

FIRE SUPPRESSION AIRCRAFT OPERATIONS AGREEMENT
AGREEMENT NO.: AO0888E001
(THE "AGREEMENT")

COPY

Between:

**Her Majesty the Queen in right of the Province of British Columbia
Protection Program, British Columbia Forest Service
(the "Province")**

And:

**Air Spray (1967) Ltd.
(the "Company")**

AMENDMENTS FOR THE YEAR ENDED MARCH 31, 2009

**SCHEDULE A
AVAILABILITY AND OPERATING PERIOD**

1. OPERATING PERIOD

1.02 The 2008 Operating Period for the Year ended March 31, 2009 will be May 12th to September 11th.

**SCHEDULE C
SERVICES AND FACILITIES**

1. SERVICES

1.03 For the 2008 Operating Period the Designated Base is **Williams Lake, British Columbia**

**SCHEDULE F
FEES**

1. AVAILABILITY CHARGES

- (a) for one (1) L-188 Air Tankers, \$1,158,230 based upon a Daily Rate of \$9,417; and
- (b) for one (1) Turbo Commander 690 Bird-dog aircraft, \$254,184 based upon a Daily Rate of \$2,067 for each aircraft.

2. FLIGHT TIME CHARGES

- (a) for the L-188 Air Tankers, \$3,543 for each hour of flight time, and pro-rated amounts for part hours; and
- (b) for the Turbo Commander 690 Bird-dog aircraft, \$855 for each hour of flight time, and pro-rated amounts for part hours.

3. ADDITIONAL AVAILABILITY CHARGES

- (a) Daily Rate of \$9,417 for the L-188 Air Tanker; and
- (b) Daily Rate of \$2,067 for the Turbo Commander 690 Bird-dog aircraft.

Amendment 2008-01

4. CREW EXPENSES

- (a) ground transportation expenses when the Aircraft and crew are required to be away from the Designated Base overnight at either:
 - i. the out of pocket costs incurred by the Company, or
 - ii. a rate of sixty dollars (\$60.00) per day for the use of the Company's vehicle;
- (b) a rate of ~~eighty~~^{ninety} five dollars (\$95) per night per flight and maintenance crew member for lodging when the Aircraft and crew are required to be away from the Designated Base overnight.
- (c) an additional twenty-six dollars (\$26.50) per day per flight and maintenance crew member when the Aircraft and crew are required by the Minister to be positioned north of the 60° latitude.

ALL OTHER TERMS AND CONDITIONS OF THE AGREEMENT DATED APRIL 07, ^{30, 2007 ^{kw}} ~~2000~~ REMAIN UNCHANGED AND APPLICABLE.

For the Province of British Columbia:

Marcia Foote
Signature

MARCIA FOOTE
Print Name of Signatory

May 2, 2008.
Date

Air Spray (1967) Ltd. agrees with the above-mentioned amendments and concurs that all other terms and conditions remain unchanged.

[Signature]
Signature

Donald Hamilton
Print Name of Signatory

May 5, 2008.
Date

INFORMATION ONLY
For the Year ended March 31, 2009

Description	2007/08	CPI Rate	2008/09	# of days	2008/09 Per Day
Availability L-188 (1)	\$1,137,750	1.80%	\$1,158,230	123	\$9,417
Availability TC 690 (1)	\$249,690	1.80%	\$254,184	123	\$2,067
Flight Time / per hour					
L-188	\$3,480	1.80%	\$3,543		
TC 690	\$840	1.80%	\$855		
Additional Availability Fees, Release Rate / per day					
L-188	\$9,250	1.80%	\$9,417		
TC 690	\$2,030	1.80%	\$2,067		



File: 1080-20/AIR 2007-01
1080-20/AIR 2000-002

March 28, 2008

PRE-SEASON AIR TANKER AVAILABILITY

Don Hamilton, President
Air Spray (1967) Ltd.
#201 - 63 Airport Road
Edmonton, Alberta T5G 0W6

Dear Don Hamilton:

In order to respond to the potential for early wildfire activity in British Columbia, the Ministry wishes to confirm the pre-season availability of airtanker services.

To respond to this anticipated demand, Air Spray (1967) Ltd. is instructed to have any or all of the British Columbia Ministry of Forests and Range contracted airtanker fleet available within two weeks of our service instructions.

Air Spray (1967) Ltd. is advised that this pre-season service availability requirement is outside the normal scheduled airtanker fleet deployment plan. Should the Ministry require services during this pre-season period, call outs will be for a minimum of five (5) days at the rates noted in the respective aircraft operations agreement.

To meet this pre-season service requirement the Ministry of Forests and Range is prepared to accept your immediate invoice for that portion of the 2008 aircraft availability charges that represents the completed over winter maintenance on these aircraft.

Yours truly,

Marcia Foote
Aviation Management
Protection Program

for Air Spray (1967) Ltd.



Ministry of
Forests and Range

Protection Program

Location:
2nd Floor, 2957 Jutland Road
Victoria, British Columbia
V8W 3E7

Mailing Address:
PO Box 9502 Stn Prov Govt
Victoria BC V8W 9C1

Tel: (250) 387-5665
Fax: (250) 397-3685

MARSH

*LONG TERM CONTRACTS &
2000-002 and
A0888E001.*



MARSH MERCER KROLL
GUY CARPENTER OLIVER WYMAN
Suite 1100, 222 - 3rd Avenue S.W., Calgary, Alberta T2P 0B4 Tel 403 290 7900 Fax 403 476 3584

INSURANCE CERTIFICATE
(Amendment No. 1)

TO: BC Forest Service
P.O. Box 9502
Station Provincial Government
Victoria, BC V8W 9C1
Fax: 250-387-1072

Certificate No. AZ131107-05

Date: December 6, 2007

THIS IS TO CERTIFY that as Insurance Brokers we have effected insurance with CERTAIN LICENSED CANADIAN COMPANIES on behalf of:

Named Insured: Air Spray (1967) Ltd.

Address of Insured: 201 - 63 Airport Road
Edmonton, AB T5G 0W6

Period of Insurance: This Insurance is for a one year term which expires at 12:01 A.M. Standard Time December 1, 2008 at the address of the Insured as shown as above.

Interest Insured: All aircraft Owned and / or Operated and / or Leased by the Insured.

Coverage and Limits of Liability: *Note: All Coverages listed below are subject to AVN.43B, War, Hi-jacking and Other Perils Exclusion Clause (Aviation).*

Aircraft Legal Liability covering bodily injury / property damage (inclusive of liability to third parties and/or passengers for baggage and/or cargo) up to a combined single limit for any one aircraft, any one occurrence, as follows:

CL,215 & Electra Aircraft	\$	10,000,000
All Other Aircraft	\$	5,000,000

Territorial Limits: Worldwide

- Special Conditions:
- i. Her Majesty the Queen in the Right of British Columbia as represented by the Minister of Forests and her respective officers, directors, employees, agents, successors and assigns are included as Additional Insureds for their respective rights and interests but solely with respect to the operations the Named Insured, and will receive protection from the policy in the same manner as if there were a separate policy covering each Insured (subject always to the policy limit of liability).
 - ii. It is agreed that written notice will be given of cancellation of or adverse material change in the insurances evidenced by the Certificate at least thirty (30) days prior to any such change or cancellation becoming effective EXCEPTING, HOWEVER, only ten (10) days notice will be given in the event of non-payment of premium, and as regards coverage in respect of War and Allied Perils (where applicable) which are subject to automatic and/or seven (7) days notice of cancellation provisions. Such notice will NOT, however, be given at normal expiry date of the insurances or any endorsement.

MARSH



MARSH MERGER KROLL
GUY CARPENTER OLIVER WYMAN

Suite 1100, 222 - 3rd Avenue S.W., Calgary, Alberta T2P 0B4 Tel 403 290 7900 Fax 403 476 3584

INSURANCE CERTIFICATE (Amendment No. 1)

THE ABOVE DESCRIBED COVERAGES ARE SUBJECT TO THE POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS AND UNLESS OTHERWISE STATED ALL SUMS ARE IN CANADIAN DOLLARS.

IN THE EVENT THAT THE NAMED INSURED HAS FINANCED THEIR PREMIUM(S), THE PREMIUM FINANCE COMPANY HAS POWER OF ATTORNEY TO RETURN PREMIUMS, CLAIMS PAYMENTS, AND ENJOYS LOSS PAYEE STATUS UNDER THIS POLICY.

SEVERAL LIABILITY NOTICE

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligation.

By: **MARSH CANADA LIMITED**

Per: *Elaine Betterton*

Elaine Betterton

cc: Air Spray (1967) Ltd.

(AMS)
DATA ENTERED
Date DEC 11 Initials Lu
2007

MARSHSuite 2500, 240 - 4th Avenue S.W., Calgary, Alberta T2P 4H4 Tel 403 290 7900 Fax 403 266 9881**INSURANCE CERTIFICATE**

TO: BC Forest Service
P.O. Box 9502
Station Provincial Government
Victoria, BC V8W 9C1

Certificate No. V6A152-05

Attn: Dave Langridge, Protection Program

Date: November 30, 2006

THIS IS TO CERTIFY that as Insurance Brokers we have effected insurance with CERTAIN LICENSED CANADIAN COMPANIES on behalf of:

Named Insured: Air Spray (1967) Ltd.

Address of Insured: 201 - 63 Airport Road
Edmonton, AB T5G 0W6

Period of Insurance: This Insurance is for a one year term which expires at 12:01 A.M. Standard Time December 1, 2007 at the address of the Insured as shown as above.

Interest Insured: See Attached Schedule of Aircraft

Coverage and Limits of Liability: Aircraft Legal Liability covering bodily injury / property damage (inclusive of liability to third parties and/or passengers for baggage and/or cargo) up to a combined single limit for any one aircraft, any one occurrence, as follows:

CL215 & Electra Aircraft	\$	10,000,000
Aero Commander Aircraft	\$	5,000,000
All Other Aircraft	\$	1,000,000

Note: All Coverages subject to AVN.48B, War, Hi-jacking and Other Perils Exclusion Clause (Aviation).

Territorial Limits: Worldwide

Special Conditions: (i) The Government of British Columbia and its respective officers, directors, employees, agents, successors and assigns are included as Additional Insureds for their respective rights and interests, but solely in regards to the operations of Air Spray (1967) Ltd., and will receive protection from the policy in the same manner as if there were a separate policy covering each Insured (subject always to the policy limit of liability).

THE ABOVE DESCRIBED COVERAGES ARE SUBJECT TO THE POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS.

MARSH

Suite 2500, 240 - 4th Avenue S.W., Calgary, Alberta T2P 4H4 Tel 403 290 7900 Fax 403 266 9881

INSURANCE CERTIFICATE

SEVERAL LIABILITY NOTICE

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligation.

By: MARSH CANADA LIMITED

Per: 

Elaine Betterton

cc: Air Spray (1967) Ltd.

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF FORESTS AND RANGE
FOREST SERVICE AND FIRE SUPPRESSION
AIRCRAFT OPERATIONS AGREEMENT

Agreement No.: AO0888E001

File Reference: 1080-20/AIRS 08 001

Project: Air Tanker Services

THIS AGREEMENT made on the 30th day of
APRIL, 2007.

BETWEEN:

COPY

HIS MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA:

Protection Program, BC Forest Service

(hereinafter called the "Province")

at the following address:

PO Box 9502, Stn Prov Govt
Victoria, British Columbia V8W 9C1

AND

Air Spray (1967) Ltd.

(hereinafter called the "Company")

At the following address:

Suite 201, 63 Airport Road
Edmonton, Alberta T5G 0W6

Telephone No: (250) 387-5965

Fax No: (250) 387-5685

Telephone No: (780) 453-1737

Fax No: (780) 454-4348

Email: office@airspray.com

WHEREAS:

- A. The Company is duly licensed to operate and provide the aircraft, specialty equipment and support services as specified in this Agreement;
- B. The Province requires the said Aircraft, Specialty Equipment and Services for use in the Ministry of Forests and Range Aviation Management and other Government of British Columbia Programs;
- C. On the basis of the Company's submission in response to the Province's Request for Proposals 2007-01, dated December 04, 2006, the Province has agreed to retain the Company to provide Air Tankers, Birdog aircraft and Services for the purpose of the control of wildfires; and
- D. The Company has agreed to provide such Services to the Province.

ACCORDINGLY, the parties agree as follows:

1. DEFINITIONS

1.01 In this agreement, unless the context otherwise requires:

- a) "Additional Services" means Services requested by the Province during the Availability Period but excluding the Operating Period, to be provided by the Company in accordance with the terms of this Agreement and within British Columbia where the Company can reasonably make the Equipment, Personnel and Facilities available for such Services;
- b) "Agreement Period" means the term described in Schedule A and represents the period which this Agreement and its Schedules continue in effect according to the terms, including any extension of the Agreement;
- c) "Aircraft" means any or all aircraft, described in Schedule B covered by this Agreement including Replacement Aircraft;
- d) "Availability Period" means the period from April 1 to October 31 inclusive during each year of the term of the Agreement;
- e) "BC Forest Service Fire Bombing Procedures" means the British Columbia Fire Bombing Procedures, created and maintained by the Province, outlining the Province's training requirements and operational policies and procedures in relation to aerial fire fighting;
- f) "Built-up Area" means any forest or range land occupied by houses, trailers, mobile homes, outbuildings or other manmade structures that are being threatened by, are adjacent to, or are within the boundaries of, a Wildfire;
- g) "Designated Base" means the operational base to which the Aircraft is assigned according to Schedule C;
- h) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests and Range; the Director, Protection Program; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Protection Program may authorize;



- i) "Event of Default" means any of the following events, whether any such event be voluntary, involuntary or result from the operation of law or any judgment or order of any court or administrative body:
 - i. the Company fails to observe, perform or comply with any provision of this Agreement that is required to be observed, performed or complied with on the part of the Company and has not rectified such failure or is not in the reasonable opinion of the Minister diligently proceeding to rectify such failure;
 - ii. the Company fails to furnish and give to the Province notice that there has occurred, or is continuing, a default under this Agreement including specifying particulars of the same; and
 - iii. a change occurs with respect to the Company's Business or to any one or more, including all of the properties assets conditions (financial or otherwise), business or operations of the Company which in the reasonable opinion of the Minister, materially adversely affects the ability of the Company to fulfil any of its obligations or provide the Services under this Agreement;
- j) "Improvements" means any vehicle, equipment or other manmade structure that is occupying forest or range lands being threatened by, adjacent to, or within the boundaries of, a Wildfire;
- k) "Maintenance Manuals" means the Company's Transport Canada approved Maintenance Control and Maintenance Procedures Manuals detailing the aircraft operated by the air carrier, the maintenance criteria, procedures and schedule for each aircraft and the personnel responsible for maintenance, inspection and quality control;
- l) "Minister" means the Minister of Forests and Range or his Designated Representative;
- m) "Ministry" means the Ministry of Forests and Range, Province of British Columbia;
- n) "Operating Period" means that period, described in Schedule A, during the Availability Period, during which the Services are provided;
- o) "Operations Manual" means the Company's Transport Canada approved document detailing the Company's operating procedures and includes any amendments to the same as required by law;
- p) "Proposal" means the Company's submitted response to RFP 2007-01;
- q) "RFP" means Request For Proposal 2007-01 for Air Tanker Services;
- r) "Replacement Aircraft" means aircraft provided by the Company to replace the Aircraft;
- s) "Services" means the services provided by the Company to the Province described in Schedule C;
- t) "Specialty Equipment" means the specialty equipment required in providing the Services and as described in Schedule B, and any other such equipment approved by the Minister for use in providing the Services;
- u) "Training Manual" means the Company's Transport Canada approved document detailing the flight crew criteria, procedures and schedules and includes any amendments to the same as required by law; and
- v) "Wildfire" means an unplanned fire occurring on forest or range lands, burning forest vegetation, grass, brush, scrub, peatlands, or a prescribed fire set under a burning permit which, in the judgment of a forest officer threatens to spread beyond the area authorized for that burning.

2. APPOINTMENT, TERM AND SERVICES

- 2.01 The Province retains the Company to provide the Services in accordance with the terms of this Agreement.
- 2.02 The Company shall provide the Services under this Agreement during the Operating Period.

3. FEES AND EXPENSES

- 3.01 In consideration of the Company providing the Services, the Province will pay to the Company fees and expenses in the amounts and in the manner set out in Schedule D and Schedule F.
- 3.02 The sums described in section 3.01 constitute the maximum amounts payable to the Company for its performance of the Services and the Company will not be entitled to any additional compensation for its performance whether or not the work actually undertaken by the Company is described in the Agreement.
- 3.03 Notwithstanding any other provision of the Agreement, the payment of money by the Province to the Company under this Agreement is subject to:
 - a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, to enable the Province, in any fiscal year or part thereof when any payment of money by the Province to the Company falls due under this Agreement to make that payment; and
 - b) Treasury Board as defined in the *Financial Administration Act*, not having controlled or limited expenditure under any appropriation referred to in subsection a) of this section.
- 3.04 The Province certifies that the property and/or services ordered and purchased under this Agreement are for the use of, and are being purchased by, the Province with Crown funds and are therefore not subject to the Goods and Services Tax.



4. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

4.01 The Company represents and warrants to the Province that the Company:

- a) holds all permits, licenses, certificates, consents, and other authorizations issued by any federal, provincial or municipal government, or agency of any of them, that are required to be held by the Company, in connection with the operations of the Company at the commencement of this Agreement;
- b) will provide and maintain at all times sufficient trained staff, facilities, materials, appropriate equipment and approved sub-contractual agreements in place and available to enable it to fully perform the Services and meet the Company's obligations under this Agreement;
- c) will not act as a servant, employee, or agent of the Province or the Minister; and
- d) not, in any manner whatsoever, commit or propose to commit the Province or the Minister to the payment of any money to any person, except as contemplated by this Agreement.

5. COVENANTS OF THE COMPANY

5.01 The Company will:

- a) observe, perform and comply with all of its obligations under this Agreement;
- b) perform the Services in a safe and good worker-like manner to the satisfaction of the Ministry in accordance with the Company's Training Manual and the Operations Manual;
- c) equip, operate and maintain the Aircraft in accordance with all requirements of Canadian and British Columbia laws and regulations;
- d) comply with all the standards, practices, procedures and specification set out in the Company's Transport Canada approved Operations Manual; and those set out in the Transport Canada approved Maintenance Manuals in conducting all Aircraft maintenance;
- e) service, repair, overhaul, test, improve and maintain the Aircraft in a safe and airworthy state of repair at all times in accordance with the manufacturer's recommended maintenance programs and the Company's Maintenance Manuals, to the satisfaction of the Minister;
- f) secure and maintain in good standing all necessary approvals and certificates for the Aircraft, Services and Specialty Equipment described in this Agreement;
- g) obtain and maintain in force during the Agreement Period insurance as described in Schedule E;
- h) make the Company's Operations Manual, Maintenance Manuals and other such Manuals available to the Minister upon request;
- i) ensure that the Aircraft and Specialty Equipment complies with all manufacturers' standards and federal/provincial regulations prior to the commencement of the Services;
- j) cause the necessary testing to confirm the performance of the fire bombing tank;
- k) designate a flight safety officer from the Company's personnel;
- l) allow no pilot to fly the Aircraft to provide the Services pursuant to this Agreement, without prior approval of the Minister;
- m) ensure that all Aircraft maintenance is performed by a fully qualified and licensed Aircraft Maintenance Engineer (AME) who is not the Aircraft pilot;
- n) be responsible for all charges, costs and expenses including but not limited to costs of aircraft lubricants, and airport costs necessary for the efficient operations of the Aircraft and Specialty Equipment required for the performance of the Services under this Agreement, unless otherwise specified in this Agreement;
- o) in addition to the items contained in this Agreement, and except as defined in Schedule D, be responsible for all other expenses connected with the Company's operations;
- p) logo the aircraft in accordance with the directives of the Minister;
- q) reasonably cooperate with the Province and any other persons providing Services to the Province;
- r) grant to the Province, its servants, employees and agents access to the technical maintenance and flight records of the Company respecting the Services at all reasonable times for the purpose of inspections;
- s) grant to the Province, its servants, employees and agents the right to inspect the Aircraft and Specialty Equipment;
- t) carry on business in a professional manner in accordance with generally accepted business principles; and
- u) ensure that the representations and warranties in section 4 are true and correct at all times during the term of the Agreement and provide evidence to that effect to the Province on written request of the Minister.



6. COVENANTS OF THE PROVINCE

- 6.01 The Province will, at its own expense, provide the following:
- aviation fuel for the Aircraft, landing and navigation fees (as applicable) necessary for the Company to perform the Services, except as otherwise provided;
 - retardant and foam materials, and the loading facilities complete with all necessary equipment and personnel;
 - flight and maintenance crew living expenses when the Aircraft and crews are required by the Minister to be away from the Designated Base overnight if the expenses have not otherwise been provided by the Ministry. Such expenses or provided accommodation to be at a standard equivalent to that provided to the Province's staff or at rates as set out in Schedule F;
 - aircraft maintenance area, including supply of water and electricity where such facilities currently exist;
 - suitable fire fighting equipment at the retardant loading, maintenance and refuelling sites as agreed upon by the parties and in accordance with the applicable regulations;
 - suitable area and facilities for record keeping, administrative tasks and secure storage for tools and equipment;
 - facilities for flight and maintenance crew rest, eating, personal hygiene and recreation;
 - flight and maintenance crew meals and refreshments during periods of sustained fire fighting activity; and
 - appropriate Worker's Compensation and Transport Canada required safety equipment and facilities.

7. INDEMNITY

- 7.01 The Company will indemnify and save harmless the Province and the Minister from and against all claims, demands, losses, damages, costs and expenses made against or incurred, suffered or sustained by the Province and the Minister or either of them at any time or times (whether before or after termination of this Agreement) where the same or any of them are based upon or arise out of anything done or omitted to be done by the Company or by any employee, officer, subcontractor, or agent of the Company pursuant to this Agreement, excepting as always liability arising out of the independent negligent acts of the Province or the Minister.
- 7.02 Notwithstanding section 7.01, the Province will indemnify and save harmless the Company, its permitted subcontractors and their respective agents, servants and employees from and against any and all liability or bodily injury or damage to improvement directly or indirectly caused by, arising from or resulting from the dropping of fire retardants, water, foam and other fire control chemicals from an Air Tanker by the Company or any of its permitted subcontractors, their respective agents, servants or employees under this Agreement in the vicinity of improvements or Built-up Areas where such actions are:
- carried out at the direction of the Minister;
 - are, in the opinion of the Minister, considered to be essential to the control of Wildfires; and
 - not negligently performed by the Company.
- 7.03 The Company will cooperate with the Province and its counsel in any investigations, settlements and judicial determination of any claims made against the Province, the Minister or the Company relating directly or indirectly to this Agreement and will use its best effort to cause its employees, officers, sub-contractors and agents to be similarly bound.
- 7.04 The Company is solely responsible for any of its material or equipment stored at any of the Province's facilities and releases the Province from any liability associated with such storage.

8. ASSIGNMENT AND SUBCONTRACTING

- 8.01 The Company will not assign this Agreement, nor subcontract any of its obligations under this Agreement, to any person, firm, or corporation without the prior written consent of the Province.
- 8.02 If the Company does assign this Agreement (or any part of it), or if the Company does subcontract any of its obligations under this Agreement, whether or not such assignment or subcontracting is done according to the Agreement, then the Company will be fully responsible for the acts and omissions of its assignees and subcontractors (and their respective employees and agents), and no agreement entered into by the Company with an assignee or a subcontractor will impose any obligation or liability upon the Province to any such assignees or subcontractor (or their respective employees or agents).
- 8.03 The Company will cause every assignee or subcontractor to be bound to the Company by the same terms of this Agreement by which the Company is bound to the Province as far as they apply to the work to be performed by each assignee or subcontractor.



9. TERMINATION

9.01 The Province may, in addition to any remedy available to it at law or equity, terminate this Agreement by written notice to the Company if the Company fails to observe, perform or comply with any provisions of this Agreement.

10. AUDIT

10.01 The Province may, at its sole discretion and at its expense, conduct an audit of the technical, maintenance and flight records of the Company respecting the Services or this Agreement, including the right to inspect and take copies of such records upon reasonable notice and at reasonable times.

10.02 In respect to such audits the Company will:

- a) fully cooperate with the Province in conducting the audit; and
- b) provide, upon request of the Province and solely for the review of the Province, copies of the most recent annual audited financial statements of the Company.

11. DEFAULT AND REMEDIES

11.01 On the happening of an Event of Default, or at any time thereafter, the Province may, at its option, elect to do any one or more of the following:

- (a) pursue any remedy available to it at law or in equity;
- (b) deliver written notice to the Company specifying the Events of Default which notice may:
 - i. suspend the rights and obligations of the Company under this Agreement, in whole or in part; and/or
 - ii. require the Event of Default be remedied within the time frame specified by the Minister;
- (c) reduce the fees payable pursuant to Schedules D and F, if the Event of Default relates to failure to provide the Services as a result of failure of Equipment; and/or
- (d) waive the Event of Default.

11.02 The rights, powers and remedies conferred on the Province under this Agreement are not intended to be exclusive and each will be cumulative and in addition to and not in substitution for every other right, power and remedy existing or available to the Province under this Agreement, any other Agreement, at law or in equity and the exercise by the Province of any right, power or remedy will not preclude the simultaneous or later exercise by the Province of any other right power or remedy.

11.03 If the Company has not remedied the Event of Default specified in a notice under subsection 11.01 b), or if the Event of Default is not capable of being remedied during the suspension to the satisfaction of the Minister, then within thirty (30) days of the delivery of such notice, the Province at its sole discretion may terminate this Agreement by notice in writing to the Company.

12. NOTICES

12.01 Any notice, document, statement, report or demand desired or required to be given or made under this Agreement will be in writing and may be given or made by personal delivery to the party to whom it is to be given or made, or by mailing it in Canada with postage prepaid to the applicable address, or by transmitting it by facsimile to the applicable facsimile transmission number, noted for both the Province and the Company at the start of this Agreement.

12.02 The Company will provide to the Province, as soon as possible and by the quickest means possible, the particulars and details of any Aviation Occurrence that occurs in performance of the Services.

12.03 The Province may request the Company prepare a detailed report of the Aviation Occurrence referred to in section 12.02 and the Company will provide such a report as soon as possible or within seven (7) days.

13. MISCELLANEOUS

13.01 The Company will treat as confidential and will not, without the prior written consent of the Minister, publish, or disclose or permit to be published or disclosed either before or after the termination of this Agreement, any information supplied to, obtained by or which comes to the knowledge of the Company as a result of this Agreement except insofar as such publication, or disclosure is required by law or is necessary to enable the Company to fulfil the Company's obligation under this Agreement.

13.02 The Company will not during the Term perform a service for or provide advice to any person, firm or corporation or other legal entity where the performance of the service or provision of the advice may or does, in the reasonable opinion of the Minister give rise to a conflict of interests of the obligation of the Company to the Province and the Company's obligations to others.



- 13.03 All disputes arising out of or in connection with this Agreement will be referred and finally resolved by arbitration administered by the British Columbia International Commercial Arbitration Centre pursuant to the "Rules of Procedures". The place of arbitration will be Victoria, British Columbia.
- 13.04 Each party will, upon reasonable request of the other parties, fully cooperate to the betterment of the Services provided under this Agreement.
- 13.05 This Agreement may only be amended by further written amendments executed by or behalf of the parties.
- 13.06 All the discretion and obligations of the Minister or the Province under this Agreement may be exercised or performed by the Minister, the Deputy Minister of Forests and Range or by a Designated Representative.
- 13.07 This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia.
- 13.08 All terms, conditions, statements and commitments presented within the Company's proposal are considered an integral portion of this Agreement unless otherwise expressly excluded within this Agreement.
- 13.09 This Agreement will inure to the benefit of and be binding upon the Province and its assigns and the Company and its successors and permitted assigns.
- 13.10 It is acknowledged and agreed by the parties that nothing contained in this Agreement operates as a consent, permit, or approval by any regulatory authority, government body, public officer, ministry, branch, office or agency to or for anything related to the Agreement that by or under law the Company may be required or may desire to obtain.
- 13.11 If any provision of this Agreement or application thereof to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstances will not be affected or impaired indirectly and will be valid and enforceable to the extent permitted by law.
- 13.12 Schedules A through F attached to this Agreement are an integral part of this Agreement as if set out in length in the body of this Agreement.

SIGNED on behalf of Her Majesty the Queen in right of the Province of British Columbia by the Minister of Forests and Range on the 30 day of APRIL, 2007 in the presence of:

[Signature]
 (Witness)

[Signature]
 (Minister of Forests and Range)

SIGNED on behalf of the Company on the 23rd day of APRIL, 2007 in the presence of:

[Signature]
 (Witness)
Perry Dawson
 OFF. MANAGER.

[Signature]
 (Authorized Signatory)
 DOUG BROWN, GENERAL MANAGER.



**SCHEDULE A
AGREEMENT AND OPERATING PERIOD**

1. AGREEMENT PERIOD

- 1.01 The Agreement Period commences April 1, 2007 and subject to termination under section 9 of this Agreement will end on March 31, 2017.
- 1.02 *(purposely left blank)*

2. OPERATING PERIOD

- 2.01 Subject to section 2 of this Agreement, the Operating Period for each Aircraft will be an annual term of 123 consecutive days between April 1st and October 31st inclusive each Year when the Aircraft and Specialty Equipment is to be immediately available for the provision of the Services. The Operating Period will be confirmed with notification to the Company prior to February 15th of each year of the Agreement.
- 2.02 The Operating Period for 2007 will be May 8th to September 7th.

**SCHEDULE B
AIRCRAFT, PERSONNEL AND SPECIALTY EQUIPMENT**

During the Agreement Period, the Company shall provide Aircraft, Personnel and Specialty Equipment according to the following specifications and qualifications/experience.

1. AIRCRAFT

- 1.01 In performing the Services, the Company will provide the following Aircraft:
 - a) one (1) Lockheed Electra (L-188) Air Tanker aircraft complete with a Constant/Variable Flow Fire Bombing Tank, Communication Systems and other ancillary equipment as detailed in the Company's Proposal and this Schedule; and
 - b) one (1) Turbo Commander (TC690) fully IFR capable Birdog aircraft, complete with Communication Systems and other ancillary equipment as detailed in the Company's Proposal and this Schedule.

2. PERSONNEL

- 2.01 **Flight Crew - Air Tanker Pilot-in-Command** will meet the following qualifications/experience:
 - a) valid Airline Transport Pilot License;
 - b) valid Pilot Proficiency Check on type;
 - c) current instrument rating;
 - d) pilot-in-command - minimum 1,500 hours;
 - e) pilot-in-command - minimum 500 hours multi-engine;
 - f) experienced in mountainous and remote airstrip operations;
 - g) trained in accordance with the Training Manual;
 - h) two (2) years experience in fire bombing as pilot-in-command; and
 - i) pilot personal flying history shall be made available on request of the Minister.
- 2.02 **Flight Crew - Air Tanker Co-Pilot/Ist officer** will meet the following qualifications/experience:
 - a) valid Airline Transport Pilot License;
 - b) valid Pilot Proficiency Check on type;
 - c) current instrument rating;
 - d) pilot-in-command - minimum 1,000 hours;
 - e) minimum 500 hours multi-engine;
 - f) trained in accordance with the Training Manual; and
 - g) pilot personal flying history shall be made available on request of the Minister.



- 2.03 **Flight Crew - Birddog Pilot-in-Command** will meet the following qualifications/experience:
- valid Airline Transport License;
 - valid Pilot Proficiency Check on type;
 - current instrument rating;
 - pilot-in-command - minimum 1,500 hours;
 - pilot-in-command - minimum 50 hours multi-engine;
 - experienced in mountainous and remote airstrip operations;
 - trained in accordance with the Training Manual;
 - two (2) years experience in birddogging as pilot-in-command; and
 - pilot personnel flying history shall be made available on request of the Minister.
- 2.04 **Maintenance Crew** will meet the following qualifications/experience:
- trained in accordance with the Company's Maintenance Manuals; and
 - Aircraft Maintenance Engineers licensed in accordance with current Transport Canada requirements.

3. SPECIALTY EQUIPMENT

- 3.01 The Aircraft will be equipped to meet the Avionics and Communication requirements as set out in Appendix A-3 of the RFP - Aircraft Specialty Equipment, as attached to this Agreement, and in the Company's Proposal.
- 3.02 The Aircraft will be equipped with all safety and survival equipment and supplies as required by federal and provincial laws and regulations.
- 3.03 The Aircraft will be equipped with a satellite based Automated Flight Following (AFF) tracking system to meet Canadian and United States requirements.

SCHEDULE C SERVICES and FACILITIES

1. SERVICES

- 1.01 At the Commencement of the Operating Period, the Company will:
- position the Aircraft at the Designated Base to commence provision of the Services; and
 - confirm the flight operations personnel assigned to the Aircraft.
- 1.02 During the Operating Period, the Company will:
- position the Aircraft at the times and locations specified by the Minister;
 - maintain an air readiness level as specified by the Minister;
 - use its best efforts to ensure that the Aircraft and Personnel adhere to the Ministry's operational procedures and instructions;
 - cause appropriate personnel of the Company to attend pre and post action de-briefing exercises;
 - undertake work utilizing aircraft and appropriate personnel for third parties as directed by the Minister;
 - ensure that all flight operations personnel are attired in standard apparel for either flight or maintenance as the case maybe;
 - at the request of the Minister cause any personnel, who are not providing the Services described in this Agreement and Schedules to the Minister's satisfaction to be removed from providing those Services;
 - provide Additional Services;
 - provide the Services in accordance with the British Columbia Forest Service Fire Bombing Procedures;
 - modify Specialty Equipment for safety requirements and service efficiency enhancements at the direction of the Province, at a cost to be agreed upon by the Province and the Company negotiating in good faith;
 - supply suitable environmental containment and storage for all associated aviation fluids; and
 - store, handle and dispose of all lubricants, oils and other environmentally hazardous materials according to "A Summary of Environmental Standards and Guidelines for Fuel Handling, Transportation and Storage" a B.C. Environment Publication.
- 1.03 A Designated Base for the Aircraft for each Operating Period will be confirmed by the Province with notification to the Company prior to February 15th of each year of the Agreement. For the 2007 Operating Period the Designated Base is **Williams Lake, British Columbia.**
- 1.04 During the Operating Period, the Aircraft, Personnel, Specialty Equipment and support systems must be available to provide the Services for a time period specified by the Minister up to a maximum of a 14 hour duty day or as legislated, and in accordance with the daily standby alert established by the Minister.



- 1.05 The Minister may request or the Company may furnish a substitute or Replacement Aircraft and Specialty Equipment of a type mutually agreed upon for specific flights.
- 1.06 The charges for the Replacement Aircraft and Specialty Equipment will be according to Schedule D, except as otherwise provided.
- 1.07 Notwithstanding the Company's obligations to provide the Services during the Operating Period, the Company may, with the consent of the Province, use the Aircraft for other purposes. If the Company does so use the Aircraft, the Availability Charges described in Schedule D and F will be reduced as agreed to by the Company and the Province.

2. FACILITIES

- 2.01 During the term of this Agreement, the Company will provide a Transport Canada approved Maintenance Organization as described in the Proposal.
- 2.02 The Company will provide a 24 hour contact facility during the Operating Period from which the Minister may request Services.

SCHEDULE D FEE SCHEDULE

1. FEE SCHEDULE

- 1.01 In this Schedule, unless the context requires otherwise:
- a) "Additional Availability Charges" means for each Year, the fees described in this Schedule and set out in Schedule F, to be paid by the Province to the Company for Additional Services provided by the Company as authorized under this Agreement;
 - b) "Availability Charges" means that fee as set out in Schedule F to cover the availability of Aircraft and Services;
 - c) "Flight Time" means:
 - i. for the L-188 Air Tanker the time, measured in minutes and reported in tenths of an hour as calculated and detailed in the Transport Canada Aeronautical Information Manual (TC AIM), from the aircraft leaving its stationary position at a retardant loading facility for the purposes of takeoff to the time when the aircraft returns to a retardant loading facility and comes to a complete stop; and
 - ii. for the TC690 Birdog aircraft the time, measured in minutes and reported in tenths of an hour as calculated and detailed in the Transport Canada Aeronautical Information Manual (TC AIM), from wheels roll to wheels stop;
 - d) "Flying Rate" means the hourly charges for Flight Time as set out in Schedule F;
 - e) "Fuel Rate" is the rate charged by the Company to the Province for fuel used in performance of the Services, as set out in Schedule F;
 - f) "Landing Fees" are the fees charged by the Airport Authorities to the Company for landings while providing the Services, as set out in Schedule F;
 - g) "Positioning" means required movement to locate the Aircraft to a job site at the request of the Minister;
 - h) "Proper Account" means a written statement of account, on Company letterhead, in a form satisfactory to the Minister, to the address set out in this Agreement, showing the calculation of the amounts claimed for the period, including:
 - flight slip or invoice reference number;
 - date;
 - pilot name;
 - Aircraft registration and type;
 - Agreement number;
 - Branch or Fire Centre;
 - legs of flight, including:
 - from/to and up/down times
 - hours or miles flown
 - Ministry use code and Fire or project number;
 - fuel consumption, including:
 - volumes
 - locations drawn from



- applicable charges;
- landings, including:
 - number of landings
 - aerodrome identifier;
- other applicable costs and expenses;
- "Goods and services received" signature;
- total flight cost; and
- passenger names / manifest.

At the commencement of each year, during the Agreement Term, the Minister may change the requirements for a Proper Account and will advise the Company in writing;

- i) "Release Rate" means that rate set out in Schedule F to credit the Ministry for each day the Aircraft is released by the Province to the Company; and
 - j) "Repositioning" means a change in the aircraft location at the request of the Minister.
- 1.02 The Province will pay the Company the following with respect to the services provided:
- a) Availability Charges as set out in Schedule F;
 - b) Flight Time at the Flying Rate as set out in Schedule F;
 - c) in the event of Aircraft Positioning, Flight Time at the Flying Rate;
 - d) Flight and Maintenance Crew accommodation and expenses when crews are away overnight from their Designated Base, as specified in Schedule F;
 - e) those fuel expenses, as set out in Schedule F, if incurred by the Company in the performance of the Services;
 - f) those airport charges and fees, as set out in Schedule F, if incurred by the Company in the performance of the Services;
 - g) Additional Availability Charges for Additional Services as set out in Schedule F for:
 - i. subject to (ii), and (iii) no less than 3 days regardless of the number of days the Additional Services are provided;
 - ii. no less than two days if the Additional Services are commenced on the second day preceding the beginning or the second day following the end of the Operating Period, regardless of the number of days the Additional Services are provided;
 - iii. no less than one day if the Additional Services are commenced on the day preceding the beginning or the day following the end of the Operating Period; and
 - h) Other Costs as set out in Schedule F.
- 1.03 The Province will pay those fees described in paragraph 1.02 as set out in this Schedule and all other charges within 30 days following receipt by the Province of a Proper Account.
- 1.04 The Company will submit Proper Accounts in no less than weekly and no longer than monthly intervals.
- 1.05 As of the Year commencing April 1, 2008, the Availability Charges, Flying Rate, and Additional Availability Charges as set out in Schedule F will be adjusted on a compound basis by 100% of the British Columbia CPI for the calendar year immediately preceding the Year to which such amounts are applicable.

SCHEDULE E INSURANCE

1. INSURANCE

- 1.01 In addition to such policies as are required by Canadian laws and regulations, the Company shall, at its sole cost and expense and during the Agreement Term provide and maintain for the benefit of the Minister, his servants, agents and employees:
- a) combined public liability, property damage and passenger bodily injury insurance in sums not less than ten million dollars (\$10,000,000) and the insurance will include:
 - i. products and completed operations liability;
 - ii. non-owned automobile insurance;
 - iii. blanket contractual liability;
 - iv. contingent employer liability;
 - v. personal injury liability;
 - vi. employees as additional insureds; and
 - vii. a cross liability clause.



The Province is to be added as an "Additional Insured" on owned aircraft liability insurance under this policy, as follows: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests and Range and any of its employees, servants or agents"; and

- b) any additional insurance which is required by law or which the Company considers necessary to cover risks not otherwise covered by insurance specified in this section.
- 1.02 All insurance will be in a form, and content and placed with an insurer or insurers duly licensed to carry on insurance business in British Columbia acceptable to the Minister.
- 1.03 The Company shall, not later than the commencement of the Agreement Term, provide to the Province a Certificate of Insurance confirming all policies and necessary endorsements to comply with the insurance requirements outlined herein.
- 1.04 The Company will ensure that the insurance may not be cancelled or materially changed in any way whatsoever without the insurers providing 30 days prior notice to the Minister.
- 1.05 The insurance will be primary and not require the sharing of any loss by any insurer of the Province.
- 1.06 The Company waives all rights of recourse against the Province with regard to damage to the Company's property.
- 1.07 The Company shall, at its own expense, obtain WorkSafe BC coverage for itself, its subcontractors, all workers and any shareholders, directors, partners or other individuals employed or engaged in the performance of the Services. The Company must comply with all conditions of the *Workers Compensation Act* and regulations thereunder, and upon request, must provide the Province with proof of such compliance.

SCHEDULE F FEES

1. AVAILABILITY CHARGES

- 1.01 An Availability Charge for the Operating Period, totalling **one million three hundred eighty seven thousand four hundred forty dollars (\$1,387,440.00)** payable in five (5) equal instalments on May 1st, June 1st, July 1st, August 1st and September 1st in each year of the Agreement as follows:
 - a) one (1) L-188 Air Tanker in the amount of \$1,137,750.00; and
 - b) one (1) TC690 Birddog aircraft in the amount of \$249,690.00.
- 1.02 Additional Availability Charges for each day of Additional Services:
 - a) one (1) L-188 Air Tanker in the amount of \$9,250.00; and
 - b) one (1) TC690 Birddog aircraft in the amount of @ \$2,030.00.

