

## Willowbend Resort – Terms and Conditions

By completing and signing the first page(s) of the rental form (the "Rental Form") attached hereto, the Tenant hereby agrees with 929242 Alberta Ltd., operating under the name and style "Willowbend Resort" ("Willowbend"), as follows:

- DEFINITIONS AND INTERPRETATION:** The Tenant hereby acknowledges and agrees that: (a) these terms and conditions, the "Rules and Regulations" document attached hereto and the "Waiver, Release and Voluntary Assumption of Risk" document attached hereto are incorporated into and forms a part of the Rental Form, and together with the first page(s) of the Rental Form collectively form the terms and conditions of the agreement (the "Agreement") between the Tenant and Willowbend with respect to the Tenant's rental of the Recreational Lot; (b) all defined terms as set forth in the Rental Form shall apply throughout the Agreement; ; and (c) all fees and other amounts payable to Willowbend by the Tenant pursuant to this Agreement, including without limitation the fees to rent the Recreational Lot, any interest on overdue amounts and any administrative fees (collectively referred to as "Rent"), may be recovered by Willowbend by any and all remedies available to it for the recovery of rent in arrears hereunder or pursuant to law.
- LEASE:** The Tenant shall lease the Recreational Lot from Willowbend for the Term, subject to the other provisions of these terms and conditions.
- NON-ACCEPTANCE OF RENTAL:** Within thirty (30) days after the receipt of the duly signed Rental Form from the Tenant, Willowbend may, as determined in its sole discretion, refuse to lease the Recreational Lot to the Tenant, in which case Willowbend shall refund all amounts paid by the Tenant (if any) on account of the fees and deposits for the Term payable as set forth on the first page of the Rental Form and the Tenant shall remove any of his property from Willowbend's lands, and upon such refund and removal this Agreement shall be terminated.
- PAYMENT OF RENT AND OTHER CHARGES:** The Tenant shall: (a) pay the rent and other charges set forth in the Rental Form on the dates as set forth therein; (b) be responsible to pay any and all other charges as set forth in this Agreement as and when due, and if no due date is specified, within ten (10) days of the date that such charge was incurred. Except as specifically outlined, all payments of rent or other charges shall include an additional amount equal to any sales taxes imposed on Willowbend, including but not limited to GST. In the event that any cheques provided to Willowbend by the Tenant are returned to Willowbend as NSF (not sufficient funds), any pre-authorized automatic payment debit from the Tenant's bank account is refused by the respective financial institution, or any credit card charges authorized by the Tenant are refused or reversed by the credit card issuer, the Tenant shall pay to Willowbend an administrative fee of fifty (\$50) dollars for each such occurrence, which shall be paid by the Tenant immediately upon notice of such occurrence from Willowbend. In such event, Willowbend shall be entitled to require the Tenant to pay any subsequent fees, deposits and charges due and owing to Willowbend by certified cheque or money order.
- DEPOSITS:** Any deposits paid by the Tenant will be applied at the end of the Term on account of any amounts due and owing by the Tenant in accordance with this Agreement in relation to the subject matter of such deposit or on account of the cost, time and effort of Willowbend to replace any property of Willowbend which is the subject matter of such deposit and which has not been returned to Willowbend upon the termination or expiry of this Agreement.
- LATE PAYMENT:** If any payment required pursuant to these terms and conditions are late or overdue, such payments shall be subject to interest at a rate of eighteen (18%) percent per annum calculated from the due date for such payment on the full amount then due and owing until payment in full is received by Willowbend.
- OTHER GOODS AND SERVICES:** The Tenant shall pay to Willowbend such other fees as may be determined by Willowbend from time to time for the provision of goods and services by Willowbend to, or at the request of, the Tenant.
- LOT DETAILS:** Except as may be set forth in this Agreement, the Tenant agrees to accept the Recreational Lot on an "as is, where is" condition.

