will be validly made upon the Parties themselves, or their respective legal representatives or notaries public. Unless otherwise specified in this Agreement, any money must be tendered by way of, bank draft from a chartered bank, trust company, or credit union, or a solicitor's or notary public's trust cheque, which will be payable to the "Village of Burns Lake" or by way of electronic transfer in accordance with banking details provided by the Vendor to the Purchaser's Legal Representative prior to the Completion Date.

10.11 Further Assurances

Each party will execute and deliver all such further documents and do all such further acts as may be reasonably required by the other party to carry out the true intent and meaning of this Agreement.

10.12 Enurement

This Agreement will enure to the benefit of and be binding upon the Parties and their respective heirs, executors, and administrators, successors and permitted assigns, as applicable. If the Purchaser is comprised of more than one person, each reference to the Purchaser will include each and every such person severally and all representations, warranties, covenants and agreements of the Purchaser will be construed and held to be joint and several representations, warranties, covenants and agreements of each such person.

10.13 Notices

All notices, documents or communications required or permitted to be given under this Agreement must be in writing and be delivered by hand, prepaid registered mail or facsimile to the party to whom it is to be given as follows:

- (a) to the Vendor at:
 Village of Burns Lake
 BOX 570 15 – 3rd Avenue
 Burns Lake, British Columbia, V0J 1E0

Attention: Sheryl Worthing
Telephone: 250-693-7587
Email: sworthing@burnslake.ca

with a copy to the Vendor's Legal Representative

Attention: Sonia Sahota
Email: sonia@civiclegal.ca

- (b) to the Purchaser at:

Attention:
Telephone:
Email:

or at such other address as either party may specify in writing to the other. Any such notice delivered to a party to whom it is addressed will be deemed to have been given or made and received on the day it is delivered at that party's address, provided that if that day is not a Business Day then such notice will be deemed to have been given or made and received on the next Business Day. Any such notice transmitted by facsimile will be deemed to have been given or made and received on the day on which it is transmitted; but if such notice is transmitted on a day

that is not a Business Day or after 5:00 p.m. (Burns Lake time), that notice will be deemed to have been given or made and received on the next Business Day. Any notice sent by prepaid registered mail will be deemed to have been given or made and received on the third Business Day after the day of mailing thereof. In the event of any disruption of mail services, all notice will be delivered or sent by facsimile rather than mailed.

10.14 Independent Legal Advice

The Purchaser agrees that it has read and understands the terms and conditions of this Agreement and that it has had the opportunity to seek, and was not prevented or discouraged by the Vendor from seeking, any independent legal advice which it considered necessary before the execution and delivery of this Agreement and that, if it did not avail itself of that opportunity before signing this Agreement, it did so voluntarily without any undue pressure, and agrees that its failure to obtain independent legal advice will not be used by it as a defense to the enforcement of its obligations under this Agreement.

10.15 No Fiduciary Relationship

Nothing contained in this Agreement will be deemed in any way, or for any purpose, to constitute the Vendor a partner, agent or legal representative of the Purchaser in the conduct of any business or otherwise, or a member of a joint venture or joint enterprise with the Purchaser, or to create any fiduciary relationship between the Vendor and the Purchaser.

10.16 Counterparts and Delivery

This Agreement may be executed by the Parties in counterpart and delivered by facsimile or other functionally equivalent electronic means of transmission and, if so executed and delivered, those counterparts will together constitute one and the same instrument and this Agreement will be for all purposes as effective as if the Parties had delivered an executed original agreement.

[Signature page follows]

IN WITNESS WHEREOF the parties have executed this Agreement on the ____ day of _____, 2024.

<p>[Insert Purchaser]</p> <p>Per: _____ Authorized Signatory</p> <p>Per: _____ Authorized Signatory</p>	<p>VILLAGE OF BURNS LAKE</p> <p>Per: _____ Authorized Signatory</p> <p>Per: _____ Authorized Signatory</p>
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**SCHEDULE A
PERMITTED ENCUMBRANCES**

[List only those encumbrances for the applicable Lot, and delete the rest]

LOT A

Legal Notations:

- Nil

Charges, Liens & Interests:

- (a) Covenant CB1382504 registered in favour of His Majesty the King in the Right of the Province of British Columbia

LOT B

Legal Notations:

- Nil

Charges, Liens & Interests:

- Nil

LOT C

Legal Notations:

- Nil

Charges, Liens & Interests:

- (a) Statutory Right of Way CA3171275 registered in favour of the Village of Burns Lake
- (b) Modification CB1382494 modifying Statutory Right of Way CA3171275 registered in favour of the Village of Burns Lake

**SCHEDULE B
COVENANT, OPTION & RFR**

[See Attached]

**SECTION 219 COVENANT, OPTION TO PURCHASE AND RIGHT OF FIRST REFUSAL
(LOT [redacted])**

THIS AGREEMENT dated for reference the _____ day of _____, 202[redacted]

BETWEEN:

(the “**Owner**”)

AND:

The Village of Burns Lake, a local government pursuant to the *Local Government Act* (British Columbia) having an address at Box 570 15 – 3rd Avenue Burns Lake, British Columbia, V0J 1E0

(the “**Village**”)

WHEREAS:

- A. Capitalized terms used in these recitals have the meanings set out in Article 1 below;
- B. The Owner is the registered and beneficial owner of the Lands;
- C. The Village has requested, and the Owner has agreed to provide, covenants pursuant to Section 219 of the *Land Title Act* (British Columbia) requiring the Owner meet certain Development Milestones in respect of the Lands;
- D. The Owner wishes to grant to the Village and the Village wishes to accept from the Owner an option to purchase the Lands and right of first refusal if the development of the Lands does not proceed in accordance with the Development Milestones; and
- E. The Village and the Owner have agreed to enter into this Agreement to set out their respective rights and obligations with respect to the Option, Section 219 Covenant and Right of First Refusal.

NOW THEREFORE in consideration of the sum of \$1.00 now paid by the Village to the Owner (the receipt and sufficiency of which is hereby acknowledged by the Owner) and in consideration of the mutual covenants and agreements herein contained, the Owner and the Village covenant and agree as follows:

**ARTICLE 1
DEFINITIONS**

1.1 Definitions

In this Agreement:

- (a) **“Adjustment Date”** has the meaning given in subsection 6.3(b);
- (b) **“Agreement”** or **“this Agreement”** means this agreement, the Option, Section 219 Covenant and Right of First Refusal created hereby, and includes the recitals, and all appendices and schedules hereto;
- (c) **“Arm’s-length”** has the same meaning as that term has in the *Income Tax Act (Canada)* and amendments to that Act, determined in accordance with such Act, the Interpretation Bulletins thereunder and all relevant case law, all as from time to time in effect;
- (d) **“Bona Fide Offer”** means an offer by the Owner to sell or by the Third Party to purchase the Lands that:
 - (i) is in writing,
 - (ii) is signed by a Third Party;
 - (iii) pertains only to the Lands and no other property, rights or assets;
 - (iv) is in a form legally enforceable against the Third Party and subject to no conditions other than that the Village waive its rights under the Right of First Refusal contained in this Agreement;
 - (v) provides that if the Village does not exercise its Right of First Refusal (or Option), the Third Party will grant to the Village an option to purchase and right of first refusal to purchase the Lands upon the same terms and conditions as are set forth in this Agreement; and
 - (vi) includes as a date for completion of the purchase and sale a specific date or date that is determinable from the face of the offer without reference to any other information or occurrence;
- (e) **“Building”** means a building to be constructed on the Lands pursuant to a Building Permit, but does not include existing buildings or temporary buildings or structures on the Lands during the period of and required for the purposes of construction on the Lands;
- (f) **“Building Permit”** means a building permit issued by the Village authorizing construction of a Building on the Lands, or any portion(s) thereof, after the date of this Agreement;
- (g) **“Business Day”** means a day which is not a Saturday, Sunday or statutory holiday recognized in the Province of British Columbia;
- (h) **“Closing”** means the closing of the sale and purchase of the Lands as contemplated herein;
- (i) **“Closing Date”** has the meaning given in Section 7.1;