2. FLIGHT TIME GUARANTEE

- 2.01 The Province guarantees a minimum number of hours of Flight Time per aircraft payable at the Flying Rate for each year of the Term of this Agreement. The guaranteed minimums as per 2.01 of this Schedule are as follows:
 - a) 60 hours for one (1) L-188 Air Tanker; and
 - b) 75 hours for one (1) TC690 Birddog aircraft.Any amounts owing with respect to the Flight Time Guarantee will be calculated and within 30 days following the end of the Operating Period and paid by the Province.

3. FLIGHT TIME CHARGES

- 3.01 Flight Time Charges for each hour of Flight Time and pro rated for part hours are calculated at the hourly Flying Rate as follows:
 - a) one (1) Air Tanker L-188 in the amount of \$3,480.00; and
 - b) one (1) TC690 Birddog aircraft in the amount of \$840.00.

4. CREW ACCOMMODATION AND EXPENSES

- 4.01 Away from Designated Base living expenses will be flat rated and receipts will not be required. The daily allowance will be \$190.00 and must be submitted on the daily flight slips.
- 4.02 Should the Ministry supply any of the above expenses the daily rate will be reduced as follows: accommodation \$85.00, meals \$45.00 (\$15.00 for each meal), and ground transportation \$60.00.
- 4.03 An additional \$26.00 per night per flight and maintenance crew member when the Aircraft and crew are required by the Minister to be positioned north of the 60° latitude.

5. OTHER



5.01 Fuel

The cost incurred and paid by the Company for aviation fuel used by the Company to provide the Services under this Agreement.

5.02 Landing and Navigation Fees

- a) the fee/cost for each and every landing for which a landing fee is applicable and incurred by the Company in performing the Services;
- b) the actual costs incurred by the Company for each and every navigation service required in the performance of the Services; and
- c) forest protection and fire fighting services are exempt from NAV CANADA fees described in this section.

5.03 Start-up Fee

A fee for Aircraft start-up at the request of the Ministry for which no revenue time was generated as follows:

- a) \$150.00 for start-up of the L-188 Air Tanker; and
- b) \$50.00 for start-up of the TC690 Birddog aircraft.

5.04 Additional Personnel

The direct costs of additional maintenance personnel required during periods of extraordinary fire activity.

6. RELEASE RATES

- 6.01 The rate for the Company's use of the Aircraft when released from the Company's Service requirements by the Ministry will be at the Release Rate for each and every day the aircraft is released. The Release Rate is as agreed by the parties.

7. DAMAGES

- 7.01 For each and every hour the Aircraft, Personnel and Speciality Equipment are not available for Services as required by the Minister, the Minister may assess damages in the amount equal to one tenth of the Daily Availability Charge (defined as the Availability Charge divided by 123 days) or at the Minister's discretion, the reasonable cost to the Province to replace the Aircraft and Services.
- 7.02 Damages may be assessed if the Company does not, in the reasonable opinion of the Minister, use all the resources available to the Company to ensure the serviceability of the Aircraft and as a result the Company fails to respond to a request for Services according to the daily readiness (alert) criteria established by the Minister. Failure to respond in this instance represents a non availability day or portion thereof.
- 7.03 If the Birddog aircraft is unavailable and it is not operationally feasible for the Air Tanker to join another air tanker group the assessed damages may be applicable to both the Air tanker and the Birddog aircraft.
-





Air Spray (1967) Ltd.

Box 690, Penhold, Alberta T0M 1R0

Phone (403) 886-4088
Fax (403) 886-2650

British Columbia Forest Service
PO Box 9502
Stn Provincial Government
Victoria
British Columbia
V8W 9C1

Your Reference: AO0888E001

24th April 2007

FOR ATTENTION OF MARCIA FOOTE

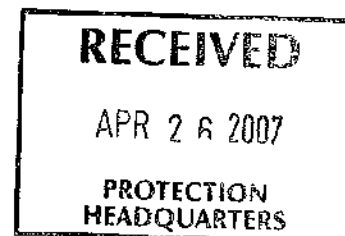
Dear Marcia,

Further to our recent email communications, please find enclosed two signed and witnessed copies of the Air Tanker contract, commencing season 2007.

Should you require any further information or documentation, please don't hesitate to contact me.

Yours sincerely,

Doug Brown
General Manager





File: 1080-20/AIR 2007-01 — PORTION \$430,000.00
1080-20/AIR 2000-002

March 29, 2007

PRE-SEASON AIR TANKER AVAILABILITY

Don Hamilton, President
Airspray (1967) Ltd.
#201 - 63 Airport Road
Edmonton, Alberta T5G 0W6

Dear Don Hamilton:

In order to respond to the potential for early wildfire activity in British Columbia, the Ministry wishes to confirm the pre-season availability of airtanker services.

To respond to this anticipated demand, Airspray (1967) Ltd. is instructed to have any or all of the British Columbia Ministry of Forests and Range contracted airtanker fleet available within two weeks of our service instructions.



Airspray (1967) Ltd. is advised that this pre-season service availability requirement is outside the normal scheduled airtanker fleet deployment plan. Should the Ministry require services during this pre-season period, call outs will be for minimum of five (5) days at the rates noted in the respective aircraft operations agreement.

To meet this pre-season service requirement the Ministry of Forests and Range is prepared to accept your immediate invoice for that portion of the 2007 aircraft availability charges that represents the completed over winter maintenance on these aircraft.

Yours truly,

Jeff Berry,
Manager - Aviation Operations
Protection Program

Airspray (1967) Ltd. Concurs:



Natural Resource Sector

Contract Modification Agreement No. 5

MINISTRY CONTRACT/FILE NO.: 1070-20/AO0888E001

PROJECT NAME: Air Tanker Services

THIS MODIFICATION AGREEMENT dated for reference February 6th, 2014.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

PROVINCIAL WILDFIRE COORDINATION CENTRE

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 AIRPORT ROAD, KAMLOOPS, BC V2B 7X2

Telephone: (250) 312-3010 Fax: (250) 554-5468 E-mail Address: nina.barber@gov.bc.ca

Ministry Representative: Nina Barber

AND

AIR SPRAY (1967) LTD>

(the "Contractor", "you", or "your" as applicable) at the following address:

10141 – 122 Street NW
EDMONTON ALBERTA T5N 1L7

Telephone: (780) 453-1737 Fax: (780) 454-4384 E-mail Address: Lynn.hamilton@airspray.com

Contractor Representative: Lynn Hamilton
Corporate Business Number: A0088319
WorkSafe BC No: 539393 and/or POP No.

A. The Parties entered into an Agreement dated for reference 30th day of April 2007, (hereinafter called the "Agreement"),

B. The Parties agree to amend the Agreement as follows:

SCHEDULE A

2. OPERATING PERIOD

2.02 The Operating Period for Group 6 for 2014 will be May 30, 2014 to September 29, 2014.

SCHEDULE C

SERVICES AND FACILITIES

1. SERVICES

1.03 For the 2014 Operating Period the Designated Base is Penticton, British Columbia.

SCHEDULE F

FEEES

1. AVAILABILITY CHARGES

1.01 An Availability Charge for the Operating Period, totalling one million five hundred and one thousand eight hundred sixty-five dollars (\$1,501,865.00) payable in five (5) equal installments of three hundred thousand, three hundred and seventy-three (\$300,373.00) on May 1st, June 1st, July 1st, August 1st and September 1st, 2014, as follows:

- a) one (1) L-188 Air Tanker in the amount of \$1,231,583.00 and
- b) one (1) TC690 Birdog aircraft in the amount of \$270,282.00.

1.02 Additional Availability Charges for each day of Additional Services:

- a) One (1) L-188 Air Tanker in the amount of \$10,013.00; and
- b) One (1) TC690 Birdog aircraft in the amount of \$2,197.00

3. FLIGHT TIME CHARGES

3.01 Flight Time charges for each hour of Flight Time and pro rated for part hours are calculated at the hourly Flying Rate as follows:

- a) one (1) Air Tanker L-188 in the amount of 3,477.00 and
- b) one (1) TC 690 Birdog aircraft in the amount of \$720.00

CONTRACT MODIFICATION AGREEMENT

CONTINUED

4. CREW ACCOMMODATION AND EXPENSES

4.01 Away from Designated Base living expenses will be flat rated and receipts will not be required. The daily allowance will be \$229.50 and must be submitted on the daily flight slips.

4.02 Should the Ministry supply any of the above expenses the daily rate will be reduced as follows: accommodation \$115.00, meals \$49.50 (\$16.50 for each meal), and ground transportation \$65.00.

1. Air Spray also has the following additional aircraft available for hire based on their 2014 tariff as follows:

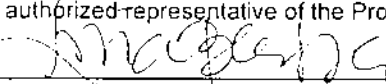
Aircraft	Identification	Day Rate	Hourly Rate
Tanker 498	C-FDTH	\$11,000.00/day	\$3,873.00/hour
Tanker 487	C-FZCF	\$11,000.00/day	\$3,873.00/hour
Birddog 58	C-FMCX	\$4,291.00/day	\$815.00/hour
Birddog 57	C-FIIL	\$4,291.00/day	\$815.00/hour

C. In all other respects, the Agreement is confirmed.

D. Time is of the essence in this Modification Agreement.

The Parties duly execute this Modification Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province

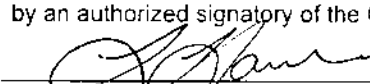

(Signature of authorized Ministry Expense Authority)

Alina Barber

(PRINTED NAME of authorized representative)

Dated this 3rd day of March 2014

SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)


(Signature of Contractor or Authorized Signatory)

Lynn Hamilton

(PRINTED NAME of Contractor or authorized signatory)

Dated this 21 day of February 2014



Natural Resource Sector

Contract Modification Agreement No. 6

MINISTRY CONTRACT/FILE NO.: 1070-20/AO0888E001

PROJECT NAME: Air Tanker Services

THIS MODIFICATION AGREEMENT dated for reference February 4th, 2015.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

PROVINCIAL WILDFIRE COORDINATION CENTRE

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 AIRPORT ROAD, KAMLOOPS, BC V2B 7X2

Telephone: (250) 312-3010 Fax: (250) 554-5468 E-mail Address: nina.barber@gov.bc.ca

Ministry Representative: Nina Barber

AND

AIR SPRAY (1967) LTD

(the "Contractor", "you", or "your" as applicable) at the following address:

10141 – 122 Street NW
EDMONTON ALBERTA T5N 1L7

Telephone: (780) 453-1737 Fax: (780) 454-4384 E-mail Address: Lynn.hamilton@airspray.com

Contractor Representative: Lynn Hamilton

Corporate Business Number: A0088319

WorkSafe BC No: 539393 and/or POP No.

A. The Parties entered into an Agreement dated for reference 30th day of April 2007, (hereinafter called the "Agreement").

B. The Parties agree to amend the Agreement as follows:

SCHEDULE A

2. OPERATING PERIOD

2.02 The Operating Period for Group 6 for 2015 will be May 29, 2015 to September 28, 2015.

SCHEDULE C

SERVICES AND FACILITIES

1. SERVICES

1.03 For the 2015 Operating Period the Designated Base is Castlegar, British Columbia.

SCHEDULE F

FEES

1. AVAILABILITY CHARGES

1.01 An Availability Charge for the Operating Period, totalling one million five hundred and fifteen thousand three hundred and eighty-four dollars (\$1,515,384.00) payable in five (5) equal installments of three hundred and three thousand, and seventy-six dollars and eighty cents (\$303,076.80) on May 1st, June 1st, July 1st, August 1st and September 1st, 2015, as follows:

- a) one (1) L-188 Air Tanker in the amount of \$1,242,669.00 and
- b) one (1) TC690 Birdog aircraft in the amount of \$272,715.00.

1.02 Additional Availability Charges for each day of Additional Services:

- a) One (1) L-188 Air Tanker in the amount of \$10,103.00; and
- b) One (1) TC690 Birdog aircraft in the amount of \$2,217.00

3. FLIGHT TIME CHARGES

3.01 Flight Time charges for each hour of Flight Time and pro rated for part hours are calculated at the hourly Flying Rate as follows:

- a) one (1) Air Tanker L-188 in the amount of 3,508.00 and
- b) one (1) TC 690 Birdog aircraft in the amount of \$726.00

CONTRACT MODIFICATION AGREEMENT

CONTINUED

1. Air Spray also has the following additional aircraft available for hire based on their 2015 tariff as follows:

Aircraft	Identification	Day Rate	Hourly Rate
Tanker 498	C-FDTH	\$11,000.00/day	\$3,873.00/hour
Tanker 487	C-FZCF	\$11,000.00/day	\$3,873.00/hour
Birddog 58	C-FMCX	\$4,291.00/day	\$815.00/hour
Birddog 57	C-FILL	\$4,291.00/day	\$815.00/hour

- C. In all other respects, the Agreement is confirmed.
- D. Time is of the essence in this Modification Agreement.

The Parties duly execute this Modification Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province



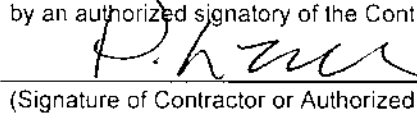
(Signature of authorized Ministry Expense Authority)

Nina Barber

(PRINTED NAME of authorized representative)

Dated this 6th day of March 2015

SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)



(Signature of Contractor or Authorized Signatory)

Lynn Hamilton **PAUL LANE**

(PRINTED NAME of Contractor or authorized signatory)

Dated this 26th day of FEBRUARY 2015



Natural Resource Sector

Contract Modification Agreement No. 7

MINISTRY CONTRACT/FILE NO.: 1070-20/AO0888E001

PROJECT NAME: Air Tanker Services

THIS MODIFICATION AGREEMENT dated for reference February 12th, 2016.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

PROVINCIAL WILDFIRE COORDINATION CENTRE

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 AIRPORT ROAD, KAMLOOPS, BC V2B 7X2

Telephone: (250) 312-3010 Fax: (250) 554-5468 E-mail Address: dave.marek@gov.bc.ca

Ministry Representative: Dave Marek

AND

AIR SPRAY (1967) LTD

(the "Contractor", "you", or "your" as applicable) at the following address:

10141 – 122 Street NW EDMONTON ALBERTA T5N 1L7

Telephone: (780) 453-1737 Fax: (780) 454-4384 E-mail Address: Lynn.hamilton@airspray.com

Contractor Representative: Lynn Hamilton

Corporate Business Number: A0088319

WorkSafe BC No: 539393 and/or POP No.

A. The Parties entered into an Agreement dated for reference 30th day of April 2007, (hereinafter called the "Agreement"),

B. The Parties agree to amend the Agreement as follows:

SCHEDULE A

2. OPERATING PERIOD

2.02 The Operating Period for Group 6 for 2016 will be April 25, 2016 to August 25, 2016.

SCHEDULE C

SERVICES AND FACILITIES

1. SERVICES

1.03 For the 2016 Operating Period the Designated Base is Williams Lake, British Columbia.

SCHEDULE F

FEES

1. AVAILABILITY CHARGES

1.01 An Availability Charge for the Operating Period, totalling one million five hundred and forty-four thousand, one hundred and forty-two dollars (\$1,544,142.00) payable in five (5) equal installments of three hundred and eight thousand, eight hundred and twenty-eight dollars and forty cents (\$308,828.40) on May 1st, June 1st, July 1st, August 1st and September 1st, 2016, as follows:

- a) one (1) L-188 Air Tanker in the amount of \$1,266,285.00 and
- b) one (1) TC690 Birdog aircraft in the amount of \$277,857.00.

1.02 Additional Availability Charges for each day of Additional Services:

- a) One (1) L-188 Air Tanker in the amount of \$10,295.00; and
- b) One (1) TC690 Birdog aircraft in the amount of \$2,259.00

3. FLIGHT TIME CHARGES

3.01 Flight Time charges for each hour of Flight Time and pro rated for part hours are calculated at the hourly Flying Rate as follows:

- a) one (1) Air Tanker L-188 in the amount of \$3,575.00 and
- b) one (1) TC 690 Birdog aircraft in the amount of \$740.00

CONTRACT MODIFICATION AGREEMENT

CONTINUED

- C. In all other respects, the Agreement is confirmed.
- D. Time is of the essence in this Modification Agreement.

The Parties duly execute this Modification Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province

(Signature of authorized Ministry Expense Authority)

Dave Marek

(PRINTED NAME of authorized representative)

Dated this 26 day of FEB 2016

SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)

(Signature of Contractor or Authorized Signatory)

Lynn Hamilton PAUL J. LANE

(PRINTED NAME of Contractor or authorized signatory)

Dated this 19th day of February 2016

AIRCRAFT OPERATIONS AGREEMENT



MINISTRY OF
FORESTS AND
RANGE

Agreement No.: AO1088E003A
File Reference: 1070-20/AO1088E003A
Project: Air Tanker Services

THIS AGREEMENT made on the first day of April, 2010.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF
THE PROVINCE OF BRITISH COLUMBIA:

Wildfire Management Branch

BC Forest Service

(hereinafter called the "We" or "Province")

at the following address:

3080 Airport Road

Kamloops, British Columbia V2B 7X2

Telephone No: 250-312-3005

Fax No: 250-554-5468

Ministry Representative: Steve Newton

Email: steve.newton@gov.bc.ca

AND Air Spray (1967) Ltd.

(hereinafter called the "You" or "Company")

At the following address:

20163 Airport Road

Edmonton Alberta T5G 0W6

Telephone No: 780-453-1737 /403-866 4088

Fax No: 780-454-4384

E-mail: lynn.hamilton@airspray.com

WHEREAS:

- A. The Company is duly licensed to operate and provide the Aircraft, Specialty Equipment and Services as specified in this Agreement;
- B. The Province requires the said Aircraft, Specialty Equipment and Services for use in the Ministry of Forests and Range, Wildfire Management Branch, other Government of British Columbia Programs and other agencies under agreement with the Province;
- C. On the basis of the Company's submission dated September 28, 2009 in response to the Province's Request for Proposals 10-003, the Province has agreed to retain the Company to provide the Aircraft, Specialty Equipment and Services for the purpose of the control of wildfires; and
- D. The Company has agreed to provide such Aircraft, Specialty Equipment and Services to the Province.

ACCORDINGLY, the parties agree as follows:

1. DEFINITIONS

1.01 In this agreement, unless the context otherwise requires:

- a) "Additional Services" means Services requested by the Province, during the Term but excluding the Availability Period, to be provided by the Company in accordance with the terms of this Agreement and within British Columbia where the Company can reasonably make the Aircraft, Specialty Equipment and Personnel available for such Services;
- b) "Aircraft" means any or all aircraft, described in Schedule B covered by this Agreement including Replacement Aircraft; or Spare Aircraft;



- c) "Availability Period" means the annual period during a calendar year, as set out in Schedule A where the Aircraft, Specialty Equipment and Personnel are readily available to provide the Services under this Agreement;
- d) "BC Forest Service Fire Bombing Procedures" means the British Columbia Fire Bombing Procedures, created and maintained by the Province, outlining the Province's training requirements and operational policies and procedures in relation to aerial fire fighting;
- e) "Built-up Area" means any forest or range land occupied by houses, trailers, mobile homes, outbuildings or other manmade structures that are being threatened by, are adjacent to, or are within the boundaries of, a Wildfire;
- f) "Designated Base" means the operational base to which the Aircraft is assigned according to Schedule A;
- g) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests and Range; the Director, Protection Program; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Protection Program may authorize;
- h) "Extra Services" means Services requested by the Province, during the Term, to be provided by the Company in accordance with the terms of this Agreement and within British Columbia where the Company can reasonably make Spare Aircraft and Personnel available for such Services;
- i) "Improvements" means any vehicle, equipment or other manmade structure that is occupying forest or range lands being threatened by, adjacent to, or within the boundaries of, a Wildfire;
- j) "Maintenance Manuals" means the Company's Transport Canada approved Maintenance Control and Maintenance Procedures Manuals detailing the aircraft operated by the air carrier, the maintenance criteria, procedures and schedule for each aircraft and the personnel responsible for maintenance, inspection and quality control;
- k) "Minister" means the Minister of Forests and Range or his Designated Representative;
- l) "Ministry" means the Ministry of Forests and Range, Province of British Columbia;
- m) "Operations Manual" means the Company's Transport Canada approved document detailing the Company's operating procedures and includes any amendments to the same as required by law;
- n) "Proposal" means the Company's submitted response to RFP 10-003;
- o) "RFP" means Request For Proposal 10-003 for Air Tanker Services for Wildfire Management;
- p) "Replacement Aircraft" means aircraft provided by the Company to replace the Aircraft;
- q) "Services" means the services provided by the Company to the Province described in Schedule C;
- r) "Spare Aircraft" means any of the Company's aircraft meeting the Aircraft and Specialty Equipment specifications as set out in Appendix 2 to Schedule B or as agreed by the parties, that the Company is willing to make available on the Province's request to provide Extra Services under the terms and conditions of this Agreement;
- s) "Specialty Equipment" means the specialty equipment required in providing the Services and as described in Schedule B, and any other such equipment approved by the Minister for use in providing the Services;
- t) "Term" means the period described in this Agreement and represents the period which this Agreement and its Schedules continue in effect according to the terms, including any extension of the Agreement;



- u) "Training Manual" means the Company's Transport Canada approved document detailing the flight crew criteria, procedures and schedules and includes any amendments to the same as required by law;
- v) "Wildfire" means an unplanned fire occurring on forest or range lands, burning forest vegetation, grass, brush, scrub, peatlands, or a prescribed fire set under a burning permit which, in the judgment of a forest officer threatens to spread beyond the area authorized for that burning; and
- w) "Year" means the means the 12 month period from April 1 of a calendar year to March 31 of the next calendar year, inclusive of both dates.

2. APPOINTMENT, TERM AND SERVICES

- 2.01 The Province retains the Company to provide the Services in accordance with this Agreement regardless of the date the Parties execute or deliver this Agreement.
- 2.02 The Company will provide the Services during the Availability Period during each Year of the seven year Term that commences April 1, 2010 and ends on March 31, 2017 and during any extension to the Term made pursuant to paragraph 2.05 unless this Agreement terminates sooner pursuant to paragraph 10 and/or paragraph 11.
- 2.03 The Company shall provide the Services under this Agreement during each Availability Period in each Year of the Term and any extension of the Term.
- 2.04 The Parties may agree to extend the Term by a maximum of three Years, each extension of no less than one Year in length.
- 2.05 If the Parties agree to extend the Term of this Agreement for up to three (3) additional Years, the Term will end on March 31, 2018, 2019 or 2020 as agreed.
- 2.06 If the Province wishes to enter into an agreement(s) with the Company to extend the Term, the Province will provide written notice of each extension on or before September 30.
- 2.07 If the Parties agree to extend the Term, unless the Parties otherwise agree in writing and subject to sub paragraph 2.05 the terms and conditions of this Agreement in effect as at the end of the Term and any extensions will apply during any subsequent extension.
- 2.08 We give you no assurances, expressed or implied that we will wish to extend this Agreement beyond the Term.
- 2.09 Any extension of the Term pursuant to paragraph 2.05 does not prevent the Province from exercising its rights to terminate this Agreement pursuant to paragraph 11.

3. FEES AND EXPENSES

- 3.01 In consideration of the Company providing the Services, the Province will pay to the Company fees and expenses in the amounts and in the manner set out in Schedule D plus any applicable taxes.
- 3.02 The sums described in section 3.01 constitute the maximum amounts payable to the Company for its performance of the Services and the Company will not be entitled to any additional compensation for its performance whether or not the work actually undertaken by the Company is described in the Agreement.
- 3.03 Notwithstanding any other provision of the Agreement, the payment of money by the Province to the Company under this Agreement is subject to:
 - a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, to enable the Province, in any fiscal year or part thereof when any payment of money by the Province to the Company falls due under this Agreement to make that payment; and



- b) Treasury Board as defined in the *Financial Administration Act*, not having controlled or limited expenditure under any appropriation referred to in subsection a) of this section.
- 3.04 The Province certifies that the property and/or services ordered and purchased under this Agreement are for the use of, and are being purchased by, the Province with Crown funds and are therefore not subject to the Goods and Services Tax.

4. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

- 4.01 The Company represents and warrants to the Province that the Company:
- a) holds all permits, licenses, certificates, consents, and other authorizations issued by any federal, provincial or municipal government, or agency of any of them, that are required to be held by the Company, in connection with the operations of the Company at the commencement of this Agreement;
 - b) will provide and maintain at all times sufficient trained staff, facilities, materials, appropriate equipment and approved sub-contractual agreements in place and available to enable it to fully perform the Services and meet the Company's obligations under this Agreement;
 - c) will not act as a servant, employee, or agent of the Province or the Minister; and
 - d) not, in any manner whatsoever, commit or propose to commit the Province or the Minister to the payment of any money to any person, except as contemplated by this Agreement.

5. COVENANTS OF THE COMPANY

- 5.01 The Company will:
- a) observe, perform and comply with all of its obligations under this Agreement;
 - b) perform the Services in a safe and good worker-like manner to the satisfaction of the Ministry in accordance with the Company's Training Manual and the Operations Manual;
 - c) equip, operate and maintain the Aircraft in accordance with all requirements of Canadian and British Columbia laws and regulations;
 - d) comply with all the standards, practices, procedures and specification set out in the Company's Transport Canada approved Operations Manual; and those set out in the Transport Canada approved Maintenance Manuals in conducting all Aircraft maintenance;
 - e) service, repair, overhaul, test, improve and maintain the Aircraft in a safe and airworthy state of repair at all times in accordance with the manufacturer's recommended maintenance programs and the Company's Maintenance Manuals, to the satisfaction of the Minister;
 - f) secure and maintain in good standing all necessary approvals and certificates for the Aircraft, Services and Specialty Equipment described in this Agreement;
 - g) make the Company's Operations Manual, Maintenance Manuals and other such Manuals available to the Minister upon request;
 - h) ensure that the Aircraft and Specialty Equipment complies with all manufacturers' standards and federal/provincial regulations prior to the commencement of the Services;
 - i) cause the necessary testing to confirm the performance of the firebombing tank;
 - j) designate a flight safety officer from the Company's personnel;
 - k) allow no pilot to fly the Aircraft to provide the Services pursuant to this Agreement, without prior approval of the Minister;
 - l) ensure that all Aircraft maintenance is performed by a fully qualified and licensed Aircraft Maintenance Engineer (AME) who is not the Aircraft pilot;



- m) be responsible for all charges, costs and expenses including but not limited to costs of aircraft lubricants, and airport costs necessary for the efficient operations of the Aircraft and Specialty Equipment required for the performance of the Services under this Agreement, unless otherwise specified in this Agreement;
- n) be responsible for environmental cleanup associated with its own operations;
- o) in addition to the items contained in this Agreement, and except as defined in Schedule D, be responsible for all other expenses connected with the Company's operations;
- p) reasonably cooperate with the Province and any other persons providing Services to the Province;
- q) grant to the Province, its servants, employees and agents access to the technical maintenance and flight records of the Company respecting the Services at all reasonable times for the purpose of inspections;
- r) grant to the Province, its servants, employees and agents the right to inspect the Aircraft and Specialty Equipment;
- s) carry on business in a professional manner in accordance with generally accepted business principles; and
- t) ensure that the representations and warranties in section 4 are true and correct at all times during the term of the Agreement and provide evidence to that effect to the Province on written request of the Minister.

6. COVENANTS OF THE PROVINCE

6.01 The Province will, at its own expense, provide the following:

- a) aviation fuel for the Aircraft, landing and navigation fees (as applicable) necessary for the Company to perform the Services, except as otherwise provided;
- b) retardant and foam materials, and the loading facilities complete with all necessary equipment and personnel;
- c) flight and maintenance crew living expenses when the Aircraft and crews are required by the Minister to be away from the Designated Base overnight if the expenses have not otherwise been provided by the Ministry. Such expenses or provided accommodation to be at a standard equivalent to that provided to the Province's staff or at rates as set out in Schedule D;
- d) aircraft maintenance area, including supply of water and electricity where such facilities currently exist;
- e) suitable fire fighting equipment at the retardant loading, maintenance and refuelling sites as agreed upon by the parties and in accordance with the applicable regulations;
- f) computerized access to the Ministry's aircraft and resource dispatch system;
- g) suitable area and facilities for record keeping, administrative tasks and secure storage for tools and equipment during the Availability Period;
- h) facilities for flight and maintenance crew rest, eating, personal hygiene and recreation;
- i) flight and maintenance crew meals and refreshments during periods of sustained fire fighting activity; and
- j) appropriate WorkSafe and Transport Canada required ramp safety equipment and facilities.



7. INSURANCE AND INDEMNITY

- 7.01 The Company will obtain and maintain in force during the term insurance on the terms, including form, amounts, and deductibles, outlined in Schedule E, as those terms may change from time to time in accordance with our directions.
- 7.02 The Company will indemnify and save harmless the Province and the Minister from and against all claims, demands, losses, damages, costs and expenses made against or incurred, suffered or sustained by the Province and the Minister or either of them at any time or times (whether before or after termination of this Agreement) where the same or any of them are based upon or arise out of anything done or omitted to be done by the Company or by any employee, officer, subcontractor, or agent of the Company pursuant to this Agreement, excepting as always liability arising out of the independent negligent acts of the Province or the Minister.
- 7.03 Notwithstanding section 7.02, the Province will indemnify and save harmless the Company, its permitted subcontractors and their respective agents, servants and employees from and against any and all liability or bodily injury or damage to improvement directly or indirectly caused by, arising from or resulting from the dropping of fire retardants, water, foam and other fire control chemicals from an Air Tanker by the Company or any of its permitted subcontractors, their respective agents, servants or employees under this Agreement in the vicinity of improvements or Built-up Areas where such actions are:
- a) carried out at the direction of the Minister;
 - b) are, in the opinion of the Minister, considered to be essential to the control of Wildfires; and
 - c) not negligently performed by the Company.
- 7.04 The Company will cooperate with the Province and its counsel in any investigations, settlements and judicial determination of any claims made against the Province, the Minister or the Company relating directly or indirectly to this Agreement and will use its best effort to cause its employees, officers, sub-contractors and agents to be similarly bound.
- 7.05 The Company is solely responsible for any of its material or equipment stored at any of the Province's facilities and releases the Province from any liability associated with such storage.

8. ASSIGNMENT AND SUBCONTRACTING

- 8.01 The Company will not assign this Agreement, nor subcontract any of its obligations under this Agreement, to any person, firm, or corporation without the prior written consent of the Province.
- 8.02 If the Company does assign this Agreement (or any part of it), or if the Company does subcontract any of its obligations under this Agreement, whether or not such assignment or subcontracting is done according to the Agreement, then the Company will be fully responsible for the acts and omissions of its assignees and subcontractors (and their respective employees and agents), and no agreement entered into by the Company with an assignee or a subcontractor will impose any obligation or liability upon the Province to any such assignees or subcontractor (or their respective employees or agents).
- 8.03 The Company will cause every assignee or subcontractor to be bound to the Company by the same terms of this Agreement by which the Company is bound to the Province as far as they apply to the work to be performed by each assignee or subcontractor.



9. PERFORMANCE AND SERVICE ENHANCEMENTS

- 9.01 The Company will provide the Services in a manner satisfactory to the Province and as described in Schedule C.
- 9.02 Both parties, upon the reasonable request of the other party will fully cooperate to the betterment of the Services provided under this Agreement.
- 9.03 Both parties acknowledge a desire for innovation and continuous Service improvement. Either party may recommend to the other party Service or Aircraft enhancements and/or changes for mutual consideration and Agreement amendments as may be appropriate.

10. DISPUTE RESOLUTION

- 10.01 If a difference, concern or dispute between the Parties arises out of or in connection with this Agreement or in respect of any defined legal relationship associated with this Agreement or derived from this Agreement (the "Dispute"), the Parties agree to resolve the Dispute using the following process:
- a) the Parties will promptly hold a meeting that individuals from each Party with decision-making authority regarding the Dispute will attend and attempt in good faith to negotiate a resolution of the Dispute;
 - b) if, within thirty (30) days after the meeting described in subparagraph (a), or such further period the Parties agree to in writing, the Parties do not succeed in negotiating a resolution of the Dispute, the Parties will:
 - i. seek the assistance of a neutral and mutually acceptable mediator, who the Parties will jointly select and appoint, or
 - ii. if the Parties agree in writing, resolve the Dispute by arbitration pursuant to subparagraph f);
 - c) if the Parties cannot agree on mediator as described in clause b) i., the Parties will resolve the Dispute pursuant to subparagraph f);
 - d) if the Parties appoint a mediator pursuant to clause b) i., the Parties agree to participate in good faith in a mediation session that must occur within thirty (30) days after the appointment of the mediator, or such further period the Parties agree to in writing;
 - e) the Parties agree to conduct any mediation in accordance with the Mediation Rules of the British Columbia Mediator Roster Society;
 - f) unless the Parties otherwise agree, any Dispute that the Parties do not resolve by negotiation or mediation pursuant to subparagraphs a) to e), the Parties will refer for final resolution by arbitration by arbitration administered by the British Columbia International Commercial Arbitration Centre pursuant to the "Rules of Procedures". The place of arbitration will be Victoria, British Columbia;
 - g) the Parties agree that the decision of an arbitrator will be final and binding and will not be subject to appeal to any court on a question of fact, law or mixed fact and law; and
 - h) The Parties agree to share equally the costs of any mediation or arbitration, but those costs will not include costs incurred by a Party for representation by counsel.



11. DEFAULT, REMEDIES AND TERMINATION

- 11.01 Notwithstanding any other provision of this Agreement, any of the following events will constitute an “Event of Default” by you, whether any such event is voluntary, involuntary or results from the operation of law or any judgment or order of any court or administrative or government body:
- a) the Company fails to observe, perform or comply with any provision of this Agreement that is required to be observed, performed or complied with on the part of the Company and has not rectified such failure or is not in the reasonable opinion of the Minister diligently proceeding to rectify such failure;
 - b) the Company fails to furnish and give to the Province notice that there has occurred, or is continuing, a default under this Agreement including specifying particulars of the same; and
 - c) a change occurs with respect to the Company’s Business or to any one or more, including all of the properties assets conditions (financial or otherwise), business or operations of the Company which in the reasonable opinion of the Minister, materially adversely affects the ability of the Company to fulfil any of its obligations or provide the Services under this Agreement;
- 11.02 On the happening of an Event of Default, or at any time thereafter, the Province may, at its option, elect to do any one or more of the following:
- a) pursue any remedy available to it at law or in equity;
 - b) deliver written notice to the Company specifying the Events of Default which notice may:
 - i. suspend the rights and obligations of the Company under this Agreement, in whole or in part; and/or
 - ii. require the Event of Default be remedied within the time frame specified by the Minister;
 - c) reduce the fees payable pursuant to Schedule D if the Event of Default relates to failure to provide the Services as a result of failure of Equipment; and/or
 - d) waive the Event of Default.
- 11.03 The rights, powers and remedies conferred on the Province under this Agreement are not intended to be exclusive and each will be cumulative and in addition to and not in substitution for every other right, power and remedy existing or available to the Province under this Agreement, any other Agreement, at law or in equity and the exercise by the Province of any right, power or remedy will not preclude the simultaneous or later exercise by the Province of any other right power or remedy.
- 11.04 If the Company has not remedied the Event of Default specified in a notice under subsection 10.02 b), or if the Event of Default is not capable of being remedied during the suspension to the satisfaction of the Minister, then within thirty (30) days of the delivery of such notice, the Province at its sole discretion may terminate this Agreement by notice in writing to the Company.
- 11.05 The Province may, in addition to any remedy available to it at law or equity, terminate this Agreement by written notice to the Company if the Company fails to observe, perform or comply with any provisions of this Agreement.



12. AUDIT

- 12.01 The Province may, at its sole discretion and at its expense, conduct an audit of the technical, maintenance and flight records of the Company respecting the Services or this Agreement, including the right to inspect and take copies of such records upon reasonable notice and at reasonable times.
- 12.02 In respect to such audits the Company will:
 - a) fully cooperate with the Province in conducting the audit; and
 - b) provide, upon request of the Province and solely for the review of the Province, copies of the most recent annual audited financial statements of the Company.

13. PUBLIC ANNOUNCEMENTS

- 13.01 The Company will cooperate with the Province and at its request, assist the Province in developing a communications strategy and making public announcements regarding the Services and this Agreement.
- 13.02 The Company will make no public comment about the Services or this Agreement, without first consulting with the Province and obtaining its approval.
- 13.03 The Company will logo the Aircraft in accordance with the directives of the Minister.
- 13.04 The Province will consult with the Company before making any public comment about the Services that references the Company's name.

14. NOTICES

- 14.01 Any notice, document, statement, report or demand desired or required to be given or made under this Agreement will be in writing and may be given or made by personal delivery to the party to whom it is to be given or made, or by mailing it in Canada with postage prepaid to the applicable address, or by transmitting it by facsimile to the applicable facsimile transmission number, noted for both the Province and the Company at the start of this Agreement.
- 14.02 The Company will provide to the Province, as soon as possible and by the quickest means possible, the particulars and details of any Aviation Occurrence that occurs in performance of the Services.
- 14.03 The Province may request the Company prepare a detailed report of the Aviation Occurrence referred to in section 14.02 and the Company will provide such a report as soon as possible or within seven (7) days.

15. CONFLICT OF INTEREST

- 15.01 The Company will not during the Term perform a service for or provide advice to any person, firm or corporation or other legal entity where the performance of the service or provision of the advice may or does, in the reasonable opinion of the Minister give rise to a conflict of interests of the obligation of the Company to the Province and the Company's obligations to others.

16. ENTIRE AGREEMENT

- 16.01 This Agreement and any modification of it constitute the entire agreement between the Parties as to performance of the Services.
- 16.02 Schedules A through E attached to this Agreement are an integral part of this Agreement as if set out in length in the body of this Agreement.
- 16.03 This Agreement may only be amended by further written amendments executed by or behalf of the parties.



17. MISCELLANEOUS

- 17.01 The Company will treat as confidential and will not, without the prior written consent of the Minister, publish, or disclose or permit to be published or disclosed either before or after the termination of this Agreement, any information supplied to, obtained by or which comes to the knowledge of the Company as a result of this Agreement except insofar as such publication, or disclosure is required by law or is necessary to enable the Company to fulfil the Company's obligation under this Agreement.
- 17.02 All the discretion and obligations of the Minister or the Province under this Agreement may be exercised or performed by the Minister, the Deputy Minister of Forests and Range or by a Designated Representative.
- 17.03 This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia.
- 17.04 All terms, conditions, statements and commitments presented within the Company's Proposal are considered an integral portion of this Agreement unless otherwise expressly excluded within this Agreement.
- 17.05 This Agreement will inure to the benefit of and be binding upon the Province and its assigns and the Company and its successors and permitted assigns.
- 17.06 It is acknowledged and agreed by the parties that nothing contained in this Agreement operates as a consent, permit, or approval by any regulatory authority, government body, public officer, ministry, branch, office or agency to or for anything related to the Agreement that by or under law the Company may be required or may desire to obtain.
- 17.07 If any provision of this Agreement or application thereof to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstances will not be affected or impaired indirectly and will be valid and enforceable to the extent permitted by law.

SIGNED on behalf of Her Majesty the Queen in right of the Province of British Columbia by the Minister of Forests and Range on the 13th day of April, 2010 in the presence of:

 (Witness)

)
)
) *Sci* (Minister of Forests and Range)
)
) **J. BERRY**
) **073207**

SIGNED on behalf of the Company on the 13th day of April, 2010 in the presence of:

 (Witness)

)
)
) _____
) (Authorized Signatory)



AGREEMENT NO: AO1088E003A

PROJECT NAME OR NO: Air Tanker Services

FILE: 1070-20/AO1088E003A

Schedule A

AVAILABILITY PERIOD AND DESIGNATED BASE(S)

- 1.01 The Availability Period for each Aircraft will be an annual period of 123 consecutive days between April 1st and October 31st inclusive each Year, when the Aircraft, Specialty Equipment and Personnel are to be immediately available for the provision of the Services. The Availability Period will be confirmed with notification to the Company prior to February 15th of each Year of the Agreement or any extension to the Term of this Agreement.
- 1.02 A Designated Base for the Aircraft for each Availability Period will be confirmed by the Province with notification to the Company prior to February 15th of each Year of the Agreement or extension to the Term of this Agreement.
- 1.03 The Availability Period(s) and the Aircraft Designated Base(s) for 2010 are as set out in Schedule A-1.

Schedule A-1

Availability Period and Designated Base (s) for 2010

AIRCRAFT AIRTANKER GROUP	AVAILABILITY PERIOD (each of 123 days)	DESIGNATED BASE
Lockheed 188 (L-188 C) Turbo Commander 690 (TC 690)	May 31, 2010 to September 30, 2010	Penticton, BC
Lockheed 188 (L-188 C) Turbo Commander 690 (TC 690)	May 31, 2010 to September 30, 2010	Castlegar, BC



Schedule B

AIRCRAFT, SPECIALTY EQUIPMENT and PERSONNEL

During the Term and any extensions to the Term, the Company shall provide Aircraft, Speciality Equipment and Personnel according to the following specifications and qualifications and experience requirements.

1. AIRCRAFT and SPECIALITY EQUIPMENT

1.01 In performing the Services, the Company will provide Air Tanker Aircraft and Birddog Aircraft that meet the Aircraft and Speciality Equipment Specifications as set out in Schedule B-1.

1.02 At the Commencement of the Term, the Company will provide the following Aircraft for the performance of the Services:

Aircraft Type		Number of Aircraft
Air Tanker	Lockheed 188 (L-188 C)	2
Birddog aircraft	Turbo Commander 690 (TC 690)	2

The Aircraft will have the identification, description and performance specifications as set out in Schedule B-2, Aircraft Technical Information and Data.