9. **USE OF LOT:** The Tenant shall only use the Recreational Lot for the purposes of parking and using a recreational vehicle commonly referred to as an "R.V." and for associated camping activities, which the Tenant shall perform in a reasonable manner and in accordance with the other provisions of this Agreement. The Tenant shall maintain the Recreational Lot in a clean and tidy manner at all times. In the event that the Tenant fails to maintain the Recreational Lot in such manner, Willowbend shall be entitled to perform maintenance and clean the lot and the Tenant shall reimburse to Willowbend the cost of any such cleaning (which for the services of Willowbend's employees shall be charged at a rate of eighty (\$80) dollars per hour) or maintenance plus an administration fee equal to twenty (20%) percent of such cost immediately upon notice from Willowbend.
10. **USE OF COMMON AREAS:** The Tenant shall be permitted access to and use of the common areas of Willowbend's property adjacent to Lac La Nonne, Alberta as may be designated as such by Willowbend from time to time in its sole discretion, subject to any terms and conditions of use as may be determined by Willowbend from time to time in its sole discretion. If the Tenant is permitted by Willowbend, as determined by Willowbend in its sole discretion, to use any boats or all-terrain vehicles (quads) in such common areas, the Tenant shall exercise such use in a manner that is protective of the environment and respectful of other users of the common areas and of the owners and users of adjacent lands. At all times the Tenant shall, and shall cause all of its family members, visitors, and invitees (collectively, the "Tenant Guests") to, comply with and observe all rules and regulations relating to the use of boats and all-terrain vehicles (quads). In the event that any such rules and regulations are breached, Willowbend shall be entitled to prohibit the Tenant (and the Tenant Guests) from using boats or all-terrain vehicles (quads) on Willowbend's lands, as determined in the sole discretion of Willowbend.
11. **SERVICES:** Except for the provision of power, a sewage tank and an RV water connection for the Recreational Lot (which Willowbend shall be entitled to turn off during the winter months and any other period when temperatures are generally or actually below freezing), the Tenant hereby acknowledges and agrees that Willowbend shall not be responsible for the provision of any other servicing to the Recreational Lot. The Tenant shall be responsible to reimburse Willowbend for any power used with respect to the Recreational Lot within seven (7) days of written notice from Willowbend and shall be responsible for the emptying of the Recreational Lot's sewage tank by a date as determined by Willowbend. In the event of any failure of the Tenant to pay for any power utilities or to empty the Recreational Lot's sewage tank, Willowbend shall be entitled to retain any deposits paid by the Tenant to secure performance of such responsibilities by the Tenant, without prejudice to any other rights or remedies that Willowbend has pursuant to this Agreement, or pursuant to law or equity to seek damages against the Tenant for such failure. Notwithstanding the foregoing, Willowbend does not represent, warrant or guarantee that the provision of power for the Recreational Lot will be continuous or uninterrupted as power outages are common.
12. **RULES AND REGULATIONS:** The Tenant shall, and shall cause all of its family members and visitors to, comply with and observe the provisions of the attached "Rules and Regulations" document, which may be amended from time to time in the sole discretion of Willowbend upon reasonable notice to the Tenant. Any failure to observe and comply with the "Rules and Regulations" shall constitute a breach of this Agreement.
13. **DAMAGE TO PERSONS AND PROPERTY:** The Tenant shall be solely responsible for any damage caused by the Tenant or his family members or visitors in the course of using the Recreational Lot and any other property of Willowbend, including any common areas. The Tenant shall reimburse to Willowbend the cost of any repairs to Willowbend's property required due to the actions or omissions of the Tenant or his family members or visitors plus an administration fee equal to twenty (20%) percent of such cost immediately upon notice from Willowbend.
14. **INSURANCE AND LICENCING:** The Tenant shall obtain and maintain during the Term (and for any other period during which the Tenant has use of the Recreational Lot or otherwise has his property on the Willowbend lands) liability insurance with an insurer duly licensed in the Province of Alberta to cover any claims against the Tenant for property damage or injury caused due to the actions or omissions of the Tenant or his family members or visitors, with a minimum policy limit of one million (\$1,000,000) dollars per claim. The Tenant shall further obtain and maintain any required licensing of all vehicles which the Tenant is permitted to use on the Willowbend lands pursuant to this Agreement, including without limitation any passenger vehicles, quads (all-terrain vehicles)

