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## Licence of Occupation

This AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, 2026.

**BETWEEN:**    **The Corporation of the District of North Cowichan**  
7030 Trans-Canada Highway  
North Cowichan, BC V9L 6A1

("North Cowichan")

**AND:**           **British Columbia Ferry Services Inc.**  
Suite 500 – 1321 Blanshard Street  
Victoria, BC V9W 0B7  
Attn: Emma McWalter, Manager Terminal Strategic Planning

("Licensee")

THIS AGREEMENT WITNESSES that, in consideration of \$1.00 and the mutual covenants and agreements contained in this agreement and for other good and valuable consideration now paid by each of the parties hereto to the other (the receipt and sufficiency of which are hereby expressly acknowledged), North Cowichan and the Licensee covenant and agree as follows:

### Definitions

1. In this Licence:


- (a) **"Land"** means 1537 Chaplin Street, legally described as Lot 1, section 1, range 11, Chemainus District, Plan VIP23431 (PID: 003-105-318);
- (b) **"Licenced Area"** means the part of the Land outlined and shaded in blue on the attached Schedule A, containing about 319 m<sup>2</sup>.

### Grant of Licence and Term

2. North Cowichan grants the Licensee, which includes its employees, members, customers, guests and agents, a Licence of occupation (the **"Licence"**) to occupy the Licenced Area, on the terms below, from August 1, 2026 through December 31, 2031, subject to renewal or earlier termination (the **"Licence term"**). The parties may, upon mutual agreement, renew this Licence on an annual basis in accordance with section 38 [Renewal].

### Licence Fee

3. In consideration for granting the Licence, the Licensee agrees to pay North Cowichan a fixed annual fee of ten thousand dollars (\$10,000), payable in four equal quarterly payments of \$2,500, upon 30

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days of receiving an invoice.

4. Arrears will bear interest at 1.5 percent per month.

#### **Use of Licenced Area**

5. The Licensee may only use the Licenced Area for the purpose of vehicle parking for the Licensee's ferry crew and staff. The Licenced Area will be reserved 24 hours, seven days per week for the exclusive use of the Licensee.
6. The Licensee has inspected the Licenced Area and acknowledges that it is suitable for the stated use.
7. The Licenced Area includes sufficient area to accommodate 21 parking spaces.
8. Any additional lighting, paving, delineators, fencing, signage or other improvements to the Licenced Area must be completed at the sole cost of the Licensee. The notice provisions in section 26 apply to these additional improvements to the Licenced Area.

#### **Nature of Licence**

9. The Licensee acknowledges that this agreement grants a Licence only. It does not give, and must not be deemed to give, any other interest in the Licenced Area.

#### **Dealings with Licence**

10. The Licensee must not assign the Licence, or sub-Licence all or part of the Licenced Area, without North Cowichan's prior written consent. North Cowichan may withhold consent without reason.
11. Assigning the Licence does not release the Licensee from its obligations under the Licence.
12. The Licensee must not encumber its interest in the Licence.
13. The Licensee must not allow another person to occupy all or part of the Licensed Area, except its
  - (a) agents, employees, or guests, and,
  - (b) assignees and sub-licensees whom North Cowichan permits, in North Cowichan's sole discretion.
14. The Licensee must ensure that all persons that they permit to occupy all or part of the Licensed Area comply with the terms of the Licence.
15. The Licensee and its agents, employees, guests, assignees, and sub-licensees are not, and must not be deemed to be, agents or employees of North Cowichan.

### **Re-entry into Licenced Area**

16. The Licensee must allow North Cowichan and persons whom North Cowichan authorizes to enter the Licenced Area at any time on reasonable notice and for any reason.

### **Maintenance of Licenced Area**

17. The Licensee accepts responsibility for the Licenced Area's welfare and agrees to keep the Licenced Area clean, tidy, and in good repair, including removal of snow and towing any authorized vehicles.

### **Repairs to Licenced Area**

18. The Licensee must repair, at its expense, damage to the Licenced Area that results from the use of the Licenced Area by the Licensee or a person whom the Licensee allows to enter it.