1.03 As soon as known, and at least at the commencement of each Availability Period, the Company will advise the Province of any changes to Schedule B-2.

1.04 The Aircraft will be equipped with all safety and survival equipment and supplies as required by federal and provincial laws and regulations.

1.05 Unless otherwise agreed by the Parties, any Replacement Aircraft or Spare Aircraft will meet the Aircraft and Speciality Equipment specifications as set out in this schedule and any appendices.

2. PERSONNEL

2.01 In performing the Services, the Company will provide the following Flight Crew Personnel:

- a) Air Tanker Aircraft Pilot in Command;
- b) Air Tanker Aircraft First Officer (as applicable); and
- c) Birddog Aircraft Pilot.

2.02 The Flight Crew Personnel will have the minimum qualifications and experience as set out in Schedule B-3.

2.03 All Aircraft pilots and first officers must be listed in the BCFS Directory of Commercial Pilots and approved by the Ministry to provide the Services under this Agreement.

2.04 At the Commencement of the Term, the Company will provide current Pilot Data Sheets for the Flight Crew Personnel proposed in the Company's Proposal and meeting the qualifications and experience as set out in Schedule B-3.

2.05 The Company will provide current and updated Pilot Data Sheets for the Flight Crew Personnel for each Year.

2.06 In performing the Services, the Company will provide Maintenance Personnel:

- a) trained in accordance with the Company's Transport Canada approved Maintenance Manuals and available for daily routine maintenance;
- b) Aircraft Maintenance Engineers must be licensed in accordance with current Transport Canada requirements; and
- c) that meet or exceed the qualifications and experience requirements as set out in the Company's Proposal.



Schedule B-1
Aircraft and Specialty Equipment Specifications

Air Tanker Aircraft

1. AIRCRAFT SPECIFICATIONS

1.1 Turbine Powered

All air tankers are to be turbine powered.

1.2 Payload Capacity

- Heavy Air Tankers will have a minimum retardant carrying capacity of 11,300 litres;
- Intermediate Air Tankers will have minimum retardant carrying capacity of 7,300 litres; and
- Light Air Tankers will have a minimum retardant carrying capacity of 3,000 litres.

1.3 Fuel Endurance

All air tankers fully loaded with retardant will have a fuel endurance of a minimum of three hours with legal reserves when operating from Williams Lake, British Columbia at 20° C.

1.4 IFR Capable

All multi turbine engine air tankers will be suitably equipped to conduct IFR flights.

1.5 Aircraft Condition and Maintenance

The Province expects the aircraft to be in excellent operating condition and appearance. At the start of the annual Availability Period each air tanker should be capable of providing at least 150 hours of uninterrupted service without any major scheduled maintenance or overhaul.

2. AIRCRAFT PERFORMANCE

2.1 Loaded (fuel and retardant) Cruise Speed

- Heavy Air Tankers will have a minimum loaded cruise speed of 250 kts TAS for a dispatch distance of 60 nm at 10,000' ASL.
- Intermediate Air Tankers will have minimum loaded cruise speed of 250 kts. TAS for a dispatch distance of 60 nm at 10,000' ASL.
- Light Air Tankers will have minimum loaded cruise speed 160 kts. TAS for a dispatch distance of 60 nm at 8,000' ASL.



2.2 Drop Speed

- Heavy Air Tankers will have a minimum drop speed of 125 kts TAS.
- Intermediate Air Tankers will have minimum drop speed of 125 kts. TAS.
- Light Air Tankers will have minimum drop speed 105 kts. TAS.

2.3 Runway Requirements

- Heavy Air Tankers should safely operate from a paved runway of 5,000 feet.
- Intermediate Air Tankers should safely operate from a paved runway of 5,000 feet.
- Light Air Tankers should safely operate from a paved/gravel/turf runway of 3,000 feet.

3. AIRCRAFT COMMUNICATION AND NAVIGATION EQUIPMENT SPECIFICATIONS

In addition to all necessary communication, navigation and flight safety equipment and systems as required by Transport Canada legislation or regulations the air tankers will be equipped with the following:

3.1 Communication Equipment and Specifications

- Two VHF-AM transceivers having 25 mhz spacing and a range of 118.00-135.95 mhz.
- TFM 138B Narrowband FM transceiver or equivalent.
- Noise cancelling headsets for all seat positions.
- Satellite voice communications.

3.2 Navigation Equipment and Specifications

- Global Positioning System (GPS) Ryan 9900BX TAS system interfaced with a Garmin 530A GPS/COM/VOR/MFD or equivalent.
- An Iridium based Automated Flight Following (AFF) and voice communication system meeting the specifications detailed in the BCFS Wildfire Management Branch web site:
www.for.gov.bc.ca/protect/AFF/

3.3 Personnel Communication Equipment and Specification

Personal digital assistant (PDA) is to be assigned to each air tanker flight crew position and the engineer to facilitate digital communication with on duty flight crews. The PDA will meet the Blackberry specifications or equivalent. It is envisioned that these PDA devices will remain with the operational flight crews during crew changes/or replacement.



4. **FIRE BOMBING TANK SPECIFICATIONS**

- **Capacity** - Minimum payload capacity as specified by size class of air tanker.
- **IAB certification** - The Fire Bombing Tank(s) should have been tested and recommended for approval by the USDA Missoula Technology and Development Centre as having met the Interagency Airtanker Board (IAB) criteria and requirements for tank and gating systems or have full IAB certification.
- **Foam Injection Capabilities**

5. **FLIGHT SAFETY EQUIPMENT SPECIFICATIONS**

5.1 **TCAD**

All air tankers require TCAD having the capability and performance similar to the Garmin 530.

5.2 **Pulse Lights**

All air tankers are to be equipped with Pulse Lights on wing tips and the tail.

6. **OTHER EQUIPMENT**

- A climate controlled cockpit is desirable for all air tankers.



Birddog Aircraft

1. AIRCRAFT SPECIFICATIONS

1.1 Turbine Powered

- Twin engine turbine powered birddog aircraft are required for the Heavy and Intermediate Air Tanker Groups (Turbo Commander TC690 is a preferred birddog aircraft).
- Twin engine piston powered birddog aircraft are acceptable for the Light Air Tanker groups (Acrostar is a preferred aircraft in this role).

1.2 Payload Capacity

All birddog aircraft must have a minimum of two passenger seats.

1.3 Fuel Endurance

Birddog aircraft must have a minimum fuel endurance of three and one half hours.

1.4 IFR Capable

All turbine power birddog aircraft must be suitably equipped for single pilot IFR flights.

1.5 Aircraft Condition and Maintenance

The Province expects the aircraft to be in excellent operating condition and appearance. At the start of the annual Availability Period, the birddog aircraft should be capable of providing at least 150 hours of uninterrupted service without any scheduled major maintenance or overhaul.

1.6 Visibility Standards

The birddog aircraft must be equipped with high quality clear (un-tinted), right side window to facilitate professional quality digital photography and videos. The minimum visibility standard is:

- 75 degrees of forward vertical visibility unobstructed;
- 120 degrees of side window vertical visibility unobstructed;
- 90 degrees of side window horizontal visibility unobstructed; and
- clear and clean windows (free from scratches/pass throughs etc.) to facilitate viewing and sharp aerial photography and videos.

2. AIRCRAFT PERFORMANCE

2.1. Cruise Speed

- Turbine powered birddog aircraft will have a minimum cruise speed of 250 kts TAS.
- Piston powered birddog aircraft will have a minimum cruise speed of 190 kts TAS.

2.2. Low level loitering speed (max fuel load)

- Birddog aircraft will have a minimum safe manoeuvring speed of 120 kts TAS.

2.3. **Runway Requirements**

- Birddog aircraft should safely operate from a paved runway of 3,000 feet.

3. **COMMUNICATION AND NAVIGATION EQUIPMENT**

In addition to all necessary communication, navigation and flight safety equipment as required by Transport Canada legislation or regulations, the birddog aircraft will be equipped with the following:

3.1. **Communication Equipment and Specifications**

- Two VHF-AM transceiver having 25 mhz spacing and a range of 118.00-135.95 mhz.
- TFM 138B Narrowband FM transceiver or equivalent.
- Satellite voice communications.
- Access to transmit and receive on either the AM, FM or phone system from all seats.
- Independent use side tone and volume control of all radio systems.
- VOX or push to talk intercom.
- All system access through boom mikes and head sets.
- Noise cancelling headsets for all seat positions (minimum of three).
- A siren Public Address (PA) system with downward facing or downward and side facing loud hailer.

3.2. **Navigation Equipment and Specifications**

- Global Positioning System's specifications: Ryan 9900BX TAS system interfaced with a Garmin 530A GPS/COM/VOR/MFD.
- An Iridium based Automated Flight Following and voice communication system meeting the specifications detailed in the BCFS Wildfire Management Branch web site: www.for.gov.bc.ca/protect/AFI/.

3.3. **Personnel Communication Equipment and Specifications**

Personal digital assistant (PDA) is to be assigned to each birddog aircraft pilot position (not to unique individuals) to facilitate digital communication with flight crews. The PDA will meet the Blackberry specifications or equivalent.

4. **FLIGHT SAFETY EQUIPMENT SPECIFICATIONS**

4.1. **TCAD**

All birddog aircraft require TCAD having the capability and performance similar to the Garmin 530.

4.2. **Pulse Lights**

All birddog aircraft are to be equipped with Pulse Lights on wing tips and the tail.

5. **OTHER**

All turbine powered birddog aircraft must have a climate controlled cockpit.



Schedule B-2
Aircraft Technical Information and Data

Air Tanker Aircraft

1. General Aircraft Information and Identification

Air Tanker Type		
Class: (Heavy, Intermediate, Light)	Heavy	Heavy
Aircraft Make and Model	Lockheed L-188C	Lockheed L-188C
Aircraft Serial Number	1130	1103
Aircraft Registration	C-FLXT T-481	C-FLJO T-482
Year of Manufacture	1962	1961
Hours of Airframe	24,160	14,275

2. Aircraft Specifications

2.1 Number of Engines and Type	4 Allison 501-D13	4 Allison 501-D13
2.2 Aircraft Payload/Capacity	11,365 litres, 27,000 lbs	11,365 litres, 27,000 lbs
2.3 Fuel Endurance	4 hours (20,000 lbs)	4 hours (20,000 lbs)
• Economy Cruise fuel burn (litres per hour)	5,000 lbs per hour	5,000 lbs per hour
2.4 IFR capable	Yes	Yes
2.5 Aircraft Condition	Excellent	Excellent

3. Aircraft Performance

3.1 Loaded Cruise Speed (fuel and retardant)	311 kts @10,000'	311 kts @10,000'
3.2 Minimum Drop Speed	125 kts	125 kts
3.3 Runway Requirements	5,000 feet	5,000 feet



4. Aircraft Communication and Navigation Equipment

4.1 Communication Equipment - <i>In addition to all Legislative and regulatory requirements</i>		
VHF-AM Transceivers	1 Garmin 530 1 Garmin 430 1 Collins VHF 20 A	1 Garmin 530 1 Garmin 430 1 Wulfsburg WT-200
FM Transceivers	Technisonic TFM 138B	Technisonic TFM 138B
Communication System Headsets	David Clark	David Clark
Satellite Voice Communication	Iridium Satellite System S200-21	Iridium Satellite System S200-21
4.2 Navigation Equipment - <i>In addition to all Legislative and regulatory requirements</i>		
Global Positioning System	1 Garmin 530 1 Garmin 430	1 Garmin 530 1 Garmin 430
Automated Flight Following	Iridium Satellite System S200-21	Iridium Satellite System S200-21

5. Personnel Communications

Personal Digital Assistants	2 - Blackberry "Worlds" Supplied to crew	2 - Blackberry "Worlds" Supplied to crew
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6. Fire Bombing Tank

Name and Model	Aero Union RADS II	Aero Union RADS II
Load release system	Constant variable flow	Constant variable flow
Capacity	11,365 litres	11,365 litres
Foam Injection Capabilities	Yes	Yes

7. Flight Safety Equipment

7.1 TCAD	Avidyne TAS-620	Avidyne TAS-620
7.2 Pulse Lights	Pulse + Wig-wag (incl tail)	Pulse + Wig-wag (incl tail)

8. Other

Climate Controlled Cockpit	Fresh air fans	Fresh air fans
Other equipment	Tank Capacity Monitoring	Tank Capacity Monitoring



Birddog Aircraft

1. Aircraft General Information and Identification

Aircraft Make and Model	Turbo Commander690	Turbo Commander690
Aircraft Serial Number	11016	11167
Aircraft Registration	C-GKDZ B/D 054	C-FIII B/D 057
Year of Manufacture	1972	1974
Hours of Airframe	4423	8714

2. Aircraft Specifications

2.1 No. Engines and Type	2X Garrett TPE331-5-251K	2X Garrett TPE331-5-251K
2.2 Payload/Capacity	6 x passenger (1075lbs average)	6 x passenger (1075lbs average)
2.3 Fuel Endurance	4 hours 30 minutes	4 hours 30 minutes
2.4 IFR capable	Yes	Yes
2.5 Aircraft Condition	Excellent	Excellent
2.6 Visibility Standards	75° forward vertical 120° side vertical 90° side window horizontal	75° forward vertical 120° side vertical 90° side window horizontal

3. Aircraft Performance

3.1 Cruise Speed	277 kts @10,000 ft.	277 kts @10,000 ft.
3.2 Low level loitering speed (max fuel load)	120 kts	120 kts
3.3 Runway Requirements	3000'	3000'

4. Communication and Navigation Equipment Specifications

4.1 Communication Equipment - <i>In addition to all Legislative and regulatory requirements</i>		
VHF-AM Transceivers	2 x Wulfsburg WT-200	2 x Wulfsburg WT-200
FM Transceiver	Technisonic TFM 128B	Technisonic TFM 128B
Satellite Voice Communications	Iridium Satellite Phone S200-021	Iridium Satellite Phone S200-021
Communication System Access and Control	2 x Audio Panel Bendix King KMA 24H-71	2 x Audio Panel Bendix King KMA 24H-71
Internal Intercom System	2 x Audio Panel Bendix King KMA 24H-71	2 x Audio Panel Bendix King KMA 24H-71



Communication System Headsets	3 x David Clark H10-13X	3 x David Clark H10-13X
Public Address (PA) System	Whelen SA-380	Whelen SA-380
4.2 Navigation Equipment - In addition to all Legislative and regulatory requirements		
Global Positioning System	Garmin 400 GPS	Garmin 400 GPS
Automated Flight Following	Iridium Satellite Tracking S200-021	Iridium Satellite Tracking S200-021
4.3 Personnel Communications		
Personal Digital Assistants	1 x Blackberry "World" issued to pilot	1 x Blackberry "World" issued to pilot

5. Flight Safety Equipment

TCAD	Avidyne TAS-620	Avidyne TAS-620
Pulse Lights	Pulse/Wig-wag (including tail)	Pulse/Wig-wag (including tail)

6. Other

Climate Controlled Cabins	Garrett Airesearch Air Cycle Machine	Garrett Airesearch Air Cycle Machine
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Schedule B-3 Personnel Qualifications

In performing the Services, Personnel will have the following minimum qualifications and experience.

1. AIRCRAFT FLIGHT CREWS

1.1 AIR TANKER PILOT IN COMMAND

- Valid Airline Transport Pilot License;
- Valid Company Qualification on type;
- Pilot Proficiency Check (P.P.C.) on type;
- Current Group 1 instrument rating;
- Minimum 500 hours Pilot-in-command IFR;
- Pilot-in-command - minimum 1,500 hours;
- Pilot-in-command - minimum 500 hours multi-engine;
- Demonstrated experienced in mountain flying;
- Minimum 2 years experience in firebombing (land based air tanker operations);
- Trained in accordance with the BC Fire Bombing Procedures Manual; and
- New hired Pilots – minimum 100 hours as Pilot-in-command in the past year.

1.2 AIR TANKER FIRST OFFICER

- Valid Airline Transport Pilot License;
- Valid Company Qualification on type;
- Pilot Proficiency Check (P.P.C.) on type;
- Current Group 1 instrument rating;
- Minimum 250 hours Pilot-in-command IFR;
- 1,000 hours total Pilot-in-command;
- Minimum 500 hours multi-engine;
- Demonstrated experienced in mountain flying;
- Trained in accordance with the BC Firebombing Procedures Manual; and
- New hire Pilots – minimum 100 hours as Pilot-in-command in the past year.



1.3 **BIRD DOG PILOT**

1.3.1 **Turbine Powered Birddog Aircraft**

- Valid Company Qualification on type;
- Pilot Proficiency Check (P.P.C.) on type;
- Current Group 1 instrument rating;
- Minimum 500 hours Pilot-in-command IFR;
- Pilot-in-command - minimum 1,500 hours;
- Pilot-in-command - minimum 500 hours multi-engine;
- Completion of recognized Flight Simulator Program and 25 hours Pilot-in-Command on type; or
 - 50 hours Pilot-in-Command on type.
- Demonstrated experienced in mountain flying;
- Trained in accordance with the BC Firebombing Procedures Manual; and
- New hired Pilots – minimum 100 hours as Pilot-in-command in the past.

1.3.2 **Piston Powered Birddog Aircraft**

- Valid Company Qualification on type;
- Pilot Proficiency Check (P.P.C.) on type;
- Pilot-in-command - minimum 1,500 hours;
- Pilot-in-command - minimum 100 hours multi-engine;
- Minimum 25 hours Pilot-in-command on type and 50 hours Pilot- in-Command on same class of aircraft;
- Demonstrated experienced in mountain flying;
- Trained in accordance with the BC Firebombing Procedures Manual; and
- New hired Pilots – minimum 100 hours as Pilot-in-command in the past year.



Schedule C
SERVICES and FACILITIES

1. SERVICES

1.01 At the Commencement of the Availability Period, the Company will:

- a) position the Aircraft at the Designated Base at the Company's expense to commence provision of the Services; and
- b) confirm the flight operations Personnel assigned to the Aircraft.

1.02 During the Availability Period, the Company will:

- a) reposition the Aircraft at the times and locations specified by the Minister;
- b) maintain an air readiness level as specified by the Minister;
- c) report any unserviceable Aircraft at the time of discovery, providing an estimate of the time required to remedy the situation;
- d) use its best efforts to ensure that the Services, Aircraft and Personnel adhere to the Ministry's operational procedures and instructions;
- e) cause appropriate personnel of the Company to attend pre and post action de-briefing exercises;
- f) undertake work utilizing aircraft and appropriate personnel for third parties as directed by the Minister;
- g) ensure that all flight operations personnel are attired in standard apparel for either flight or maintenance as the case maybe;
- h) at the request of the Minister cause any personnel, who are not providing the Services described in this Agreement and Schedules to the Minister's satisfaction to be removed from providing those Services;
- i) on the request of the Province and where reasonable, provide Additional Services and/or Extra Services;
- j) provide the Services in accordance with the British Columbia Forest Service Fire Bombing Procedures;
- k) modify Specialty Equipment for safety requirements and service efficiency enhancements at the direction of the Province, at a cost to be agreed upon by the Province and the Company negotiating in good faith;
- l) supply suitable environmental containment, and storage for all associated aviation fluids;
- m) store, handle and dispose of all lubricants, oils and other environmentally hazardous materials using the Company's tools, equipment and materials according to "A Summary of Environmental Standards and Guidelines for Fuel Handling, Transportation and Storage" a B.C. Environment Publication;
- n) have a spill response plan which outlines action in the event of chemical spills or other emergency; and
- o) report to the Province as soon as possible, the particulars and details of any environmental incident, including the Company's actions and response, occurring related to the performance of the Services Report.



- 1.03 During the Availability Period, the Aircraft, Personnel, Specialty Equipment and support systems must be available to provide the Services for a time period specified by the Minister up to a maximum of a 14 hour duty day or as legislated, and in accordance with the daily standby alert established by the Minister.
- 1.05 The Minister may request or the Company may furnish a substitute or Replacement Aircraft and Specialty Equipment of a type mutually agreed upon for specific flights.
- 1.06 The charges for the Replacement Aircraft, Speciality Equipment and Personnel are according to Schedule D, except as otherwise provided.
- 1.07 Notwithstanding the Company's obligations to provide the Services during the Availability Period, the Company may, with the consent of the Province, use the Aircraft for other purposes. If the Company does so use the Aircraft, the Availability Charges described in Schedule D will be reduced as agreed to by the Company and the Province.

2. FACILITIES

- 2.01 During the Term of this Agreement, the Company will provide a Transport Canada approved Maintenance Organization as described in the Proposal.
- 2.02 The Company will provide a 24 hour contact facility during the Availability Period from which the Minister may request Services.
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Schedule D
FEE SCHEDULE

1. DEFINITIONS

1.01 In this Schedule, unless the context requires otherwise:

- a) "Additional Availability Charges" means for each Year, the fees described in this Schedule to be paid by the Province to the Company for Additional Services provided by the Company as authorized under this Agreement;
- b) "Availability Charges" means that fee as set out in this Schedule to cover the availability of Aircraft and Services;
- c) "Extra Availability Charges" means for each Year, the fees as agreed to by the Parties to be paid by the Province to the Company for Extra Services provided by the Company as authorized under this Agreement;
- d) "Flight Time" means:
 - i. for the L-188 Air tankers the time, measured in minutes and reported in tenths of an hour as calculated and detailed in the Transport Canada Aeronautical Information Manual (TC AIM), from the aircraft leaving its stationary position at a retardant loading facility for the purposes of takeoff to the time when the aircraft returns to a retardant loading facility and comes to a complete stop; and
 - ii. for the Birddog aircraft the time, measured in minutes and reported in tenths of an hour as calculated and detailed in the Transport Canada Aeronautical Information Manual (TC AIM), from wheels roll to wheels stop;
- e) "Flying Rate" means the hourly charges for Flight Time;
- f) "Fuel Rate" is the rate charged by the Company to the Province for fuel used in performance of the Services;
- g) "Landing Fees" are the fees charged by Airport Authorities to the Company for landings while providing the Service. These fees are payable to the Company as set out in 6.02 of this Schedule;
- h) "Positioning" means required movement to locate the Aircraft to a job site at the request of the Minister;
- i) "Proper Account" means a written statement of account, on Company letterhead, in a form satisfactory to the Minister. At the commencement of each year, during the Agreement Term, the Minister may change the requirements for a Proper Account and will advise the Company in writing;
- j) "Release Rate" means that rate set out in this Schedule to credit the Ministry for each day the Aircraft is released by the Province to the Company; and
- k) "Repositioning" means a change in the aircraft location at the request of the Minister.



2. FEES

- 2.01 The Province will pay the Company the following with respect to the Services provided:
- a) Availability Charges;
 - b) Additional Availability Charges for Additional Services for:
 - i. subject to ii, and iii, no less than 3 days regardless of the number of days the Additional Services are provided;
 - ii. no less than two days if the Additional Services are commenced on the second day preceding the beginning or the second day following the end of the Availability Period, regardless of the number of days the Additional Services are provided;
 - iii. no less than one day if the Additional Services are commenced on the day preceding the beginning or the day following the end of the Availability Period;
 - c) Flight Time at the Flying Rate;
 - d) in the event of Aircraft Positioning, Flight Time at the Flying Rate;
 - e) Flight and Maintenance Crew accommodation and expenses when crews are away overnight from their Designated Base, as specified in this Schedule;
 - f) those fuel expenses, if incurred by the Company in the performance of the Services;
 - g) those airport landing and navigation fees and charges, if incurred by the Company in the performance of the Services; and
 - h) Other Costs as set out in this Schedule.
- 2.02 The Province will pay those fees described in paragraph 2.01 and as set out in this Schedule, all other charges, and any applicable taxes within 30 days following receipt by the Province of a Proper Account.
- 2.03 The Company will submit Proper Accounts in no less than weekly and no longer than monthly intervals.
- 2.04 As of the Year commencing April 1, 2011, the Availability Charges, Flying Rate, and Additional Availability Charges as set out in this Schedule will be adjusted on a compound basis by 100% of the change in the Statistics Canada Consumer Price Index (CPI) for Vancouver, British Columbia for the twelve month period December to December immediately preceding the Year to which such amounts are applicable.

3. AVAILABILITY CHARGES

- 3.01 An Availability Charge for the Availability Period, totalling **three million, two hundred forty seven thousand and two hundred dollars (\$3,247,200)** calculated as follows:

Heavy Air Tanker Group:

Aircraft Type		# of Aircraft	Availability Period	Daily Rate per Aircraft	Total
Air Tanker	L-188 C	1	123 days	\$9,500.00	\$1,168,500
Birddog	TC 690	1	123 days	\$3,700.00	\$455,100

Cost per Air Tanker Group	\$1,623,600
Number of Air Tanker Groups	x 2
Total Availability Charge	<u>\$3,247,200</u>



3.02 **The Availability Charge is payable in five (5) equal instalments** of six hundred and forty nine thousand and four hundred and forty dollars (\$649,440) on May 1st, June 1st, July 1st, August 1st and September 1st in each Year of the Agreement.

3.03 Additional Availability Charges

The Additional Availability Charges for each day of Additional Services for each Aircraft is as follows:

Aircraft Type		Daily Additional Availability Charge
Air Tanker	L-188	\$9,500.00
Birddog	TC 690	\$3,700.00

4. FLIGHT TIME CHARGES

4.01 Flight Time Charges for each hour of Flight Time and prorated for part hours are calculated at the hourly Flying Rate as follows:

Aircraft Type		Hourly Flying Rate
Air Tanker	L-188	\$3,200.00
Birddog	TC 690	\$600.00

5. FLIGHT AND MAINTENANCE CREW ACCOMMODATION AND EXPENSES

5.01 Away from Designated Base living expenses will be flat rated and receipts will not be required. The daily allowance will be:

- a) Two hundred fourteen dollars and fifty cents (\$214.50) including ground transportation or and must be submitted on the daily flight slips; OR
- b) One hundred forty nine dollars and fifty cents (\$149.50) excluding ground transportation. And must be itemized and submitted on the daily flight slip.

5.02 Should the Ministry supply any of the above expenses the daily rate will be reduced as follows: accommodation - \$100.00, \$16.50 each meal, and ground transportation-\$65.00.

5.03 If Away from Designated Base expenses related to the Province's request to Reposition the Aircraft and the Company's maintenance vehicle is required will be as follows:

- a) mileage at eighty four cents (\$.84) per kilometre to position and de-position the Company's maintenance vehicle between the Designated Base and the Aircraft's temporarily assigned site; and
- b) if required, costs incurred for transport by water ferry will be reimbursed at cost. Receipts are required.

5.04 An additional twenty seven dollars (\$27.00) per night per flight and maintenance crew member when the Aircraft and crew are required by the Minister to be positioned north of the 60th latitude.



6. OTHER

6.01 Fuel

The cost incurred and paid by the Company for aviation fuel used by the Company to provide the Services under this Agreement.

6.02 Landing and Navigation Fees

The cost for Landing Fees as set out in the Ministry's current years Helicopter Landing Fee Table. No receipts are required and the number of landings per location *must* be noted on the daily flight slips and will be paid accordingly.

6.03 Additional Personnel

The direct costs of additional maintenance personnel required during periods of extraordinary fire activity.

6.04 Mutual Aid Resource Sharing (MARS) Charges

Charges, as agreed by the Parties and as required to meet the Province's and the Company's obligations in providing the Aircraft and Services under Mutual Aid Resource Sharing Agreements to which the Province is a signatory.

6.05 Extra Availability Charges

As agreed to by the Province and the Company.

6.06 Other

As agreed by both Parties.

7. RELEASE RATES

7.01 The rate for the Company's use of the Aircraft when released from the Company's Service requirements by the Ministry will be at the Release Rate for each and every day the Aircraft is released. The Release Rate is as agreed by the parties.

8. DAMAGES

8.01 For each and every hour the Aircraft, Speciality Equipment and Personnel are not available for Services as required by the Minister, the Minister may assess damages in the amount to one tenth of the Daily Availability (defined as the Aircraft Availability Charge divided by 123 days) or at the Minister's discretion, the reasonable cost to the Province to replace the Aircraft and Services.

8.02 Damages may be assessed if the Company does not, in the reasonable opinion of the Minister, use all the resources available to the Company to ensure the serviceability of the Aircraft and as a result the Company fails to respond to a request for Services according to the daily readiness (alert) criteria established by the Minister. Failure to respond in this instance represent a non availability day or portion thereof.

8.03 If the Birddog Aircraft is unavailable and it is not operationally feasible for the Air Tanker to join another air tanker group, the assess damages may be applicable to both the Air Tanker and the Birddog Aircraft.



Schedule E
INSURANCE

1. INSURANCE REQUIREMENTS

- 1.01 In addition to such policies as are required by Canadian laws and regulations, the Company shall, at its sole cost and expense and during the Agreement Term provide and maintain for the benefit of the Minister, his servants, agents and employees the following insurance:
- a) Aircraft Liability in respect of third part bodily injury and/or property damage, including passenger liability, with limits not less than ten million dollars (\$10,000,000) combined single limit, each occurrence;
 - b) Aviation General Liability insurance, including Premises & Operations and Products & Completed Operations liability, with limits not less than ten million dollars (\$10,000,000) combined single limit, each occurrence and in the annual aggregate with respect to Products & Completed Operations;
 - c) The insurance outlined under a) and b) above, shall include the following endorsements and/or provisions:
 - i. blanket contractual liability;
 - ii. non-owned automobile insurance;
 - iii. contingent employer liability;
 - iv. personal injury liability;
 - v. employees as additional insureds; and
 - vi. a cross liability clause;
 - vii. Her Majesty the Queen in the right of the Province of British Columbia as represented by the Minister of Forests and Range and any of its employees, servants or agents are to be added as an "Additional Insured"; and
 - viii. Any additional insurance which is required by law or which the Company considers necessary to cover risks not otherwise covered by insurance specified in this section.
- 1.02 All insurance will be in a form, and content and placed with an insurer or insurers duly licensed to carry on insurance business in British Columbia acceptable to the Minister.
- 1.03 The Company shall, not later than the commencement of the Agreement Term, provide to the Province a Certificate of Insurance confirming all policies and necessary endorsements to comply with the insurance requirements outlined herein.
- 1.04 The Company will ensure that the insurance may not be cancelled or materially changed in any way whatsoever without the insurers providing 30 days prior notice to the Minister.
- 1.05 The insurance will be primary and not require the sharing of any loss by any insurer of the Province.
- 1.06 The Company waives all rights of recourse against the Province with regard to damage to the Company's property.
- 1.07 The Company shall, at its own expense, obtain WorkSafe BC coverage for itself, its subcontractors, all workers and any shareholders, directors, partners or other individuals employed or engaged in the performance of the Services. The Company must comply with all conditions of the *Workers Compensation Act* and regulations thereunder, and upon request, must provide the Province with proof of such compliance.





Natural Resource Sector

Contract Modification Agreement No. 5

MINISTRY CONTRACT/FILE NO.: 1070-20/AO1088E003A PROJECT NAME: Air Tanker Services
THIS MODIFICATION AGREEMENT dated for reference 3rd day of February 2014.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

Provincial Wildfire Coordination Centre

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 Airport Road
Kamloops, B.C. V2B 7X2

Telephone: Fax: E-mail Address:
(250) 312-3010 (250) 554-5468 nina.barber@gov.bc.ca

Ministry Representative: Nina Barber

Alternate (if applicable):

AND

AIR SPRAY (1967) LTD.

(the "Contractor", "you", or "your" as applicable) at the following address:

10141 122 St NW
Edmonton, Alberta T5N 1L7

Telephone: Fax: E-mail Address:
(780) 453-1737 (780) 454-4384 lynn.hamilton@airspray.com

Contractor Representative: Lynn Hamilton
Corporate Business A0088319

Number:
WorkSafe BC No: 539393 and/or POP N/A
No.

- A. The Parties entered into an Agreement dated for reference 1st day of April 2010, (hereinafter called the "Agreement"),
- B. The Parties agree to amend the Agreement as follows:

**SCHEDULE A
AVAILABILITY PERIOD AND DESIGNATED BASE(S) FOR 2014**

1.03 The Availability Period(s) and the Aircraft Designated Base(s) for 2014 are as set out in Schedule A-1.

Schedule A-1 Availability Period and Designated Base(s) for 2014		
AIRCRAFT AIRTANKER GROUP	AVAILABILITY PERIOD (Each of 123 days)	DESIGNATED BASE
Group 7: Lockheed 188 (L-188 C) Turbo Commander 690 (TC690)	May 22 to September 21	Prince George
Group 3: Lockheed 188 (L-188C) Turbo Commander 690 (TC690)	May 5 to September 4	Prince George

SCHEDULE F

FEES

3. AVAILABILITY CHARGES

3.01 An Availability Charge for the Availability Period, totalling three million three hundred eighty-one thousand seven hundred and sixty-two dollars (3,381,762.00) calculated as follows:

Heavy Air Tanker Group:

AIRCRAFT TYPE		# of AIRCRAFT	AVAILABILITY PERIOD	DAILY RATE PER AIRCRAFT	TOTAL
Air Tanker	L-188 C	1	123	\$9,894.00	\$1,216,962.00
Birdog	TC690	1	123	\$3,853.00	\$473,919.00

CONTRACT MODIFICATION AGREEMENT

CONTINUED

Cost per Air Tanker Group:	\$1,690,881
Number of Air Tanker Groups:	<u> x 2</u>
Total Availability Charge:	<u>\$3,381,762</u>

3.02 **The Availability Charge is payable in five (5) equal installments** of six hundred seventy-six thousand three hundred and fifty-two dollars and forty cents (\$676,352.40) on May 1st, June 1st, July 1st, August 1st and September 1st in each Year of the Agreement.

3.03 **Additional Availability Charges**

The Additional Availability Charges for each day of Additional Services for each Aircraft is as follows:

Aircraft Type		Daily Additional Availability Charge
Air Tanker	L-188	\$9,894.00
Birddog	TC 690	\$3,853.00

4. FLIGHT TIME CHARGES

4.01 Flight Time Charges for each hour of Flight Time and prorated for part hours are calculated at the hourly Flying Rate as follows:

Aircraft Type		Hourly Flying Rate
Air Tanker	L-188	\$3,477.00
Birddog	TC 690	\$720.00

1. Air Spray also has the following additional aircraft available for hire based on their 2014 tariff as follows:

Aircraft	Identification	Day Rate	Hourly Rate
Tanker 498	C-FDTH	\$11,000.00/day	\$3,873.00/hour
Tanker 487	C-FZCF	\$11,000.00/day	\$3,873.00/hour
Birddog 58	C-FMCX	\$4,291.00/day	\$815.00/hour
Birddog 57	C-FIIL	\$4,291.00/day	\$815.00/hour

5. FLIGHT AND MAINTENANCE CREW ACCOMMODATION AND EXPENSES

5.01 Away from Designated Base living expenses will be flat rated and receipts will not be required. The daily allowance will be:

- a) Two hundred twenty nine dollars and fifty cents (**\$229.50**) including ground transportation or and must be submitted on the daily flight slips; OR
- b) One hundred sixty four dollars and fifty cents (**\$164.50**) excluding ground transportation. And must be itemized and submitted on the daily flight slip.

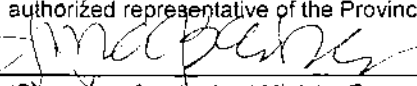
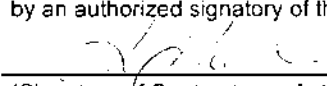
5.02 Should the Ministry supply any of the above expenses the daily rate will be reduced as follows: accommodation - **\$115.00**, \$16.50 each meal, and ground transportation-\$65.00.

-
- C. In all other respects, the Agreement is confirmed.
 - D. Time is of the essence in this Modification Agreement.

CONTRACT MODIFICATION AGREEMENT

CONTINUED

The Parties duly execute this Modification Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province 	SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation) 
(Signature of authorized Ministry Expense Authority)	(Signature of Contractor or Authorized Signatory)
(PRINTED NAME of authorized representative)	(PRINTED NAME of Contractor or authorized signatory)
Dated this <u>3rd</u> day of <u>March</u> 20 <u>14</u>	Dated this _____ day of _____ 20__



Natural Resource Sector

Contract Modification Agreement No. 6

MINISTRY CONTRACT/FILE NO.: 1070-20/AO 1088E003A PROJECT NAME: Air Tanker Services
THIS MODIFICATION AGREEMENT dated for reference 5th day of May 2014.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

Provincial Wildfire Coordination Centre

(the "Province", "we", "us", or "our" as applicable) at the following address
3080 Airport Road
Kamloops, B.C. V2B 7X2

Telephone: (250) 312-3010 Fax: (250) 554-5468 E-mail Address: nina.barber@gov.bc.ca

Ministry Representative: Nina Barber

Alternate (if applicable)

AND

AIR SPRAY (1967) LTD.

(the "Contractor", "you", or "your" as applicable) at the following address:

10141 122 St NW
Edmonton, Alberta T5N 1L7

Telephone: (780) 453-1737 Fax: (780) 454-4384 E-mail Address: lynn.hamilton@airspray.com

Contractor Representative: Lynn Hamilton
Corporate Business Number: A0088319

WorkSafe BC No. 539393 and/or POP No. N/A

- A. The Parties entered into an Agreement dated for reference 1st day of April 2010, (hereinafter called the "Agreement"),
- B. The Parties agree to amend the Agreement as follows

Unless otherwise indicated, lump sum or unit prices shown below constitute full payment for all labour, materials, equipment, overhead, profit, taxes (including taxes paid or payable by you to a supplier) and other things required to completely incorporate the change(s) into the contract work, but exclusive of Goods and Services Tax (GST) and any applicable Provincial Sales Tax (PST) that you are required to charge the Province as a taxable transaction.

CHANGE OF WORK

ITEM NO.	DESCRIPTION OF WORK ADDED / DELETED, INCLUDING QUANTITIES	PRICE
1.	Install Gravel Kit on C-FLXT	\$12,932.58
2.	Install USB Charging Ports in Each of BD 51, BD 53, BD 52 (drawing attached)	\$ 5,416.34

As Per Quotation Dated	Y M D 2014 02 25	Total Price for Additions (PST and GST excluded)	\$16,348.92	Total Credit for Deletions	\$
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Recommended and submitted by (Contract Manager/Inspector) Mike Benson

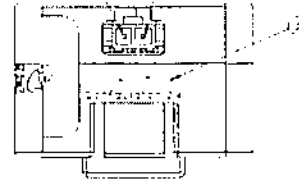
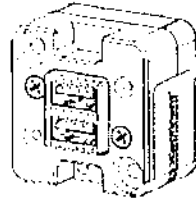
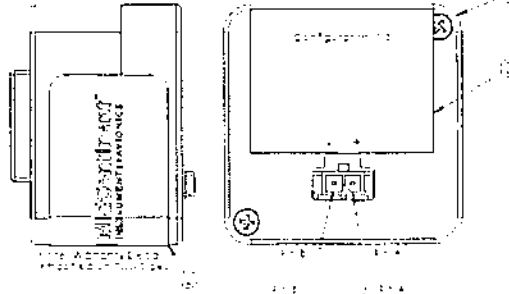
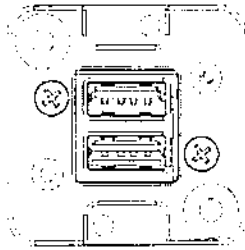
- C. In all other respects, the Agreement is confirmed.
- D. Time is of the essence in this Modification Agreement

CONTRACT MODIFICATION AGREEMENT

CONTINUED

Configuration			
Item #	Configuration for Assembly	Part Number	Part Name
101	CS 74401 - 1000000000	101700001	Case
102	CS 74401 - 1000000000	101700002	Display
103	CS 74401 - 1000000000	101700003	Keypad
104	CS 74401 - 1000000000	101700004	Control

Revision				
Rev	Description	Date	Approved	
A	Production Release	4/30/13	DM/STW	
B	Addressed to Canada Configuration: Address Priority Indicator - can't find code 101700001	05/07/13	DM/STW	
C	Move Addressed to Canada Configuration to Control Panel for Code Address EPC Certification Information	10/24/13	DM/STW	



Specifications	
Model Number	74401
Year	2013
Supplier	CS 74401 - 1000000000
Material	101700001
Configuration	CS 74401 - 1000000000
Part Number	101700001
Part Name	Case
Material	101700001
Part Number	101700001
Part Name	Case
Material	101700001
Part Number	101700001
Part Name	Case

Item	Part Number	Description
1	101700001	Case
2	101700002	Display
3	101700003	Keypad
4	101700004	Control

Item	Part Number	Description
1	101700001	Case
2	101700002	Display
3	101700003	Keypad
4	101700004	Control

CS 74401 - 1000000000
 101700001
 101700002
 101700003
 101700004

TRUE BLUE POWER
 6420102
 6420102

The Parties duly execute this Modification Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province

[Signature]

(Signature of authorized Ministry Expense Authority)

Nina Barber

(PRINTED NAME of authorized representative)

Dated this 8th day of May 2014

SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)

[Signature]

(Signature of Contractor or Authorized Signatory)

Lynn Hamilton

(PRINTED NAME of Contractor or authorized signatory)

Dated this 5th day of May 2014

via email



Natural Resource Sector

Contract Modification Agreement No. 7

MINISTRY CONTRACT/FILE NO.: 1070-20/A01088E003A PROJECT NAME: Air Tanker Services
THIS MODIFICATION AGREEMENT dated for reference 3rd day of February 2015.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

Provincial Wildfire Coordination Centre

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 Airport Road
Kamloops, B.C. V2B 7X2

Telephone: Fax: E-mail Address:
(250) 312-3010 (250) 554-5468 nina.barber@gov.bc.ca

Ministry Representative: Nina Barber

Alternate (if applicable):

AND

AIR SPRAY (1967) LTD.