- (j) **“Contaminants”** means any pollutants, contaminants, deleterious substances, underground or above-ground tanks, asbestos materials, Hazardous Materials, or any other substance which is now or hereafter prohibited, controlled or regulated under Environmental Laws;
- (k) **“Development Milestones”** has the meaning given in Section 3.1;
- (l) **“Development Permit”** means a development permit issued by the Village authorizing development on the Lands or any portion(s) thereof;
- (m) **“Discharges”** has the meaning given in subsection 7.2(a)(vii);
- (n) **“Environmental Laws”** means all present and future environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, bylaws and regulations of any governmental authorities relating to the protection of the environment and governing the presence, management, remediation, use, storage, treatment, generation, transportation, processing, handling, production or disposal of contaminants, including air pollution and water pollution and the rules, regulations, policies, guidelines, interpretations, decisions, approvals, consents, orders (including remedial orders) and directives of any governmental authority;
- (o) **“Event of Force Majeure”** means any event or circumstance, other than a lack of sufficient funds on the part of the Owner, beyond the control of the Owner which results in an inability or delay to perform a covenant or agreement to be performed under this Agreement, which event or circumstance shall include fires, explosions, earthquakes, storms, tempest, inclement weather, strikes, labour interruptions, inability to procure necessary labour, materials or services or suitable alternatives therefor, power failure, changes in laws or regulations rendering the development plans of the Owner impossible, riots, insurrection, sabotage, rebellion, war, act of God or other events or circumstances whether of a like nature or not which are beyond the control of the Owner;
- (p) **“Form A Transfer”** means the Form A - Freehold Transfer required to transfer title to the Lands to the Village in accordance with the terms of this Agreement;
- (q) **“GST”** means all goods and services tax and harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada);
- (r) **“GST Certificate”** has the meaning given in subsection 5.2(d);
- (s) **“Land Title Office”** means the applicable Government of British Columbia Land Title Office at which title to the Lands is registered;
- (t) **“Lands”** means the lands and premises legally described as **[Select appropriate description below, and delete rest]**

Lot A: PID: 032-263-678 Lot A District Lot 2502 Range 5 Coast District Plan EPP131628

Lot B: PID: 032-263-686 Lot B District Lot 2502 Range 5 Coast District Plan EPP131628;

Lot C: PID: 032-263-694 Lot C District Lot 2502 Range 5 Coast District Plan EPP131628;

- (u) **“New Form C”** has the meaning given in subsection 4.1(d)(i);
- (v) **“Occupancy Certificate”** means a certificate or such other written evidence of the Village’s authorization of the use or occupation of any Building, or any portion(s) thereof;
- (w) **“Option”** has the meaning given in Section 2.1;
- (x) **“Option Notice”** has the meaning given in Section 2.3;
- (y) **“Option Period”** has the meaning given in Section 2.2;
- (z) **“Ownership Date”** means the date on which the Owner became the registered owner of the Lands;
- (aa) **“Owner’s Legal Representative”** means any legal representative authorized to act for the Owner in regard to this Agreement;
- (bb) **“Parties”** means, the Owner and the Village and **“party”** means either the Owner or the Village;
- (cc) **“Permitted Encumbrances”** means any subsisting conditions, provisos, restrictions, exceptions and reservations contained in the original grant, or in any grant or disposition from the Crown or imposed or implied by statute and any statutory exceptions to title, attached hereto as Schedule A;
- (dd) **“Prohibition Act”** means the *Prohibition on the Purchase of Residential Property by Non-Canadians Act*, SC 2022, c.10, s.235, or any successor acts;
- (ee) **“Property Transfer Tax Act”** means the *Property Transfer Tax Act*, RSBC 1996, c. 378, or any successor act;
- (ff) **“PST”** means all provincial sales tax payable and imposed pursuant to the *Provincial Sales Tax Act*, SBC 2012 c. 35;
- (gg) **“Purchase Price”** means the amount payable by the Village to the Owner for the purchase of the Lands to be determined under Section 5.1;
- (hh) **“Right of First Refusal”** means the sole and exclusive right of first refusal to purchase the Lands granted by the Owner in favour of the Village under Section 4.1;
- (ii) **“Section 219 Covenant”** means the Section 219 Covenant granted by the Owner to the Village under Article 3;

- (jj) **“Statutory Declaration”** has the meaning set out in subsection 8.2(b);
- (kk) **“Term”** means that period of time that is five (5) years from and after the date of the Section 219 Covenant;
- (ll) **“Third Party”** means a purchaser or prospective purchaser, other than the Village, who makes a Bona Fide Offer and who deals at Arm’s-length with the Owner;
- (mm) **“Transfer Notice”** has the meaning set out in subsection 4.1(a); and
- (nn) **“Village’s Legal Representative”** means the legal representative authorized to act for the Village in regard to this Agreement.