### **Compliance with Enactments and Permits**

19. The Licensee must, during the term, comply with applicable federal, provincial and local government enactments and permits, including laws, regulations, bylaws, orders, Licences, and approvals. This also includes, but is not limited to, requirements set out in North Cowichan's Respectful Spaces Bylaw, 2020.

20. Without limitation, the Licensee must comply, during the term, with applicable enactments and permits relating to (a) building, (b) fire protection and control, (c) the environment.

21. The Licensee must show North Cowichan on demand that the Licensee's permits are valid.

### **Taxes**

22. The Licensee must pay, on time, all taxes imposed during the Licence on the Licensee's activity, income, and property, and the Licensee must pay all WorkSafeBC assessments.

### **Liens**

23. If applicable, the Licensee must promptly remove liens against all or part of the Land that arise from work done for, materials supplied to, and obligations incurred by the Licensee and comply at all times with the *Builders Lien Act* (British Columbia).

### **Changes and Improvements to Licenced Area**

24. If a provincial or federal enactment or a change to a provincial or federal enactment requires changing the Licenced Area or part of the Licenced Area, then the Licensee must (a) notify North Cowichan, and (b) change the Licenced Area or part of the Licenced Area (as the case may be) at the Licensee's expense. Otherwise, the Licensee must not change or improve the Licenced Area, or part of the Licenced Area, without North Cowichan's prior written consent.

### **Environmental Protection**

25. The Licensee must not store or have stored, treat or have treated, or dispose or have disposed, Hazardous Substances in the Licenced Area. A "**Hazardous Substance**" means a contaminant,

dangerous good, hazardous substance, pollutant, special waste, or toxic substance, or waste, as defined under the federal *Canadian Environmental Protection Act*, Provincial *Environmental Management Act*, or other applicable legislation pertaining to the environment, as amended from time to time ("**Environmental Laws**").

- 26.** The Licensee must notify North Cowichan immediately if
- (a) a Hazardous Substance is released in the Licenced Area,
  - (b) a government agency notifies the Licensee that the Licensee is not complying with an Environmental Law,
  - (c) the Licensee is notified of a third-party claim relating to the environment, or,
  - (d) the Licensee learns that a Hazardous Substance is present in the Licenced Area.
- 27.** The Licensee must investigate, and report, as North Cowichan directs, if North Cowichan reasonably suspects that the Licensee's occupation and use of the Licenced Area might be introducing, or increasing the presence of, Hazardous Substances in the Licenced Area.
- 28.** The Licensee shall take all reasonable care not to introduce any Hazardous Substance to the Licenced Area and areas adjacent to it. If the Licensee's use and occupation of the Licenced Area introduces, or increases the presence of, Hazardous Substances in the Licenced Area, then the Licensee must undertake remediation (as defined in the *Environmental Management Act*) at its expense.

### **Release and Indemnity**

- 29.** The Licensee agrees to release, indemnify and save harmless North Cowichan, and its elected and appointed officials, officers, employees, contractors and agents, from and against any and all claims, losses, damages, demands, causes of action, liabilities, costs and expenses arising out of or connected directly or indirectly with loss of life, personal injury or damage to property:
- (a) arising from any occurrence on the Licensed Area;
  - (b) arising from the Licensee's occupation or use of the Licenced Area;
  - (c) arising from the Licensee's breach of any provisions of the Licence;
  - (d) caused by or arising from an act or omission of the Licensee, its directors, officers, employees, agents, customers, contractors or other invitees, during the Licence Term; and,
  - (e) North Cowichan exercising its rights under the Licence, unless such claims are caused by the wilful misconduct or negligence of North Cowichan.
- 30.** This release and indemnity shall survive the expiry or earlier termination of this Licence.

## **Insurance**

- 31.** The Licensee must take out, and maintain during the Licence, comprehensive general liability insurance of at least Five Million Dollars (\$5,000,000), on terms, and from an insurer that is licensed to do business in British Columbia.
- 32.** The Licensee's comprehensive general liability insurance policy must:
- (a) name North Cowichan as an additional insured; and,
  - (b) state that it must not be cancelled, allowed to expire, or materially changed, unless the insurer notifies North Cowichan in writing at least 30 days in advance.