(the "Contractor", "you", or "your" as applicable) at the following address:

10141 122 St NW
Edmonton, Alberta T5N 1L7

Telephone: Fax: E-mail Address:
(780) 453-1737 (780) 454-4364 lynn.hamilton@airspray.com

Contractor Representative: Lynn Hamilton
Corporate Business A0088319

Number:
WorkSafe BC No: 539393 and/or POP N/A
No.

A. The Parties entered into an Agreement dated for reference 1st day of April 2010, (hereinafter called the "Agreement"),

B. The Parties agree to amend the Agreement as follows:

SCHEDULE A

AVAILABILITY PERIOD AND DESIGNATED BASE(S) FOR 2015

1.03 The Availability Period(s) and the Aircraft Designated Base(s) for 2015 are as set out in Schedule A-1.

Schedule A-1 Availability Period and Designated Base(s) for 2015		
AIRCRAFT AIRTANKER GROUP	AVAILABILITY PERIOD (Each of 123 days)	DESIGNATED BASE
Group 7: Lockheed 188 (L-188 C) Turbo Commander 690 (TC690)	May 22 to September 21	Prince George
Group 3: Lockheed 188 (L-188C) Turbo Commander 690 (TC690)	May 4 to September 3	Prince George

SCHEDULE F

FEEES

3. AVAILABILITY CHARGES

3.01 An Availability Charge for the Availability Period, totalling **three million three hundred eighty-one thousand seven hundred and sixty-two dollars (3,381,762.00)** calculated as follows:

Heavy Air Tanker Group:

AIRCRAFT TYPE		# of AIRCRAFT	AVAILABILITY PERIOD	DAILY RATE PER AIRCRAFT	TOTAL
Air Tanker	L-188 C	1	123	\$8,983.00	\$1,227,909.00
Birdog	TC690	1	123	\$3,888.00	\$478,224.00

CONTRACT MODIFICATION AGREEMENT

CONTINUED

Cost per Air Tanker Group:	\$1,706,133
Number of Air Tanker Groups:	<u>2</u>
Total Availability Charge:	<u>\$3,412,266</u>

3.02 **The Availability Charge is payable in five (5) equal installments** of six hundred eighty-two thousand four hundred and fifty-three dollars and twenty cents (\$682,453.20) on May 1st, June 1st, July 1st, August 1st and September 1st in each Year of the Agreement.

3.03 **Additional Availability Charges**

The Additional Availability Charges for each day of Additional Services for each Aircraft is as follows:

	Aircraft Type	Daily Additional Availability Charge
Air Tanker	L-188	\$9,983.00
Birddog	TC 690	\$3,888.00

4. **FLIGHT TIME CHARGES**

4.01 Flight Time Charges for each hour of Flight Time and prorated for part hours are calculated at the hourly Flying Rate as follows:

	Aircraft Type	Hourly Flying Rate
Air Tanker	L-188	\$3,508.00
Birddog	TC 690	\$726.00

1. Air Spray also has the following additional aircraft available for hire based on their 2015 tariff as follows:

Aircraft	Identification	Day Rate	Hourly Rate
Tanker 498	C-FDTH	\$11,000.00/day	\$3,873.00/hour
Tanker 487	C-FZCF	\$11,000.00/day	\$3,873.00/hour
Birddog 58	C-FMCX	\$4,291.00/day	\$815.00/hour
Birddog 57	C-FIIL	\$4,291.00/day	\$815.00/hour

C. In all other respects, the Agreement is confirmed.

D. Time is of the essence in this Modification Agreement.

The Parties duly execute this Modification Agreement as follows:

<p>SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province</p> <p style="text-align: center;"><i>[Signature]</i></p> <p>(Signature of authorized Ministry Expense Authority)</p> <p>(PRINTED NAME of authorized representative)</p> <p>Dated this <u>4th</u> day of <u>April</u> 20<u>15</u></p>	<p>SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)</p> <p style="text-align: center;"><i>[Signature]</i></p> <p>(Signature of Contractor or Authorized Signatory)</p> <p style="text-align: center;">PAUL J. LANE</p> <p>(PRINTED NAME of Contractor or authorized signatory)</p> <p>Dated this <u>3rd</u> day of <u>March</u> 20<u>15</u></p>
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Natural Resource Sector

Contract Modification Agreement No. 8

MINISTRY CONTRACT/FILE NO.: 1070-20/AO1088E003A

PROJECT NAME: Air Tanker Services

THIS MODIFICATION AGREEMENT dated for reference 12th day of February 2016.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

Provincial Wildfire Coordination Centre

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 Airport Road
Kamloops, B.C. V2B 7X2

Telephone: (250) 312-3010 Fax: (250) 554-5468 E-mail Address: dave.marek@gov.bc.ca

Ministry Representative: Dave Marek

AND

AIR SPRAY (1967) LTD.

(the "Contractor", "you", or "your" as applicable) at the following address:

10141 122 St NW
Edmonton, Alberta T5N 1L7

Telephone: (780) 453-1737 Fax: (780) 454-4384 E-mail Address: lynn.hamilton@airspray.com

Contractor Representative: Lynn Hamilton
Corporate Business Number: A0088319

WorkSafe BC No: 539393 and/or POP No: N/A

A. The Parties entered into an Agreement dated for reference 1st day of April 2010, (hereinafter called the "Agreement"),

B. The Parties agree to amend the Agreement as follows:

SCHEDULE A

AVAILABILITY PERIOD AND DESIGNATED BASE(S) FOR 2016

1.03 The Availability Period(s) and the Aircraft Designated Base(s) for 2016 are as set out in Schedule A-1.

Schedule A-1 Availability Period and Designated Base(s) for 2016		
AIRCRAFT AIRTANKER GROUP	AVAILABILITY PERIOD (Each of 123 days)	DESIGNATED BASE
Group 7: Lockheed 188 (L-188 C) Turbo Commander 690 (TC690)	May 19 to September 18	Prince George
Group 3: Lockheed 188 (L-188C) Turbo Commander 690 (TC690)	May 9 to July 10 July 11 to September 8	Prince George Campbell River

SCHEDULE F

FEES

3. AVAILABILITY CHARGES

3.01 An Availability Charge for the Availability Period, totalling three million, four hundred and ninety thousand, seven hundred and forty dollars (3,490,740.00) calculated as follows:

Heavy Air Tanker Group:

AIRCRAFT TYPE		# of AIRCRAFT	AVAILABILITY PERIOD	DAILY RATE PER AIRCRAFT	TOTAL
Air Tanker	L-188 C	1	123	\$10,213.00	\$1,256,199.00
Birdog	TC690	1	123	\$3,977.00	\$489,171.00

CONTRACT MODIFICATION AGREEMENT

CONTINUED

Cost per Air Tanker Group:	\$1,745,370
Number of Air Tanker Groups:	<u> </u> x 2
Total Availability Charge:	<u>\$3,490,740</u>

3.02 The Availability Charge is payable in five (5) equal installments of six hundred ninety-eight thousand one hundred and forty-eight dollars (\$698,148.00) on May 1st, June 1st, July 1st, August 1st and September 1st in each Year of the Agreement.

3.03 Additional Availability Charges

The Additional Availability Charges for each day of Additional Services for each Aircraft is as follows:

Aircraft Type		Daily Additional Availability Charge
Air Tanker	L-188	\$10,213.00
Birddog	TC 690	\$3,977.00

4. FLIGHT TIME CHARGES

4.01 Flight Time Charges for each hour of Flight Time and prorated for part hours are calculated at the hourly Flying Rate as follows:

Aircraft Type		Hourly Flying Rate
Air Tanker	L-188	\$3,589.00
Birddog	TC 690	\$743.00

C. In all other respects, the Agreement is confirmed.

D. Time is of the essence in this Modification Agreement.

The Parties duly execute this Modification Agreement as follows:

<p>SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province</p> <p>_____ (Signature of authorized Ministry Expense Authority) Dave Marek (PRINTED NAME of authorized representative)</p> <p>Dated this <u>26</u> day of <u>February</u> 20<u>16</u>.</p>	<p>SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)</p> <p>_____ (Signature of Contractor or Authorized Signatory) Lynn Hamilton <u>PAUL J. LANE</u> (PRINTED NAME of Contractor or authorized signatory)</p> <p>Dated this <u>17th</u> day of <u>February</u> 20<u>16</u>.</p>
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Ministry of
Forests, Lands and
Natural Resource Operations



Aircraft Operations Agreement

CONTRACT./FILE NO:
1070-20/ AO15WCC004

THIS AGREEMENT DATED FOR REFERENCE
THE 1ST DAY OF APRIL 2014.

PROJECT DESCRIPTION: **AMPHIBIOUS WATER SCOOPING AIRTANKER SERVICES**

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

PROVINCIAL WILDFIRE COORDINATION CENTRE
3080 AIRPORT ROAD
KAMLOOPS, B.C.
V2B 7X2

Phone Number: 250 312-3000
FAX Number: 250 554-5468
Ministry Representative: nina.barber@gov.bc.ca
E-mail Address: nina.barber@gov.bc.ca

(the "Province", "we", "us", or "our" as applicable)

AND:

CONAIR GROUP INC.
1510 TOWER STREET
ABBOTSFORD, BC V2T 6H5

Phone Number: (604) 557-2584
FAX Number: (604) 577-2793
E-mail Address: rpedersen@conair.ca
Contractor Representative: Rick Pedersen
Corporate Business Number: 0423196
WorkSafe BC: 147653

(the "Contractor", "You", or "your" as applicable)

WHEREAS:

- A. The Province wishes to retain the Contractor to provide the Services specified in Schedule A1 and A2, in consideration for the remuneration set out in Schedule B, the Contractor has agreed to provide those Services, on the terms and conditions set out in this Agreement.
- B. The Contractor is duly licensed to operate and provide the aircraft, specialty equipment and support services as specified in this Agreement.
- C. The Province requires the said aircraft, specialty equipment and support services for use in the Ministry of Forests, Lands and Natural Resource Operations, Wildfire Management Branch and other Government of British Columbia Programs.

The Province and the Contractor agree as follows:

ARTICLE 1 DEFINITIONS

1.01 In this Agreement, unless the context otherwise requires:

- (a) **"Additional Services"** means Services requested by the Province during the Fire Season but excluding the Operating Period, to be provided by the Contractor in accordance with the terms of this Agreement and within British Columbia where the Contractor can reasonably make the Aircraft and Speciality Equipment, Personnel and Facilities available for such Services;
- (b) **"Aircraft"** means the amphibious water scooping turbine-powered airtankers and the turbine powered birddog aircraft, described in Schedule A1, including any Replacement Aircraft;
- (c) **"Airtanker Group" or "Group"** means the combination of all amphibious water scooping airtankers, having a minimum combined group capacity greater than 12,000 litres and one turbine powered birddog aircraft and having all the infrastructure, personnel, crews and all supporting services/systems, and equipment necessary to operate and maintain the Aircraft and provide the Airtanker Services;
- (d) **"BC Fire Bombing Procedures Manual"** means the British Columbia Provincial Airtanker Program Fire Bombing Procedures Manual, created and maintained by the Province, describing operational protocols and procedures in relation to aerial firefighting;
- (e) **"Branch" or "WMB"** means the Wildfire Management Branch of the British Columbia Ministry of Forests, Lands and Natural Resource Operations;
- (f) **"Built-up Area"** means any forest or range land occupied by houses, trailers, mobile homes, outbuildings or other manmade structures that are being threatened by, are adjacent to, or are within the boundaries of a Wildfire;
- (g) **"Business Day"** means a day, other than a Saturday or Sunday, on which Provincial government offices are open for normal business in British Columbia;
- (h) **"Compartmented Tank"**: means an external or internal tank containing multiple compartments, each with its own door. The doors may be opened individually, simultaneously, or in a sequence to affect a desired pattern on the ground.



- (i) "**Designated Base**" means the operational base to which the Aircraft is assigned according to Schedule A2;
- (j) "**Designated Representative**" means the Assistant Deputy Minister, Operations, Ministry of Forests, Lands and Natural Resource Operations; the Director, Wildfire Management Branch; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Wildfire Management Branch may authorize;
- (k) "**Extra Services**" means Services requested by the Province, during the Term, to be provided by the Contractor in accordance with the terms of this Agreement and within British Columbia where the Contractor can reasonably make Spare Aircraft and Personnel available for such Services;
- (l) "**Fire Season**" means the annual period where wildfire incidence poses the greatest risk. Traditionally this is the period April 1st to October 31st of each year, or as legislated;
- (m) "**IAB**" means the Interagency Airtanker Board of the United States Forest Service;
- (n) "**Improvements**" means any vehicle, equipment or other manmade structure that is occupying forest or range lands being threatened by, adjacent to, or within the boundaries of a Wildfire;
- (o) "**Incorporated Material**" means any material in existence prior to the start of the Term or developed independently of this Agreement, excluding the Contractor's proprietary Retardant Delivery System and any subsequent modifications that the Contractor may incorporate into the Retardant Delivery System during the Term, including, equipment, components and software; that is incorporated or embedded in the Produced Material by the Contractor or a Subcontractor, also excluding any Ministry funded enhancements;
- (p) "**Maintenance Manuals**" means the Contractor's Transport Canada approved Maintenance Control and Maintenance Procedures Manuals detailing the aircraft operated by the air carrier, the maintenance criteria, procedures and schedule for each aircraft and the personnel responsible for maintenance, inspection and quality control;
- (q) "**Material**" means the Produced Material and the Received Material;
- (r) "**Maintenance Vehicle**" means the truck pulling the Maintenance Facility/Crew Day Base Trailer as set out in Schedule A1;
- (s) "**Minister**" means the Minister of Forests, Lands and Natural Resource Operations or his Designated Representative;
- (t) "**Ministry**" means the Ministry of Forests, Lands and Natural Resource Operations, Province of British Columbia;
- (u) "**Operating Period**" means the number of consecutive days (described in Article 4), during the Fire Season, that the Aircraft are to be deployed and the Services performed at a location determined by the Ministry.



- (v) "**Operations Manual**" means the Contractor's Transport Canada approved document detailing the Contractor's operating procedures and includes any amendments to the same as required by law;
- (w) "**Position**" or "**Positioning**" means a change in the aircraft location at the request of the Minister;
- (x) "**Proposal**" means the Contractor's submitted response to RFP 2014-01 Amphibious Water Scooping Airtanker Services;
- (y) "**Produced Material**" means records, software and other material, whether complete or not, that, as a result of this Agreement, are produced by the Contractor or a Subcontractor and includes the Incorporated Material;
- (z) "**RFP**" means RFP 2014-01 for Amphibious Water Scooping Airtanker Services;
- (aa) "**Received Material**" means records, software and other material, whether complete or not, that, as a result of this Agreement, are received by the Contractor or a Subcontractor from the Province or any other person;
- (bb) "**Record**" is the definition of "record" in the Interpretation Act and as incorporated into this Agreement and "records" will bear a corresponding meaning;
- (cc) "**Replacement Aircraft**" means aircraft provided by the Contractor and suitable to the Province to replace the Aircraft;
- (dd) "**Services or Airtanker Services**" means the services described in this Agreement and Schedule A2 Services;
- (ee) "**Specialty Equipment**" means the equipment described in Schedule A1 Aircraft, and Personnel, required in providing the Services;
- (ff) "**Spare Aircraft**" means any of the Contractor's aircraft meeting the Aircraft and Speciality Equipment specifications as set out in Schedule A1-1 or as agreed by the parties, that the Contractor is willing to make available on the Province's request to provide Extra Services under the terms and conditions of this Agreement;
- (gg) "**Spill Response Plan**" means the Contractor's contingency plan to deal with pesticide spills, accidents or misapplication, developed in accordance with the specifications in this Agreement;
- (hh) "**Subcontractor**" means a person described in Section 2.7 of the RFP Part A;
- (ii) "**Term**" means the term of the Agreement described in Article 3 of this Agreement and represents the period which this Agreement and its Schedules continue in effect according to the terms, including any extension of the Agreement; subject to that term (s) ending earlier in accordance with this Agreement.
- (jj) "**Training Manual**" means the Contractor's Transport Canada approved document detailing the flight crew criteria, procedures and schedules and includes any amendments to the same as required by law;
- (kk) "**Variable Flow Tank**" means a type of tank that utilises an onboard computer to open a set of doors to restrict the release of the tank contents to achieve a desired coverage level on the ground;



- (ll) **“Wildfire”** means an unplanned fire occurring on forest or range lands, burning forest vegetation, grass, brush, scrub, peatlands, or a prescribed fire set under a burning permit which, in the judgment of a forest officer threatens to spread beyond the area authorized for that burning; and
- (mm) **“Year”** means the means the 12 month period from April 1 of a calendar year to March 31 of the next calendar year, inclusive of both dates.

ARTICLE 2 CONTRACT DOCUMENTS AND MODIFICATIONS

2.01 The attached schedules are applicable to and form a part of this Agreement.

Schedule	Title
Schedule 'A1'	Aircraft and Personnel
Schedule 'A2'	Services
Schedule 'B'	Contract Payment
Schedule 'C'	N/A
Schedule 'D'	Insurance Requirements

2.02 No modification of this Agreement is effective unless it is in writing and signed by, or on behalf of, the parties.

ARTICLE 3 TERM OF CONTRACT

3.01 The Term of this Agreement is from and including April 1, 2014, to and including March 31, 2021 inclusive.

3.02 Regardless of the date of execution or delivery of this Agreement, the Contractor must provide the Services during the Term.

3.03 Time is of the essence in this Agreement and, without limitation, will remain of the essence after any modification or extension of this Agreement, whether or not expressly restated in the document effecting the modification or extension.

3.04 Option to Renew

This Agreement may be renewed for a further three (3) one year terms by written agreement of the parties, subject to satisfactory performance by the Contractor and the availability of funding by the Province. Should the option to renew be exercised it is expected that the Contractor's Fees will be limited to the Fees for the previous Year plus the Consumer Price Index increase as set out in Schedule B.

ARTICLE 4 OPERATING PERIOD

4.01 The Operating Period will be any 100 consecutive days between April 15th and October 15th in each Year of the Agreement.

4.02 The Province will confirm the dates for the Operating Period with written notification to the Contractor prior to February 15th of each year of the Agreement.

4.03 The Operating Period for 2014 for the Aircraft identified in Schedule A1-Aircraft and Personnel will be May 26th, 2014 to September 2nd, 2014.



- 4.04 Notwithstanding section 4.01, the Province may request an Operating Period of 120 consecutive days between April 15th and October 15th in any Year of the Agreement. Such a request will:
- (a) be made in writing by the Province to the Contractor prior to February 15 in any Year;
 - (b) confirm the dates for a 120 day Operating Period prior to February 15 of the Year for which the request is made; and
 - (c) the Ministry will require written confirmation by the Contractor prior to February 28 in the Year the request is made.

ARTICLE 5 CONTRACTOR'S OBLIGATIONS

- 5.01 You must provide the Aircraft and Personnel described in Schedule A1 and the Services described in Schedule A2 (the "Services") in accordance with this Agreement.
- 5.02 Unless the parties otherwise agree in writing, you must supply and pay for all labour, materials, equipment, tools, fees, facilities, and approvals and licences necessary or advisable to perform your obligations under this Agreement, including the license under Section 9.04.
- 5.03 Unless otherwise specified in this Agreement, you must perform the Services to a standard of care, skill, and diligence maintained by persons providing, on a commercial basis, services similar to the Services.
- 5.04 You must provide, instruct, and supervise a sufficient number of qualified personnel to enable timely and proper performance and completion of the Services. All such personnel shall be competent, English literate, efficient and qualified by education, training and experience to carry out the tasks to which each is assigned.
- 5.05 We may from time to time give you reasonable instructions (in writing or otherwise) as to the performance of the Services. You must comply with those instructions but, unless otherwise specified in this Agreement, you may determine the manner in which the instructions are carried out.
- 5.06 If we provide an instruction under Section 5.05 other than in writing, you may request that the instruction be confirmed by us in writing, which request we must comply with as soon as it is reasonably practicable to do so.
- 5.07 Requesting written confirmation of an instruction under Section 5.06 does not relieve you from complying with the instruction at the time the instruction was given.
- 5.08 In the performance of your obligations under this Agreement, you must comply with all applicable laws.
- 5.09 Perform the Services in a safe and professional manner to the satisfaction of the Ministry in accordance with the Contractor's Training and Operations Manuals.
- 5.10 Equip, operate and maintain the Aircraft in accordance with all requirements of Canadian and British Columbia laws and regulations.



- 5.11 Comply with all the standards, practices, procedures and specification set out in the Contractor's Transport Canada approved Operations Manual: those set out in the Transport Canada approved Maintenance Control Manual in conducting all Aircraft maintenance.
- 5.12 Service, repair, overhaul, test, improve and maintain the Aircraft in a safe and airworthy state of repair at all times in accordance with the manufacturer's recommended maintenance programs and the Maintenance Control Manual, to the satisfaction of the Minister.
- 5.13 Secure and maintain in good standing all necessary approvals and certificates for the Aircraft, Specialty Equipment and Services described in this Agreement.
- 5.14 Make the Contractor's Operations Manual, Maintenance Control Manual and other such Manuals available to the Minister upon request.
- 5.15 Cause the necessary testing to confirm the performance of the firebombing tank.
- 5.16 Ensure that the Aircraft and Specialty Equipment complies with all manufacturers' standards and federal/provincial regulations prior to the commencement of the Services.
- 5.17 Reasonably cooperate with the Province and any other persons providing Services to the Province.
- 5.18 Designate a flight safety officer from the Contractor's personnel.
- 5.19 Allow no pilot to fly the Aircraft to provide the Services pursuant to this Agreement, without prior approval of the Minister.
- 5.20 Ensure that all Aircraft maintenance is performed by a fully qualified and licensed Aircraft Maintenance Engineer (AME) who is not the Aircraft pilot.
- 5.21 Be responsible for all charges, costs and expenses including but not limited to costs of aircraft lubricants, and airport costs necessary for the efficient operations of the Aircraft and Specialty Equipment required for the performance of the Services under this Agreement, unless otherwise specified in this Agreement.
- 5.22 Be responsible for environmental clean-up associated with its own operations.
- 5.23 Reasonably cooperate with the Province and any other persons providing Services to the Province.
- 5.24 Grant to the Province, its servants, employees and agents access to the technical maintenance and flight records of the Contractor respecting the Services at all reasonable times for the purpose of inspections.
- 5.25 Grant to the Province, its servants, employees and agents the right to inspect the Aircraft and Specialty Equipment.



ARTICLE 6 PAYMENT

6.01 If you comply with this Agreement, we must pay you at the rates and times described in Schedule B:

- (a) the fees described in that Schedule;
- (b) the expenses, if any, in accordance with Schedule B if they are supported, where applicable, by proper receipts and, in our opinion, are necessarily incurred by you in providing the Services; and
- (c) any applicable taxes payable by us under law or agreement with the relevant taxation authorities on the fees and expenses described in paragraphs (a) and (b).

We are not obliged to pay you more than the maximum amount or dollar limit specified in Schedule B on account of fees and expenses.

6.02 In order to obtain payment of any fees or expenses, if any, under this Agreement, you must submit written statements of account to us in a form satisfactory to us, but no sooner than the dates referred to in Schedule B.

6.03 Without limiting Section 12.01 we may withhold from any payment due to you an amount sufficient to indemnify, in whole or in part, the Province and its employees and agents against any liens or other third-party claims that have arisen or could arise in connection with the provision of the Services. An amount withheld under this section must be promptly paid by the Province to you upon the basis for withholding the amount having been fully resolved to the satisfaction of the Province.

6.04 Our obligation to pay money to you is subject to the Financial Administration Act, which makes that obligation subject to an appropriation being available in the fiscal year of the Province during which payment becomes due.

6.05 Unless otherwise specified in this Agreement, all references to money are to Canadian dollars.

6.06 If you are not a resident in Canada, you acknowledge that we may be required by law to withhold income tax from the fees described in Schedule B and then to remit that tax to the Receiver General of Canada on your behalf.

6.07 Without limiting Section 17.11(a), you must not, in relation to performing your obligations under this Agreement, commit or purport to commit us to pay any money except as may be expressly provided for in this Agreement.

6.08 You must.

- (a) apply for, and use reasonable efforts to obtain, any available refund, credit, rebate or remission of federal, provincial or other tax or duty imposed on you as a result of this Agreement that the Province has paid or reimbursed to you or agreed to pay or reimburse to you under this Agreement; and
- (b) immediately on receiving, or being credited with, any amount applied for under paragraph (a) remit that amount to us.



ARTICLE 7 REPRESENTATIONS AND WARRANTIES

7.01 As at the date this Agreement is executed and delivered by, or on behalf of, the parties, you represent and warrant to us as follows:

- (a) except to the extent you have previously disclosed otherwise in writing to us:
 - i. all information, statements, documents and reports furnished or submitted by you to us in connection with this Agreement (including as part of any competitive process resulting in this Agreement being entered into) are in all material respects true and correct;
 - ii. you have sufficient trained staff, facilities, materials, appropriate equipment and approved sub contractual agreements in place and available to enable you to fully perform the Services; and
 - iii. you hold all permits, licenses, approvals and statutory authorities issued by any government or government agency that are necessary for the performance of your obligations under this Agreement.
- (b) if the Contractor is not an individual:
 - i. you have the power and capacity to enter into this Agreement and to observe, perform and comply with the terms of this Agreement and all necessary corporate or other proceedings have been taken and done to authorize the execution and delivery of this Agreement by, or on behalf of, you, and
 - ii. this Agreement has been legally and properly executed by, or on behalf of, you and is legally binding upon and enforceable against you in accordance with its terms except as enforcement may be limited by bankruptcy, insolvency or other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

ARTICLE 8 PRIVACY, SECURITY AND CONFIDENTIALITY

8.01 You must comply with the Privacy Protection Schedule if attached to this Agreement.

8.02 You must make reasonable security arrangements to protect the Material from unauthorized access, collection, use, disclosure, alteration, or disposal and comply with the Security Schedule, if attached.

8.03 You must treat as confidential all information in the Material and all other information accessed or obtained by you or a Subcontractor (whether verbally, electronically or otherwise) as a result of this Agreement, and not permit its disclosure or use without our prior written consent except:

- (a) as required to perform your obligations under this Agreement or to comply with applicable laws;
- (b) if it is information that is generally known to the public other than as a result of a breach of this Agreement; or
- (c) if it is information in any Incorporated Material.



- 8.04 Any public announcement relating to this Agreement will be arranged by us and, if such consultation is reasonably practicable, after consultation with you.
- 8.05 You must not, without our prior written approval, refer for promotional purposes to the Province being your customer or the Province having entered into this Agreement.

ARTICLE 9 MATERIAL AND INTELLECTUAL PROPERTY

- 9.01 If you receive a request for access to any of the Material from a person other than us, and this Agreement does not require or authorize you to provide that access, you must promptly advise the person to make the request to us.
- 9.02 We exclusively own all property rights in the Material that are not intellectual property rights. Any equipment property we may provide to you or a subcontractor is our exclusive property. You must deliver any Material or equipment property to us immediately following expiration of this Agreement, or sooner upon our request, in the same condition it was supplied to you, excepting always loss or damage attributable to reasonable wear or tear.
- 9.03 We exclusively own all intellectual property rights, including copyright:
- (a) in Received Material that you receive from us, and
 - (b) in Produced Material, other than any Incorporated Material.

Upon our request, you must deliver to us documents satisfactory to us that irrevocably waive in our favour any moral rights that you (or your employees) or a Subcontractor (or its employees) may have in the Produced Material and confirm the vesting in the Province of the copyright in the Produced Material, other than any Incorporated Material.

- 9.04 Upon any Incorporated Material being embedded or incorporated in the Produced Material and to the extent that it remains so embedded or incorporated, you grant us:
- (a) a non-exclusive, perpetual, irrevocable, royalty-free, worldwide license to exercise, in respect of that Incorporated Material, the rights set out in the *Copyright Act (Canada)*, including the right to use, reproduce, modify, publish and distribute that Incorporated Material; and
 - (b) the right to sublicense or assign to third-parties any or all of the rights granted to the Province under Section 9.04(a).

ARTICLE 10 RECORDS AND REPORTS

- 10.01 You must, upon our request, fully inform us of all work done by you or a Subcontractor in connection with providing the Services.
- 10.02 If Schedule B provides for you to be paid fees at a Unit of Measure rate or for you to be paid or reimbursed for expenses, you must maintain time records and books of account, invoices, receipts and vouchers of expenses in support of those payments, in form and content satisfactory to us. Unless otherwise specified in this Agreement, the Contractor must retain such documents for a period of not less than seven years after this Agreement ends.



ARTICLE 11 AUDIT

11.01 In addition to any other rights of inspection the Province may have under statute or otherwise, at its sole discretion and at its expense at any reasonable time and on reasonable notice to you to conduct an audit of the technical maintenance and flight records of the Contractor respecting the Services or this Agreement, including the right to inspect and take copies of such records upon reasonable notice and at reasonable times.

11.02 In respect to such audits the Contractor will

- (a) fully cooperate with the Province in conducting the audit; and
- (b) provide, upon request of the Province, copies of the most recent annual audited financial statements of the Contractor.

ARTICLE 12 INDEMNITY AND INSURANCE

12.01 You must indemnify and save harmless the Province and the Province's employees and agents from any loss, claim (including any claim of infringement of third-party intellectual property rights), damage, award, action, cause of action, cost or expense that the Province or any of the Province's employees or agents may sustain, incur, suffer or be put to at any time, either before or after this Agreement ends, (each a "Loss") to the extent the Loss is directly or indirectly caused or contributed to by:

- (a) any act or omission by the Contractor or by any of the Contractor's agents, employees, officers, directors or Subcontractors in connection with this Agreement; or
- (b) any representation or warranty of the Contractor being or becoming untrue or incorrect.

12.02 Notwithstanding Section 12.01, the Province will indemnify and save harmless the Contractor, its permitted subcontractors and their respective agents, servants and employees from and against any and all liability or bodily injury or damage to Improvement directly or indirectly caused by, arising from or resulting from the dropping of fire retardants, water, foam and other fire control chemical suppressants from the Aircraft by the Contractor or any of its permitted subcontractors, their respective agents, servants or employees under this Agreement in the vicinity of Improvements or Built-up Areas where such actions are:

- (a) carried out at the direction of the Minister;
- (b) are, in the opinion of the Minister, considered to be essential to the control of Wildfires; and
- (c) not negligently performed by the Contractor.

12.03 You must comply with the insurance requirements in Schedule D, if attached, as those terms may be modified from time to time in accordance with our directions.

12.04 Without limiting the generality of Section 5.08, you must comply with, and must ensure that any Subcontractors comply with, all applicable occupational health and safety laws in relation to the performance of your obligations under this Agreement, including the Workers Compensation Act in British Columbia or similar laws in other jurisdictions.



- 12.05 At your own expense, and where required under Workers Compensation Act in British Columbia, you must obtain WorkSafe BC coverage for yourself, all workers and any shareholders, directors, partners or other individuals employed or engaged in the performance of the Services and you shall ensure all approved Subcontractors obtain WorkSafe BC Coverage.
- 12.06 If you are an individual or a partnership of individuals and do not have the benefit of mandatory workers compensation coverage under the Workers Compensation Act in British Columbia, you must apply for and maintain Personal Optional Protection under the Workers Compensation Act.
- 12.07 You are responsible for all fines, levies, penalties and assessments made or imposed under the Workers Compensation Act and regulations relating in any way to the Services.
- 12.08 Upon our request you must provide us with evidence of your compliance with Sections 12.03, 12.05 and 12.06.
- 12.09 The Contractor will cooperate with the Province and its counsel in any investigations, settlements and judicial determination of any claims made against the Province, the Minister or the Contractor relating directly or indirectly to this Agreement and will use its best effort to cause its employees, officers, sub-contractors and agents to be similarly bound.
- 12.10 The Contractor is solely responsible for any of its material or equipment stored at any of the Province's facilities and releases the Province from any liability associated with such storage.

ARTICLE 13 FORCE MAJEURE

- 13.01 An "Event of Force Majeure" means a natural disaster, fire, flood, storm, epidemic or power failure, war (declared and undeclared), insurrection or act of terrorism or piracy, strike (including illegal work stoppage or slowdown) or lockout, or a freight embargo if such event prevents a party from performing its obligations in accordance with this Agreement and is beyond the reasonable control of that party.
- 13.02 An "Affected Party" means a party prevented from performing its obligations in accordance with this Agreement by an Event of Force Majeure.
- 13.03 An Affected Party is not liable to the other party for any failure or delay in the performance of the Affected Party's obligations under this Agreement resulting from an Event of Force Majeure and any time periods for the performance of such obligations are automatically extended for the duration of the Event of Force Majeure provided that the Affected Party complies with the requirements of Section 13.04.
- 13.04 An Affected Party must promptly notify the other party in writing upon the occurrence of the Event of Force Majeure and make all reasonable efforts to prevent, control or limit the effect of the Event of Force Majeure so as to resume compliance with the Affected Party's obligations under this Agreement as soon as possible.



ARTICLE 14 NON-COMPLIANCE WITH AGREEMENT CONDITIONS

14.01 An "Event of Default" means any of the following:

- (a) your failure to perform any of your obligations under this Agreement, or
- (b) any representation or warranty made by you in this Agreement is untrue or incorrect, or
- (c) an Insolvency Event, which means any of the following:
 - i. an order is made, a resolution is passed or a petition is filed, for your liquidation or winding up,
 - ii. you commit an act of bankruptcy, make an assignment for the benefit of your creditors or otherwise acknowledge your insolvency, or
- (d) a bankruptcy petition is filed or presented against you or a proposal under the Bankruptcy and Insolvency Act (Canada) is made by you.
 - i. a compromise or arrangement is proposed in respect of you under the Companies' Creditors Arrangement Act (Canada),
 - ii. a receiver or receiver-manager is appointed for any of your property, or
 - iii. you cease, in our reasonable opinion, to carry on business as a going concern.

14.02 On the happening of an Event of Default, or at any time thereafter, we may, at our option, elect to do any one or more of the following:

- (a) by written notice to you, require that the Event of Default be remedied within a time period specified in the notice;
- (b) pursue any remedy or take any other action available to us at law or in equity; or
- (c) by written notice to you, terminate this Agreement with immediate effect or on a future date specified in the notice, subject to the expiration of any time period specified under Section 14.02(a).

14.03 No failure or delay on our part to exercise our rights in relation to an Event of Default will constitute a waiver by us of such rights.

14.04 If you become aware that an Event of Default has occurred or anticipates that an Event of Default is likely to occur, you must promptly notify us of the particulars of the Event of Default or anticipated Event of Default. A notice under this section as to the occurrence of an Event of Default must also specify the steps you propose to take to address, or prevent recurrence of, the Event of Default. A notice under this section as to an anticipated Event of Default must specify the steps you propose to take to prevent the occurrence of the anticipated Event of Default.



ARTICLE 15 TERMINATION

- 15.01 In addition to our right to terminate this Agreement under Section 14.02(c) on the happening of an Event of Default, we may terminate this Agreement for any reason by giving at least 5 days' written notice of termination to you.
- 15.02 Unless Schedule B otherwise provides, if we terminate this Agreement under Section 15.01:
- (a) we must, within 30 days of such termination, pay you any unpaid portion of the fees and expenses described in Schedule B which corresponds with the portion of the Services that was completed to our satisfaction before termination of this Agreement; and
 - (b) You must, within 30 days of such termination, repay to us any paid portion of the fees and expenses described in Schedule B which corresponds with the portion of the Services that we have notified you in writing were not completed to our satisfaction before termination of this Agreement.
- 15.03 The payment by us of the amount described in Section 15.02(a) discharges us from all liability to make payments to the Contractor under this Agreement.

ARTICLE 16 DISPUTE RESOLUTION

- 16.01 In the event of any dispute between the parties arising out of or in connection with this Agreement, the following dispute resolution process will apply unless the parties otherwise agree in writing:
- (a) the parties must initially attempt to resolve the dispute through collaborative negotiation;
 - (b) if the dispute is not resolved through collaborative negotiation within 15 Business Days of the dispute arising, the parties must then attempt to resolve the dispute through mediation under the rules of the British Columbia Mediator Roster Society; and
 - (c) if the dispute is not resolved through mediation within 30 Business Days of the commencement of mediation, the dispute must be referred to and finally resolved by arbitration under the *Commercial Arbitration Act*.
- 16.02 Unless the parties otherwise agree in writing, an arbitration or mediation under Section 16.01 will be held in Victoria, British Columbia.
- 16.03 Unless the parties otherwise agree in writing or, in the case of an arbitration, the arbitrator otherwise orders, the parties must share equally the costs of a mediation or arbitration under Section 16.01 other than those costs relating to the production of expert evidence or representation by counsel.



ARTICLE 17 GENERAL

- 17.01 Any notice or document contemplated by this Agreement, to be effective, must be in writing and delivered as follows:
- (a) hand delivered to the party or the specified party representative, in which case it will be deemed to be received on the day of its delivery; or
 - (b) by prepaid post to the party's address specified on the first page of this Agreement, in which case if mailed during any period when normal postal services prevail, it will be deemed to be received on the fifth Business Day after its mailing; or
 - (c) delivered by courier service to the party's address specified on the first page of this Agreement, in which case it will be deemed received on the fifth Business Day after collection by the courier service; or
 - (d) by facsimile or electronic transmission to the specified facsimile number or Email address on the first page of this Agreement, in which case it will be deemed to be received on the day of transmittal unless transmitted after the normal business hours of the addressee or on a day that is not a Business Day, in which cases it will be deemed to be received on the next following Business Day.
- 17.02 Either party may from time to time give notice to the other party of a substitute address, Email address, or fax number, which from the date such notice is given will supersede for purposes of Section 17.01 any previous address, Email address, or fax number specified for the party giving the notice.
- 17.03 You must not assign your rights under this Agreement without our prior written consent.
- 17.04 You must not subcontract any of your obligations under this Agreement without our prior written consent.
- 17.05 No subcontract, whether consented to or not, relieves you from any obligations under this Agreement. You must comply with the Subcontracting Schedule if attached to this Agreement. You must ensure that any person retained by you or any person retained by a person retained by you fully complies with this Agreement in performing the subcontracted obligations.
- 17.06 We may, for reasonable cause, object to the use of a proposed Subcontractor and require you to retain another qualified subcontractor.
- 17.07 A waiver of any term or breach of this Agreement is effective only if it is in writing and signed by, or on behalf of, the waiving party and is not a waiver of any other term or breach
- 17.08 This Agreement and any modification of it constitute the entire Agreement between the parties as to performance of the Services.



- 17.09 Sections 5.08, 6.01 to 6.04, 6.07, 6.08, 8.01 to 8.05, 9.01 to 9.04, 10.01, 10.02, 11.01, 12.01, 12.02, 13.01 to 13.04, 14.02, 14.03, 15.02, 15.03, 16.01 to 16.03, 17.01, 17.02, 17.09, and 17.11, any accrued but unpaid payment obligations, and any other sections of this Agreement (including schedules) which, by their terms or nature, are intended to survive the completion of the Services or termination of this Agreement, will continue in force indefinitely, even after this Agreement ends.
- 17.10 The schedules to this Agreement (including any appendices or other documents attached to, or incorporated by reference into, those schedules) are part of this Agreement.
- 17.11 In relation to the performance of your obligations under this Agreement, you are an independent contractor and not our:
- (a) employee or partner; or
 - (b) agent except as may be expressly provided for in this Agreement.
- You must not act or purport to act contrary to this section.
- 17.12 You must not do anything that would result in personnel hired or used by you or a Subcontractor in relation to providing the Services being considered our employees.
- 17.13 If one or more individuals are identified in the schedules as "Key Personnel", you must cause those individuals to perform the Services on your behalf and not remove or replace them, without our prior written approval. Any approved replacement is at your expense.
- 17.14 We must make available to you all information in our possession which we consider pertinent to the performance of the Services.
- 17.15 You must not provide any services to any person in circumstances which, in our reasonable opinion, could give rise to a conflict of interest between your duties to that person and your duties to us under this Agreement.
- 17.16 If there is a conflict among provisions of this Agreement, a provision in the body of this Agreement will prevail over any conflicting provision in, attached to, or incorporated by reference into a schedule, unless that conflicting provision expressly states otherwise and a provision in a schedule will prevail over any conflicting provision in a document attached to or incorporated by reference into a schedule, unless the schedule expressly states otherwise.
- 17.17 This Agreement does not operate as a permit, license, approval or other statutory authority which you may be required to obtain from the Province or any of its agencies in order to provide the Services. Nothing in this Agreement is to be construed as interfering with, or fettering in any manner, the exercise by the Province or its agencies of any statutory, prerogative, executive or legislative power or duty.
- 17.18 If any provision of this Agreement or the application of it to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected or impaired and will be valid and enforceable to the extent permitted by law.



17.19 Each party must perform the acts, execute and deliver the writings, and give the assurances as may be reasonably necessary to give full effect to this Agreement.

17.20 This Agreement is governed by, and is to be interpreted and construed in accordance with, the laws applicable in British Columbia.

ARTICLE 18 INTERPRETATION

18.01 In this Agreement:

- (a) "we", "us", and "our" refer to the Province alone and never refer to the combination of the Contractor and the Province;
- (b) the Contractor and the Province are referred to as "the parties" and each of them as a "party";
- (c) "includes" and "including" are not intended to be limiting;
- (d) unless the context otherwise requires, references to sections by number are to sections of this Agreement;
- (e) "attached" means attached to this Agreement when used in relation to a schedule;
- (f) unless otherwise specified, a reference to a statute by name means the statute of British Columbia by that name, as amended or replaced from time to time;
- (g) the headings have been inserted for convenience of reference only and are not intended to describe, enlarge or restrict the scope or meaning of this Agreement or any provision of it;
- (h) "person" includes an individual, partnership, corporation or legal entity of any nature; and
- (i) unless the context otherwise requires, words expressed in the singular include the plural and vice versa




ARTICLE 19 EXECUTION AND DELIVERY

19.01 This Agreement may be entered into by a separate copy of this Agreement being executed by, or on behalf of, each party and that executed copy being delivered to the other party by a method provided for in Section 17.01 or any other method agreed to by the parties.