ARTICLE 2 OPTION TO PURCHASE

2.1 Grant of Option

The Owner hereby grants to the Village the sole, exclusive option (the **“Option”**), irrevocable during the Option Period, to purchase the Lands, including all improvements thereon, free and clear of all liens, interests, encumbrances and legal notations, except for the Permitted Encumbrances.

2.2 Option Period & Triggering Event

The Option may only be exercised by the Village in the event that the Owner has not satisfied the requirements in any of subsections 3.1(b)(i), 3.1(b)(ii), or 3.1(b)(iii) on or before the deadlines set out therein (the **“Option Period”**).

For certainty, the Owner and the Village acknowledge and agree with the Village’s right to exercise the Option.

2.3 Exercise of Option

The Option may be exercised by the Village during the Option Period unless this Agreement is terminated, surrendered or otherwise determined to be unenforceable, by delivery of written notice (the **“Option Notice”**) to the Owner in the manner set out in this Agreement for the giving of notices.

2.4 Restrictions on Exercise of Option

The Village may not exercise the Option pursuant to subsection 2.2(b) unless the Owner delivers to the Village the Transfer Notice in accordance with subsection 4.1(a) below.

2.5 Binding Agreement

If the Village exercises the Option during the Option Period in accordance with Section 2.3, this Agreement will become a binding agreement for the purchase and sale of the Lands, which purchase and sale shall be completed upon the terms and conditions contained herein on the Closing Date.

**ARTICLE 3
SECTION 219 COVENANT**

3.1 Grant of Section 219 Covenant

The Owner hereby covenants and agrees with the Village, as a covenant in favour of the Village pursuant to Section 219 of the *Land Title Act*, it being the intention and agreement of the Owner that the provisions hereof be annexed to, and run with and be a charge on title to the Lands, that:

- (a) the Lands will not be developed or used except in accordance with the terms of this Agreement;
- (b) the Owner will adhere to the following development milestones:
 - (i) to obtain a Development Permit for the Lands within one (1) year of the Ownership Date;
 - (ii) to obtain a Building Permit for all Buildings to be constructed on the Lands, and all such Building being substantially completed, within two (2) years of the Ownership Date; and
 - (iii) to obtain any and all Occupancy Certificates required in respect of all Buildings on the Lands, within three (3) years of the Ownership Date, unless otherwise agreed to by the Parties in writing,

(collectively, the “**Development Milestones**”).

For purposes of this Section 3.1, the term “substantially completed” means that, in respect of a Building, the Building or a substantial part of it is ready for use or is being used for the purpose intended.

**ARTICLE 4
RIGHT OF FIRST REFUSAL**

4.1 Grant of Right of First Refusal

During the Term, the Owner hereby grants to the Village the sole, exclusive right of first refusal (the “**Right of First Refusal**”) to purchase the Lands, including all improvements thereon, free and clear of all liens, interests, encumbrances and legal notations, except for the Permitted Encumbrances, on the following terms and conditions:

- (a) if at any time during the Term, the Owner:
 - (i) makes a Bona Fide Offer to a Third Party, which Bona Fide Offer the Third Party is willing to accept; or
 - (ii) receives a Bona Fide Offer, which Bona Fide Offer the Owner is willing to accept,

then the Owner will promptly give the Village written notice (the “**Transfer Notice**”) thereof and will attach a full and complete true copy of the Bona Fide Offer thereto;

- (b) after receipt of the Transfer Notice, the Village may, within five (5) Business Days, exercise the Option by written notice to the Owner. If the Village exercises the Option, upon such exercise, the Owner will complete the Form A Transfer to the Village in accordance with this Agreement;
- (c) if the Village does not exercise the Right of First Refusal (or the Option) within the period specified in subsection 4.1(b) above, then the Owner may complete the transfer to the Third Party on the terms and conditions contained in the Bona Fide Offer, except that such transfer of title to the Lands will remain subject to both the Right of First Refusal and the Option;
- (d) if the Owner intends to complete the transfer to the Third Party, as contemplated in subsection (c) above, at least five (5) Business Days before the completion of the transfer to the Third Party, the Owner must deliver to the Village:
 - (i) a signed Form C granting to the Village an option to purchase and right of first refusal to purchase the Lands on the same terms as set out in this Agreement (the “**New Form C**”);
 - (ii) a discharge of this Agreement for execution by the Village; and
 - (iii) undertakings from the solicitor or notary for the Third Party on terms satisfactory to the Village, including to:
 - (A) register the discharge only concurrently with the registration of the New Form C, as an “all or nothing package” and in priority to all mortgages and other financial liens, charges and encumbrances, except for any charges in favour of the Village; and
 - (B) promptly following registration of the New Form C, provide the Village with a copy of the discharge and New Form C bearing registration particulars along with a copy of the vendor’s statement of adjustments with respect to the transaction certified to be a true copy thereof by the Third Party’s lawyer or notary; and
- (e) if for any reason the Owner does not effect the transfer to the Third Party on the terms set out in the Bona Fide Offer, the Right of First Refusal (and Option) will continue to apply to any sale, transfer, conveyance or other disposition of the Lands or any portion thereof by the Owner.