## **33. Curtailment or Temporary Suspension of Use**

- 34.** If North Cowichan believes that circumstances beyond North Cowichan's control require curtailing or temporarily suspending the Licensee's use of the Licenced Area, then the Licensee must curtail or temporarily suspend (as the case may be) its use of the Licenced Area as North Cowichan directs, upon 60 days written notice to Licensee, and North Cowichan agrees to refund, on a pro rata basis, any payment made to North Cowichan for the period of time the Licenced Area use is suspended.

## **Cancellation or Forfeiture of Licence**

- 35.** North Cowichan or the Licensee may cancel the Licence, without cause or reason, upon 120 days written notice to the other party.
- 36.** If the Licensee does not fulfill an obligation under the Licence, then North Cowichan may, rather than fulfill the obligation for the Licensee and recover its costs from the Licensee, cancel the Licence in writing, effective 30 days after giving notice, unless the Licensee fulfills the obligation in that time.
- 37.** If a creditor of the Licensee's:
- (a) tries to seize the Licence, or take the Licence in execution or attachment, or,
  - (b) the Licensee becomes bankrupt or insolvent,
- then the Licensee forfeits the Licence, and improvements to the Licenced Area, to North Cowichan.

## **Renewal**

- 38.** The Licensee must notify North Cowichan at least thirty (30) days before the Licence term ends if the Licensee wishes to renew the Licence for one or more additional one (1) year renewal terms, on the same terms and conditions as this Licence, or as otherwise agreed to by both parties. North Cowichan may refuse in its sole discretion to renew the Licence without any obligation to the Licensee.

## **End of Licence**

- 39.** The Licensee must give up possession of the Licenced Area when the Licence Term ends, unless a renewal or extension has been granted.
- 40.** When the Licence Term ends, the Licensee must:
- (a) remove, at its expense, its property from the Licenced Area;
  - (b) leave the Licenced Area clean, tidy, and in good repair; and,
  - (c) remove, at its expense, improvements to the Licenced Area as North Cowichan directs.

## **Notices**

- 41.** Any notice, request, consent or other instrument which may be required to be given under this Licence must be given in writing and must be delivered in person, mail or email addressed to the respective addresses set out below, or to such other address either of the parties may designate in writing:

(a) North Cowichan: The Corporation of the District of North Cowichan  
7030 Trans-Canada Highway  
North Cowichan, BC V9L 6A1  
Attention: Bill Corsan, GM Corporate Services & Community Relations  
Email: Bill.Corsan@northcowichan.ca cc to agreements@northcowichan.ca

(b) Licensee: British Columbia Ferry Services Inc.  
Suite 500 – 1321 Blanshard Street  
Victoria, BC V9W 0B7  
Attn: Emma McWalter, Manager Terminal Strategic Planning  
Email: Emma.McWalter@bcferries.com

- 42.** Any notice, request, consent or other instrument must be deemed to have been given on the day upon which it is delivered in person, the business day email is confirmed by the recipient as having been received, or if mailed then on the 5<sup>th</sup> business day following the date of mailing.

## **Overholding**

- 43.** If the Licensee continues to occupy the Licenced Area after the Licence Term ends, then the Licence continues on the same terms, except:
- (a) the Licensee must pay North Cowichan the Licence fee based on revised parking rates provided by North Cowichan or every month or part of a month that the Licensee continues to occupy the Licenced Area; and
  - (b) North Cowichan may cancel the Licence in writing with 90 days notice.

## Dispute Resolution

44. North Cowichan and the Licensee agree to try to resolve disputes that arise from or in connection with this Licence as efficiently and cost-effectively as possible.
45. If any dispute arises under this Licence, the parties will make all reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.

## Freedom of Information

46. The Licensee acknowledges that the *Freedom of Information and Protection of Privacy Act* might require disclosing this Licence, and records relating to this Licence that are in North Cowichan's custody or under its control.

As evidence of their agreement to be bound by this Licence, the parties have signed this Licence below:

**British Columbia Ferry Services Inc.,**  
by its authorized signatory:

**The Corporation of the District of  
North Cowichan,** by its authorized  
signatory:

\_\_\_\_\_  
Signature of Authorized Signatory

\_\_\_\_\_  
Ted Swabey  
Chief Administrative Officer

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

# Schedule A Licenced Area

