

TERMS OF INSTRUMENT - PART 2

THIS COVENANT dated for reference [insert yyyy-mm-dd]

BETWEEN: (insert Transferor here)

(the "Transferor")

AND: **DISTRICT OF LAKE COUNTRY**
10150 Bottom Wood Lake Road
Lake Country, British Columbia, V4V 2M1

(the "Transferee")

- A. The Transferor is the registered owner of those certain lands and premises located in the District of Lake Country, the legal description of which are as follows:

Parcel Identifier: _____

Legal Description: _____

(the "Lands");

- B. The Transferor has applied to subdivide or develop the Lands and the water supply to the Lands may not be potable;
- C. The Lands, in order to be used for ordinary residential purposes, will require an appropriate water treatment system serving the water supply from the well or surface water source so as to make the water fit for human consumption and satisfy the Guidelines for Canadian Drinking Water Quality, published by the Ministry of Health Canada and as amended from time-to-time (the "Guidelines").
- D. The Transferor has agreed to enter into this Agreement and to register it against title to the Lands as a covenant under section 219 of the *Land Title Act*.

NOW THEREFORE, in consideration of the payment of the sum of \$2.00 by the Transferee to the Transferor and the premises and the covenants herein contained and for other valuable consideration, receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereto covenant and agree with the other as follows:

1. The Lands shall not be used or built upon except in accordance with the terms of this Agreement.
2. The Transferor may use, or build upon the Lands if it first installs a water treatment system on the Lands that will make the water supplied from the well or surface water source to

the residential dwelling on the Lands safe and potable in accordance with the Guidelines ("Water Treatment System").

3. The Transferor shall maintain, in perpetuity, the Water Treatment System so that the treated water from the well or surface water source supplying the residential dwelling on the Lands shall continue to be safe and potable in accordance with the Guidelines and the Transferor shall conduct testing of the treated water from the water treatment system to ensure that the water supplying the residential dwelling on the Lands is in compliance with the standards set out in the Guidelines and shall provide the results of this testing to the Transferee on demand by the Transferee.
4. The Transferor and the Transferee agree that the enforcement of this Agreement shall be entirely within the discretion of the Transferee and that the execution and registration of this covenant against the title to the Lands shall not be interpreted as creating any duty on the part of the Transferee to the Transferor or to any other person to enforce any provision or the breach of any provision of this Agreement.
5. Nothing contained or implied herein shall prejudice or affect the rights and powers of the Transferee in the exercise of its functions under any public or private statutes, bylaws, orders and regulations, all of which may be fully and effectively exercised in relation to the Lands as if the Agreement had not been executed and delivered by the Transferor.
6. Any waiver by the Transferee of any term, condition, covenant, or other provision of this Agreement or any waiver by the Transferee of any breach, violation or non-performance of any term, condition, covenant, or other provision of this Agreement does not constitute and will not be construed as a waiver of any further or other term, condition, covenant or other provision of this Agreement or any further or other breach, violation or non-performance of any term, condition, covenant or other provision of this Agreement.
7. The Transferor hereby releases and forever discharges the Transferee, its officers, employees and agents, of and from any claim, cause of action, suit, demand, expenses, costs and expenses, and legal fees whatsoever which the Transferor can or may have against the said Transferee for any loss or damage or injury, including economic loss, that the Transferor may sustain or suffer arising out of this Agreement or the use of the Lands as a result of this Agreement.
8. The Transferor covenants and agrees to indemnify and save harmless the Transferee, its officers, employees and agents, from any and all claims, causes of action, suits, demands, expenses, costs and expenses, and legal fees whatsoever that anyone might have as owner, occupier or user of the Lands, or by a person who has an interest in or comes onto the Lands, or by anyone who suffers loss of life or injury, including economic loss, to his person or property, that arises out of this Agreement or the use of the Lands as a result of this Agreement.
9. It is mutually understood, acknowledged and agreed by the parties hereto that the Transferee has made no representations, covenants, warranties, guarantees, promises or agreements (oral or otherwise) with the Transferor other than those contained in this Agreement.
10. This Agreement shall be registered in priority to all other charges and encumbrances of a financial nature against the Lands and the Transferor agrees to execute and deliver all

other documents and provide all other assurances necessary to give effect to the covenants contained in this Agreement.

11. The Transferor shall pay the legal fees of the Transferee in connection with the preparation and registration of this Agreement. This is a personal covenant between the parties.
12. The Transferor covenants and agrees for itself, its heirs, executors, successors and assigns, that it will at all times perform and observe the requirements and restrictions hereinbefore set out and they shall be binding upon the Transferor as personal covenants only during the period of its respective ownership of any interest in the Lands.
13. The restrictions and covenants herein contained shall be covenants running with the Lands and shall be perpetual, and shall continue to bind all of the Lands when subdivided, and shall be registered in the Land Title Office pursuant to section 219 of the *Land Title Act* as covenants in favour of the Transferee as a first charge against the Lands.
14. This Agreement shall enure to the benefit of the Transferee and shall be binding upon the parties hereto and their respective heirs, executors, successors and assigns.
15. Wherever the expressions "Transferor" and "Transferee" are used herein, they shall be construed as meaning the plural, feminine or body corporate or politic where the context or the parties so require.
16. The Transferor agrees to execute all other documents and provide all other assurances necessary to give effect to the covenants contained in this Agreement.
17. Time is of the essence of this Agreement.
18. If any part of this Agreement is found to be illegal or unenforceable, that part will be considered separate and severable and the remaining parts will not be affected thereby and will be enforceable to the fullest extent permitted by law.
19. This Covenant will not be modified or discharged except in accordance with the provisions of section 219(9) of the *Land Title Act*.

CONSENT AND PRIORITY: _____ being the registered holder of a mortgage registered under Registration Number _____ against title to the Lands hereby consents to the filing of this covenant and hereby grants priority to this covenant over its mortgage registered under Number _____

This is the instrument creating the condition or covenant entered into under Section 219 of the *Land Title Act* by the registered owner(s) referred to herein.

IN WITNESS WHEREOF the parties hereto hereby acknowledge that this Agreement has been duly executed and delivered by the parties executing Forms C and D (pages 1 and 2) attached hereto.

END OF DOCUMENT