and boats, and the Tenant shall insure the use of vehicles with an insurer duly licensed in the Province of Alberta with a minimum policy limit of one million (\$1,000,000) dollars per claim. A copy of also such insurance policies required as set forth in this paragraph shall be provided to Willowbend on or prior to the commencement of the Term or indication and confirmation of such insurance policies on the internet format is considered as satisfying this obligation. In the event that the Tenant fails to provide a copy of such insurance policy, the Tenant shall pay to Willowbend an administrative fee of fifty (\$50) dollars per week or part thereof during the period of time that such failure continues.

15. **ASSUMPTION OF RISK AND RELEASE:** The Tenant hereby acknowledges that there may be serious dangers and risks associated with the use of Willowbend's property and facilities, including the common areas and the use of swimming and playground facilities and the access to and use of Lac La Nonne, including risk of serious personal injury or death. The Tenant hereby acknowledges that he and his family members and visitors are voluntarily undertaking such dangers and risks. The Tenant, on behalf of himself and on behalf of his family members and visitors, hereby releases and forever discharges Willowbend and its directors, officers, employees, contractors and agents from any and all claims, actions, suits, debts, costs, demands, losses and damages which are caused by any reason whatsoever, including without limitation the negligence of Willowbend or its directors, officers, employees, contractors or agents and the negligence of any other users of Willowbend's property and facilities
16. **EXCLUSION OF LIABILITY:** Save and except as may be caused by the negligence or wilful conduct of Willowbend and its directors, officers, employees, contractors and agent, the Tenant agrees that Willowbend, its directors, agents, servants, advisors or employees, shall **not** be liable or responsible in any way:
- a) for damage or injury to any property of the Tenant which is entrusted to the care or control of Willowbend, its agents, servants or employees; or by reason of Willowbend, its agents, servants, employees or contractors, entering upon the Recreational Lot as herein provided to undertake any examination thereof or any work therein or in the case of an emergency;
  - b) for any personal or consequential injury of any nature whatsoever, or death that may be suffered or sustained by the Tenant or any agent, family member, guest, invitee or licensee of the Tenant or any other person who may be found upon the Recreational Lot or the Common Areas, howsoever caused;
  - c) for any loss or of damage or injury to any property belonging to the Tenant or to any other person while such property is on the Recreational Lot and, in particular (but without limiting the generality of the foregoing), for any damage or damages of any nature whatsoever to any such property or any personal injury or death suffered or sustained by any persons caused by or resulting from:
    - i. the failure or breakdown of any apparatus or part thereof or other cause to supply adequate electricity
    - ii. the interruption of any electrical service;
    - iii. without limitation for any act or omission (including theft, malfeasance or negligence) on the part of any agent, contractor or person from time to time employed by it to perform cleaning services, security services, maintenance services or any other work in or about the Recreational Lot and the Common Areas;
    - iv. sewage backup, or leakage from pipelines; or
  - d) for any damage caused by anything done or omitted by any other Tenants.