ARTICLE 5 PURCHASE PRICE AND PAYMENT

5.1 Purchase Price

If the Village exercises the Option pursuant to subsection 2.2(a) or subsection 2.2(b), then the purchase price for the Lands shall be ninety percent (90%) of the original purchase price the Owner paid to the Village for the Lands (the “**Purchase Price**”).

5.2 The Village’s Fees and Taxes

In addition to payment of the Purchase Price, the Village shall pay, as and when due and payable:

- (a) any applicable property transfer tax payable under the *Property Transfer Tax Act* (British Columbia) in connection with the conveyance of the Lands;
- (b) Land Title Office registration fees in connection with the registration of the Form A Transfer;
- (c) the Village's own legal fees and disbursements in connection with the registration of the Form A Transfer; and
- (d) GST and PST payable in connection with the purchase of the Lands. The Village is registered for GST purposes. If any transaction contemplated in this Agreement constitutes a "taxable supply" for GST purposes, the Village will, on the Closing Date, self-assess and will account directly to the Canada Revenue Agency therefor, provided that the Village delivers to the Owner, on or before the Closing Date, a certificate and indemnity ("**GST Certificate**") signed by the Village confirming the Village's GST registration number and Village's registered status.

5.3 The Owner's Fees and Taxes

The Owner shall pay, as and when due and payable:

- (a) any registration fees, taxes or other charges required to clear title to the Lands, subject only to the Permitted Encumbrances; and
- (b) its own legal fees and disbursements in connection with the transaction described herein.

ARTICLE 6 ACCESS, RISK, ADJUSTMENT AND POSSESSION

6.1 Access

If the Village exercises the Option then the Village, its agents or employees may by giving the Owner written notice, enter upon the Lands from the date this Option is registered in the Land Title Office until the earlier of the Option Closing Date or expiry of this Option, at the Village's sole risk and expense, for the purpose of making inspections, surveys, tests and studies of the Lands or any portions thereof.

6.2 Risk

The Lands will be at the risk of the Owner until completion of the transfer of the Lands to the Village and after completion the Lands will be at the risk of the Village.

6.3 Adjustments

The Parties agree that:

- (a) the Purchase Price shall be adjusted for property taxes, rates, charges and all other incomings and outgoings with respect to the Lands;
- (b) all adjustments will be adjusted for as of the Closing Date (the “**Adjustment Date**”); and
- (c) the Adjustment Date shall be for the benefit of the Village.

6.4 Possession and Title

Provided that the Form A Transfer conveying the Lands from the Owner to the Village has been submitted to the Land Title Office and the Purchase Price, as adjusted, has been delivered to the Owner's Legal Representatives, in trust, the Owner will transfer to the Village good, safe holding and marketable title to the Lands and will give to the Village vacant possession of the Lands on the Closing Date free from all tenancies, judgments, liens, claims, charges, service contracts, encumbrances and legal notations other than the Permitted Encumbrances.

ARTICLE 7 CLOSING AND CLOSING PROCEDURE

7.1 Closing Date

If the Option is exercised by the Village, then the contract of purchase and sale arising from the exercise of the Option will be completed within 30 Business Days of the delivery date of the Option Notice (the “**Closing Date**”), or such other date as the Parties agree to in writing. If the applicable Land Title Office is not open on that day, the Closing Date will be the next day that it is open for business.