The Parties have executed this Agreement as follows:

<p>SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province</p>	<p>SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)</p>
<p>(Authorized Ministry Expense Authority)</p>	<p>(Contractor or Authorized Signatory)</p>
<p>Nina Barber (PRINTED NAME of Ministry Expense Authority)</p>	<p>Barry Marsden (PRINTED NAME of Contractor)</p>
<p>Dated this ____ day of _____, 2014</p>	<p>Dated this ____ day of _____, 2014</p>



 <p>BRITISH COLUMBIA Ministry of Forests, Lands and Natural Resource Operations</p>	<h1>Schedule A1</h1> <h2>Aircraft and Personnel</h2>
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File: 1070-20/AO15WCC004

Attachment to the Agreement with Conair Group Inc. for Amphibious Water Scooping Airtanker Services.

During the Term, the Contractor shall provide Aircraft, Specialty Equipment and Personnel and according to the following specifications:

1. AIRCRAFT and SPECIALITY EQUIPMENT

1.01 In performing the Services the Contractor will provide Aircraft that meets the Aircraft Equipment requirements as set out in Schedule A1-1.

1.02 At the Commencement of the Term, the Contractor will provide the following Aircraft for the performance of the Services:

a) Aircraft meeting or exceeding the Aircraft requirements and performance specifications as set out in Schedule A1-1 Aircraft Requirements: fully described in the Contractor's Proposal, and identified as follows:

	Aircraft Type	Number of Aircraft
Airtanker	Air Tractor AT 802AF – FIREBOSS	4
Birddog aircraft	CESSNA Grand Caravan C 208B	1

b) The Aircraft described in Section 1.02 a) will have the identifications, description and performance specifications as set out in Schedule A1-2, Aircraft Technical Information.

1.03 As soon as known, and at least prior to the commencement of each Operating Period, the Contractor will advise the Province of any changes to Schedule A1-2.

1.04 The Aircraft will be equipped with all safety and survival equipment and supplies as required by federal and provincial laws and regulations.



- 1.05 Unless otherwise agreed by the Parties, any Replacement Aircraft or Spare Aircraft will meet the Aircraft and Speciality Equipment specifications as set out in this schedule and any supporting schedules.
- 1.06 A Replacement Aircraft suitable to the Province must be available to undertake the required service within 24 hours, should the Aircraft be unserviceable for any reason.

2. AIRCRAFT MAINTENANCE and READINESS

- 2.01 The Province expects the Aircraft to be in excellent operating condition and appearance. Prior to the commencement of the Operating Period, the Contractor must demonstrate to the Province that each Aircraft is capable of providing a minimum of 150 hours of uninterrupted service without any major scheduled maintenance or component overhaul.
- 2.02 In the event that the Aircraft is not able to provide the Services and a Replacement Aircraft is supplied by the Contractor, the Replacement Aircraft must be accepted and deemed suitable by the Province.
- 2.03 During the Operating Period, the Contractor will ensure the serviceability of the Aircraft in a highly mobile role including the support of two (2) fully qualified and licenced AME's, meeting the qualifications set out in Section 3.06 of this Schedule, with an appropriate spare parts inventory available on site and the ability to secure additional parts in the most efficient manner.
- 2.04 During the Operating Period and in support of the Aircraft and Services in a highly mobile role, the Contractor will provide a Maintenance Facility/Crew Day Base Trailer that:
 - a) Has a shop area with all the tools, spare parts, supplies and support equipment required to pro-actively maintain the Airtanker Group at the Designated Base and/or at any location as instructed by the Province;
 - b) Has climate control, hot and cold running water, washroom facilities, kitchen facilities, (sink, refrigerator for food storage, cabinet) a rest area and an outside screened awning area attached to the unit for outdoor shade with a BBQ and seating for the whole group;
 - c) Has low noise A/C power generator for complete independent day use operations; and
 - d) Is accompanied by a minimum of 725 litres of foam suppressant.
 - e) Contains one (1) self loading pump system for filling aircraft foam reservoirs



3. PERSONNEL

Flight Crew

- 3.01 In performing the Services, the Contractor will provide the following Flight Crew Personnel:
- a) For each Airtanker aircraft:
 - i. A Pilot in Command; and
 - ii. First Officer (as applicable); and
 - b) A Birddog Aircraft Pilot.
- 3.02 In performing the Services, the contractor will provide Flight Crew personnel with the minimum qualifications and experience as set out in Schedule A1-3 - Personnel Requirements.
- 3.03 All Flight Crew Personnel must be listed in the Province's *Directory of Commercial Pilots* and approved by the Ministry to provide the Services under this Agreement.
- 3.04 The Contractor will provide current Pilot Data Sheets for the Flight Crew Personnel meeting the qualifications and experience as set out in Schedule A1-3:
- a) At the commencement of the Term; and
 - b) Prior to the commencement of each Operating Period.
- 3.05 Should the primary pilot be unavailable due to unforeseen circumstances, the Contractor will provide a backup or replacement pilot, suitable to the Minister, as soon as possible. It is expected that this would occur prior to the commencement of the following day's alert period.

Maintenance Personnel

- 3.06 In providing the Services, the Contractor will provide Maintenance Personnel as follows:
- a) Trained in accordance with the Maintenance Manuals;
 - b) Available for daily routine maintenance; and
 - c) Aircraft Maintenance Engineers (AME's) who are:
 - i. fully qualified, licensed in accordance with current Transport Canada requirements to support the Aircraft and Speciality Equipment;
 - ii. having at least one year experience on type.
- 3.07 In providing the Services, the Contractor will provide two (2) fully qualified, licenced AME's meeting the requirements of 3.06.



4. GENERAL

4.01 In support of the Services and the Personnel, the Contractor will provide:

- a) Fire protective clothing and flight helmets;
- b) A dedicated smart phone to each pilot and engineer, capable of sending and receiving e-mail messages, cellular phone calls and SMS. This device will remain with any pilot or engineer assigned to the Airtanker Group for the duration of the Operating Period and will be used by the Ministry as their primary contact link;
- c) Each Aircraft will be equipped with a portable tablet equipped with avionics software including the Navionics app;
- d) A USB charging port in each Aircraft; and in the case of Birdog Aircraft, must be accessible by the Air Attack Officer; and
- e) Other maintenance support.





Schedule A1-1 AIRCRAFT REQUIREMENTS

File: 1070-20/AO15WCC004

Amphibious Water Scooping Airtankers

The following provides aircraft requirements, the minimum standards and performance specifications for the Amphibious Water Scooping Airtankers.

1. **AIRCRAFT GENERAL INFORMATION AND IDENTIFICATION**

All airtankers will be amphibious, capable of operations from land and water. Aircraft shall be equipped with floats.

2. **AIRCRAFT SPECIFICATIONS**

2.1. **Turbine Powered**

All aircraft are to be turbine (turboprop) powered.

Each aircraft engine will have a minimum of 1,600 SHP for takeoff.

2.2. **Payload Capacity**

Each amphibious water scooping airtanker will have a minimum retardant/water carrying capacity of 3,000 litres. The combined carrying capacity (before adding mission fuel considerations) of the Airtanker Group will be not less than 12,000 litres.

2.3. **Fuel Endurance**

Assuming a minimum of 2,000 litres of water on board at the beginning of the mission and in each scoop thereafter, each amphibious water scooping airtanker will have a mission endurance of a minimum of three and one half (3.5) hours plus legal VFR fuel reserves when operating at a pressure altitude of 2000' at a temperature of 20°C.

2.4. **Aircraft Condition and Maintenance**

The Province expects all aircraft to be in excellent operating condition and appearance. At the start of the annual Operating Period each aircraft should be capable of providing at least 150 hours of uninterrupted service without any major scheduled maintenance or component overhaul.



3. AIRCRAFT PERFORMANCE

3.1. Loaded (fuel and retardant) Cruise Speed

Amphibious water scooping airtankers will have minimum loaded cruise speed of 120 knots true air speed (KTAS) at max gross weight for a dispatch distance of 60 nm at 8,000' ASL.

3.2. Drop Speed

Amphibious water scooping airtankers will have the capability to drop at a speed of 110 KIAS or lower.

3.3. Runway Requirements

Water scooping airtankers shall be capable of operating at maximum gross weight from a paved runway of 3,000 feet in length (ISA conditions at sea level).

3.4. Scooping Requirements

Amphibious water scooping airtankers will have a choppy water scooping distance of 1,800 metres or less assuming 15 metres obstacles on approach and climb out under ISA conditions at sea level, at max gross weight.

4. AIRCRAFT COMMUNICATION AND NAVIGATION EQUIPMENT

In addition to all necessary communication, navigation and flight safety equipment and systems as required by Transport Canada legislation or regulations the aircraft will be equipped with the following.

4.1. Communication Equipment and Specifications

The following equipment shall be included in the amphibious water scooping aircraft:

- Two (2) VHF-AM radio transceivers with 25kHz spacing, capable of transmitting and receiving in the 118.00-135.95 MHz range.
- One (1) narrowband VHF-FM transceiver (Technisonic TFM-138B or equivalent), capable of transmitting and receiving in the 138 to 174 MHz (VHF HI) range, supplied, installed and maintained at the expense of the vendor.
- Noise cancelling headsets for all mandatory seat positions.
- Satellite voice communications as per Section 4.2 below.



4.2. Navigation Equipment and Specifications

The following equipment shall be included in the amphibious water scooping aircraft:

- An integrated Global Positioning System (GPS) interfaced with a Garmin 400-500 series cockpit Multi-Function Display or equivalent.
- A satellite based Automated Flight Following (AFF) and voice communication system meeting the specifications detailed in the Wildfire Management Branch web site: <http://bcwildfire.ca/FightingWildfire/Aviation/AFF/>
- All IFR aircraft must contain equipment to be certified to conduct GPS-based approaches. The operator must possess an operations specification for GPS approaches.

4.3. Personnel Communication Equipment and Specification

A smartphone is to be assigned to each aircraft flight crew position and maintenance engineers to facilitate digital communication with on duty flight crews. The smartphone will possess a mobile operating system capable of voice, email, SMS text and internet communication. These Smartphone devices will remain with the operational flight crews during crew changes/or replacement.

5. FIRE BOMBING TANK SPECIFICATIONS

Capacity – The minimum payload capacity shall be 3,000 litres.

IAB certification - The firebombing tank(s) shall meet the Interagency Airtanker Board (IAB) standards and be capable of IAB certification. The tank may be a computer-controlled Variable Flow Tank with a "Fire Gate" system capable of delivering effective Coverage Levels (CL) ranging between CL 0.5 and CL 6 on the ground, plus a maximum flow selection; or a Compartmented Tank capable of delivering a full salvo and multiple split drops.

Foam Injection Capabilities – The amphibious water scooper aircraft shall contain a separate reservoir that permits the optional injection of foam and/or gel into the main tank, capable of delivering not less than 20 drops at a concentration of 0.2% by volume.

6. FLIGHT SAFETY EQUIPMENT SPECIFICATIONS

6.1. Terrain and Collision Avoidance

All water scooping aircraft require a TCAD or TCAS device integrated with the cockpit Multi-Function Display.

6.2. Pulse Lights

All amphibious water scooping airtankers shall be equipped with a selectable alternating pulse system (wig wag lights) for all existing landing and taxi lights mounted on the aircraft nose, fuselage or wings.

7. OTHER

A climate controlled cockpit is mandatory for all water scooping aircraft.



Birddog Aircraft

The following provides aircraft requirements, the minimum standards and performance specifications for the birddog aircraft.

1. AIRCRAFT SPECIFICATIONS

1.1. Turbine Powered

A single or twin engine turbine (turboprop) powered fixed-wing birddog aircraft is required to accompany the amphibious water scooping aircraft group.

1.2. Payload Capacity

The birddog aircraft shall have a minimum of two passenger seats.

1.3. Fuel Endurance

The birddog aircraft shall be capable of a minimum fuel endurance of three and one half (3.5) hours plus legal Instrument Flight Rules (IFR) fuel reserves when operating at a pressure altitude of 2000' at a temperature of 20°C.

1.4. IFR Capable

The birddog aircraft shall be equipped and certified for single pilot IFR flights.

1.5. Aircraft Condition and Maintenance

The Province expects the aircraft to be in excellent operating condition and appearance. At the start of the annual Operating Period, the birddog aircraft shall be capable of providing at least 150 hours of uninterrupted service without any scheduled major maintenance or overhaul.

1.6. Visibility Standards

The birddog aircraft shall be equipped with high quality, clear (untinted), starboard-side window to facilitate professional quality photography and videos. The minimum visibility standard is:

- 75 degrees of forward vertical visibility unobstructed;
- 120 degrees of side window vertical visibility unobstructed;
- 90 degrees of side window horizontal visibility unobstructed; and
- Clear and clean windows (free from scratches, crazing etc.) to facilitate unimpeded observation, aerial photography and videos.



2. AIRCRAFT PERFORMANCE

2.1. Cruise Speed

Birddog aircraft shall be capable of a minimum cruise speed of 170 knots true air speed (KTAS) at 10,000 ASL.

2.2. Low-Level Loitering Speed

Birddog aircraft shall have a minimum safe manoeuvring speed of 120 KTAS or lower at maximum gross weight.

2.3. Runway Requirements

The birddog aircraft should be capable of operating at maximum gross weight from a paved runway of 3,000 feet in length (ISA conditions at sea level).

3. AIRCRAFT COMMUNICATION AND NAVIGATION EQUIPMENT

In addition to all necessary communication, navigation and flight safety equipment as required by Transport Canada legislation or regulations, the birddog aircraft shall be equipped with the following:

3.1. Communication Equipment and Specifications

The following equipment shall be included in the birddog aircraft:

- Two (2) VHF-AM transceivers having 25kHz spacing, capable of transmitting in the range of 118.00-135.95 MHz;
- Two (2) Narrowband FM transceivers (Technisonic TFM-138B or equivalent), capable of transmitting and receiving in the 138 to 174 MHz (VHF Hi) range, supplied, installed and maintained at the expense of the vendor;
- Satellite-based voice communications as per Section 4.2 below;
- Ability to independently transmit and receive on VHF-AM, VHF-FM and satellite phone system from all seats, excluding all seating beyond the mandatory requirement;
- Independent-use side tone and volume control of all radio systems;
- VOX or push to talk intercom;
- All system access through boom mikes and headsets;
- Three (3) Noise cancelling headsets (pilot, AAO, AAO Trainer); and
- A siren possessing Yelp, Warble, Wail and Public Address (PA) features with downward facing or downward and side facing loud hailer.



3.2. Navigation Equipment and Specifications

The following equipment shall be included in the birddog aircraft:

- Global Positioning System's specifications: Avidyne TAS 620 system interfaced with a Garmin 400-500 series (or equivalent) GPS/COM/MFD.
- A satellite-based Automated Flight Following and voice communication system meeting the specifications detailed in the Wildfire Management Branch web site: <http://bcwildfire.ca/FightingWildfire/Aviation/AFF/>.

3.3. Personnel Communication Equipment and Specifications

One smartphone is to be assigned to each aircraft flight crew position and maintenance engineers to facilitate digital communication with on duty flight crews. The smartphone will possess a mobile operating system capable of voice, email, SMS text and internet communication. These smartphone devices will remain with the assigned aircraft during crew changes/substitution.

4. FLIGHT SAFETY EQUIPMENT SPECIFICATIONS

4.1. Traffic Alert and Collision Avoidance System

The birddog aircraft requires a TCAS device integrated with the onboard GPS and Multifunction Display. The device shall include a traffic advisory (TA) function.

4.2. Pulse Lights

All birddog aircraft shall be equipped with a selectable alternating pulse system for existing landing or taxi lights mounted on the aircraft nose, fuselage or wings.

5. OTHER

The birddog aircraft shall have a climate controlled cockpit.





Ministry of
Forests, Lands and
Natural Resource Operations

Schedule A1-2 AIRCRAFT TECHNICAL INFORMATION

File 1070 20/A015WCC004

Amphibious Water Scooping Airtankers

1. GENERAL AIRCRAFT INFORMATION AND IDENTIFICATION

Airtanker Type	FIREBOSS	FIREBOSS	FIREBOSS	FIREBOSS
Registration	C-GXNX Tail# 685	C-GXNY Tail# 687	C-GXOB Tail# 674	C-GXOD Tail# 675
Aircraft Make and Model	AT 802AF	AT 802AF	AT 802AF	AT 802AF
Aircraft Serial Number	802A-0530	802A-0536	802A-0542	802A-0544
Year of Manufacture	2013	2013	2013	2014
Hours of Airframe	< 20	0	0	0
IFR capable (Y/N)	No	No	No	No



2. AIRCRAFT SPECIFICATIONS

Airtanker Type	FIREBOSS	FIREBOSS	FIREBOSS	FIREBOSS
Registration	C-GXNX Tail# 685	C-GXNY Tail# 687	C-GXOB Tail# 674	C-GXOD Tail# 675
2.1 Turbine powered Number of Engines	1	1	1	1
Engine type	PT6A-67F Conair STC	PT6A-67F Conair STC	PT6A-67F Conair STC	PT6A-67F Conair STC
SHP per engine	1,600	1,600	1,600	1,600
2.2 Aircraft Payload/Capacity	8,800 lbs.	8,800 lbs.	8,800 lbs.	8,800 lbs.
2.3 Fuel Endurance (hours)	4 Hours + Reserve	4 Hours + Reserve	4 Hours + Reserve	4 Hours + Reserve
2.4 Aircraft Condition	New Build	New Build	New Build	New Build

3. AIRCRAFT PERFORMANCE

3.1 Maximum Loaded Cruise speed	140	140	140	140
3.2 Minimum Drop Speed	95	95	95	95
3.3 Minimum Runway Requirements	2500 FT	2500 FT	2500 FT	2500 FT
3.4 Scooping Requirements	5,668 FT (≤ 1 nautical mile); 964 FT (on water)	5,668 FT (≤ 1 nautical mile); 964 FT (on water)	5,668 FT (≤ 1 nautical mile); 964 FT (on water)	5,668 FT (≤ 1 nautical mile); 964 FT (on water)
3.5 Gravel Strip Capable	Yes	Yes	Yes	Yes



4. AIRCRAFT COMMUNICATION AND NAVIGATION EQUIPMENT

Airtanker Type	FIREBOSS	FIREBOSS	FIREBOSS	FIREBOSS
Registration	C-GXNX Tail# 685	C-GXNY Tail# 687	C-GXOB Tail# 674	C-GXOD Tail# 675
4.1 Communication Equipment		In addition to all Legislative and regulatory requirements		
VHF AM Transceivers	GARMIN GTN 750 + 650	GARMIN GTN 750 + 650	GARMIN GTN 750 + 650	GARMIN GTN 750 + 650
FM Transceivers	TDFM 136B	TDFM 136B	TDFM 136B	TDFM 136B
Communication System Headsets	Pilot Helmet	Pilot Helmet	Pilot Helmet	Pilot Helmet
Satellite Voice Communication	S200 LATITUDE TECHNOLOGY IRIIDIUM BASED	S200 LATITUDE TECHNOLOGY IRIIDIUM BASED	S200 LATITUDE TECHNOLOGY IRIIDIUM BASED	S200 LATITUDE TECHNOLOGY IRIIDIUM BASED
4.2 Navigation Equipment		In addition to all Legislative and regulatory requirements		
Global Positioning System	GARMIN GTN 750 + 650	GARMIN GTN 750 + 650	GARMIN GTN 750 + 650	GARMIN GTN 750 + 650
Automated Flight Following	LATITUDE TECHNOLOGY	LATITUDE TECHNOLOGY	LATITUDE TECHNOLOGY	LATITUDE TECHNOLOGY
4.3 Personnel Communications				
Smartphone device type	Apple iPhone or equivalent	Apple iPhone or equivalent	Apple iPhone or equivalent	Apple iPhone or equivalent



5. FIRE BOMBING TANK

Airtanker Type	FIREBOSS	FIREBOSS	FIREBOSS	FIREBOSS
Registration	C-GXNX Tail# 685	C-GXNY Tail# 687	C-GXOB Tail# 674	C-GXOD Tail# 675
Name and Model	Conair RDS	Conair RDS	Conair RDS	Conair RDS
Gating System	Conair Fire Gate System	Conair Fire Gate System	Conair Fire Gate System	Conair Fire Gate System
IAB Certification Capable	Yes	Yes	Yes	Yes
Load release system (compartmentalized / variable-flow)	Variable	Variable	Variable	Variable
Capacity	814 USG	814 USG	814 USG	814 USG
Foam Injection Capabilities	Yes	Yes	Yes	Yes
Reservoir capacity	48 USG	48 USG	48 USG	48 USG

6. FLIGHT SAFETY EQUIPMENT

6.1 TCAD/TCAS	Avidyne TAS 620	Avidyne TAS 620	Avidyne TAS 620	Avidyne TAS 620
6.2 Pulse Lights	Yes	Yes	Yes	Yes

7. OTHER

Climate Controlled Cockpit	Yes A/C & Heat	Yes A/C & Heat	Yes A/C & Heat	Yes A/C & Heat
Other equipment	PERKINSTECH	PERKINSTECH	PERKINSTECH	PERKINSTECH
On Board Pump System for filling Aircraft foam reservoir	Yes	No	No	No



BIRDDOG AIRCRAFT

1. AIRCRAFT GENERAL INFORMATION AND IDENTIFICATION

Aircraft Make and Model	Cessna Grand Caravan C-208B TAIL# 129
Aircraft Registration	C-GQVC
Aircraft Serial Number	208B - 2262
Year of Manufacture	2011
Hours of Airframe	397.0

2. AIRCRAFT SPECIFICATIONS

2.1	No. Engines and Type	One PT6A-114A 675 SHP
2.2	Payload (lbs)	3400 LBS IN CABIN 1090 IN THE POD
2.3	Fuel Endurance (hours)	18,000 ft 1125 NM 6.8 hrs + 45 min reserve
2.4	IFR capable	YES KNOWN ICING TKS SYSTEM
2.5	Aircraft Condition	NEW
2.6	Visibility Standards	EXCELLENT

3. AIRCRAFT PERFORMANCE

3.1	Cruise Speed	10,000ft 174 KTAS WITH POD
3.2	Low level loitering speed (max fuel load)	100 KTS
3.3	Minimum Runway Requirements	2,000 ft.
3.4	Gravel Strip Capable	yes



4. **AIRCRAFT COMMUNICATION AND NAVIGATION EQUIPMENT**

Aircraft Make and Model	CESSNA Grand Caravan 208B
Aircraft Registration	C-GQVC
4.1 Communication Equipment <i>In addition to all Legislative and regulatory requirements</i>	
VHF-AM Transceivers	GARMIN 1000
FM Transceiver	One (1) TFM 138B One (1) TFM 136B
Satellite Voice Communications	IRIDIUM BASED A200 LATITUDE TECHNOLOGIES
Communication System Access and Control	Full CESSNA 2 Crew
Internal Intercom System	Full Two Crew plus Training
Communication System Headsets	DAVID CLARKE H10-56HXL X4
Public Address (PA) System	NAT LOUD HAILER
4.2 Navigation Equipment - In addition to all Legislative and regulatory requirements	
Global Positioning System	GARMIN 1000
Automated Flight Following	LATITUDE TECHNOLOGIES
4.3 Personnel Communications	
Smartphone device type	Apple iPhone or equivalent

5. **FLIGHT SAFETY EQUIPMENT**

TCAS	BENDIX-KING KT870 Displayed on G1000
Pulse Lights	Precise Flight Pulse Lights

6. **OTHER**

Climate Controlled Cabins	Heating and Air Conditioning
Extra seats – max 9	Available in storage at a location to be determined by the Province.
Under Belly Cargo Pod	Installed as standard equipment
On Board Pump System	For filling aircraft foam reservoir





Schedule A1-3 Personnel Requirements

File: 1070-20/AO15WCC004

1. AIRCRAFT FLIGHT CREWS

1.1 Water scooper Captain

- Valid Transport Canada Airline Transport Pilot License - Aeroplane;
- Valid Seaplane Rating;
- Valid Company Qualification on type;
- Valid Pilot Proficiency Check (PPC) on type;
- Pilot-in-Command - minimum 1,500 hours;
- Pilot-in-Command - minimum 500 hours multi-engine (for multi-engine aircraft only);
- Pilot-in-Command – minimum 500 hours float flying;
- Demonstrated experience in mountain flying;
- Trained in accordance with the most recent *BC Firebombing Procedures Manual*; and
- Newly hired pilots: minimum 100 hours as Pilot-in-Command in the previous 12 months.

1.2 Water scooper First Officer (as applicable)

- Valid Transport Canada Airline Transport Pilot License - Aeroplane;
- Valid Seaplane Rating;
- Valid Company Qualification on type;
- Valid Pilot Proficiency Check (PPC) on type;
- Pilot-in-Command - minimum 1,000 hours;
- Pilot-in-Command - minimum 500 hours multi-engine (for multi-engine aircraft only);
- Pilot-in-Command – minimum 100 hours float flying;
- Demonstrated experience in mountain flying;
- Trained in accordance with the most recent *BC Firebombing Procedures Manual*; and
- Newly hired pilots: minimum 100 hours as Pilot-in-command in the previous 12 months.



1.3 Birddog Pilot

- Valid Transport Canada Airline Transport Pilot License – Aeroplane;
- Valid Company Qualification on type;
- Valid Pilot Proficiency Check (PPC) on type;
- Pilot-in-Command - minimum 1,500 hours;
- Pilot-in-Command - minimum 500 hours multi-engine (for multi-engine aircraft only);
- Pilot-in-Command - minimum 500 hours float (for amphibious aircraft only);
- Current relevant Group 1,2 or 3 instrument rating;
- Minimum 500 hours Pilot-in-Command IFR;
- Completion of a recognized type-specific Full Flight Simulator (FFS) training program and 25 hours Pilot-in-Command on type; or 50 hours Pilot-in-Command on type;
- Demonstrated experience in mountain flying;
- Trained in accordance with the most recent BC Firebombing Procedures Manual; and
- Newly hired pilots: minimum 100 hours as Pilot-in-Command in the past.

All captains and first officers must be approved and listed in the Province's *Directory of Commercial Pilots* and approved by the Ministry to provide the Services.

2. MAINTENANCE PERSONNEL

- Trained in accordance with the Contractor's Transport Canada approved maintenance manuals and available for daily routine maintenance; and
- Aircraft Maintenance Engineers must be fully qualified and licensed in accordance with current Transport Canada requirements.





Schedule A2 Services

File: 1070-20/AO15WCC004

Attachment to the Agreement with Conair Group Inc. for Amphibious Water Scooping Airtanker Services.

1. SERVICES

1.01 At the commencement of the Operating Period, the Contractor will:

- a) Present the Aircraft and Speciality Equipment to the Province for inspection to ensure operational readiness;
- b) Position the Aircraft at Revelstoke, B.C., the Designated Base in British Columbia; and
- c) Confirm the flight operations Personnel assigned to the Aircraft.

1.02 During the Operating Period, the Contractor will:

- a) Position the Aircraft at the times and locations specified by the Province;
- b) Maintain a state of readiness as specified by the Province;
- c) Report any unserviceable Aircraft at the time of discovery, providing an estimate of the time required to remedy the situation;
- d) Use its best efforts to ensure that the Aircraft and Flight Crew adhere to the Province's operational procedures and instructions;
- e) Cause appropriate personnel of the Contractor to attend pre and de-briefing exercises;
- f) Undertake work utilizing Aircraft and appropriate personnel for third parties as directed by the Minister;
- g) Ensure that all flight operations personnel are attired in standard apparel for either flight or maintenance as the case maybe;
- h) At the request of the Minister cause any personnel, who are not providing the Services described in this Agreement and Schedules to the Minister's satisfaction to be removed from providing those Services;
- i) On the request of the Province and where reasonable, provide Additional Services and/or Extra Services;
- j) Provide the Services in accordance with the BC Fire Bombing Procedures Manual;



- k) Modify the Aircraft and/or Specialty Equipment for safety requirements and service efficiency enhancements at the direction of the Province, at a cost to be agreed upon by the Province and the Contractor negotiating in good faith; and
 - l) At the request of the Province, logo the Aircraft with Province pre-approved and/or Province supplied logo materials and other information.
- 1.03 With respect to protecting the environment in the provision of the Services; during the Operating Period, the Contractor will:
- a) Ensure that the Aircraft is maintained in such a condition and operated at all times in a manner that prevents the transfer of invasive species;
 - b) Be responsible for all environmental clean-up associated with your own operations;
 - c) Supply suitable environmental containment and storage for all associated aviation fluids;
 - d) Store, handle and dispose of all lubricants, oils and other environmentally hazardous materials using the Contractor's tools, equipment and materials according to "A Summary of Environmental Standards and Guidelines for Fuel Handling, Transportation and Storage" a B.C. Environment Publication;
 - e) Have a Spill Response Plan which outlines action in the event of chemical spills or other emergency; and
 - f) Report to the Province as soon as possible, the particulars and details of any environmental incident, including the Contractor's actions and response, occurring related to the performance of the Services.
- 1.04 During the Operating Period, the Aircraft, Specialty Equipment, Personnel and support systems must be available for Services during all daylight hours up to a maximum of a 14-hour duty day or as legislated, seven days per week or in accordance with the daily standby alert established by the Province.
- 1.05 The Province may request, or the Contractor may furnish, a substitute or Replacement Aircraft and Specialty Equipment of a type mutually agreed upon for specific flights.
- 1.06 The charges for a Replacement Aircraft and Specialty Equipment will be according to Schedule B – Fees, except as otherwise noted.
- 1.07 Notwithstanding the Contractor's obligations to provide the Services during the Operating Period, the Contractor, with the consent of the Province, may use the Aircraft for other purposes. If the Contractor does so use the Aircraft, the Availability Charges described in Schedule B will be reduced as agreed to by the Contractor and the Province. The Contractor agrees with the Province that the Aircraft so used will be subjected to recall conditions as agreed to by the Province.



2. FACILITIES

- 2.01 During the term of this Agreement, the Contractor will provide a Transport Canada approved Maintenance Organization as described in the Proposal.
- 2.02 The Contractor will provide a 24 hour contact facility during the Operating Period from which the Minister may request Services.

3. AVIATION OCCURRENCE REPORTING

- 3.01 The Contractor will provide to the Province, as soon as possible and by the quickest means possible the particulars and details of any Aviation Occurrence that occurs in performance of the Services.
- 3.02 The Province may request the Contractor prepare a detailed report of the Aviation Occurrence referred to in section 3.01.

4. SERVICE ENHANCEMENTS

- 4.01 The Province may wish to change the configuration of an Airtanker Group to support operational requirements. On request from the Province, the Contractor will provide the Services with an airtanker group based on a combination of water scooping amphibious airtankers, as described in this Agreement, and similar land based airtankers operated by the Contractor for the Province supported by a Birddog Aircraft.
- 4.02 Both parties, upon the reasonable request of the other party will fully cooperate to the betterment of the Services provided under this Agreement.
- 4.03 Both parties acknowledge a desire for innovation and continuous Service improvement. Either party may recommend to the other party Service or Aircraft enhancements and/or changes for mutual consideration and Agreement amendments as may be appropriate.
- 4.04 Subject to Section 4.03, enhancements under consideration to be undertaken and reimbursed at the Contractor's direct cost as proposed include:
 - a) ATIS (Air Tanker Information Systems); and
 - b) Suppressant enhanced injection system.





Schedule B Contract Payment

File: 1070-20/AO15WCC004

Attachment to the Agreement with Conair Group Inc. for Amphibious Water Scooping Airtanker Services.

1. DEFINITIONS

1.01 In this Schedule, unless the context requires otherwise:

- a) **"Additional Availability Charges"** means for each Year, the fees described in this Schedule to be paid by the Province to the Contractor for Additional Services provided by the Contractor as authorized under this Agreement;
- b) **"Availability Charges"** means that fee as set out in this Schedule to cover the availability of Aircraft and Services during the Operating Period;
- c) **"Flight Time"** means flying time measured in minutes and reported in tenths of an hour as calculated and detailed in the Aeronautical Information Manual (AIM);
- d) **"Flying Rate"** means the hourly charge for Flight Time;
- e) **"Landing Fees"** are the fees charged by the Airport Authorities to the Contractor for landings while providing the Services;
- f) **"Release Rate"** means that rate set for the Contractor's use of the Aircraft when released from the Contractor's Service requirements by the Province; and
- g) **"Statement of Account"** means a written statement of account, on Contractor letterhead, in a form satisfactory to the Minister. At the commencement of each year, during the Agreement Term, the Minister may change the requirements for a Proper Account and will advise the Contractor in writing.



2. OBLIGATIONS OF THE PROVINCE

2.01 The Province will, at its own expense, provide the following:

- a) Aviation fuel for the Aircraft, landing and navigation fees (as applicable) necessary for the Contractor to perform the Services, except as otherwise provided;
- b) Retardant and chemical suppressants including foam;
- c) Flight and maintenance crew living expenses when the Aircraft and crews are required by the Minister to be away from the Designated Base overnight if the expenses have not otherwise been provided by the Ministry. Such expenses or provided accommodation to be at a standard equivalent to that provided to the Province's staff or at rates as set out in this Schedule;
- d) Computerized access to the Ministry's aircraft and resource dispatch system;
- e) At the Province's airtanker bases:
 - i. aircraft maintenance area, including supply of water and electricity where such facilities currently exist;
 - ii. suitable firefighting equipment at the retardant loading, maintenance and refuelling sites as agreed upon by the parties and in accordance with the applicable regulations;
 - iii. suitable area and facilities for record keeping, administrative tasks and secure storage for tools and equipment during the Operating Period;
 - iv. facilities for flight and maintenance crew rest, eating, personal hygiene and recreation;
 - v. flight and maintenance crew meals and refreshments during periods of sustained firefighting activity; and
 - vi. appropriate WorkSafe and Transport Canada required ramp safety equipment and facilities.

2.02 The Province will pay to the Contractor the following with respect to the Services provided:

- a) Availability Charges;
- b) Flight Time at the Flying Rate;
- c) In the event of Aircraft Positioning, other than initial positioning for the commencement of the Operating Period, Flight Time at the Flying Rate;
- d) Crew accommodation and travel expenses when crews are away overnight from their Designated Base, as set out in Section 5 of this Schedule;
- e) Those fuel expenses, if incurred by the Contractor in the performance of the Services;



- f) Those airport landing and navigation fees and charges, if incurred by the Contractor in the performance of the Services; and
- g) Other as set out in Section 8 of this Schedule.

3. SUBMISSION OF A STATEMENT OF ACCOUNT

3.01 In order to obtain payment for any fees and, where applicable, expenses under the Agreement, you must submit to us a written Statement of Account in a form satisfactory to us.

3.02 The Statement of Account(s) must show the following:

- a) Your legal name, address, the date and the period of time which the invoice applies ("Billing Period"), the Agreement number, and a statement number for identification;
- b) The calculation of all fees claimed under this Agreement for the Billing Period including:
 - i. Billing Period;
 - ii. Flight slip or invoice reference number;
 - iii. Date;
 - iv. Pilot name;
 - v. Aircraft registration and type;
 - vi. Agreement number, branch or fire centre;
 - vii. Legs of flight, including:
 - from/to and up/down times
 - hours or miles flown
 - Ministry use code and Fire or project number;
 - viii. fuel consumption and charges
 - volumes
 - location drawn from
 - applicable charges;
 - ix. landings, including:
 - number of landings
 - aerodrome identifier;
 - x. Passenger names/manifest;
 - xi. Total flight cost;
 - xii. "Goods and services received"; and
 - xiii. Signature.



3.03 The Statement of Account should include:

- a) A declaration that the Services have been completed;
- b) Where expenses are to be paid under this Agreement, a chronological listing and amounts as per Section 5 included;
- c) The calculation of any applicable GST payable by us in relation to the Services provided under this Agreement, and for the Billing Period as a separate line item;
- d) Your GST registration number, and
- e) Any other billing information reasonably requested by us.

3.04 The Statement of Account should be sent to:

PROVINCIAL WILDFIRE COORDINATION CENTRE
3080 AIRPORT ROAD
KAMLOOPS, B.C.
V2B 7X2

Attention: Nina Barber

3.05 The Contractor will submit Statements of Accounts in no less than weekly and no longer than monthly intervals.

3.06 Within thirty days of our receipt of your invoice, or the date we authorize payment, whichever is the latter, we must pay you fees and, where applicable, expenses for those Services we determined were satisfactorily received during the Billing Period.

4. AVAILABILITY CHARGES AND FLIGHT TIME CHARGES

4.01 Availability Charge:

a) For a one hundred (100) day Operating Period, the total Availability Charge is :

Aircraft Type		# of Aircraft	Daily Charge per Aircraft	Availability Charge
Airtanker	Air Tractor AT 802AF – FIREBOSS	4	\$5,442	\$2,176,800
Birddog	CESSNA Grand Caravan C 208B	1	\$3,247	\$324,700
Total Availability Charge for the Airtanker Group				\$2,501,500



- b) For a one hundred and twenty (120) day Operating Period, if requested by the Province under Article 4 section 4.04, the total Availability Charge is:

Aircraft Type		# of Aircraft	Daily Charge per Aircraft	Availability Charge
Airtanker	Air Tractor AT 802AF – FIREBOSS	4	\$4,542	\$2,180,160
Birddog	CESSNA Grand Caravan C 208B	1	\$2,930	\$351,600
Total Availability Charge for the Airtanker Group				\$2,531,760

- 4.02 The Availability Charge in section 4.01 a) is payable in three equal instalments of s.17,s.21 on June 1st, July 1st and August 1st in each Year of the Agreement.
- 4.03 If the Availability Charge in Section 4.01 b) is applicable, it is payable in four equal instalments of s.17,s.21 on May 1st, June 1st, July 1st and August 1st in the Year for which the 120 day Operating Period is requested by the Province.
- 4.04 Additional Availability Charges for each day of Additional Services is as follows:

- a) For Additional Services beyond a one hundred (100) day Operating Period, the daily Additional Availability Charge is :

Aircraft Type		# of Aircraft	Daily Charge per Aircraft
Airtanker	Air Tractor AT 802AF – FIREBOSS	4	\$5,442
Birddog	CESSNA Grand Caravan C 208B	1	\$3,247
Total Additional Daily Availability Charge for the Airtanker Group			\$25,015

- b) For Additional Service beyond a one hundred and twenty (120) day Operating Period, if requested by the Province under Article 4 section 4.04, the daily Additional Availability Charge is:

Aircraft Type		# of Aircraft	Daily Charge per Aircraft
Airtanker	Air Tractor AT 802AF – FIREBOSS	4	\$4,542
Birddog	CESSNA Grand Caravan C 208B	1	\$2,930
Total Additional Daily Availability Charge for the Airtanker Group			\$21,098



4.05 Flight Time

- a) For Flight Time flown during the Operating Period, Flight Time charges for each hour of Flight Time and pro-rated for part hours are calculated at the hourly Flying Rates as follows:

		<u>100 Day</u> Operating Period	<u>120 Day</u> Operating Period
Aircraft Type		Flying Rate	Flying Rate
Airtanker	Air Tractor AT 802AF – FIREBOSS	\$1,187	\$1,385
Birddog	CESSNA Grand Caravan C 208B	\$1,270	\$1,270

- b) Flight Time charges for each hour of Flight Time and pro-rated for part hours flown outside of the annual Operating Period in the provision of Additional Services under this Agreement are calculated at the hourly Flying Rates as follows:

		<u>Outside</u> <u>100 Day</u> Operating Period	<u>Outside</u> <u>120 Day</u> Operating Period
Aircraft Type		Flying Rate	Flying Rate
Airtanker	Air Tractor AT 802AF – FIREBOSS	\$1,187	\$1,385
Birddog	CESSNA Grand Caravan C 208B	\$1,270	\$1,270

4.06 Rate Increase

As of the Year commencing April 1, 2015, the Availability Charges, Additional Availability Charges and hourly Flying Rate as set out in this Schedule will be adjusted on a compound basis by 100% of the change in the Statistics Canada Consumer Price Index (CPI) for British Columbia for the twelve month period December to December immediately preceding the Year to which such amounts are applicable.

5. CREW ACCOMMODATION AND TRAVEL EXPENSES

- 5.01 Away from the Designated Base living expenses (accommodation, meals and ground transportation) will be flat rated and receipts will not be required. The daily allowance per flight crew and maintenance crew member will be \$229.50 and must be submitted on the daily flight slip.
- 5.02 Should the Ministry supply, or should the expenses not be required for, any of the away from Designated Base living expenses as provided in Section 5.01, the daily allowance will be reduced as follows: accommodation \$115; meals \$16.50 each; and ground transportation \$65.



- 5.03 Notwithstanding Sections 5.01 and 5.02, ground transportation may be paid for or supplied to a maximum of three (3) vehicles per day.
- 5.04 In addition to the amounts in 5.01, an additional amount of twenty seven dollars (\$27.00) per day per flight and maintenance crew member when the Aircraft and Personnel are required by the Minister to be Positioned north of the 60° latitude.
- 5.05 Expenses related to the Province's request to Position the Aircraft and the Contractor's Maintenance Vehicle away from the Designated Base as follows:
- a) Mileage at eighty four cents (\$.84) per kilometer to Position the Contractor's maintenance vehicle between the Designated Base and the Aircraft's temporarily assigned site; and
 - b) If required, costs incurred for transport by water ferry will be reimbursed at cost. Receipts are required.