(collectively the "Excluded Damage")

17. **INDEMNITY:** The Tenant agrees that it shall:
- a) be liable to Willowbend for all losses, costs, damages and expenses whatsoever which Willowbend may suffer, sustain, pay or incur; and in addition, and

- b) indemnify, hold harmless, release and forever discharge Willowbend, its directors, officers and employees, contractors and agents from and against all actions, proceedings, claims, demands, losses, costs, damages and expenses whatsoever which may be brought against or suffered by Willowbend or which it may sustain, pay or incur

in respect of:

- a) the acts or omissions of the Tenant or Tenant Guests;
- b) the breach, performance, purported performance or non-performance of any covenant, term or condition of this Agreement by the Tenant;
- c) any occurrence in or on the Recreational Lot;
- d) the possession or use of any part of the Recreational Lot by the Tenant;
- e) any work undertaken by the Tenant on the Recreational Lot; or
- f) any matters for which the Tenant is obligated to insure hereunder

save and except as may be caused by the acts or omissions of Willowbend and its directors, officers, employees, contractors and agents together with an administrative fee of twenty percent (20%) for any damages sustained and including any legal fees on a solicitor-and-his-own-client basis.

18. **DEFAULT:** Without limiting the generality of the following, the occurrences of any of the followings shall constitute an Event of Default under this Lease:

- a) The Tenant fails to pay Rent when due under this Agreement;
- b) The Tenant commits a breach of any covenant, term, condition or agreement under this Agreement other than payment of Rent, and the Tenant fails to remedy such default to the satisfaction of Willowbend within seven (7) days of delivery to the Tenant of a written notice of default;
- c) The Tenant leaves the Recreational Lot vacant or unoccupied for the purpose outlined herein for a period of ten (10) consecutive business days without the consent of Willowbend; or the Tenant otherwise abandons, or attempts to abandon, or expresses its intent to abandon the Recreational Lot, or its intent not to fulfil any of its obligations under this Agreement;
- d) The Tenant makes or purports to make an assignment, transfer, or sublease of the Recreational Lot;
- e) The Tenant makes any assignment for the benefit of creditors, becomes insolvent, commits an act of bankruptcy, takes the benefit of any legislation for bankruptcy or insolvent debtors or seeks any arrangement with its creditors;
- f) The Tenant files a petition or makes a proposal, or is subject to a petition, receiving order or other proceeding under the Bankruptcy and Insolvency Act (Canada);

(hereafter referred to as an "Event of Default")

19. **ACCELERATED RENT:** Upon the occurrence of an Event of Default, Willowbend will, in addition to all of its rights, remedies and recourses, be entitled to the equivalent of three (3) months of Rent as accelerated rent.

20. **TERMINATION:** Upon the occurrence of an Event of Default,

- a) this Lease shall, at Willowbend's option, exercisable by written notice to the Tenant, *ipso facto* terminate, without prejudice to all other rights and recourses of Willowbend, and the Tenant shall immediately vacate and surrender to Willowbend the Recreational Lot.

- b) If Willowbend terminates this Lease in the event of default of the Tenant, Willowbend shall forthwith, and notwithstanding any other provisions of this Lease, or any rule of law or equity to the contrary, recover from the Tenant damage (“Damage”) which Willowbend suffers or will suffer, including, without limitation,
  - i. the full amount of the rents reserved for the unexpired portion of the term hereby reserved, calculated as a genuine pre-estimate by the parties hereto and as and for liquidated damages and not as penalty; and
  - ii. cost of recovering the Recreational Lot, actual legal costs, and costs on solicitor-client basis;

all of which amounts will be due immediately and payable by the Tenant to Willowbend.