7.2 Closing Documents and Procedure

The Parties agree as follows:

- (a) at the Village's sole cost, the Village will prepare and deliver the following documents for review by the Owner, at least five (5) Business Days prior to the Closing Date:
 - (i) the Form A Transfer duly executed in registerable form;
 - (ii) a vendor's statement of adjustments;
 - (iii) the Statutory Declaration;
 - (iv) a statutory declaration certifying that the Village is not a non-Canadian under the *Prohibition Act*;
 - (v) a certificate from the Owner confirming that each of the representations and warranties of the Owner set out herein is true and accurate on the Closing Date, except as disclosed therein;
 - (vi) if applicable, the GST Certificate bearing the Village's GST registration number;

- (vii) discharges or releases in registerable form of all liens, charges, encumbrances and notations not constituting Permitted Encumbrances, if any, encumbering the Lands (collectively, the “**Discharges**”), or undertakings to provide such discharges or releases which are in a form satisfactory to the Owner’s Legal Representative and the Village’s Legal Representative, acting reasonably; and
 - (viii) such other documents as the Village may reasonably require to complete the transaction herein contemplated;
- (b) on or before the Closing Date, the Owner will deliver to the Village the closing documents set out in subsection (a) above, excluding the documents referred to in 7.2(a)(v) and 7.2(a)(vi), duly executed by the Owner, as applicable, and each of which will be in form and substance satisfactory to the Parties and their respective legal representatives or notaries, acting reasonably; and
- (c) on the Closing Date, the Village will deliver to the Owner’s Legal Representative, a duly executed copy of the following:
- (i) a purchaser’s statement of adjustments;
 - (ii) a statutory declaration certifying that the Village is not a non-Canadian under the *Prohibition Act*;
 - (iii) if applicable, the GST Certificate bearing the Village’s GST registration number;
 - (iv) a certificate from the Village confirming each of the representations and warranties of the Village set out herein is true and accurate on the Closing Date, except as disclosed therein;
 - (v) the Purchase Price, as adjusted, by way of, a solicitor’s trust cheque or electronic transfer in accordance with banking details provided by the Owner to the Village prior to the Closing Date; and
 - (vi) such other documents as the Owner may reasonably require to complete the transaction herein contemplated.

7.3 Concurrent Requirements

It is a condition of this Agreement that all the requirements in Section 7.2 are concurrent requirements and it is agreed that nothing will be completed on the Closing Date until everything required to be paid, executed and delivered on the Closing Date has been so paid, executed and delivered.

ARTICLE 8 REPRESENTATIONS AND WARRANTIES

8.1 Village’s Representations and Warranties

Regardless of any independent investigation that the Owner may cause to be made, the Village warrants and represents to the Owner, as warranties and representations that are true as at the date of execution hereof by the Village and will be true as at the Closing Date, and acknowledges that the Owner has relied thereon in entering into this Agreement and in concluding the purchase and sale of the Lands, that:

- (a) it is a municipality duly incorporated and validly existing under the laws of British Columbia and has the power and authority to enter into and perform its obligations under this Agreement; and
- (b) it is not a non-Canadian within the meaning of such term under the *Prohibition Act* and is not prohibited under the *Prohibition Act* from purchasing residential properties (within the meaning of such term under the *Prohibition Act*).

8.2 Owner's Representations, Warranties and Covenants

Regardless of any independent investigation that the Village may cause to be made, the Owner warrants and represents to the Village, as warranties and representations that are true as at the date of execution hereof by the Owner and will be true as at the Closing Date, and acknowledges that the Village has relied thereon in entering into this Agreement and in concluding the purchase and sale of the Lands, that:

- (a) Authority – the Owner has the power and authority to enter into and perform its obligations under this Agreement;
- (b) Residency – the Owner is not a “non-resident” of Canada for the purposes of the *Income Tax Act (Canada)* and will provide the Village with a statutory declaration of this, in the Village’s form (the “**Statutory Declaration**”), on or before the Closing Date;
- (c) Litigation – to the Owner’s knowledge, there are no claims, actions or proceedings which are pending or to the Owner’s knowledge threatened, that would interfere with the use, occupation and enjoyment the Lands by the Village or which could affect the Village’s right to own, occupy and obtain revenue from the Lands or with respect to the Owner, which if decided adversely, could materially affect the ability of the Owner to comply with its obligations hereunder;
- (d) Property Taxes – all municipal taxes, local improvement taxes, rates, levies and assessments whatsoever due and owing with respect to the Lands in the current calendar year and all preceding calendar years have been, or will on the Closing Date, be paid in full and, except as disclosed to the Owner in writing. No appeals of assessments or such taxes have been made by the Owner and are outstanding;
- (e) Special Levies – the Owner has not entered into any agreement with any governmental authority having jurisdiction that would have the result of making the Lands subject to any sewer charges, local improvement rates, development cost levies or charges of a similar nature other than as currently assessed;