6. FUEL

- 6.01 The cost incurred and paid by the Contractor for aviation fuel used by the Contractor to provide the Services under this Agreement.
- 6.02 The cost incurred by the Contractor for aviation fuel used by the Contractor while on deployment to the United States, at the request of the Minister, as follows:
- a) The actual cost for the aviation fuel purchased by the Contractor;
 - b) A surcharge of 5% of the amounts in a) above;
 - c) The Contractor will provide back-up documentation to support the total amount claimed as follows:
 - i. fuel tickets;
 - ii. the calculation, including a conversion table, converting the US gallons purchased to litres;
 - iii. the exchange rate to convert from American dollars to Canadian dollars as of the day of fuel purchase; and
 - iv. a calculation of the 5% surcharge, based on the converted Canadian dollar fuel cost.

7. LANDING FEES AND NAVIGATION FEES

- 7.01 Landing fees and navigation fees as follows:
- a) The fee/cost for each and every landing for which a landing fee is applicable and incurred by the Contractor in performing the Services;
 - b) The cost for each landing fee is as set out in the Province's current year Landing Fee Table;
 - c) The actual costs incurred by the Contractor for each and every navigation service required in the performance of the Services; and
 - d) Forest protection and firefighting services are exempt from NAV CANADA fees described in this section.



8. OTHER

8.01 Release Rates

The rate for the Contractor's use of the Aircraft when released from the Contractor's Service requirements by the Ministry will be at the Release Rate for each and every day the aircraft is released. The Release Rate is as agreed by the parties.

8.02 Additional Personnel

The direct costs of additional maintenance personnel required during periods of extraordinary fire activity.

8.03 Mutual Aid Resource Sharing (MARS) Charges

Charges, as agreed by the Parties and as required to meet the Province's and the Contractor's obligations in providing the Aircraft and Services under Mutual Aid Resource Sharing Agreements to which the Province is a signatory.

8.04 Extra Availability Charges

As agreed to by the Province and the Contractor.

8.05 Other Fees

As may be determined and agreed to by the Province and the Contractor.

9. DAMAGES

9.01 For each and every hour each Aircraft, Speciality Equipment or Personnel are not available for Services as required by the Minister, the Minister may assess damages in the amount equal to one tenth of the Daily Availability Charge for each Aircraft or at the Minister's discretion, the reasonable cost to the Province to replace the Aircraft and Services.

9.02 If the Birddog Aircraft is unavailable and it is not operationally feasible for the Airtanker to join another airtanker group, the assessed damages may be applicable to both the Airtanker and the Birddog Aircraft.





Schedule D Insurance

File: 1070-20/ AO15WCC004

Attachment to the Agreement with Conair Group Inc. for Amphibious Water Scooping Airtanker Services.

1. Without restricting the generality of the indemnification provisions contained in the Agreement, the Contractor shall, at its own expense, provide and maintain, during the term of this Agreement, the following insurance coverage as fully specified in Section 9 and any additional insurance which it is required by law to carry or which it considers necessary to cover risks not otherwise covered by insurance specified in this Schedule in its sole discretion.

All such insurance described herein must be primary and not require the sharing of any loss by any insurer of the Province.

- | | | | | |
|---|-------------------------------------|--------------|-------------------------------------|----------|
| a) Commercial General Liability | <input type="checkbox"/> | Not Required | <input checked="" type="checkbox"/> | Required |
| b) Automobile Liability | <input type="checkbox"/> | Not Required | <input checked="" type="checkbox"/> | Required |
| c) Professional Liability | <input checked="" type="checkbox"/> | Not Required | <input type="checkbox"/> | Required |
| d) Aviation Liability | <input type="checkbox"/> | Not Required | <input checked="" type="checkbox"/> | Required |
| e) Watercraft Liability | <input checked="" type="checkbox"/> | Not Required | <input type="checkbox"/> | Required |
| f) Property Insurance | <input checked="" type="checkbox"/> | Not Required | <input type="checkbox"/> | Required |
| g) All-risk Property Insurance | <input checked="" type="checkbox"/> | Not Required | <input type="checkbox"/> | Required |
| h) Motor Truck Cargo Liability | <input checked="" type="checkbox"/> | Not Required | <input type="checkbox"/> | Required |
| i) Employee Dishonesty Liability | <input checked="" type="checkbox"/> | Not Required | <input type="checkbox"/> | Required |

2. Insurance shall be placed with Insurers registered in and licensed to underwrite such insurance in Canada. All such insurance shall be at no expense to the Province. If the Province requires additional Insurance Coverage to be obtained by the Contractor, the additional expense of such additional insurance shall be borne by the Province.

3. Notwithstanding Section 4, the Contractor shall, prior to the commencement of services and before any payments are made under this Agreement, file with the Ministry Representative evidence of insurance coverage in the form of a completed Province of British Columbia Certificate of Insurance (Form FIN 173). When requested by the Province, the Contractor shall provide certified copies of required insurance policies.

4. ICBC's Confirmation of Automobile Insurance Coverage, Form APV 47 shall be used as satisfactory evidence of Automobile Liability Insurance.

5. The insurance policies, except for ICBC Automobile Liability Insurance, shall provide that the insurance shall not be cancelled or materially changed so as to affect the coverage provided under the Agreement, without the Insurer giving at least thirty (30)



days prior written notice to the Province. Material change with respect to Professional Liability Insurance does not require the Insurer to give thirty (30) days prior written notice to the Province.

6. Failure to provide the required insurance documentation shall result in termination of this Agreement.
7. If the insurance policies expire prior to the end of the Agreement Term, the Contractor shall provide the ministry evidence of insurance renewal in the form of a completed Province of British Columbia Certificate of Insurance and ICBC's Form APV 47, if applicable, at least ten (10) days prior to the expiry date of the policies listed in this Schedule.
8. The Contractor shall ensure that all its subcontractors performing Services under this Agreement carry insurance in the form and limits specified in Section 9.
9. The following forms of insurance and specified minimum limits are required:

a) **Commercial General Liability**

Commercial General Liability insurance in an amount not less than \$2 million inclusive per occurrence against bodily injury, personal injury, and property damage and including liability assumed under the Agreement.

Such policy(s) of insurance shall include, but not be limited to:

- i. Products and Completed Operations Liability;
- ii. Owner's and Contractor's Protective Liability;
- iii. Contingent Employer's Liability;
- iv. Blanket Written Contractual Liability;
- v. Personal Injury Liability;
- vi. Non-Owned Automobile Liability;
- vii. Cross Liability;
- viii. Employees as Additional Insureds;
- ix. Broad Form Property Damage;
and where such further risk exists:
- x. Forest Fire Fighting Expense Coverage in the amount of:
 \$1 million
 \$500,000
 Not applicable



xi. Sudden and Accidental Pollution endorsement on the Commercial General liability insurance policy with a limit of liability not less than the amount indicated below per occurrence insuring against bodily injury, property damage and cleanup expenses arising from new pollution conditions arising from the Contractor's performance of the Agreement, or if such endorsement is unavailable on the Commercial General Liability insurance policy, a Sudden and Accidental Pollution insurance policy insuring against same and with same limits of liability indicated below, and this insurance shall include the Province as an additional insured as stated below:

- \$250,000
- \$500,000
- \$1 million
- Not applicable

The Province is to be added as an "Additional Insured" under this policy, as follows: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations and any of its employees, servants or agents".

b) **Automobile Liability**

Automobile Liability insurance on all vehicles owned, operated or licensed by the Contractor in an amount not less than \$2 million inclusive per occurrence.

c) **Professional Errors and Omissions Liability - Not Applicable**

d) **Aviation Liability**

Aviation Liability Insurance on all aircraft operated or used in the performance of the Services insuring against bodily injury, property damage, and passenger liability, in an amount not less than the limits of liability imposed by any *Canadian Aviation Regulation* and in any event not less than a per occurrence combined single limit of:

- i. \$3,000,000 for aircraft up to 5 passenger seats, or
- ii. \$3,000,000 plus \$1,000,000 for each additional passenger seat for aircraft up to 10 passenger seats, or
- iii. \$10,000,000 for aircraft over 10 passenger seats;

Such insurance shall include a cross liability clause.

Where applicable, such policy will also include coverage for aerial drift or misapplication of fertilizers or herbicide chemicals in an amount not less than \$50,000, per occurrence.

The Province is to be added as an "Additional Insured" under this policy, as follows: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations and any of its employees, servants or agents".



Where this Agreement is for air transportation services only, the requirement for Commercial General Liability insurance under Section 9(a) may be waived at the discretion of the Province.

The Contractor will cause any Sub-Contractor providing aviation services related to the Contractor's performance of this Agreement to carry, and to provide evidence to the Province of their compliance with this requirement. Aviation Liability insurance on all aircraft operated or used in the performance of this Agreement insuring against bodily injury, property damage, and passenger liability, in an amount not less than the limits of liability imposed by any *Canadian Aviation Regulation* and in any event not less than a per occurrence combined single limit of:

- i. \$3,000,000 for aircraft up to 5 passenger seats, or
- ii. \$3,000,000 plus \$1,000,000 for each additional passenger seat for aircraft up to 10 passenger seats, or
- iii. \$10,000,000 for aircraft over 10 passenger seats.

Such insurance shall include a cross liability clause.

Where applicable, such policy will also include coverage for aerial drift or misapplication of fertilizers or herbicide chemicals in an amount not less than \$50,000, per occurrence.

The Contractor and the Province are to be added as an "Additional Insureds" under this policy with the Province titled as follows: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations and any of its employees, servants or agents".

e) **Watercraft Liability**

Watercraft liability insurance on all watercraft operated or used in the performance of the Services by the Contractor (including rented watercraft), in an amount not less than the limits of liability imposed by the Marine Liability Act and in any event not less than \$N/A inclusive per occurrence.

Such insurance shall include:

- i. a cross liability clause; and
- ii. Sudden and Accidental Pollution endorsement on the Watercraft liability insurance policy with a limit of liability not less than the amount indicated below per occurrence insuring against bodily injury, property damage and cleanup expenses arising from new pollution conditions arising from the Contractor's performance of the Agreement, or if such endorsement is unavailable on the Watercraft Liability insurance policy, a Sudden and Accidental Pollution insurance policy insuring against same and with same limits of liability indicated below, and this insurance shall include the Province as an additional insured as stated below:



- \$250,000
- \$500,000
- \$1 million
- Not Applicable

Where applicable, such policy will also include coverage for marine towing operations.

The Province is to be added as an "Additional Insured" under this policy, as follows: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations and any of its employees, servants or agents".

f) **Property Insurance**

Property Insurance in an amount not less than the full replacement cost for all property owned by the Province in the care, custody, use, and control of the Contractor including, if applicable, property in transit.

Such insurance shall include:

- i. the Province as a named insured as its interest may appear; and
- ii. include a waiver of subrogation in favour of the Province.

g) **All-risk Property Insurance**

All-risk Property insurance against physical loss or damage, including the perils of earthquake and flood, covering business contents, including electronic data processing equipment and media to full replacement cost value, extra expense coverage for expenses necessarily incurred by the Contractor to continue normal operations which are interrupted as a result of an insured property loss.

Such insurance shall include a waiver of subrogation in favour of the Province.

h) **Motor Truck Cargo Insurance**

Motor Truck Cargo Insurance in an amount sufficient to cover the loss or damage at a maximum value of the cargo being hauled at any one time per vehicle transporting property owned or controlled by the Province in the care, custody or control of the Contractor.

The Province is to be a named insured as its interest may appear.

i) **Employee Dishonesty Insurance**

A Blanket Position Fidelity Bond (Employee Dishonesty insurance) covering any or all persons used or employed by the Contractor for the provision of the Services in an amount not less than **\$N/A** per claim arising out of any dishonest or fraudulent act that results in the loss of money, securities, or other property of the Province, and this insurance must protect the Province by way of a "third party endorsement".





Natural Resource Sector

Contract Modification Agreement No. 1

MINISTRY CONTRACT/FILE NO.: 1070-20/AO15WCC004

PROJECT NAME: Amphibious Water Scooping Airtanker Services

THIS MODIFICATION AGREEMENT dated for reference 4th day of February 2015.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS
PROVINCIAL WILDFIRE COORDINATION CENTRE

(the "Province", "we", "us", or "our" as applicable) at the following address:
3080 AIRPORT ROAD,
KAMLOOPS, BRITISH COLUMBIA V2B 7X2
Telephone: (250) 312-3010 Fax: (250) 554-5468 E-mail Address: nina.barber@gov.bc.ca
Ministry Representative: Nina Barber

AND

CONAIR GROUP INC
(the "Contractor", "you", or "your" as applicable) at the following address:
1510 TOWER STREET
ABBOTSFORD, BRITISH COLUMBIA V2T 6H5
Telephone: (604) 557-2584 Fax: (604) 557-2793 E-mail Address: rpedersen@conair.ca
~~(604) 557-2721 (604)~~
Contractor Representative: Rick Pedersen *Human Resources Manager*
Corporate Business Number: 0423186
WorkSafe BC No: 147653 and/or POP No.

A. The Parties entered into an Agreement dated for reference 1st day of April, 2014, (hereinafter called the "Agreement"),

B. The Parties agree to amend the Agreement as follows:

ARTICLE 4 OPERATING PERIOD

4.03 The Operating Period for 2015 for the Aircraft identified in Schedule A-1 (Group B) Aircraft and Personnel will be:
June 11, 2015 to September 18, 2015 (100 DAYS)

SCHEDULE A2 - SERVICES

b. Position the Aircraft at Revelstoke, B.C., the Designated Base in British Columbia

SCHEDULE B - CONTRACT PAYMENT

4. AVAILABILITY CHARGES AND FLIGHT TIME CHARGES

4.01 Availability Charge:

a) For a one hundred (100) day Operating Period, the total Availability Charge is :

Aircraft Type		# of Aircraft	Daily Charge per Aircraft	Availability Charge
Airtanker	Air Tractor AT 802AF - FIREBOSS	4	\$5,491	\$2,196,400
Birddog	CESSNA Grand Caravan C 208B	1	\$3,276	\$327,600
Total Availability Charge for the Airtanker Group				\$2,524,000

CONTRACT MODIFICATION AGREEMENT

CONTINUED

b) For a one hundred and twenty (120) day Operating Period, if requested by the Province under Article 4 section 4.04, the total Availability Charge is:

Aircraft Type		# of Aircraft	Daily Charge per Aircraft	Availability Charge
Airtanker	Air Tractor AT 802AF – FIREBOSS	4	\$4,583	\$2,199,840
Birdog	CESSNA Grand Caravan C 208B	1	\$2,956	\$354,720
Total Availability Charge for the Airtanker Group				\$2,554,560

4.02 The Availability Charge in section 4.01 a) is payable in three equal instalments of \$841,333.33 on June 1st, July 1st and August 1st in each Year of the Agreement.

4.03 If the Availability Charge in Section 4.01 b) is applicable, it is payable in four equal instalments of \$851,520.00 on May 1st, June 1st, July 1st and August 1st in the Year for which the 120 day Operating Period is requested by the Province. Not Applicable for 2015.

4.04 Additional Availability Charges for each day of Additional Services is as follows:

a) For Additional Services beyond a one hundred (100) day Operating Period, the daily Additional Availability Charge is :

Aircraft Type		# of Aircraft	Daily Charge per Aircraft
Airtanker	Air Tractor AT 802AF – FIREBOSS	4	\$5,491
Birdog	CESSNA Grand Caravan C 208B	1	\$3,276
Total Additional Daily Availability Charge for the Airtanker Group			\$25,240

b) For Additional Service beyond a one hundred and twenty (120) day Operating Period, if requested by the Province under Article 4 section 4.04, the daily Additional Availability Charge is:

Aircraft Type		# of Aircraft	Daily Charge per Aircraft
Airtanker	Air Tractor AT 802AF – FIREBOSS	4	\$4,583
Birdog	CESSNA Grand Caravan C 208B	1	\$2,956
Total Additional Daily Availability Charge for the Airtanker Group			\$21,288

CONTRACT MODIFICATION AGREEMENT

CONTINUED

4.05 Flight Time

a) For Flight Time flown during the Operating Period, Flight Time charges for each hour of Flight Time and pro-rated for part hours are calculated at the hourly Flying Rates as follows:

Aircraft Type		100 Day Operating Period	120 Day Operating Period
		Flying Rate	Flying Rate
Airtanker	Air Tractor AT 802AF – FIREBOSS	\$1,198	\$1,397
Birddog	CESSNA Grand Caravan C 208B	\$1,281	\$1,281

b) Flight Time charges for each hour of Flight Time and pro-rated for part hours flown outside of the annual Operating Period in the provision of Additional Services under this Agreement are calculated at the hourly Flying Rates as follows:

Aircraft Type		Outside 100 Day Operating Period	Outside 120 Day Operating Period
		Flying Rate	Flying Rate
Airtanker	Air Tractor AT 802AF – FIREBOSS	\$1,198	\$1,397
Birddog	CESSNA Grand Caravan C 208B	\$1,281	\$1,281

C. In all other respects, the Agreement is confirmed.

D. Time is of the essence in this Modification Agreement.

The Parties duly execute this Modification Agreement as follows.

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province

(Signature of authorized Ministry Expense Authority)

Nina Barber

(PRINTED NAME of authorized representative)

Dated this 16th day of March, 2015

SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)

(Signature of Contractor or Authorized Signatory)

Rick Pedersen

(PRINTED NAME of Contractor or authorized signatory)

Dated this ___ day of _____, 20__



The Best Place on Earth

CERTIFICATE OF INSURANCE

Freedom of Information and Protection of Privacy Act
 The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Financial Administration Act*. Questions about the collection and use of this information can be directed to the Director, Client Services, Core Government and Crowns at 250 358-8815, PO Box 8405 STN PROV GOVT, Victoria BC V8W 9V1.
 Please refer all other questions to the contact named in Part 1.

Part 1 To be completed by the Province

THIS CERTIFICATE IS REQUESTED BY and ISSUED TO <i>(Name of office)</i> Ministry of Forests, Lands and Natural Resource Operations		AGREEMENT IDENTIFICATION NO. 1070-20/AO15WCC004
PROVINCE'S CONTACT PERSON NAME & TITLE Nina Barber, Aviation Management Specialist		PHONE NO. (250) 312-3010 FAX NO. (250) 554-5468
MAILING ADDRESS 3080 Airport Road, Kamloops, British Columbia		POSTAL CODE V2B 7X2
CONTRACTOR NAME Conair Group Inc.		
CONTRACTOR ADDRESS 1510 Tower Street, Abbotsford, British Columbia		POSTAL CODE V2T 6H5

Part 2 To be completed by the Insurance Agent or Broker

INSURED	NAME Conair Group Inc.		POSTAL CODE V2T 6H5
	ADDRESS 1510 Tower Street, Abbotsford, British Columbia		
OPERATIONS INSURED	PROVIDE DETAILS Commercial Helicopter Operator		
TYPE OF INSURANCE <i>List each separately</i>	COMPANY NAME, POLICY NO. & BRIEF DESCRIPTION	EXPIRY DATE YYYY/MM/DD	LIMIT OF LIABILITY/AMOUNT
Aircraft Liability	Certain Licensed Insurers as effected through Dulude, Taylor Inc. as brokers Policy No. A141147	2015/11/01	CAD100,000,000 Combined Single Limit, each Aircraft, each Occurrence
Aviation General Liability inclusive of Premises & Operations, Hangarkeeper's and Products & Completed Operations Liability	Certain Licensed Insurers as effected through Dulude, Taylor Inc. as brokers Policy No. A141147	2015/11/01	CAD100,000,000 each Occurrence and in the aggregate each policy period with respects to Products & Completed Operations Liability
Non-Owned Automobile Liability	CNA Canada Continental Casualty Company as arranged through Plus Underwriting Managers Ltd. Policy No. MPR2957664	2015/12/01	CAD2,000,000 Combined Single Limit, each Occurrence

This certificate certifies that policies of insurance described herein are in full force and effective as of the date of this certificate and comply with the insurance requirements of the Agreement identified above, except as follows:

AGENT OR BROKER COMMENTS:

AGENT OR BROKERAGE FIRM Dulude, Taylor Inc.	ADDRESS 4360 Agar Drive, Richmond, BC, V7B 1A3	PHONE NO. (604) 276-2428
NAME OF AUTHORIZED AGENT OR BROKER (PRINT) Matthew Andrews	SIGNATURE OF AGENT OR BROKER ON BEHALF OF THE ABOVE INSURER(S) 	DATE SIGNED March 6, 2015



Natural Resource Sector

Contract Modification Agreement No. 2

MINISTRY CONTRACT/FILE NO.: 1070-20/AO15WCC004

PROJECT NAME: Amphibious Water Scooping Airtanker Services

THIS MODIFICATION AGREEMENT dated for reference 12th day of February 2016.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS
PROVINCIAL WILDFIRE COORDINATION CENTRE

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 AIRPORT ROAD,
KAMLOOPS, BRITISH COLUMBIA V2B 7X2
Telephone: Fax: E-mail Address:
(250) 312-3010 (250) 554-5468 dave.marek@gov.bc.ca
Ministry Representative: Dave Marek

AND

CONAIR GROUP INC
(the "Contractor", "you", or "your" as applicable) at the following address:
1510 TOWER STREET
ABBOTSFORD, BRITISH COLUMBIA V2T 6H5

Telephone: Fax: E-mail Address:
(604) 557-2584 (604) 557-2793 rpedersen@conair.ca

Contractor Representative: Rick Pedersen
Corporate Business Number: 0423196
WorkSafe BC No: 147653 and/or POP No.

A. The Parties entered into an Agreement dated for reference 1st day of April, 2014, (hereinafter called the "Agreement"),

B. The Parties agree to amend the Agreement as follows:

ARTICLE 4 OPERATING PERIOD

4.03 The Operating Period for 2016 for the Aircraft identified in Schedule A-1 (Group 8) Aircraft and Personnel will be:
May 30, 2016 to September 6, 2016 (100 DAYS)

SCHEDULE A2 – SERVICES

b. Position the Aircraft at Kamloops, B.C., the Designated Base in British Columbia

SCHEDULE B – CONTRACT PAYMENT

4. AVAILABILITY CHARGES AND FLIGHT TIME CHARGES

4.01 Availability Charge:

a) For a one hundred (100) day Operating Period, the total Availability Charge is :

Aircraft Type		# of Aircraft	Daily Charge per Aircraft	Availability Charge
Airtanker	Air Tractor AT 802AF – FIREBOSS	4	\$5,595	\$2,238,000
Birddog	CESSNA Grand Caravan C 208B	1	\$3,338	\$333,800
Total Availability Charge for the Airtanker Group				\$2,571,800

CONTRACT MODIFICATION AGREEMENT

CONTINUED

4.02 The Availability Charge in section 4.01 a) is payable in three equal instalments of \$857,266.67 on June 1st, July 1st and August 1st in each Year of the Agreement.

4.04 Additional Availability Charges for each day of Additional Services is as follows:

- a) For Additional Services beyond a one hundred (100) day Operating Period, the daily Additional Availability Charge is :

Aircraft Type		# of Aircraft	Daily Charge per Aircraft
Airtanker	Air Tractor AT 802AF – FIREBOSS	4	\$5,595
Birddog	CESSNA Grand Caravan C 208B	1	\$3,338
Total Additional Daily Availability Charge for the Airtanker Group			\$25,718

4.01 Flight Time

- a) For Flight Time flown during the Operating Period, Flight Time charges for each hour of Flight Time and pro-rated for part hours are calculated at the hourly Flying Rates as follows:

		<u>100 Day Operating Period</u>	<u>120 Day Operating Period</u>
Aircraft Type		Flying Rate	Flying Rate
Airtanker	Air Tractor AT 802AF – FIREBOSS	\$1,221	\$1,424
Birddog	CESSNA Grand Caravan C 208B	\$1,305	\$1,305

- b) Flight Time charges for each hour of Flight Time and pro-rated for part hours flown outside of the annual Operating Period in the provision of Additional Services under this Agreement are calculated at the hourly Flying Rates as follows:

		<u>Outside 100 Day Operating Period</u>	<u>Outside 120 Day Operating Period</u>
Aircraft Type		Flying Rate	Flying Rate
Airtanker	Air Tractor AT 802AF – FIREBOSS	\$1,221	\$1,424
Birddog	CESSNA Grand Caravan C 208B	\$1,305	\$1,305

C. In all other respects, the Agreement is confirmed.

D. Time is of the essence in this Modification Agreement.

CONTRACT MODIFICATION AGREEMENT

CONTINUED

The Parties duly execute this Modification Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province

SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)

(Signature of authorized Ministry Expense Authority)

(Signature of Contractor or Authorized Signatory)

Dave Marek

~~Rick Pedersen~~ Heather Shuster

(PRINTED NAME of authorized representative)

(PRINTED NAME of Contractor or authorized signatory)

Dated this 15 day of MARCH 20 16

Dated this 27 day of February 20 16



Natural Resource Sector

Contract Modification Agreement No. 10

MINISTRY CONTRACT/FILE NO.: 1070-20/AO1088E003B

PROJECT NAME: Air Tanker Services

THIS MODIFICATION AGREEMENT dated for reference 12th day of February 2014.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

PROVINCIAL WILDFIRE COORDINATION CENTRE

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 AIRPORT ROAD,
KAMLOOPS, BRITISH COLUMBIA V2B 7X2

Telephone: (250) 312-3010 Fax: (250) 554-5468 E-mail Address: nina.barber@gov.bc.ca

Ministry Representative: Nina Barber

AND

CONAIR GROUP INC

(the "Contractor", "you", or "your" as applicable) at the following address:

1510 TOWER STREET
ABBOTSFORD, BRITISH COLUMBIA V2T 6H5

Telephone: (604) 557-2584 Fax: (604) 557-2793 E-mail Address: rpedersen@conair.ca

Contractor Representative: Rick Pedersen

Corporate Business Number: 0423196

WorkSafe BC No: 147653 and/or POP No.

A. The Parties entered into an Agreement dated for reference 1st day of April, 2010, (hereinafter called the "Agreement"),

B. The Parties agree to amend the Agreement as follows:

SCHEDULE A

AVAILABILITY PERIOD AND DESIGNATED BASE(S) FOR 2014

1.03 The Availability Period(s) and the Aircraft Designated Base(s) for 2014 are as set out in Schedule A-1.

Schedule A-1 Availability Period and Designated Base(s) for 2014		
AIRCRAFT AIRTANKER GROUP	AVAILABILITY PERIOD (Each of 123 days)	DESIGNATED BASE
Group 4: Convair CV 580 (2) Rockwell Turbo Commander TC 690	May 5 to September 4	Kamloops
Group 1: Convair CV 580 (2) Rockwell Turbo Commander TC 690	April 28 to August 28	Williams Lake
Group 5: Lockheed L-188 C Citation CJ 525	May 15 to July 15 July 16 – September 14	Fort St. John Campbell River
Group 2: Air Tractor AT-802AF (4) Cessna C-208 Grand Caravan EX	May 15 th to September 14 th	Kamloops

CONTRACT MODIFICATION AGREEMENT

CONTINUED

**SCHEDULE F
FEES**

3. AVAILABILITY CHARGES

3.01 An Availability Charge for the Availability Period, totaling nine million two hundred ninety-two thousand, and thirty-five (**9,292,035.00**) calculated as follows:

a) Heavy Air Tanker Group:

AIRCRAFT TYPE	# of AIRCRAFT	AVAILABILITY PERIOD	DAILY RATE PER AIRCRAFT	TOTAL
Lockheed L-188C Enhanced	1	123	\$9,699.00	\$1,192,977.00
Citation CJ 525	1	123	\$3,241.00	\$398,643.00
Total Availability Charge for Heavy Air Tanker Group				\$1,591,620.00

b) Intermediate Air Tanker Group:

AIRCRAFT TYPE	# of AIRCRAFT	AVAILABILITY PERIOD	DAILY RATE PER AIRCRAFT	TOTAL
Convair CV 580	2	123	\$9,312.00	\$2,290,752.00
Turbo Commander TC 690A	1	123	\$3,241.00	\$398,643.00
Total per Intermediate Air Tanker Group				\$2,689,395.00
Number of Intermediate Air Tanker Groups				2
Total Availability Charge for Intermediate Air Tanker Groups				\$5,378,790.00

c) Light Air Tanker Group:

AIRCRAFT TYPE	# of AIRCRAFT	AVAILABILITY PERIOD	DAILY RATE PER AIRCRAFT	TOTAL
Air Tractor 802AF	4	123	\$3,756.00	\$1,847,952.00
Cessna C-208 Grand Caravan EX	1	123	\$3,851.00	\$473,673.00
Total Availability Charge for Light Air Tanker Group				\$2,321,625.00

3.02 The Availability Charge is payable in five (5) equal instalments of one million eight hundred fifty-eight thousand four hundred and seventy dollars (**\$1,858,407.00**) on May 1st, June 1st, July 1st, August 1st and September 1st in each Year of the Agreement.

3.03 Additional Availability Charges

The Additional Availability Charges for each day of Additional Services for each Air Tanker Group is as follows:

a) Heavy Air Tanker Group:

Aircraft Type		# of AIRCRAFT Type Per Group	Additional Availability Charge Per A/C
Air Tanker	Lockheed L-188C Enhanced	1	\$9,699.00
Birddog	Turbo Commander TC 690A	1	\$3,241.00
Total Additional Availability Charge for Heavy Air Tanker Group			\$12,934.00

b) Intermediate Air Tanker Group:

Aircraft Type		# of AIRCRAFT Type Per	Additional Availability Charge Per A/C

CONTRACT MODIFICATION AGREEMENT

CONTINUED

		Group	
Air Tanker	Convair CV580	2	\$9,312.00
Birddog	Turbo Commander TC 690A	1	\$3,241.00
Total Additional Availability Charge for Intermediate Air Tanker Group			\$21,865.00

c) Light Air Tanker Group:

Aircraft Type		# of AIRCRAFT Type Per Group	Additional Availability Charge Per A/C
Air Tanker	Air Tractor 802AF	4	\$3,756.00
Birddog	Cessna C-208 Grand Caravan EX	1	\$3,851.00
Total Additional Availability Charge for Light Air Tanker Group			\$18,875.00

3.03 Extra Services – Charges (Optional Additional Aircraft).

The availability charges for each day of extra services and Flight Time flown are as shown for the following additional Aircraft:

Aircraft Type	Daily Availability Charge Per Aircraft in the extra availability period	Flying Rate for each hour of Flight Time in the extra availability period
Convair CV 580	\$11,665.00/day	\$2,105.00/hr
CJ 525	\$4,545.00/day	\$1,180.00/hr
RJ 85	\$20,445.00/day	\$6,645.00/hr
Air Tractor 802 – wheels	\$5,295.00/day	\$1,135.00/hr
Air Tractor 802 – Amphib	\$5,845.00/day	\$1,385.00/hr
Aerostar PA 60	\$2,785.00/day	\$485.00/hr
Turbo Commander TC 690A	\$5,240.00/day	\$715.00/hr
Caravan C208B	\$4,475.00/day	\$485.00/hr

4. FLIGHT TIME CHARGES

4.01 Flight Time Charges for each hour of Flight Time and prorated for part hours are calculated at the hourly Flying Rate as follows:

Aircraft Type		Hourly Flying Rate
Air Tanker	Lockheed L-188C enhanced	\$3,736.00
Air Tanker	Convair CV580	\$1,719.00
Air Tanker	Air Tractor 802AF	\$1,292.00
Birddog	Turbo Commander TC 690A	\$ 959.00
Birddog	Cessna C-208 Grand Caravan EX	\$1,253
Birddog	Citation CJ 525	\$959.00

CONTRACT MODIFICATION AGREEMENT

CONTINUED

5. FLIGHT AND MAINTENANCE CREW ACCOMMODATION AND EXPENSES

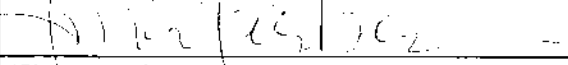
- 5.01 Away from Designated Base living expenses will be flat rated and receipts will not be required. The daily allowance will be:
- 5.02 Two hundred twenty nine dollars and fifty cents (\$229.50) including ground transportation or and must be submitted on the daily flight slips; OR
- 5.03 One hundred sixty four dollars and fifty cents (\$164.50) excluding ground transportation.
- 5.04 And must be itemized and submitted on the daily flight slip.
- 5.05 Should the Ministry supply any of the above expenses the daily rate will be reduced as follows: accommodation - \$115.00, \$16.50 each meal, and ground transportation-\$65.00.

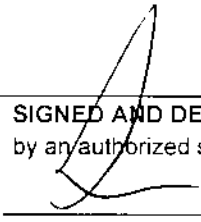
-
- C. In all other respects, the Agreement is confirmed.
 - D. Time is of the essence in this Modification Agreement.

The Parties duly execute this Modification Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province

SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)


(Signature of authorized Ministry Expense Authority)


(Signature of Contractor or Authorized Signatory)

Alina Barber

Rick Pedersen

(PRINTED NAME of authorized representative)

(PRINTED NAME of Contractor or authorized signatory)

Dated this 20th day of FEBRUARY 2014

Dated this 17th day of FEBRUARY 2014



Natural Resource Sector

Contract Modification Agreement No. 11

MINISTRY CONTRACT/FILE NO.: 1070-20/AO1088E003B

PROJECT NAME: Air Tanker Services

THIS MODIFICATION AGREEMENT dated for reference May 20th, 2014.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

PROVINCIAL WILDFIRE COORDINATION CENTRE

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 AIRPORT ROAD
KAMLOOPS, BRITISH COLUMBIA V2B 7X2

Telephone: (250) 312-3010 Fax: (250) 554-5468 E-mail Address: nina.barber@gov.bc.ca

Ministry Representative: Nina Barber

Alternate (if applicable):

AND

CONAIR GROUP INC.

(the "Contractor", "you", or "your" as applicable) at the following address:

1510 TOWER STREET
ABBOTSFORD, BRITISH COLUMBIA V2T 6H5

Telephone: (604) 557-2584 Fax: (604) 557-2793 E-mail Address: rpedersen@conair.ca

Contractor Representative: Rick Pedersen

Corporate Business Number: 0423196

WorkSafe BC No: 147653 and/or POP No. n/a

- A. The Parties entered into an Agreement dated for reference April 1st, 2010, (hereinafter called the "Agreement").
- B. The Parties agree to amend the Agreement as follows:
 - 1. For the purpose of deployment to the Lower 48, when the Ministry options to Export the Convair CV 580's ament Schedule F Fees to read as follows:
 - 4. **FLIGHT TIME CHARGES**
Flight Time Charges for each hour of Flight Time and prorated for part hours are calculated at the hourly Flying Rate as follows:

Aircraft Type		Hourly Flying Rate
Air Tanker	Convair CV580	\$1,819.00

This change is being made to accommodate the purchase and movement expenses associated the water meth additives for the Convair to different operating bases throughout the lower 48.

- C. In all other respects, the Agreement is confirmed.
- D. Time is of the essence in this Modification Agreement.

The Parties duly execute this Modification Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province	SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)
(Signature of authorized Ministry Expense Authority)	(Signature of Contractor or Authorized Signatory)
N. Barber	R. Pedersen
(PRINTED NAME of authorized representative)	(PRINTED NAME of Contractor or authorized signatory)
Dated this 25 th day of May 20 14	Dated this 27 th day of May 20 14



Natural Resource Sector

Contract Modification Agreement No. 12

MINISTRY CONTRACT/FILE NO.: 1070-20/AO1088E003B

PROJECT NAME: Air Tanker Services

THIS MODIFICATION AGREEMENT dated for reference February 25th, 2014.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

PROVINCIAL WILDFIRE COORDINATION CENTRE

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 AIRPORT ROAD
KAMLOOPS, BRITISH COLUMBIA V2B 7X2

Telephone: Fax: E-mail Address:
(250) 312-3010 (250) 554-5468 nina.barber@gov.bc.ca

Ministry Representative: Nina Barber

Alternate (if applicable):

AND

CONAIR GROUP INC.

(the "Contractor", "you", or "your" as applicable) at the following address:

1510 TOWER STREET
ABBOTSFORD, BRITISH COLUMBIA V2T 6H5

Telephone: Fax: E-mail Address:
(604) 557-2584 (604) 557-2793 rpedersen@conair.ca

Contractor Representative: Rick Pedersen

Corporate Business Number: 0423196

WorkSafe BC No: 147653 and/or POP No. n/a

A. The Parties entered into an Agreement dated for reference April 1st, 2010, (hereinafter called the "Agreement").

B. The Parties agree as follows:

1. As per Section Schedule D Fees, Section 6.07 (Other):

The Company will provide smoke system services on Birdog 134 (Turbo Commander 690) for the remainder of the term of the Contract. A one time fee of \$10,000 will be paid to the Company.

C. In all other respects, the Agreement is confirmed.

D. Time is of the essence in this Modification Agreement.

The Parties duly execute this Modification Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province	SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)
(Signature of authorized Ministry Expense Authority)	(Signature of Contractor or Authorized Signatory)
N. Barber	R. Pedersen
(PRINTED NAME of authorized representative)	(PRINTED NAME of Contractor or authorized signatory)
Dated this 11 th day of July 2014	Dated this 1 st day of May 2014



Natural Resource Sector

Contract Modification Agreement No. 13

MINISTRY CONTRACT/FILE NO.: 1070-20/AO1088E003B

PROJECT NAME: Air Tanker Services

THIS MODIFICATION AGREEMENT dated for reference 4th day of February 2015.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

PROVINCIAL WILDFIRE COORDINATION CENTRE

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 AIRPORT ROAD,
KAMLOOPS, BRITISH COLUMBIA V2B 7X2

Telephone: (250) 312-3010 Fax: (250) 554-5468 E-mail Address: nina.barber@gov.bc.ca

Ministry Representative: Nina Barber

AND

CONAIR GROUP INC

(the "Contractor", "you", or "your" as applicable) at the following address:

1510 TOWER STREET
ABBOTSFORD, BRITISH COLUMBIA V2T 6H5

Telephone: (604) 657-2684 Fax: (604) 557-2793 E-mail Address: rpedersen@conair.ca
Contractor Representative: Rick Pedersen
Corporate Business Number: 0423196
WorkSafe BC No: 147653 and/or POP No

A. The Parties entered into an Agreement dated for reference 1st day of April, 2010, (hereinafter called the "Agreement"),

B. The Parties agree to amend the Agreement as follows:

SCHEDULE A

AVAILABILITY PERIOD AND DESIGNATED BASE(S) FOR 2015

1.03 The Availability Period(s) and the Aircraft Designated Base(s) for 2015 are as set out in Schedule A-1.

Schedule A-1 Availability Period and Designated Base(s) for 2015		
AIRCRAFT AIRTANKER GROUP	AVAILABILITY PERIOD (Each of 123 days)	DESIGNATED BASE
Group 4: Convair CV 580 (2) Rockwell Turbo Commander TC 690	May 4 to September 3	Kamloops
Group 1: Convair CV 580 (2) Rockwell Turbo Commander TC 690	April 27 to August 27	Williams Lake
Group 5: Lockheed L-188 C Citation CJ 525	May 15 to July 15 July 16 - September 14	Fort St John Campbell River
Group 2: Air Tractor AT-802AF (4) Cessna C-208 Grand Caravan EX	May 22 to September 21	Penticton

CONTRACT MODIFICATION AGREEMENT

CONTINUED

**SCHEDULE F
FEES**

3. AVAILABILITY CHARGES

3.01 An Availability Charge for the Availability Period, totalling nine million three hundred seventy-five thousand, seven hundred and ninety-eight (9,375,798.00) calculated as follows:

a) Heavy Air Tanker Group:

AIRCRAFT TYPE	# of AIRCRAFT	AVAILABILITY PERIOD	DAILY RATE PER AIRCRAFT	TOTAL
Lockheed L-188C Enhanced	1	123	\$9,786.00	\$1,203,678.00
Citation CJ 525	1	123	\$3,270.00	\$402,210.00
Total Availability Charge for Heavy Air Tanker Group				\$1,605,888.00

b) Intermediate Air Tanker Group:

AIRCRAFT TYPE	# of AIRCRAFT	AVAILABILITY PERIOD	DAILY RATE PER AIRCRAFT	TOTAL
Convair CV 580	2	123	\$9,396.00	\$2,311,416.00
Turbo Commander TC 690A	1	123	\$3,270.00	\$402,210.00
Total per Intermediate Air Tanker Group				\$2,713,626.00
Number of Intermediate Air Tanker Groups				2
Total Availability Charge for Intermediate Air Tanker Groups				\$5,427,252.00

c) Light Air Tanker Group:

AIRCRAFT TYPE	# of AIRCRAFT	AVAILABILITY PERIOD	DAILY RATE PER AIRCRAFT	TOTAL
Air Tractor 802AF	4	123	\$3,790.00	\$1,864,680.00
Cessna C-208 Grand Caravan EX	1	123	\$3,886.00	\$477,978.00
Total Availability Charge for Light Air Tanker Group				\$2,342,658.00

3.02 The Availability Charge is payable in five (5) equal instalments of one million eight hundred seventy-five thousand, one hundred and fifty-nine dollars and sixty cents (\$1,875,159.60) on May 1st, June 1st, July 1st, August 1st and September 1st in each Year of the Agreement.