- c) Willowbend may, without notice or any form of legal process, forthwith,
  - i. re-enter upon and take possession of the Recreational Lot,
  - ii. expel and remove all occupants thereof or found therein,
  - iii. remove all property from the Recreational Lot, and such property may be removed and sold or disposed of by Willowbend in such manner as it deems advisable, including by private sale; or may be stored in a public warehouse or elsewhere at the cost and for the account of the Tenant, all without service of notice or resort to legal process and without Willowbend being considered guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby; and
- 21. Upon the occurrence of an Event of Default, without prejudice to all the rights and recourses of Willowbend specified therein and without prejudice to all other rights and recourses of Willowbend, Willowbend shall have the right, upon written notice to the Tenant, to repossess the Recreational Lot without terminating this Lease, and then the following will apply:
  - d) Willowbend may, from time to time, make such alterations and repairs as are necessary in order to re-let the Recreational Lot or any part thereof for such term or terms and such rent and upon such other terms and conditions as Willowbend in its sole discretion considers advisable.
  - e) The amounts received by Willowbend as rental from such re-letting shall be applied as follows:
    - i. first, to payment of any indebtedness other than Rent due and unpaid hereunder;
    - ii. second, to payment of any costs and expenses for such re-letting including brokerage fees and legal costs on solicitor-client basis;
    - iii. third, to payment of Rent due and unpaid hereunder; and
    - iv. the residue, if any, shall be held by Willowbend and applied in payment of future Rent as the same becomes due and payable hereunder.
  - f) If the amounts received from any third party as rental from any such re-letting during any month is less than that to be paid during that month by the Tenant hereunder, the Tenant shall pay any such deficiency which shall be paid monthly in advance on or before the first day of each and every month.
  - g) No such taking possession or re-letting of the Recreational Lot shall be construed as an election on the part of Willowbend to terminate this Lease unless a written notice of such intention is given to the Tenant.
  - h) Notwithstanding any such taking of possession or re-letting of the Recreational Lot, Willowbend may at any time thereafter, at its sole discretion, elect to terminate this Lease for such previous Event of Default.
- 22. **RIGHT OF DISTRESS:** In addition to, and without prejudice to, any other remedies available to Willowbend at law or equity for a breach of the terms and conditions of this Agreement, upon the occurrence of an Event of

Default, Willowbend shall be permitted to exercise a right of distress against any property of the Tenant located on Willowbend's lands. Such right of distress shall entitle Willowbend to retain a civil enforcement agency to seize and sell any such property in accordance with law. The Tenant waives and renounces the benefits of any present or future statute or any amendments thereto taking away or limiting Willowbend's right of distress and agrees with Willowbend that notwithstanding any such enactment, all goods and chattels of the Tenant from time to time on the Recreational Lot shall be subject to distress for arrears of rent.

23. **COSTS OF ENFORCEMENT:** If Willowbend brings any action or take any steps to recover possession of the Recreational Lot or to recover Rent or any other monies due to Willowbend from the Tenant or to enforce any other covenant of the Tenant pursuant to this Agreement, the Tenant shall pay to Willowbend all expenses incurred therefore, including Willowbend's legal costs on a solicitor-and-his own-client full indemnity basis and other professional costs.
24. **END OF TERM AND OVERHOLDING:** Unless the Term has been renewed by agreement between the Tenant and Willowbend, at the expiry or early termination of the Term, the Tenant shall remove all of his property from the Recreational Lot and from any other property of Willowbend, including any common areas, and the Tenant shall leave the Recreational Lot in good and reasonable condition. In the event that Willowbend, as determined in its sole discretion, acting reasonably, is required to clean the Recreational Lot, the Tenant shall reimburse to Willowbend the cost of any such cleaning (which for the services of Willowbend's employees shall be charged at a rate of eighty (\$80) dollars per hour) plus an administration fee equal to twenty (20%) percent of such cost immediately upon notice from Willowbend. In the event that the Tenant fails to remove any of his property upon the expiry or early termination of the Agreement, the Tenant shall pay to Willowbend a fee equal to thirty (\$30) dollars for each day beyond the expiry or early termination of the Agreement as consideration for the storage of such property. In the event that such property is not claimed by the Tenant within five (5) days after the expiry or early termination of the Term, at any time thereafter such property may be deemed by Willowbend to have been abandoned by the Tenant, and Willowbend shall be entitled to claim legal and beneficial title over such abandoned property and be at liberty to remove and dispose of such property as it determines in its sole discretion, without any obligation to realize any value from such abandoned property. Any proceeds arising from such disposition shall be applied as follows: (a) first, against the costs of such removal and disposition; (b) second, towards any amounts due and owing by the Tenant to Willowbend; and (c) third, any amounts remaining shall be paid to the Tenant. In the event that such proceeds are insufficient to pay for the costs of such removal and disposition, then the Tenant shall reimburse to Willowbend such deficiency within seven (7) days of written notice to the Tenant.
25. **RENEWAL OF TERM:** In the event that the Tenant wishes to lease the Recreational Lot for the following season (May 1 to September 30 of the following year), the Tenant shall sign Willowbend's then current Rental Form prior to the expiry of the Term. In the event that the Tenant fails to do so, the Tenant acknowledges that Willowbend may thereafter lease the Recreational Lot to any other person.
26. **WINTER PARKING AND STORAGE OF RECREATIONAL VEHICLES:** Subject to the Tenant having complied with and observed all of its obligations under this Agreement, including without limitation the payment of all required fees and deposits to Willowbend as they become due and owing, the Tenant shall be permitted to leave and store the Tenant's recreational vehicles on the Recreational Lot from the date of the signing of the Rental Form until the commencement of the Term, so long as the Tenant continues to comply with and observe such obligations.
27. **PROVISION OF OTHER TENANT INFORMATION:** The Tenant shall provide to Willowbend such information as may be required by Willowbend from time to time, including without limitation information with respect to the make, model, serial number, licensing and insurance coverage of all boats and all-terrain vehicles that the Tenant is permitted to use on Willowbend's lands pursuant to this Agreement. In the event that the Tenant fails to provide any such information within ten (10) days of the request of Willowbend, the Tenant shall pay to Willowbend an administrative fee of fifty (\$50) dollars per week or part thereof during the period of time that such failure continues.