- (f) Expropriation and Condemnation – to the knowledge of the Owner, neither the Lands nor any part thereof has been expropriated or condemned, nor has the Owner received any notice of any proposed expropriation or condemnation relating to the Lands;
- (g) Title – the Owner is the registered and beneficial owner of a fee simple interest in the Lands, free and clear of all liens, charges and encumbrances except for the Permitted Encumbrances;
- (h) No Breach – the Owner has not received any work order, deficiency notice or other written notice from any authority, board of fire insurance underwriters or anyone else, advising of any breach of any such law, by law, code, regulation, standard or agreement or suggesting that any repair or work is necessary to the Lands or any part thereof;
- (i) Environmental – to the Owner’s knowledge:
 - (i) the Lands comply with all applicable Environmental Laws;
 - (ii) there are no existing orders or other similar requirements made by governmental authorities regarding the environmental condition of the Lands;
 - (iii) the Lands are free from Contaminants; and
 - (iv) the Lands have not been used for the storage, manufacture, disposal, treatment, generation, transport or release into the environment, including by way of discharge, emission, spill, leakage or otherwise, of any Contaminants; and
- (j) if the Owner is a corporate entity, then:
 - (i) the Owner is duly incorporated and validly existing under the laws of British Columbia; and
 - (ii) the Owner is in good standing with the Registrar of Companies for British Columbia and has made all necessary filings with the Registrar as required by the applicable legislation.

8.3 Survival of Representations and Warranties

All representations, warranties, covenants, indemnities and agreements made by the Owner and the Village will survive the Closing Date and the transfer of the Lands from the Owner to the Village.

ARTICLE 9 INDEMNITY

9.1 Indemnity

The Owner hereby agrees:

- (a) to release, forever discharge, indemnify and save harmless the Village from all losses, damages, costs (including, without limitation, legal costs on a solicitor and own-client basis), expenses, fines, actions, penalties, suits, debts, accounts, claims and demands, including, without limitation, economic loss and any and all claims of third parties, which the Village may suffer, incur or be put to arising out of or in connection with, directly or indirectly, or that would not or could not have occurred "but for" this Agreement, including without limitation:
- (i) the design and construction activities of the Owner or its servants, agents, contractors or subcontractors in connection with the design and construction of any Buildings pursuant to this Agreement;
 - (ii) the use of the Lands as contemplated under this Agreement;
 - (iii) restrictions or requirements under this Agreement;
 - (iv) any breach by the Owner of any covenant or agreement contained in this Agreement;
 - (v) the exercise of discretion by any Village personnel for any matter relating to this Agreement;
 - (vi) the Village withholding any Development Permit in respect of the Lands, or any Building Permit or Occupancy Certificate for any Building in accordance with the terms of this Agreement; and
 - (vii) the rights granted to the Village hereunder and the exercise thereof; and
- (b) that the indemnity and release granted in this Section 9.1 will survive the termination, release or discharge of this Agreement and will be an integral part of the Section 219 Covenant granted herein.

ARTICLE 10 MISCELLANEOUS & INTERPRETATION

10.1 Further Assurances

Each of the Parties must at all times execute and deliver at the request of the other all such further documents, deeds and instruments, and do and perform such other acts as may be reasonably necessary to give full effect to the intent and meaning of this Agreement, including to register this Agreement with the Land Title Office in priority to all liens, charges and encumbrances, except for the Permitted Encumbrances, promptly after execution by the Parties.

10.2 Notice

Any notice, document, communication or tender of monies required or permitted to be given hereunder will be validly given when delivered by hand, e-mail or prepaid registered mail to the Parties as follows:

- (a) If to the Village:

Village of Burns Lake
BOX 570 15 – 3rd Avenue
Burns Lake, British Columbia, V0J 1E0

Attention: Sheryl Worthing
Telephone: 250-693-7587
Email: sworthing@burnslake.ca

(b) If to the Company:

[Redacted]

Attention: [Redacted]
Telephone: [Redacted]
Email: [Redacted]

or such other address as the party to whom the notice is sent may specify by notice given in accordance with the provisions of this section. Any such notice, request, demand or other communication given will be deemed to have been given, in the case of delivery by hand, when delivered, in the case of e-mail, when an e-mail is sent if sent at or before 5:00 pm on a Business Day in the place of the recipient, or on the next Business Day if such e-mail is sent on a day which is not a Business Day or if sent after 5:00 pm on Business Day, and in the case of delivery by prepaid registered mail, on the third Business Day following the mailing thereof.