3.03 Additional Availability Charges

The Additional Availability Charges for each day of Additional Services for each Air Tanker Group is as follows:

a) Heavy Air Tanker Group:

Aircraft Type		# of AIRCRAFT Type Per Group	Additional Availability Charge Per A/C
Air Tanker	Lockheed L-188C Enhanced	1	\$9,786.00
Birdog	Turbo Commander TC 690A	1	\$3,270.00
Total Additional Availability Charge for Heavy Air Tanker Group			\$13,056.00

CONTRACT MODIFICATION AGREEMENT

CONTINUED

b) Intermediate Air Tanker Group:

Aircraft Type		# of AIRCRAFT Type Per Group	Additional Availability Charge Per A/C
Air Tanker	Convair CV580	2	\$9,396.00
Birddog	Turbo Commander TC 690A	1	\$3,270.00
Total Additional Availability Charge for Intermediate Air Tanker Group			\$22,062.00

c) Light Air Tanker Group:

Aircraft Type		# of AIRCRAFT Type Per Group	Additional Availability Charge Per A/C
Air Tanker	Air Tractor 802AF	4	\$3,790.00
Birddog	Cessna C-208 Grand Caravan EX	1	\$3,886.00
Total Additional Availability Charge for Light Air Tanker Group			\$19,046.00

3.03 Extra Services - Charges (Optional Additional Aircraft)

The availability charges for each day of extra services and Flight Time flown are as shown for the following additional Aircraft:

Aircraft Type	Daily Availability Charge Per Aircraft in the extra availability period	Flying Rate for each hour of Flight Time in the extra availability period
Convair CV 580	\$11,898.00/day	\$2,147.00/hr
CJ 525	\$4,636.00/day	\$1,204.00/hr
RJ 85	\$20,854.00/day	\$6,778.00/hr
Air Tractor 802 - wheels	\$5,401.00/day	\$1,158.00/hr
Air Tractor 802 - Amphib	\$6,750.00/day	\$1,650.00/hr
Aerostar PA 60	\$2,841.00/day	\$495.00/hr
Turbo Commander TC 690A	\$5,345.00/day	\$729.00/hr
Caravan C208B	\$4,565.00/day	\$495.00/hr

4. FLIGHT TIME CHARGES

4.01 Flight Time Charges for each hour of Flight Time and prorated for part hours are calculated at the hourly Flying Rate as follows:

Aircraft Type		Hourly Flying Rate
Air Tanker	Lockheed L-188C enhanced	\$3,770.00
Air Tanker	Convair CV580	\$1,734.00
Air Tanker	Air Tractor 802AF	\$1,304.00
Birddog	Turbo Commander TC 690A	\$ 968.00
Birddog	Cessna C-208 Grand Caravan EX	\$1,264
Birddog	Citation CJ 525	\$968.00

CONTRACT MODIFICATION AGREEMENT


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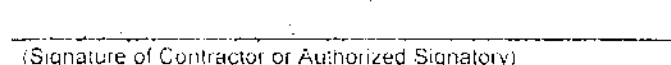
- C In all other respects the Agreement is confirmed
- D Time is of the essence in this Modification Agreement

The Parties duly execute this Modification Agreement as follows

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province

SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)


(Signature of authorized Ministry Expense Authority)


(Signature of Contractor or Authorized Signatory)

Nina Barber

Rick Pedersen

(PRINTED NAME of authorized representative)

(PRINTED NAME of Contractor or authorized signatory)

Dated this 16th day of March 2015

Dated this _____ day of _____ 20__



Natural Resource Sector

Contract Modification Agreement No. 14

MINISTRY CONTRACT/FILE NO.: 1070-20/AO1088E003B

PROJECT NAME: Air Tanker Services

THIS MODIFICATION AGREEMENT dated for reference 11th of March 2016.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

PROVINCIAL WILDFIRE COORDINATION CENTRE

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 AIRPORT ROAD,
KAMLOOPS, BRITISH COLUMBIA V2B 7X2

Telephone: Fax: E-mail Address:
(250) 312-3010 (250) 554-5468 dave.marek@gov.bc.ca

Ministry Representative: Dave Marek

AND

CONAIR GROUP INC

(the "Contractor", "you", or "your" as applicable) at the following address:

1510 TOWER STREET
ABBOTSFORD, BRITISH COLUMBIA V2T 6H5

Telephone: Fax: E-mail Address:
(604) 557-2584 (604) 557-2793 jberry@conair.ca

Contractor Representative: Jeff Berry
Corporate Business Number: 0423196
WorkSafe BC No: 147653 and/or POP No.

A. The Parties entered into an Agreement dated for reference 1st day of April, 2010, (hereinafter called the "Agreement"),

B. The Parties agree to amend the Agreement as follows:

SCHEDULE A

AVAILABILITY PERIOD AND DESIGNATED BASE(S) FOR 2016

1.03 The Availability Period(s) and the Aircraft Designated Base(s) for 2016 are as set out in Schedule A-1.

Schedule A-1 Availability Period and Designated Base(s) for 2016		
AIRCRAFT AIRTANKER GROUP	AVAILABILITY PERIOD (Each of 123 days)	DESIGNATED BASE
Group 4: Convair CV 580 (2) Rockwell Turbo Commander TC 690	May 30 to September 29	Kamloops
Group 1: Convair CV 580 (2) Rockwell Turbo Commander TC 690	May 7 to September 6	Penticton
Group 5: Lockheed L-188 C Citation CJ 525	May 2 to September 1	Fort St. John
Group 2: Air Tractor AT-802AF (4) Cessna C-208 Grand Caravan EX	May 7 to September 6	Castlegar

CONTRACT MODIFICATION AGREEMENT

CONTINUED

SCHEDULE D

FEE SCHEDULE

3. AVAILABILITY CHARGES

3.01 An Availability Charge for the Availability Period, totalling nine million five hundred ninety-one thousand, one hundred and seventy-one dollars (\$9,591,171.00) calculated as follows:

a) Heavy Air Tanker Group:

AIRCRAFT TYPE	# of AIRCRAFT	AVAILABILITY PERIOD	DAILY RATE PER AIRCRAFT	TOTAL
Lockheed L-188C Enhanced	1	123	\$10,011.00	\$1,231,353.00
Citation CJ 525	1	123	\$3,345.00	\$411,435.00
Total Availability Charge for Heavy Air Tanker Group				\$1,642,788.00

b) Intermediate Air Tanker Group:

AIRCRAFT TYPE	# of AIRCRAFT	AVAILABILITY PERIOD	DAILY RATE PER AIRCRAFT	TOTAL
Convair CV 580	2	123	\$9,612.00	\$2,364,552.00
Turbo Commander TC 690A	1	123	\$3,345.00	\$411,435.00
Total per Intermediate Air Tanker Group				\$2,775,987.00
Number of Intermediate Air Tanker Groups				2
Total Availability Charge for Intermediate Air Tanker Groups				\$5,551,974.00

c) Light Air Tanker Group:

AIRCRAFT TYPE	# of AIRCRAFT	AVAILABILITY PERIOD	DAILY RATE PER AIRCRAFT	TOTAL
Air Tractor 802AF	4	123	\$3,877.00	\$1,907,484.00
Cessna C-208 Grand Caravan EX	1	123	\$3,975.00	\$488,925.00
Total Availability Charge for Light Air Tanker Group				\$2,396,409.00

3.02 The Availability Charge is payable in five (5) equal instalments of one million nine hundred eighteen thousand, two hundred and thirty-four dollars and twenty cents (\$1,918,234.20) on May 1st, June 1st, July 1st, August 1st and September 1st in each Year of the Agreement.

3.03 Additional Availability Charges

The Additional Availability Charges for each day of Additional Services for each Air Tanker Group is as follows:

a) Heavy Air Tanker Group:

Aircraft Type		# of AIRCRAFT Type Per Group	Additional Availability Charge Per A/C
Air Tanker	Lockheed L-188C Enhanced	1	\$10,011.00
Birdog	Turbo Commander TC 690A	1	\$3,345.00
Total Additional Availability Charge for Heavy Air Tanker Group			\$13,356.00

CONTRACT MODIFICATION AGREEMENT

CONTINUED

b) Intermediate Air Tanker Group:

Aircraft Type		# of AIRCRAFT Type Per Group	Additional Availability Charge Per A/C
Air Tanker	Convair CV580	2	\$9,612.00
Birddog	Turbo Commander TC 690A	1	\$3,345.00
Total Additional Availability Charge for Intermediate Air Tanker Group			\$22,569.00

c) Light Air Tanker Group:

Aircraft Type		# of AIRCRAFT Type Per Group	Additional Availability Charge Per A/C
Air Tanker	Air Tractor 802AF	4	\$3,877.00
Birddog	Cessna C-208 Grand Caravan EX	1	\$3,975.00
Total Additional Availability Charge for Light Air Tanker Group			\$19,484.00

3.03 Extra Services – Charges (Optional Additional Aircraft).

The availability charges for each day of extra services and Flight Time flown are as shown for the following additional Aircraft:

Aircraft Type	Daily Availability Charge Per Aircraft in the extra availability period	Flying Rate for each hour of Flight Time in the extra availability period
CV580	\$12,493/day	\$2,254/hr
C525	\$4,868/day	\$1,264/hr
RJ85	\$21,897/day	\$7,117/hr
AT802	\$5,671/day	\$1,216/hr
AT802 Amphib	\$7,088/day	\$1,733/hr
PA60	\$2,983/day	\$519/hr
TC690	\$5,612/day	\$766/hr
C-208	\$4,793/day	\$519/hr

4. FLIGHT TIME CHARGES

4.01 Flight Time Charges for each hour of Flight Time and prorated for part hours are calculated at the hourly Flying Rate as follows:

Aircraft Type		Hourly Flying Rate
Air Tanker	Lockheed L-188C enhanced	\$3,857.00
Air Tanker	Convair CV580	\$1,774.00
Air Tanker	Air Tractor 802AF	\$1,334.00
Birddog	Turbo Commander TC 690A	\$ 990.00
Birddog	Cessna C-208 Grand Caravan EX	\$1,293
Birddog	Citation CJ 525	\$990.00

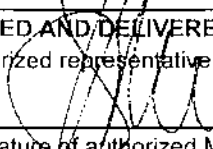
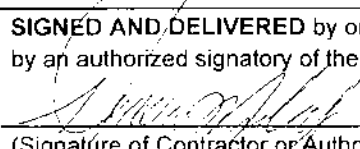
C. In all other respects, the Agreement is confirmed.

D. Time is of the essence in this Modification Agreement.

CONTRACT MODIFICATION AGREEMENT

CONTINUED

The Parties duly execute this Modification Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province	SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)
	
(Signature of authorized Ministry Expense Authority)	(Signature of Contractor or Authorized Signatory)
Dave Marek	Jeff Berry
(PRINTED NAME of authorized representative)	(PRINTED NAME of Contractor or authorized signatory)
Dated this <u>15</u> day of <u>MARCH</u> 20 <u>16</u>	Dated this <u>14</u> day of <u>MARCH</u> 20 <u>16</u>

AIRCRAFT OPERATIONS AGREEMENT



MINISTRY OF
FORESTS AND
RANGE

Agreement No.: AO1088E003B
File Reference: 1070-20 CON 10 003B
Project: Air Tanker Services

THIS AGREEMENT made on the first day of
April, 2010.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF
THE PROVINCE OF BRITISH COLUMBIA:

Wildfire Management Branch
BC Forest Service

(hereinafter called the "We" or "Province")

at the following address:

3080 Airport Road
Kamloops, British Columbia V2B 7X2

Telephone No: 250-312-3005

Fax No: 250-554-5468

Ministry Representative: Steve Newton

Email: steve.newton@gov.bc.ca

AND Conair Group Inc

(hereinafter called the "You" or "Company")

At the following address:

1510 Tower Street
Abbotsford BC V2T 6H5

Telephone No: 604-557-2584

Fax No: 604-557-2793

E-mail: rpetersen@conair.ca

WHEREAS:

- A. The Company is duly licensed to operate and provide the Aircraft, Specialty Equipment and Services as specified in this Agreement;
- B. The Province requires the said Aircraft, Specialty Equipment and Services for use in the Ministry of Forests and Range, Wildfire Management Branch, other Government of British Columbia Programs and other agencies under agreement with the Province;
- C. On the basis of the Company's submission dated September 28, 2009 in response to the Province's Request for Proposals 10-003, the Province has agreed to retain the Company to provide the Aircraft, Specialty Equipment and Services for the purpose of the control of wildfires; and
- D. The Company has agreed to provide such Aircraft, Specialty Equipment and Services to the Province.

ACCORDINGLY, the parties agree as follows:

1. DEFINITIONS

1.01 In this agreement, unless the context otherwise requires:

- a) "Additional Services" means Services requested by the Province, during the Term but excluding the Availability Period, to be provided by the Company in accordance with the terms of this Agreement and within British Columbia where the Company can reasonably make the Aircraft, Speciality Equipment and Personnel available for such Services;
- b) "Aircraft" means any or all aircraft, described in Schedule B covered by this Agreement including Replacement Aircraft; or Spare Aircraft;



- c) "Availability Period" means the annual period during a calendar year, as set out in Schedule A where the Aircraft, Specialty Equipment and Personnel are readily available to provide the Services under this Agreement;
- d) "BC Forest Service Fire Bombing Procedures" means the British Columbia Fire Bombing Procedures, created and maintained by the Province, outlining the Province's training requirements and operational policies and procedures in relation to aerial fire fighting;
- e) "Built-up Area" means any forest or range land occupied by houses, trailers, mobile homes, outbuildings or other manmade structures that are being threatened by, are adjacent to, or are within the boundaries of, a Wildfire;
- f) "Designated Base" means the operational base to which the Aircraft is assigned according to Schedule A;
- g) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests and Range; the Director, Protection Program; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Protection Program may authorize;
- h) "Extra Services" means Services requested by the Province, during the Term, to be provided by the Company in accordance with the terms of this Agreement and within British Columbia where the Company can reasonably make Spare Aircraft and Personnel available for such Services;
- i) "Improvements" means any vehicle, equipment or other manmade structure that is occupying forest or range lands being threatened by, adjacent to, or within the boundaries of, a Wildfire;
- j) "Maintenance Manuals" means the Company's Transport Canada approved Maintenance Control and Maintenance Procedures Manuals detailing the aircraft operated by the air carrier, the maintenance criteria, procedures and schedule for each aircraft and the personnel responsible for maintenance, inspection and quality control;
- k) "Minister" means the Minister of Forests and Range or his Designated Representative;
- l) "Ministry" means the Ministry of Forests and Range, Province of British Columbia;
- m) "Operations Manual" means the Company's Transport Canada approved document detailing the Company's operating procedures and includes any amendments to the same as required by law;
- n) "Proposal" means the Company's submitted response to RFP 10-003;
- o) "RFP" means Request For Proposal 10-003 for Air Tanker Services for Wildfire Management;
- p) "Replacement Aircraft" means aircraft provided by the Company to replace the Aircraft;
- q) "Services" means the services provided by the Company to the Province described in Schedule C;
- r) "Spare Aircraft" means any of the Company's aircraft meeting the Aircraft and Speciality Equipment specifications as set out in Appendix 2 to Schedule B or as agreed by the parties, that the Company is willing to make available on the Province's request to provide Extra Services under the terms and conditions of this Agreement;
- s) "Specialty Equipment" means the specialty equipment required in providing the Services and as described in Schedule B, and any other such equipment approved by the Minister for use in providing the Services;
- t) "Spill Plan" means the Company's contingency plan to deal with pesticide spills, accidents or misapplication, developed in accordance with the specifications in this Agreement;
- u) "Term" means the period described in this Agreement and represents the period which this Agreement and its Schedules continue in effect according to the terms, including any extension of the Agreement;



- v) "Training Manual" means the Company's Transport Canada approved document detailing the flight crew criteria, procedures and schedules and includes any amendments to the same as required by law;
- w) "Wildfire" means an unplanned fire occurring on forest or range lands, burning forest vegetation, grass, brush, scrub, peatlands, or a prescribed fire set under a burning permit which, in the judgment of a forest officer threatens to spread beyond the area authorized for that burning; and
- x) "Year" means the means the 12 month period from April 1 of a calendar year to March 31 of the next calendar year, inclusive of both dates.

2. APPOINTMENT, TERM AND SERVICES

- 2.01 The Province retains the Company to provide the Services in accordance with this Agreement regardless of the date the Parties execute or deliver this Agreement.
- 2.02 The Company will provide the Services during the Availability Period during each Year of the seven year Term that commences April 1, 2010 and ends on March 31, 2017 and during any extension to the Term made pursuant to paragraph 2.05 unless this Agreement terminates sooner pursuant to paragraph 10 and/or paragraph 11.
- 2.03 The Company shall provide the Services under this Agreement during each Availability Period in each Year of the Term and any extension of the Term.
- 2.04 The Parties may agree to extend the Term by a maximum of three Years, each extension of no less than one Year in length.
- 2.05 If the Parties agree to extend the Term of this Agreement for up to three (3) additional Years, the Term will end on March 31, 2018, 2019 or 2020 as agreed.
- 2.06 If the Province wishes to enter into an agreement(s) with the Company to extend the Term, the Province will provide written notice of each extension on or before September 30.
- 2.07 If the Parties agree to extend the Term, unless the Parties otherwise agree in writing and subject to sub paragraph 2.05 the terms and conditions of this Agreement in effect as at the end of the Term and any extensions will apply during any subsequent extension.
- 2.08 We give you no assurances, expressed or implied that we will wish to extend this Agreement beyond the Term.
- 2.09 Any extension of the Term pursuant to paragraph 2.05 does not prevent the Province from exercising its rights to terminate this Agreement pursuant to paragraph 11.

3. FEES AND EXPENSES

- 3.01 In consideration of the Company providing the Services, the Province will pay to the Company fees and expenses in the amounts and in the manner set out in Schedule D plus any applicable taxes.
- 3.02 The sums described in section 3.01 constitute the maximum amounts payable to the Company for its performance of the Services and the Company will not be entitled to any additional compensation for its performance whether or not the work actually undertaken by the Company is described in the Agreement.
- 3.03 Notwithstanding any other provision of the Agreement, the payment of money by the Province to the Company under this Agreement is subject to:
 - a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, to enable the Province, in any fiscal year or part thereof when any payment of money by the Province to the Company falls due under this Agreement to make that payment; and



- b) Treasury Board as defined in the *Financial Administration Act*, not having controlled or limited expenditure under any appropriation referred to in subsection a) of this section.
- 3.04 The Province certifies that the property and/or services ordered and purchased under this Agreement are for the use of, and are being purchased by, the Province with Crown funds and are therefore not subject to the Goods and Services Tax.

4. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

- 4.01 The Company represents and warrants to the Province that the Company:
- a) holds all permits, licenses, certificates, consents, and other authorizations issued by any federal, provincial or municipal government, or agency of any of them, that are required to be held by the Company, in connection with the operations of the Company at the commencement of this Agreement;
 - b) will provide and maintain at all times sufficient trained staff, facilities, materials, appropriate equipment and approved sub-contractual agreements in place and available to enable it to fully perform the Services and meet the Company's obligations under this Agreement;
 - c) will not act as a servant, employee, or agent of the Province or the Minister; and
 - d) not, in any manner whatsoever, commit or propose to commit the Province or the Minister to the payment of any money to any person, except as contemplated by this Agreement.
- 4.02 If requested by the Province to carry out aerial spray operations, the Company confirms that they are familiar with, and understand and shall comply with all federal and provincial laws, regulations, policies, procedures and standards applicable to carrying out a pesticide application including:
- a) the Material Safety Data Sheets for the pesticide being used;
 - b) program regulations as appropriate;
 - c) every prescription applicable to the spray zones; and
 - d) applicable provisions of:
 - i. Pesticide Control Act and Regulations; and,
 - ii. Transportation of Dangerous Goods Act and Regulations.

5. COVENANTS OF THE COMPANY

- 5.01 The Company will:
- a) observe, perform and comply with all of its obligations under this Agreement;
 - b) perform the Services in a safe and good worker-like manner to the satisfaction of the Ministry in accordance with the Company's Training Manual and the Operations Manual;
 - c) equip, operate and maintain the Aircraft in accordance with all requirements of Canadian and British Columbia laws and regulations;
 - d) comply with all the standards, practices, procedures and specification set out in the Company's Transport Canada approved Operations Manual; and those set out in the Transport Canada approved Maintenance Manuals in conducting all Aircraft maintenance;
 - e) service, repair, overhaul, test, improve and maintain the Aircraft in a safe and airworthy state of repair at all times in accordance with the manufacturer's recommended maintenance programs and the Company's Maintenance Manuals, to the satisfaction of the Minister;
 - f) secure and maintain in good standing all necessary approvals and certificates for the Aircraft, Services and Specialty Equipment described in this Agreement;



- g) make the Company's Operations Manual, Maintenance Manuals and other such Manuals available to the Minister upon request;
- h) ensure that the Aircraft and Specialty Equipment complies with all manufacturers' standards and federal/provincial regulations prior to the commencement of the Services;
- i) cause the necessary testing to confirm the performance of the fire bombing tank;
- j) designate a flight safety officer from the Company's personnel;
- k) allow no pilot to fly the Aircraft to provide the Services pursuant to this Agreement, without prior approval of the Minister;
- l) ensure that all Aircraft maintenance is performed by a fully qualified and licensed Aircraft Maintenance Engineer (AME) who is not the Aircraft pilot;
- m) be responsible for all charges, costs and expenses including but not limited to costs of aircraft lubricants, and airport costs necessary for the efficient operations of the Aircraft and Specialty Equipment required for the performance of the Services under this Agreement, unless otherwise specified in this Agreement;
- n) be responsible for environmental clean up associated with its own operations;
- o) in addition to the items contained in this Agreement, and except as defined in Schedule D, be responsible for all other expenses connected with the Company's operations;
- p) reasonably cooperate with the Province and any other persons providing Services to the Province;
- q) grant to the Province, its servants, employees and agents access to the technical maintenance and flight records of the Company respecting the Services at all reasonable times for the purpose of inspections;
- r) grant to the Province, its servants, employees and agents the right to inspect the Aircraft and Specialty Equipment;
- s) carry on business in a professional manner in accordance with generally accepted business principles; and
- t) ensure that the representations and warranties in section 4 are true and correct at all times during the term of the Agreement and provide evidence to that effect to the Province on written request of the Minister.

6. COVENANTS OF THE PROVINCE

6.01 The Province will, at its own expense, provide the following:

- a) aviation fuel for the Aircraft, landing and navigation fees (as applicable) necessary for the Company to perform the Services, except as otherwise provided;
- b) retardant and foam materials, and the loading facilities complete with all necessary equipment and personnel;
- c) flight and maintenance crew living expenses when the Aircraft and crews are required by the Minister to be away from the Designated Base overnight if the expenses have not otherwise been provided by the Ministry. Such expenses or provided accommodation to be at a standard equivalent to that provided to the Province's staff or at rates as set out in Schedule D;
- d) aircraft maintenance area, including supply of water and electricity where such facilities currently exist;
- e) suitable fire fighting equipment at the retardant loading, maintenance and refuelling sites as agreed upon by the parties and in accordance with the applicable regulations;



- f) computerized access to the Ministry's aircraft and resource dispatch system;
- g) suitable area and facilities for record keeping, administrative tasks and secure storage for tools and equipment during the Availability Period;
- h) facilities for flight and maintenance crew rest, eating, personal hygiene and recreation;
- i) flight and maintenance crew meals and refreshments during periods of sustained fire fighting activity; and
- j) appropriate WorkSafe and Transport Canada required ramp safety equipment and facilities.

7. INSURANCE AND INDEMNITY

- 7.01 The Company will obtain and maintain in force during the term insurance on the terms, including form, amounts, and deductibles, outlined in Schedule E, as those terms may change from time to time in accordance with our directions.
- 7.02 The Company will indemnify and save harmless the Province and the Minister from and against all claims, demands, losses, damages, costs and expenses made against or incurred, suffered or sustained by the Province and the Minister or either of them at any time or times (whether before or after termination of this Agreement) where the same or any of them are based upon or arise out of anything done or omitted to be done by the Company or by any employee, officer, subcontractor, or agent of the Company pursuant to this Agreement, excepting as always liability arising out of the independent negligent acts of the Province or the Minister.
- 7.03 Notwithstanding section 7.02, the Province will indemnify and save harmless the Company, its permitted subcontractors and their respective agents, servants and employees from and against any and all liability or bodily injury or damage to improvement directly or indirectly caused by, arising from or resulting from the dropping of fire retardants, water, foam and other fire control chemicals and pesticides from an Air Tanker by the Company or any of its permitted subcontractors, their respective agents, servants or employees under this Agreement in the vicinity of improvements or Built-up Areas where such actions are:
- a) carried out at the direction of the Minister;
 - b) are, in the opinion of the Minister, considered to be essential to the control of Wildfires; and/or insect infestation; and
 - c) not negligently performed by the Company.
- 7.04 The Company will cooperate with the Province and its counsel in any investigations, settlements and judicial determination of any claims made against the Province, the Minister or the Company relating directly or indirectly to this Agreement and will use its best effort to cause its employees, officers, sub-contractors and agents to be similarly bound.
- 7.05 The Company is solely responsible for any of its material or equipment stored at any of the Province's facilities and releases the Province from any liability associated with such storage.

8. ASSIGNMENT AND SUBCONTRACTING

- 8.01 The Company will not assign this Agreement, nor subcontract any of its obligations under this Agreement, to any person, firm, or corporation without the prior written consent of the Province.
- 8.02 If the Company does assign this Agreement (or any part of it), or if the Company does subcontract any of its obligations under this Agreement, whether or not such assignment or subcontracting is done according to the Agreement, then the Company will be fully responsible for the acts and omissions of its assignees and subcontractors (and their respective employees and agents), and no agreement entered into by the Company with an assignee or a subcontractor will impose any



obligation or liability upon the Province to any such assignees or subcontractor (or their respective employees or agents).

- 8.03 The Company will cause every assignee or subcontractor to be bound to the Company by the same terms of this Agreement by which the Company is bound to the Province as far as they apply to the work to be performed by each assignee or subcontractor.

9. PERFORMANCE AND SERVICE ENHANCEMENTS

- 9.01 The Company will provide the Services in a manner satisfactory to the Province and as described in Schedule C.
- 9.02 Both parties, upon the reasonable request of the other party will fully cooperate to the betterment of the Services provided under this Agreement.
- 9.03 Both parties acknowledge a desire for innovation and continuous Service improvement. Either party may recommend to the other party Service or Aircraft enhancements and/or changes for mutual consideration and Agreement amendments as may be appropriate.

10. DISPUTE RESOLUTION

- 10.01 If a difference, concern or dispute between the Parties arises out of or in connection with this Agreement or in respect of any defined legal relationship associated with this Agreement or derived from this Agreement (the "Dispute"), the Parties agree to resolve the Dispute using the following process:
- a) the Parties will promptly hold a meeting that individuals from each Party with decision-making authority regarding the Dispute will attend and attempt in good faith to negotiate a resolution of the Dispute;
 - b) if, within thirty (30) days after the meeting described in subparagraph (a), or such further period the Parties agree to in writing, the Parties do not succeed in negotiating a resolution of the Dispute, the Parties will:
 - i. seek the assistance of a neutral and mutually acceptable mediator, who the Parties will jointly select and appoint, or
 - ii. if the Parties agree in writing, resolve the Dispute by arbitration pursuant to subparagraph f);
 - c) if the Parties cannot agree on mediator as described in clause b) i., the Parties will resolve the Dispute pursuant to subparagraph f);
 - d) if the Parties appoint a mediator pursuant to clause b) i., the Parties agree to participate in good faith in a mediation session that must occur within thirty (30) days after the appointment of the mediator, or such further period the Parties agree to in writing;
 - e) the Parties agree to conduct any mediation in accordance with the Mediation Rules of the British Columbia Mediator Roster Society;
 - f) unless the Parties otherwise agree, any Dispute that the Parties do not resolve by negotiation or mediation pursuant to subparagraphs a) to e), the Parties will refer for final resolution by arbitration by arbitration administered by the British Columbia International Commercial Arbitration Centre pursuant to the "Rules of Procedures". The place of arbitration will be Victoria, British Columbia;
 - g) the Parties agree that the decision of an arbitrator will be final and binding and will not be subject to appeal to any court on a question of fact, law or mixed fact and law; and
 - h) The Parties agree to share equally the costs of any mediation or arbitration, but those costs will not include costs incurred by a Party for representation by counsel.



11. DEFAULT, REMEDIES AND TERMINATION

- 11.01 Notwithstanding any other provision of this Agreement, any of the following events will constitute an "Event of Default" by you, whether any such event is voluntary, involuntary or results from the operation of law or any judgment or order of any court or administrative or government body:
- a) the Company fails to observe, perform or comply with any provision of this Agreement that is required to be observed, performed or complied with on the part of the Company and has not rectified such failure or is not in the reasonable opinion of the Minister diligently proceeding to rectify such failure;
 - b) the Company fails to furnish and give to the Province notice that there has occurred, or is continuing, a default under this Agreement including specifying particulars of the same; and
 - c) a change occurs with respect to the Company's Business or to any one or more, including all of the properties assets conditions (financial or otherwise), business or operations of the Company which in the reasonable opinion of the Minister, materially adversely affects the ability of the Company to fulfil any of its obligations or provide the Services under this Agreement;
- 11.02 On the happening of an Event of Default, or at any time thereafter, the Province may, at its option, elect to do any one or more of the following:
- a) pursue any remedy available to it at law or in equity;
 - b) deliver written notice to the Company specifying the Events of Default which notice may:
 - i. suspend the rights and obligations of the Company under this Agreement, in whole or in part; and/or
 - ii. require the Event of Default be remedied within the time frame specified by the Minister;
 - c) reduce the fees payable pursuant to Schedule D if the Event of Default relates to failure to provide the Services as a result of failure of Equipment; and/or
 - d) waive the Event of Default.
- 11.03 The rights, powers and remedies conferred on the Province under this Agreement are not intended to be exclusive and each will be cumulative and in addition to and not in substitution for every other right, power and remedy existing or available to the Province under this Agreement, any other Agreement, at law or in equity and the exercise by the Province of any right, power or remedy will not preclude the simultaneous or later exercise by the Province of any other right power or remedy.
- 11.04 If the Company has not remedied the Event of Default specified in a notice under subsection 10.02 b), or if the Event of Default is not capable of being remedied during the suspension to the satisfaction of the Minister, then within thirty (30) days of the delivery of such notice, the Province at its sole discretion may terminate this Agreement by notice in writing to the Company.
- 11.05 The Province may, in addition to any remedy available to it at law or equity, terminate this Agreement by written notice to the Company if the Company fails to observe, perform or comply with any provisions of this Agreement.



12. AUDIT

- 12.01 The Province may, at its sole discretion and at its expense, conduct an audit of the technical, maintenance and flight records of the Company respecting the Services or this Agreement, including the right to inspect and take copies of such records upon reasonable notice and at reasonable times.
- 12.02 In respect to such audits the Company will:
- a) fully cooperate with the Province in conducting the audit; and
 - b) provide, upon request of the Province and solely for the review of the Province, copies of the most recent annual audited financial statements of the Company.

13. PUBLIC ANNOUNCEMENTS

- 13.01 The Company will cooperate with the Province and at its request, assist the Province in developing a communications strategy and making public announcements regarding the Services and this Agreement.
- 13.02 The Company will make no public comment about the Services or this Agreement, without first consulting with the Province and obtaining its approval.
- 13.03 The Company will logo the Aircraft in accordance with the directives of the Minister.
- 13.04 The Province will consult with the Company before making any public comment about the Services that references the Company's name.

14. NOTICES

- 14.01 Any notice, document, statement, report or demand desired or required to be given or made under this Agreement will be in writing and may be given or made by personal delivery to the party to whom it is to be given or made, or by mailing it in Canada with postage prepaid to the applicable address, or by transmitting it by facsimile to the applicable facsimile transmission number, noted for both the Province and the Company at the start of this Agreement.
- 14.02 The Company will provide to the Province, as soon as possible and by the quickest means possible, the particulars and details of any Aviation Occurrence that occurs in performance of the Services.
- 14.03 The Province may request the Company prepare a detailed report of the Aviation Occurrence referred to in section 14.02 and the Company will provide such a report as soon as possible or within seven (7) days.

15. CONFLICT OF INTEREST

- 15.01 The Company will not during the Term perform a service for or provide advice to any person, firm or corporation or other legal entity where the performance of the service or provision of the advice may or does, in the reasonable opinion of the Minister give rise to a conflict of interests of the obligation of the Company to the Province and the Company's obligations to others.

16. ENTIRE AGREEMENT

- 16.01 This Agreement and any modification of it constitute the entire agreement between the Parties as to performance of the Services.
- 16.02 Schedules A through E attached to this Agreement are an integral part of this Agreement as if set out in length in the body of this Agreement.
- 16.03 This Agreement may only be amended by further written amendments executed by or behalf of the parties.



17. MISCELLANEOUS

- 17.01 The Company will treat as confidential and will not, without the prior written consent of the Minister, publish, or disclose or permit to be published or disclosed either before or after the termination of this Agreement, any information supplied to, obtained by or which comes to the knowledge of the Company as a result of this Agreement except insofar as such publication, or disclosure is required by law or is necessary to enable the Company to fulfil the Company's obligation under this Agreement.
- 17.02 All the discretion and obligations of the Minister or the Province under this Agreement may be exercised or performed by the Minister, the Deputy Minister of Forests and Range or by a Designated Representative.
- 17.03 This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia.
- 17.04 All terms, conditions, statements and commitments presented within the Company's Proposal are considered an integral portion of this Agreement unless otherwise expressly excluded within this Agreement.
- 17.05 This Agreement will inure to the benefit of and be binding upon the Province and its assigns and the Company and its successors and permitted assigns.
- 17.06 It is acknowledged and agreed by the parties that nothing contained in this Agreement operates as a consent, permit, or approval by any regulatory authority, government body, public officer, ministry, branch, office or agency to or for anything related to the Agreement that by or under law the Company may be required or may desire to obtain.
- 17.07 If any provision of this Agreement or application thereof to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstances will not be affected or impaired indirectly and will be valid and enforceable to the extent permitted by law.

SIGNED on behalf of Her Majesty the Queen in right of the Province of British Columbia by the Minister of Forests and Range on the 1st day of April, 2010 in the presence of:

_____)
 (Witness))
 _____)
 (Minister of Forests and Range)

[Handwritten signature]
 J. BERRY
 073207

SIGNED on behalf of the Company on the 30th day of March, 2010 in the presence of:

_____)
 (Witness))
 _____)
 (Authorized Signatory)

[Handwritten signature]

AGREEMENT NO: AO1088E003B

PROJECT NAME OR NO: Air Tanker
Services

FILE: 1070-20 CON 10 003B

Schedule A

AVAILABILITY PERIOD AND DESIGNATED BASE(S)

- 1.01 The Availability Period for each Aircraft will be an annual period of 123 consecutive days between April 1st and October 31st inclusive each Year, when the Aircraft, Specialty Equipment and Personnel are to be immediately available for the provision of the Services. The Availability Period will be confirmed with notification to the Company prior to February 15th of each Year of the Agreement or any extension to the Term of this Agreement.
- 1.02 A Designated Base for the Aircraft for each Availability Period will be confirmed by the Province with notification to the Company prior to February 15th of each Year of the Agreement or extension to the Term of this Agreement.
- 1.03 The Availability Period(s) and the Aircraft Designated Base(s) for 2010 are as set out in Schedule A- 1.

Schedule A-1

Availability Period and Designated Base (s) for 2010

AIRCRAFT AIRTANKER GROUP	AVAILABILITY PERIOD (each of 123 days)	DESIGNATED BASE
Lockheed L-188 C Rockwell Turbo Commander TC 690	May 15, 2010 to September 14, 2010	Abbotsford, BC
Convair CV 580 (2) Rockwell Turbo Commander TC 690	May 1, 2010 to August 31, 2010	Kamloops, BC
Convair CV 580 (2) Rockwell Turbo Commander TC 690	May 1, 2010 to August 31, 2010	Prince George, BC
Air Tractor AT-802AF (4) Piper Aerostar PA-60	May 15, 2010 to September 14, 2010	Prince George, BC



Schedule B
AIRCRAFT and SPECIALTY EQUIPMENT and PERSONNEL

During the Term and any extensions to the Term, the Company shall provide Aircraft, Speciality Equipment and Personnel according to the following specifications and qualifications and experience requirements.

1. AIRCRAFT and SPECIALITY EQUIPMENT

1.01 In performing the Services, the Company will provide Air Tanker Aircraft and Birddog Aircraft that meet the Aircraft and Speciality Equipment Specifications as set out in Schedule B-1.

1.02 At the Commencement of the Term, the Company will provide the following Aircraft for the performance of the Services:

a) One (1) Heavy Air Tanker Group

Aircraft Type		Number of Aircraft
Air Tanker	Lockheed L-188 C enhanced	1
Birddog aircraft	Rockwell Turbo Commander TC 690A	1

b) Two (2) Intermediate Air Tanker Groups

Aircraft Type		Number of Aircraft
Air Tanker	Convair CV 580	4
Birddog aircraft	Rockwell Turbo Commander TC 690A	2

c) One (1) Light Air Tanker Group

Aircraft Type		Number of Aircraft
Air Tanker	Air Tractor AT-802AF	4
Birddog aircraft	Piper Acrostar PA-60	1

d) The Aircraft in subparagraphs a), b) and c) will have the identification, description and performance specifications as set out in Schedule B-2, Aircraft Technical Information and Data.

1.03 As soon as known, and at least at the commencement of each Availability Period, the Company will advise the Province of any changes to Schedule B-2.

1.04 The Aircraft will be equipped with all safety and survival equipment and supplies as required by federal and provincial laws and regulations.

1.05 Unless otherwise agreed by the Parties, any Replacement Aircraft or Spare Aircraft will meet the Aircraft and Speciality Equipment specifications as set out in this schedule and any appendices.



2. PERSONNEL

- 2.01 In performing the Services, the Company will provide the following Flight Crew Personnel:
- a) Air Tanker Aircraft Pilot in Command;
 - b) Air Tanker Aircraft First Officer (as applicable); and
 - c) Birddog Aircraft Pilot.
- 2.02 The Flight Crew Personnel will have the minimum qualifications and experience as set out in Schedule B-3.
- 2.03 All Aircraft pilots and first officers must be listed in the BCFS Directory of Commercial Pilots and approved by the Ministry to provide the Services under this Agreement.
- 2.04 At the Commencement of the Term, the Company will provide current Pilot Data Sheets for the Flight Crew Personnel proposed in the Company's Proposal and meeting the qualifications and experience as set out in Schedule B-3.
- 2.05 The Company will provide current and updated Pilot Data Sheets for the Flight Crew personnel for each Year.
- 2.06 In performing the Services, the Company will provide Maintenance Personnel:
- a) trained in accordance with the Company's Transport Canada approved Maintenance Manuals and available for daily routine maintenance;
 - b) Aircraft Maintenance Engineers must be licensed in accordance with current Transport Canada requirements; and
 - c) that meet or exceed the qualifications and experience requirements as set out in the Company's Proposal.
-



Schedule B-1
Aircraft and Specialty Equipment Specifications

Air Tanker Aircraft

1. AIRCRAFT SPECIFICATIONS

1.1 Turbine Powered

All air tankers are to be turbine powered.

1.2 Payload Capacity

- Heavy Air Tankers will have a minimum retardant carrying capacity of 11,300 litres;
- Intermediate Air Tankers will have minimum retardant carrying capacity of 7,300 litres; and
- Light Air Tankers will have a minimum retardant carrying capacity of 3,000 litres.

1.3 Fuel Endurance

All air tankers fully loaded with retardant will have a fuel endurance of a minimum of three hours with legal reserves when operating from Williams Lake, British Columbia at 20° C.

1.4 IFR Capable

All multi turbine engine air tankers will be suitably equipped to conduct IFR flights.

1.5 Aircraft Condition and Maintenance

The Province expects the aircraft to be in excellent operating condition and appearance. At the start of the annual Availability Period each air tanker should be capable of providing at least 150 hours of uninterrupted service without any major scheduled maintenance or overhaul.

2. AIRCRAFT PERFORMANCE

2.1 Loaded (fuel and retardant) Cruise Speed

- Heavy Air Tankers will have a minimum loaded cruise speed of 250 kts TAS for a dispatch distance of 60 nm at 10,000' ASL.
- Intermediate Air Tankers will have minimum loaded cruise speed of 250 kts. TAS for a dispatch distance of 60 nm at 10,000' ASL.
- Light Air Tankers will have minimum loaded cruise speed 160 kts. TAS for a dispatch distance of 60 nm at 8,000' ASL.



2.2 Drop Speed

- Heavy Air Tankers will have a minimum drop speed of 125 kts. TAS.
- Intermediate Air Tankers will have minimum drop speed of 125 kts. TAS.
- Light Air Tankers will have minimum drop speed 105 kts. TAS.

2.3 Runway Requirements

- Heavy Air Tankers should safely operate from a paved runway of 5,000 feet.
- Intermediate Air Tankers should safely operate from a paved runway of 5,000 feet.
- Light Air Tankers should safely operate from a paved/gravel/turf runway of 3,000 feet.

3. AIRCRAFT COMMUNICATION AND NAVIGATION EQUIPMENT SPECIFICATIONS

In addition to all necessary communication, navigation and flight safety equipment and systems as required by Transport Canada legislation or regulations the air tankers will be equipped with the following:

3.1 Communication Equipment and Specifications

- Two VHF-AM transceivers having 25 mhz spacing and a range of 118.00-135.95 mhz.
- TFM 138B Narrowband FM transceiver or equivalent.
- Noise cancelling headsets for all seat positions.
- Satellite voice communications.

3.2 Navigation Equipment and Specifications

- Global Positioning System (GPS) interfaced with a Garmin 530A GPS/COM/VOR/MFD or equivalent.
- An Iridium based Automated Flight Following (AFF) and voice communication system meeting the specifications detailed in the BCFS Wildfire Management Branch web site: www.for.gov.bc.ca/protect/AFF/.

3.3 Personnel Communication Equipment and Specification

Personal digital assistant (PDA) is to be assigned to each air tanker flight crew position and the engineer to facilitate digital communication with on duty flight crews. The PDA will meet the Blackberry specifications or equivalent. It is envisioned that these PDA devices will remain with the operational flight crews during crew changes/or replacement.