28. **COMPLIANCE WITH LAWS:** In using the Recreational Lot and the common areas of the Willowbend lands, including without limitation all facilities provided by Willowbend, the Tenant shall, and shall cause his family members and visitors to, comply with all applicable federal, provincial, and municipal laws, statutes, rules, regulations, ordinances, codes and orders.
29. **NOTICES:** All notices, invoices, payments and formal communications (collectively referred to as "Notices") required or permitted to be given pursuant to these terms and conditions shall be in writing and shall be delivered personally or sent by prepaid registered mail as follows:
- a) If to the Tenant, to the address of the Tenant as set forth on the first page of the Rental Form; or
  - b) If to Willowbend, to Site 7, Box 1, R.R. #1, Gunn, Alberta, T0E 1A0;
- or to such other address as the relevant party may notify from time to time. Notices sent by prepaid registered mail shall be deemed to be received by the addressee on the seventh (7th) day (excluding Saturdays, Sundays, statutory holidays and any period of postal disruption) following the mailing thereof. Notices personally served shall be deemed to be received when actually delivered, provided that such delivery shall be during normal business hours, otherwise such Notices shall be deemed received the following business day.
30. **SUBLETTING AND ASSIGNMENT:** The Tenant shall not sublet the Recreational Lot (including storing the property of any other person on the Recreational Lot, whether for consideration or otherwise), or assign any of its rights under these terms and conditions, without the prior written consent of Willowbend.
31. **ENUREMENT:** These terms and conditions shall enure to the benefit of and be binding upon the parties' respective successors and permitted assigns.
32. **SURVIVAL:** The obligation of the Tenant to pay to Willowbend any amounts due and owing pursuant to these terms and conditions, together with the provisions of paragraphs 15 and 16 above, shall survive the expiry or early termination of the Term and the agreement arising from these terms and conditions.
33. **GENDERS AND PLURALS:** As the context of these terms and conditions so requires, words that import the singular shall include the plural, and vice versa, and words that import a particular gender shall include all other genders.
34. **GOVERNING LAW:** These terms and conditions shall be governed and interpreted in accordance with the laws in force in the Province of Alberta. The parties hereby submit to the exclusive jurisdiction of the Courts of Alberta.