Either party may at any time give notice in writing to the other of any change of address of the party, giving such notice to be given in the manner aforesaid, and from and after giving such notice, the address therein specified will be deemed to be the address of such party for the giving of such notice.

10.3 Force Majeure

The Owner acknowledges and agrees with the Village that in the event the Village is delayed or prevented from performing one or more of its obligations under the terms of this Agreement by reason of an Event of Force Majeure, the time for the performance of such obligation by the Village (and any rights of the Owner predicated on such obligation or obligations) shall be extended by the period during which the condition of an Event of Force Majeure continues to exist. In the event the Village is so delayed or prevented from performing one or more of its obligations, it shall promptly upon becoming aware of the condition of an Event of Force Majeure provide written notice to the Owner of the existence of the Event of Force Majeure specifying the condition giving rise to such Event of Force Majeure.

10.4 No Derogation

Nothing contained or implied herein will derogate from, prejudice or affect the Village's rights, powers, duties or obligations in the exercise of its functions pursuant to the *Community Charter* and the *Local Government Act*, or any other Act of the legislature of the Province of British Columbia, as amended from time to time and the rights, powers, duties and obligations of the

Village under all public and private statutes, bylaws, orders and regulations, all of which may be, if the Village so elects, as fully and effectively exercised in relation to the Lands and the Village as if this Agreement had not been executed by the Owner and the Village.

10.5 Reservation of Powers of Expropriation

Notwithstanding anything contained in this Agreement, the Village, in its regulatory capacity, reserves all rights and powers of expropriation otherwise enjoyed by the Village.

10.6 Time of Essence

Time is of the essence of this Agreement and the conveyance and transfer for which it provides.

10.7 Entire Agreement

This Agreement is the entire agreement between the Parties in respect of its subject matter and neither the Owner nor the Village has given or made representations, warranties, guarantees, promises, covenants or agreements to the other except as expressly set out in this Agreement.

10.8 Enurement

This Agreement enures to the benefit of and is binding upon the Parties and their respective heirs, executors, administrators, successors in title and permitted assigns.

10.9 Modification

This Agreement may not be changed except by an instrument in writing signed by the Parties or by their successors or permitted assigns. Notwithstanding, the Closing Date may be changed by the Parties' agreement through their legal representatives, upon the Parties providing written instruction to their respective legal representatives.

10.10 Interpretation

In this Agreement:

- (a) all dollar amounts referred to in this Agreement are Canadian dollars;
- (b) reference to the singular includes a reference to the plural, and vice versa, unless the context requires otherwise;
- (c) article and section headings have been inserted for ease of reference only and are not to be used in interpreting this Agreement;
- (d) reference to a particular numbered section or article, or to a particular appendix, is a reference to the correspondingly numbered, appendix or section of this Agreement. The appendices form an essential part of this Agreement; and
- (e) where the word "including" is followed by a list, the contents of the list are not intended to circumscribe the generality of the expression preceding the word "including".

10.11 Assignment

The Parties may not assign this Agreement without the other party's consent.

10.12 Governing Law

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

10.13 Independent Legal Advice

The Owner acknowledges and agrees that it has obtained independent legal advice with respect to the contents and consequences of this Agreement. The Owner further acknowledges and agrees that it has been advised of and understands the effects of the liabilities and obligations contained in this Agreement.

10.14 Joint and Several

If the Owner is comprised of more than one person, firm or body corporate, then the covenants, agreements and obligations of the Owner will be joint and several.

10.15 Further Acts

Each of the Parties hereby covenants and agrees to execute any further and other documents and instruments and to do any further things that may be necessary to fulfill the intention of this Agreement.

10.16 Counterparts

This Agreement may be executed and delivered in any number of counterparts by facsimile or by electronic mail in PDF format with the same effect as if all Parties had all signed and delivered the same document and all counterparts will be construed together to be an original and will constitute one and the same Agreement and may be compiled for registration as a single document.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as noted on the Form C General Instrument constituting Part 1 of this Agreement on the date written thereon.