4. **FIRE BOMBING TANK SPECIFICATIONS**

- **Capacity** - Minimum payload capacity as specified by size class of air tanker.
- **IAB certification** - The Fire Bombing Tank(s) should have been tested and recommended for approval by the USDA Missoula Technology and Development Center as having met the Interagency Airtanker Board (IAB) criteria and requirements for tank and gating systems or have full IAB certification.
- **Foam Injection Capabilities**

5. **FLIGHT SAFETY EQUIPMENT SPECIFICATIONS**

5.1 **TCAD**

All air tankers require TCAD having the capability and performance similar to the Avidyne TAS 620.

5.2 **Pulse Lights**

All air tankers are to be equipped with Pulse Lights on wing tips and the tail.

6. **OTHER EQUIPMENT**

- A climate controlled cockpit is desirable for all air tankers.
- For light capacity air tankers only, the ability/capacity to undertake forest health spray projects.



Birddog Aircraft

1. AIRCRAFT SPECIFICATIONS

1.1 TURBINE POWERED

- Twin engine turbine powered birddog aircraft are required for the Heavy and Intermediate Air Tanker Groups (Turbo Commander TC690 is a preferred birddog aircraft).
- Twin engine piston powered birddog aircraft are acceptable for the Light Air Tanker groups (Aerostar is a preferred aircraft in this role).

1.2 PAYLOAD CAPACITY

All birddog aircraft must have a minimum of two passenger seats.

1.3 FUEL ENDURANCE

Birddog aircraft must have a minimum fuel endurance of three and one half hours.

1.4 IFR CAPABLE

All turbine power birddog aircraft must be suitably equipped for single pilot IFR flights.

1.5 AIRCRAFT CONDITION AND MAINTENANCE

The Province expects the aircraft to be in excellent operating condition and appearance. At the start of the annual Availability Period, the birddog aircraft should be capable of providing at least 150 hours of uninterrupted service without any scheduled major maintenance or overhaul.

1.6 VISIBILITY STANDARDS

The birddog aircraft must be equipped with high quality clear (un-tinted), right side window to facilitate professional quality digital photography and videos. The minimum visibility standard is:

- 75 degrees of forward vertical visibility unobstructed;
- 120 degrees of side window vertical visibility unobstructed;
- 90 degrees of side window horizontal visibility unobstructed; and
- clear and clean windows (free from scratches/pass throughs etc.) to facilitate viewing and sharp aerial photography and videos.

2. AIRCRAFT PERFORMANCE

2.1 CRUISE SPEED

- Turbine powered birddog aircraft will have a minimum cruise speed of 250 kts TAS.
- Piston powered birddog aircraft will have a minimum cruise speed of 190 kts TAS.



2.2 **LOW LEVEL LOITERING SPEED (MAX FUEL LOAD)**

- Birddog aircraft will have a minimum safe manoeuvring speed of 120 kts TAS.

2.3 **RUNWAY REQUIREMENTS**

- Birddog aircraft should safely operate from a paved runway of 3,000 feet.
- Birddog aircraft supporting Light Air Tanker Group(s) should safely operate from a paved/gravel/turf runway of 3,000 feet.

3. **COMMUNICATION AND NAVIGATION EQUIPMENT**

In addition to all necessary communication, navigation and flight safety equipment as required by Transport Canada legislation or regulations, the birddog aircraft will be equipped with the following:

3.1 **COMMUNICATION EQUIPMENT AND SPECIFICATIONS**

- Two VHF-AM transceiver having 25 mhz spacing and a range of 118.00-135.95 mhz.
- TFM 138B Narrowband FM transceiver or equivalent.
- Satellite voice communications.
- Access to transmit and receive on either the AM, FM or phone system from all seats.
- Independent use side tone and volume control of all radio systems.
- VOX or push to talk intercom.
- All system access through boom mikes and head sets.
- Noise cancelling headsets for all seat positions (minimum of three).
- A siren Public Address (PA) system with downward facing or downward and side facing loud hailers.

3.2 **NAVIGATION EQUIPMENT AND SPECIFICATIONS**

- Global Positioning System's specifications: System interfaced with a Garmin 530A GPS/COM/VOR/MFD or equivalent.
- An Iridium based Automated Flight Following and voice communication system meeting the specifications detailed in the BCFS Wildfire Management Branch web site:
www.for.gov.bc.ca/protect/AFF/

3.3 **PERSONNEL COMMUNICATION EQUIPMENT AND SPECIFICATIONS**

Personal digital assistant (PDA) is to be assigned to each birddog aircraft pilot position (not to unique individuals) to facilitate digital communication with flight crews. The PDA will meet the Blackberry specifications or equivalent.



4. FLIGHT SAFETY EQUIPMENT SPECIFICATIONS

4.1 TCAD

All birddog aircraft require TCAD having the capability and performance similar to the Avidyne TAS 620 interfaced with the Garmin 530A or equivalent.

4.2 PULSE LIGHTS

All birddog aircraft are to be equipped with Pulse Lights on wing tips and the tail.

5. OTHER

All turbine powered birddog aircraft must have a climate controlled cockpit.



Schedule B-2
Aircraft Technical Information and Data

Air Tanker Aircraft

Lockheed L-188

1. General Aircraft Information and Identification

Air Tanker Type	
Class: (Heavy, Intermediate, Light)	Heavy
Transition Aircraft (yes/no)	No
Aircraft Make and Model	Lockheed L-188C enhanced
Aircraft Serial Number	1143
Aircraft Registration	G-LOFD
Year of Manufacture	1961
Hours of Airframe	54,514.30

2. Aircraft Specifications

2.1 Number of Engines and Type	4 x Allison 501 D13 Turboprop
2.2 Aircraft Payload/Capacity	12,490 Litres Fire retardant
2.3 Fuel Endurance	5.0 Hours
• Economy Cruise fuel burn (litres per hour)	2,550 Litres per hour
2.4 IFR capable	Yes
2.5 Aircraft Condition	Excellent

3. Aircraft Performance

3.1 Loaded Cruise Speed (fuel and retardant)	300 Knots
3.2 Minimum Drop Speed	120 Knots
3.3 Runway Requirements	5,000 Feet



4. Aircraft Communication and Navigation Equipment

4.1 Communication Equipment	
<i>In addition to all Legislative and regulatory requirements</i>	
VHF-AM Transceivers	2x Collins 618M COM's
FM Transceivers	2x Collins 51RV-1 NAV's Technisonics TFM-138B
Communication System Headsets	2x David Clarke H10-56hx1 noise cancelling headsets
Satellite Voice Communication	S200 Satphone c/w PTA12-000 telephone adaptor
4.2 Navigation Equipment	
<i>In addition to all Legislative and regulatory requirements</i>	
Global Positioning System	Apollo 2101 BRNAV
Automated Flight Following	S200 (contains the LMC for tracking)
4.3 Personnel Communications	
Personal Digital Assistants	Yes

5. Fire Bombing Tank

Name and Model	Conair 12 door 3,000 US Gallon transitioning for the 2011 fire season to Conair RADS III 3300 US Gallon
Load release system	12 door electrically controlled, hydraulically actuated transitioning to Moog 3,000 single door constant flow
Capacity	12,490 Litres
Foam Injection Capabilities	Yes

6. Flight Safety Equipment

6.1 TCAD	Honeywell CAS67A TCASII
6.2 Pulse Lights	Yes



Air Tanker Aircraft

Convair CV 580

2. General Aircraft Information and Identification

Air Tanker Type				
Class: (Heavy, Intermediate, Light)	Intermediate	Intermediate	Intermediate	Intermediate
Transition Aircraft (yes/no)	No	No	No	No
Aircraft Make and Model	Convair CV-580	Convair CV-580	Convair CV-580	Convair CV-580
Aircraft Serial Number	179	080	057	465
Aircraft Registration	C-FFKF (T444)	C-FEKF (T445)	C-FKFB (T447)	C-FKFL (T449)
Year of Manufacture	1954	1953	1953	1957
Hours of Airframe	67,810.1	67,445.0	81,394.0	52,676.8

3. Aircraft Specifications

2.1 Number of Engines and Type	2 - Allison 501-D13H	2 - Allison 501-D13H	2 - Allison 501-D13H	2 - Allison 501-D13H
2.2 Aircraft Payload/Capacity	7950 litres	7950 litres	7950 litres	7950 litres
2.3 Fuel Endurance	3+ 34 (with 7,300 litres ret)	3+ 34 (with 7,300 litres ret)	3+ 34 (with 7,300 litres ret)	3+ 34 (with 7,300 litres ret)
• Economy Cruise fuel burn (litres per hour)	1,350	1,350	1,350	1,350
2.4 IFR capable	Yes	Yes	Yes	Yes
2.5 Aircraft Condition	Excellent	Excellent	Excellent	Excellent



3. Aircraft Performance

3.1 Loaded Cruise Speed (fuel and retardant)	270 Knots	270 Knots	270 Knots	270 Knots
3.2 Minimum Drop Speed	120 Knots	120 Knots	120 Knots	120 Knots
3.3 Runway Requirements	4,500 feet	4,500 feet	4,500 feet	4,500 feet

4. Aircraft Communication and Navigation Equipment

4.1 Communication Equipment <i>In addition to all Legislative and regulatory requirements</i>				
VHF-AM Transceivers	1 – Garmin GNS530AW COMM NAV GPS, 1 – King KY196A Com.	1 – Garmin GNS530AW COMM NAV GPS, 1 – King KY196A Com.	1 – Garmin GNS530AW COMM NAV GPS, 1 – King KY196A Com.	1 – Garmin GNS530AW COMM NAV GPS, 1 – King KY196A Com.
FM Transceivers	Technisonics TFM138B	Technisonics TFM138B	Technisonics TFM138B	Technisonics TFM138B
Communication System Headsets	2 – Northern Airborne Technology AMS43 TSO audio controllers with 2 noise cancelling headsets.	2 – Northern Airborne Technology AMS43 TSO audio controllers with 2 noise cancelling headsets.	2 – Northern Airborne Technology AMS43 TSO audio controllers with 2 noise cancelling headsets.	2 – Northern Airborne Technology AMS43 TSO audio controllers with 2 noise cancelling headsets.
Satellite Voice Communication	S200 Satphone c/w PTA12- 100 telephone adaptor.	S200 Satphone c/w PTA12-100 telephone adaptor.	S200 Satphone c/w PTA12-100 telephone adaptor.	S200 Satphone c/w PTA12- 100 telephone adaptor.
4.2 Navigation Equipment <i>In addition to all Legislative and regulatory requirements</i>				
Global Positioning System	1 – Garmin GNS530AW COMM NAV GPS, 1 - King KLN94 GPS.	1 – Garmin GNS530AW COMM NAV GPS, 1 - King KLN94 GPS.	1 – Garmin GNS530AW COMM NAV GPS, 1 - King KLN94 GPS.	1 – Garmin GNS530AW COMM NAV GPS, 1 - King KLN94 GPS.
Automated Flight Following	S200 (contains the LMC for tracking)	S200 (contains the LMC for tracking)	S200 (contains the LMC for tracking)	S200 (contains the LMC for tracking)
4.3 Personnel Communications				
Personal Digital Assistants	Yes	Yes	Yes	Yes



5. Fire Bombing Tank

Name and Model	RADS II Aerial Delivery System	RADS II Aerial Delivery System	RADS II Aerial Delivery System	RADS II Aerial Delivery System
Load release system	MOOG 2000 Constant flow	MOOG 2000 Constant flow	MOOG 2000 Constant flow	MOOG 2000 Constant flow
Capacity	7950 litres	7950 litres	7950 litres	7950 litres
Foam Injection Capabilities	Yes	Yes	Yes	Yes

6. Flight Safety Equipment

6.1 TCAD	TAS620 Traffic Advisory System.	TAS620 Traffic Advisory System.	TAS620 Traffic Advisory System.	TAS620 Traffic Advisory System.
6.2 Pulse Lights	Wing tip and tail pulsing lights.	Wing tip and tail pulsing lights.	Wing tip and tail pulsing lights.	Wing tip and tail pulsing lights.

7. Other

Climate Controlled Cockpit	Ram air cooling.	Ram air cooling.	Ram air cooling.	Ram air cooling.
Forest Health Spray Projects (light capacity air tankers)	Not Applicable.	Not Applicable.	Not Applicable.	Not Applicable.
Other equipment				



Air Tanker Aircraft

Air Tractor 802 F

2010 Fire Season

1. General Aircraft Information and Identification

Air Tanker Type				
Class: (Heavy, Intermediate, Light)	Light	Light	Light	Light
Transition Aircraft (yes/no)	No	No	Yes	Yes
Aircraft Make and Model	Air Tractor AT-802AF	Air Tractor AT-802AF	Air Tractor AT-802AF	Air Tractor AT-802F
Aircraft Serial Number	802A-0324	802A-0354	802A-0356	802-0033
Aircraft Registration	C-FYFN (696)	C-GBPU	C-GBPY (698)	C-FXVF (678)
Year of Manufacture	2009	2010	2010	1996
Hours of Airframe	189.6	New	new	2,031.2

2. Aircraft Specifications

2.1 Number of Engines and Type	1 Engine – PT6A-67F	1 Engine – PT6A-67F	1 Engine – PT6A-67F	1 Engine – PT6A-67
2.2 Aircraft Payload/Capacity	8,800 lbs/ 3028 L	8,800 lbs/ 3028 L	8,800 lbs/ 3028 L	8,800 lbs/ 3028 L
2.3 Fuel Endurance	3.0 hrs with legal reserves	3.0 hrs with legal reserves	3.0 hrs with legal reserves	3.0 hrs with legal reserves
• Economy Cruise fuel burn (litres per hour)	300 litres per hour	300 litres per hour	300 litres per hour	300 litres per hour
2.4 IFR capable	No	No	No	No
2.5 Aircraft Condition	Excellent	Excellent	Excellent	Excellent



3. Aircraft Performance

3.1 Loaded Cruise Speed (fuel and retardant)	170 Kts	170 Kts	160 Kts	160 Kts
3.2 Minimum Drop Speed	95 Kts	95 Kts	95 Kts	95 Kts
3.3 Runway Requirements	3,000 feet	3,000 feet	3,000 feet	3,000 feet

4. Aircraft Communication and Navigation Equipment

4.1 Communication Equipment <i>In addition to all Legislative and regulatory requirements</i>				
VHF-AM Transceivers	2 - Garmin GNS 530AW GPS NAV COM.	2 - Garmin GNS 530AW GPS NAV COM.	1 - Garmin GNS 530 GPS NAV COM. 1 – King KY196A COM.	1 - Garmin GNS 530AW GPS NAV COM. 1 – King KY196A COM.
FM Transceivers	Technisonics TFM138B.	Technisonics TFM138B.	Technisonics TFM138B.	Technisonics TFM138B.
Communication System Headsets	AMS43TSO Audio Controller, 1 – MIL spec noise cancelling helmet.	AMS43TSO Audio Controller, 1 – MIL spec noise cancelling helmet.	AMS43TSO Audio Controller, 1 – MIL spec noise cancelling helmet.	AA24-001 Pilot Audio Controller, AA80-020 Audio Controller, Rear, 2 – MIL spec noise cancelling helmets.
Satellite Voice Communication	S200 Satphone c/w PTA12-100 telephone adaptor.	S200 Satphone c/w PTA12-100 telephone adaptor.	S200 Satphone c/w PTA12-000 telephone adaptor.	S200 Satphone c/w PTA12-000 telephone adaptor.
4.2 Navigation Equipment <i>In addition to all Legislative and regulatory requirements</i>				
Global Positioning System	2 - Garmin GNS 530AW GPS NAV COM	2 - Garmin GNS 530AW GPS NAV COM	2 - Garmin GNS 530AW GPS NAV COM	1 - Garmin GNS 530AW GPS NAV COM, 1 – Trimble TNL 2000.
Automated Flight Following	S200 (contains the LMC for tracking)	S200 (contains the LMC for tracking)	S200 (contains the LMC for tracking)	S200 (contains the LMC for tracking)
4.3 Personnel Communications				
Personal Digital Assistants	Yes	Yes	Yes	Yes



5. Fire Bombing Tank

Name and Model	Conair Firegate Installation c/w Conair controller and computer. (P-LSA09-044)	Conair Firegate Installation c/w Conair controller and computer. (P-LSA09-044)	Conair Firegate Installation c/w Conair controller and computer. (P-LSA09-044).	Transland Firegate c/w Spectra Technology controller and computer.
Load release system	Constant Flow tank that is electrically controlled hydraulically actuated, with manually controlled, hydraulically actuated emergency release.	Constant Flow tank that is electrically controlled, hydraulically actuated, with manually controlled, hydraulically actuated emergency release.	Constant Flow tank that is electrically controlled, hydraulically actuated, with manually controlled pneumatically actuated emergency release.	Constant Flow tank that is electrically controlled, hydraulically actuated, with manual actuated emergency release.
Capacity	3028 litres.	3028 litres.	3028 litres.	3028 litres.
Foam Injection Capabilities	Yes.	Yes.	Yes.	Yes.

6. Flight Safety Equipment

6.1 TCAD	TAS620 Traffic Advisory System	TAS620 Traffic Advisory System	TAS620 Traffic Advisory System	TAS620 Traffic Advisory System
6.2 Pulse Lights	Wing tip and tail pulsing lights.	Wing tip and tail pulsing lights.	Wing tip and tail pulsing lights.	Wing tip and tail pulsing lights.

7. Other

Climate Controlled Cockpit	Yes, air-conditioned.	Yes, air-conditioned.	Yes, air-conditioned.	Yes, air-conditioned.
Forest Health Spray Projects (light capacity air tankers)	Spray capable.	Spray capable.	Spray capable.	Spray capable.
Other equipment	Retardant agitation system, PA/Siren System, Airmaze fuel filter installation EO3086R2.	Retardant agitation system, PA/Siren System, Airmaze fuel filter installation EO3086R2.	Retardant agitation system, PA/Siren System, Airmaze fuel filter installation EO3086R2.	Retardant agitation system, Airmaze fuel filter installation EO3086R2.



Air Tanker Aircraft

Air Tractor 802F

2011 Fire Season and onwards

1. General Aircraft Information and Identification

Air Tanker Type				
Class: (Heavy, Intermediate, Light)	Light	Light	Light	Light
Transition Aircraft (yes/no)	No	No	No	No
Aircraft Make and Model	Air Tractor AT-802AF	Air Tractor AT-802AF	Air Tractor AT-802AF	Air Tractor AT-802F
Aircraft Serial Number	802A-0324	802A-0354	802A-0356	802-0385
Aircraft Registration	C-FYFN (696)	C-GBPU (697)	C-GBPY (698)	TBD
Year of Manufacture	2009	2010	2010	2011
Hours of Airframe	TBD after 2010 operating season.	TBD after 2010 operating season.	TBD after 2010 operating season	New

2. Aircraft Specifications

2.1 Number of Engines and Type	1 Engine – PT6A-67F	1 Engine – PT6A-67F	1 Engine – PT6A-67F	1 Engine – PT6A-67F
2.2 Aircraft Payload/Capacity	8,800 lbs/ 3028 L	8,800 lbs/ 3028 L	8,800 lbs/ 3028 L	8,800 lbs/ 3028 L
2.3 Fuel Endurance	3.0 hrs with legal reserves	3.0 hrs with legal reserves	3.0 hrs with legal reserves	3.0 hrs with legal reserves
• Economy Cruise fuel burn (litres per hour)	300 litres per hour	300 litres per hour	300 litres per hour	300 litres per hour
2.4 IFR capable	No	No	No	No
2.5 Aircraft Condition	Excellent	Excellent	Excellent	Excellent



3. Aircraft Performance

3.1 Loaded Cruise Speed (fuel and retardant)	170 Kts	170 Kts	170 Kts	170 Kts
3.2 Minimum Drop Speed	95 Kts	95 Kts	95 Kts	95 Kts
3.3 Runway Requirements	3,000 feet	3,000 feet	3,000 feet	3,000 feet

4. Aircraft Communication and Navigation Equipment

4.1 Communication Equipment <i>In addition to all Legislative and regulatory requirements</i>				
VHF-AM Transceivers	2 - Garmin GNS 530AW GPS NAV COM.	2 - Garmin GNS 530AW GPS NAV COM.	2 - Garmin GNS 530AW GPS NAV COM.	2 - Garmin GNS 530AW GPS NAV COM.
FM Transceivers	Technisonics TFM138B.	Technisonics TFM138B.	Technisonics TFM138B.	Technisonics TFM138B.
Communication System Headsets	AMS43TSO Audio Controller, 1 – MIL spec noise cancelling helmet.	AMS43TSO Audio Controller, 1 – MIL spec noise cancelling helmet	AMS43TSO Audio Controller, 1 – MIL spec noise cancelling helmet	AA24-001 Pilot Audio Controller, AA80-020 Audio Controller, Rear, 2 – MIL spec noise cancelling helmets.
Satellite Voice Communication	S200 Satphone c/w PTA12-100 telephone adaptor.	S200 Satphone c/w PTA12-100 telephone adaptor.	S200 Satphone c/w PTA12-100 telephone adaptor.	S200 Satphone c/w PTA12-100 telephone adaptor.
4.2 Navigation Equipment <i>In addition to all Legislative and regulatory requirements</i>				
Global Positioning System	2 - Garmin GNS 530AW GPS NAV COM	2 - Garmin GNS 530AW GPS NAV COM	2 - Garmin GNS 530AW GPS NAV COM	2 - Garmin GNS 530AW GPS NAV COM
Automated Flight Following	S200 (contains the LMC for tracking)	S200 (contains the LMC for tracking)	S200 (contains the LMC for tracking)	S200 (contains the LMC for tracking)
4.3 Personnel Communications				
Personal Digital Assistants	Yes	Yes	Yes	Yes



5. Fire Bombing Tank

Name and Model	Conair Firegate Installation c/w Conair controller and computer. (P-LSA09-044)	Conair Firegate Installation c/w Conair controller and computer. (P-LSA09-044)	Conair Firegate Installation c/w Conair controller and computer. (P-LSA09-044)	Conair Firegate Installation c/w Conair controller and computer. (P-LSA09-044)
Load release system	Constant Flow tank that is electrically controlled, hydraulically actuated, with manually controlled, hydraulically actuated emergency release.	Constant Flow tank that is electrically controlled, hydraulically actuated, with manually controlled, hydraulically actuated emergency release.	Constant Flow tank that is electrically controlled, hydraulically actuated, with manually controlled, hydraulically actuated emergency release.	Constant Flow tank that is electrically controlled, hydraulically actuated, with manually controlled, hydraulically actuated emergency release.
Capacity	3028 litres	3028 litres	3028 litres	3028 litres
Foam Injection Capabilities	Yes.	Yes.	Yes.	Yes.

6. Flight Safety Equipment

6.1 TCAD	TAS620 Traffic Advisory System	TAS620 Traffic Advisory System	TAS620 Traffic Advisory System	TAS620 Traffic Advisory System
6.2 Pulse Lights	Wing tip and tail pulsing lights.	Wing tip and tail pulsing lights.	Wing tip and tail pulsing lights.	Wing tip and tail pulsing lights.

7. Other

Climate Controlled Cockpit	Yes, air-conditioned.	Yes, air-conditioned.	Yes, air-conditioned.	Yes, air-conditioned.
Forest Health Spray Projects (light capacity air tankers)	Yes	Yes	Yes	Yes
Other equipment	Retardant agitation system, PA/Siren System, Airmaze fuel filter installation EO3086R2.	Retardant agitation system, PA/Siren System, Airmaze fuel filter installation EO3086R2.	Retardant agitation system, PA/Siren System, Airmaze fuel filter installation EO3086R2.	Retardant agitation system, PA/Siren System, Airmaze fuel filter installation EO3086R2.



Birddog Aircraft

1. Aircraft General Information and Identification *(required information)*

	Heavy Air Tanker Group Birddog aircraft	Intermediate Air Tanker Group Birddog aircraft		Light Air tanker Group Bird dog aircraft
Aircraft Make and Model	Rockwell Turbo Commander TC-690A	Rockwell Turbo Commander TC-690A	Rockwell Turbo Commander TC-690A	Piper Aerostar PA-60
Aircraft Serial Number	11134	11104	11192	60-0695-7961217
Aircraft Registration	C-GHWF (BD132)	C-GAAL (BD131)	C-GDCL (BD134)	C-GLVG (111)
Year of Manufacture	1973	1973	1974	1979
Hours of Airframe	8,958.9	6,663.0	9,285.2	4,761.3

2. Aircraft Specifications

2.1 No. Engines and Type	2 Allied Signal TPE-331-5-252K	2 Allied Signal TPE-331-5-252K	2 Allied Signal TPE-331-5-252K	2 Lycoming IO-540-K1J5
2.2 Payload/Capacity	Up to 5 Pax	Up To 5 PAX	Up To 5 PAX	Up to 5 Pax
2.3 Fuel Endurance	4.5 Hrs	4.5 Hrs.	4.5 Hrs.	4.5 Hrs
2.4 IFR capable	Yes	Yes	Yes	No
2.5 Aircraft Condition	Excellent	Excellent	Excellent	Excellent
2.6 Visibility Standards	Excellent	Excellent	Excellent	Excellent



3. Aircraft Performance

3.1 Cruise Speed	270 Kts	270 Kts	270 Kts	200 Kts
3.2 Low level loitering speed (max fuel load)	120 Kts	120 Kts	120 Kts	120 Kts
3.3 Runway Requirements	3,000 feet	3,000 ft.	3,000 ft.	3,000 Ft.

4. Communication and Navigation Equipment Specifications

4.1 Communication Equipment - In addition to all Legislative and regulatory requirements				
VHF-AM Transceivers	2 – Collins VHF-22A Coms	2 – Collins VHF 20A Coms	Collins – VHF20 Coms.	1 - Garmin GNS 530AW GPS NAV COM, 1 – King KY196A COM.
FM Transceiver	Technisonics TFM138B	Technisonics TFM138B	Technisonics TFM138B	1 – Technisonics TFM138B
Satellite Voice Communications	S200 Satphone c/w PTA12-100 telephone adaptor.	S200 Satphone c/w PTA12-100 telephone adaptor.	S200 Satphone c/w PTA12-100 telephone adaptor.	S200 Satphone c/w PTA12-100 telephone adaptor and handset.
Communication System Access and Control	2 - Northern Airborne Technology AMS 43 TSO audio controllers. Access through boom mikes and head sets. Can transmit and receive on either the AM, FM or phone system from all seats.	2 - Northern Airborne Technology AMS 43 TSO audio controllers. Access through boom mikes and head sets. Can transmit and receive on either the AM, FM or phone system from all seats.	2 - Northern Airborne Technology AMS 43 TSO audio controllers. Access through boom mikes and head sets. Can transmit and receive on either the AM, FM or phone system from all seats.	Northern Airborne Technology AMS 44 audio controller. Separate capabilities for the pilot and the air attack officer. Access through boom mikes and head sets. Can transmit and receive on either the AM, FM or phone system from all seats.
Internal Intercom System	Equipped with an integrated intercom system with the right back seat "tied" in to the AAO audio controller.	Equipped with an integrated intercom system with the right back seat "tied" in to the AAO audio controller.	Equipped with an integrated intercom system with the right back seat "tied" in to the AAO audio controller.	Equipped with an integrated intercom system with the right back seat "tied" in to the AAO audio controller.
Communication System Headsets	3 – noise cancelling headsets.	3 – noise cancelling headsets.	3 – noise cancelling headsets.	3 – noise cancelling headsets.



Public Address (PA) System	Whelan PA/Siren system with one downward facing loud hailer.	Whelan PA/Siren system with one downward facing loud hailer.	Whelan PA/Siren system with one downward facing loud hailer.	Whelan PA/Siren system with one downward and one side facing loud hailer.
4.2 Navigation Equipment - In addition to all Legislative and regulatory requirements				
Global Positioning System	King – KLN94	King – KLN94	King - KLN90B	1 - Garmin GNS 530AW GPS.
Automated Flight Following	S200 (contains the LMC for tracking)	S200 (contains the LMC for tracking)	S200 (contains the LMC for tracking)	S200 (contains the LMC for tracking)
4.3 Personnel Communications				
Personal Digital Assistants	Yes	Yes	Yes	Yes

5. Flight Safety Equipment

TCAD	Avidyne TAS 620 processor coupled to a EX500 multi function display.	Avidyne TAS 620 processor coupled to a EX500 multi function display.	Avidyne TAS 620 processor coupled to a EX500 multi function display.	Avidyne TAS 620 processor coupled to a EX500 multi function display.
Pulse Lights	Wing tip and tail pulsing lights.	Wing tip and tail pulsing lights.	Wing tip and tail pulsing lights.	Wing tip and tail pulsing lights.

6. Other

Climate Controlled Cabins	Cabin can be pressurized and air-conditioned or heated.	Cabin can be pressurized and air-conditioned or heated.	Cabin can be pressurized and air-conditioned or heated.	Air vents and circulating fans, cabin can also be heated.
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Schedule B-3
Personnel Qualifications

In performing the Services, Personnel will have the following minimum qualifications and experience.

1. AIRCRAFT FLIGHT CREWS

1.1 AIRTANKER PILOT

- Valid Airline Transport Pilot License;
- Valid Company Qualification on type;
- Pilot Proficiency Check (P.P.C.) on type;
- Current Group 1 instrument rating;
- Minimum 500 hours Pilot-in-command IFR;
- Pilot-in-command - minimum 1,500 hours;
- Pilot-in-command - minimum 500 hours multi-engine;
- Demonstrated experienced in mountain flying;
- Minimum 2 years experience in fire bombing (land based air tanker operations);
- Trained in accordance with the BC Fire Bombing Procedures Manual; and
- New hired Pilots – minimum 100 hours as Pilot-in-command in the past year.

1.2 AIRTANKER FIRST OFFICER (AS APPLICABLE)

- Valid Airline Transport Pilot License;
- Valid Company Qualification on type;
- Pilot Proficiency Check (P.P.C.) on type;
- Current Group 1 instrument rating;
- Minimum 250 hours Pilot-in-command IFR;
- 1,000 hours total Pilot-in-command;
- Minimum 500 hours multi-engine;
- Demonstrated experienced in mountain flying;
- Trained in accordance with the BC Firebombing Procedures Manual; and
- New hire Pilots – minimum 100 hours as Pilot-in-command in the past year.



1.3 **BIRD DOG PILOT**

1.3.1 **Turbine Powered Birddog Aircraft**

- Valid Company Qualification on type;
- Pilot Proficiency Check (P.P.C.) on type;
- Current Group I instrument rating;
- Minimum 500 hours Pilot-in-command IFR;
- Pilot-in-command - minimum 1,500 hours;
- Pilot-in-command - minimum 500 hours multi-engine;
- Completion of recognized Flight Simulator Program and 25 hours Pilot-in-Command on type; or
 - 50 hours Pilot-in-Command on type.
- Demonstrated experienced in mountain flying;
- Trained in accordance with the BC Firebombing Procedures Manual; and
- New hired Pilots – minimum 100 hours as Pilot-in-command in the past.

1.3.2 **Piston Powered Birddog Aircraft**

- Valid Company Qualification on type;
- Pilot Proficiency Check (P.P.C.) on type;
- Pilot-in-command - minimum 1,500 hours;
- Pilot-in-command - minimum 100 hours multi-engine;
- Minimum 25 hours Pilot-in-command on type and 50 hours Pilot- in-Command on same class of aircraft;
- Demonstrated experienced in mountain flying;
- Trained in accordance with the BC Firebombing Procedures Manual; and
- New hired Pilots – minimum 100 hours as Pilot-in-command in the past year.



Schedule C
SERVICES and FACILITIES

1. SERVICES

1.01 At the Commencement of the Availability Period, the Company will:

- a) position the Aircraft at the Designated Base, at the Company's expense to commence provision of the Services; and
- b) confirm the flight operations Personnel assigned to the Aircraft.

1.02 During the Availability Period, the Company will:

- a) reposition the Aircraft at the times and locations specified by the Minister;
- b) maintain an air readiness level as specified by the Minister;
- c) report any unserviceable Aircraft at the time of discovery, providing an estimate of the time required to remedy the situation;
- d) use its best efforts to ensure that the Services, Aircraft and Personnel adhere to the Ministry's operational procedures and instructions;
- e) cause appropriate personnel of the Company to attend pre and post action de-briefing exercises;
- f) undertake work utilizing aircraft and appropriate personnel for third parties as directed by the Minister;
- g) ensure that all flight operations personnel are attired in standard apparel for either flight or maintenance as the case maybe;
- h) at the request of the Minister cause any personnel, who are not providing the Services described in this Agreement and Schedules to the Minister's satisfaction to be removed from providing those Services;
- i) on the request of the Province and where reasonable, provide Additional Services and/or Extra Services;
- j) provide the Services in accordance with the British Columbia Forest Service Fire Bombing Procedures;
- k) modify Specialty Equipment for safety requirements and service efficiency enhancements at the direction of the Province, at a cost to be agreed upon by the Province and the Company negotiating in good faith;
- l) supply suitable environmental containment and storage for all associated aviation fluids;
- m) store, handle and dispose of all lubricants, oils and other environmentally hazardous materials using the Company's tools, equipment and materials according to "A Summary of Environmental Standards and Guidelines for Fuel Handling, Transportation and Storage" a B.C. Environment Publication;
- n) have a spill response plan which outlines action in the event of chemical spills or other emergency; and
- o) report to the Province as soon as possible, the particulars and details of any environmental incident, including the Company's actions and response, occurring related to the performance of the Services Report.



- 1.03 During the Availability Period, the Aircraft, Personnel, Specialty Equipment and support systems must be available to provide the Services for a time period specified by the Minister up to a maximum of a 14 hour duty day or as legislated, and in accordance with the daily standby alert established by the Minister.
- 1.05 The Minister may request or the Company may furnish a substitute or Replacement Aircraft and Specialty Equipment of a type mutually agreed upon for specific flights.
- 1.06 The charges for the Replacement Aircraft, Speciality Equipment and Personnel are according to Schedule D, except as otherwise provided.
- 1.07 Notwithstanding the Company's obligations to provide the Services during the Availability Period, the Company may, with the consent of the Province, use the Aircraft for other purposes. If the Company does so use the Aircraft, the Availability Charges described in Schedule D will be reduced as agreed to by the Company and the Province.

2. FACILITIES

- 2.01 During the Term of this Agreement, the Company will provide a Transport Canada approved Maintenance Organization as described in the Proposal.
- 2.02 The Company will provide a 24 hour contact facility during the Availability Period from which the Minister may request Services.

3. AERIAL SPRAY OPERATIONS

- 3.01 During the Term of and in accordance with the provisions of this Agreement, and with the agreement of both parties, the Province may request the Company to provide the Aircraft and Speciality and Personnel for use in aerial spray operations.
- 3.02 The Aerial Spray Operations will be provided in accordance with this Agreement and as set out in Schedule C-1.
-



Schedule C-1
Aerial Spray Operations

1. For Aerial Spray Operations:

- a) The Province will provide written notice to the Company of aerial spray operation requirements;
- b) The Company will provide all necessary additional equipment capable of performance in a manner that meets the requirement for aerial spray operations (including but not limited to any additional equipment required to support pesticide storing, loading, transportation, calibration and any spill equipment to support the Company's Spill Plan) and where required by law, licensed for intended use;
- c) The Company will provide all necessary permits and licenses and comply with all applicable laws and regulations;
- d) The Company will provide Personnel for aerial spray operations as follows:
 - i. Project manager holding a must hold a valid British Columbia Pesticide Applicators Certificate (forestry category);
 - ii. Spray System maintenance engineers must hold a valid British Columbia Pesticide Applicators Certificate (forestry category); and
 - iii. Loading Supervisor must hold a valid British Columbia Pesticide Applicators Certificate (forestry category).

2. SERVICES

On agreement by both parties for aerial spray operations, the Company will provide the following additional aerial spray services:

2.01 At the Commencement of an Aerial Spray Service Period, the Company will:

- a) position the Aircraft as directed by the Minister and at the province's expense to the staging area to commence the provision of the aerial spray services.

2.02 In performing aerial spray services, the Company will:

- a) ensure all operations to be conducted in accordance with manufacture's specifications;
- b) secure equipment and supplies to prevent unauthorized access to the pesticides;
- c) have a Spill Plan, which outlines action in the event of chemical spills or other emergency;
- d) make the aircraft and support systems available to the Ministry for verification of operational readiness on a date agreed with the Province;
- e) possess a valid British Columbia Pest Control Service Licence;
- f) obtain the permits and approvals for low level flight;
- g) obtain the permits/authority for ferry flights from loading base to treatment area via ferry flight corridors;
- h) obtain permits/authority and/or abide by noise abatement requirements; and
- i) record and retain product utilization records.



- 2.03 In the event of a pesticide spill or misapplication into non-target areas (i.e. excluded areas), the Company shall:
- a) stop operations and immediately implement its Spill Plan;
 - b) immediately give verbal notice to the Minister and other parties as directed, written notice must promptly follow; and,
 - c) clean-up and dispose of any leak and/or spillage in accordance with provincial laws and regulations prior to the resumption of pesticide application.
- 2.04 The Company shall be responsible to remove all pesticide remaining in spraying/bombing tanks on completion of the Services into appropriate sealed containers. The Province will remove these containers from the loading sites.
- 2.05 The Company shall have on site at all times:
- a) Material Safety Data Sheets (MSDS) of the pesticide being applied;
 - b) a copy of the work in progress;
 - c) safety plans;
 - d) a copy of the pesticide use permit;
 - e) pesticide labels and restrictions; and
 - f) Pesticide Applicator's Certificates as required.
- In the event there is a conflict between the requirements in sub paragraph a) to g), the more stringent requirements shall apply.
- 2.06 Prior to commencing application of the pesticide; the Company shall:
- a) conduct a pre-treatment reconnaissance flight at the province's expense in order to become familiar with the Spray Zone boundaries, no-treatment zones, buffer zones and sensitive areas; and,
 - b) the pilots designated to perform the operational pesticide application must either pilot or be present on the pre-treatment reconnaissance flight.
- 2.07 The Company, its pilots and the Minister shall determine the number and direction of flights, and the swath overlap for treatment unit in the Spray Zone which will achieve the requirements set out in this Agreement.
- 2.08 The Company shall immediately verbally notify the Minister if:
- a) in the Company's opinion an area is not treatable;
 - b) the pesticide is applied to an area outside the Spray Zone or inside an pesticide free zone, no-treatment zone or buffer zone;
 - c) pesticide is spilled, other than in the normal course of operations and which are not specified under the Spill Plan as required immediate notification; and
 - d) any verbal notification given under this section shall be followed by written notice within one working day.



- 2.09 Within 30 days of completing the Services, the Company shall submit a report, signed by the Company Project Manager, containing:
- a) the dates during which the spraying services took place and weather conditions on those dates;
 - b) the area by treatment type;
 - c) the target species treated;
 - d) the treatment type applied, including:
 - i. method of application;
 - ii. the pesticide formulations applied, detailing names and quantities of the pesticide, carrier and additive in each formula; and
 - iii. the volume of pesticide spray applied in litres per hectare and the total pesticide applied expressed in terms of active ingredient of pesticide per hectare;
 - e) a map showing the approximate locations and the estimated area to the nearest one (1) hectare of areas treated: and,
 - f) a completed pesticide Operation Report Form.
- 2.10 The Company shall retain a copy of the pesticide Operation Record Form for a minimum of three years from the date of the operation and shall pursuant to the Pesticide Control Act make it available for inspection upon request of an administrator of the Pesticide Control Act.
-



Schedule D
FEE SCHEDULE

1. DEFINITIONS

1.01 In this Schedule, unless the context requires otherwise:

- a) "Additional Availability Charges" means for each Year, the fees described in this Schedule to be paid by the Province to the Company for Additional Services provided by the Company as authorized under this Agreement;
- b) "Availability Charges" means that fee as set out in this Schedule to cover the availability of Aircraft and Services;
- c) "Extra Availability Charges" means for each Year, the fees as agreed to by the Parties to be paid by the Province to the Company for Extra Services provided by the Company as authorized under this Agreement;
- d) "Flight Time" means:
 - i. for the Air Tanker (s) the time, measured in minutes and reported in tenths of an hour as calculated and detailed in the Transport Canada Aeronautical Information Manual (TC AIM), from the aircraft leaving its stationary position at a retardant loading facility for the purposes of takeoff to the time when the aircraft returns to a retardant loading facility and comes to a complete stop; and
 - ii. for the Birddog aircraft the time, measured in minutes and reported in tenths of an hour as calculated and detailed in the Transport Canada Aeronautical Information Manual (TC AIM), from wheels roll to wheels stop;
- e) "Flying Rate" means the hourly charges for Flight Time;
- f) "Fuel Rate" is the rate charged by the Company to the Province for fuel used in performance of the Services;
- g) "Landing Fees" are the fees charged by Airport Authorities to the Company for landings while providing the Service. These fees are payable to the Company as set out in 6.02 of this Schedule;
- h) "Positioning" means required movement to locate the Aircraft to a job site at the request of the Minister;
- i) "Proper Account" means a written statement of account, on Company letterhead, in a form satisfactory to the Minister. At the commencement of each year, during the Agreement Term, the Minister may change the requirements for a Proper Account and will advise the Company in writing;
- j) "Release Rate" means that rate set out in this Schedule to credit the Ministry for each day the Aircraft is released by the Province to the Company; and
- k) "Repositioning" means a change in the aircraft location at the request of the Minister.



2. FEES

- 2.01 The Province will pay the Company the following with respect to the Services provided:
- a) Availability Charges;
 - b) Additional Availability Charges for Additional Services for:
 - i. subject to ii, and iii, no less than 3 days regardless of the number of days the Additional Services are provided;
 - ii. no less than two days if the Additional Services are commenced on the second day preceding the beginning or the second day following the end of the Availability Period, regardless of the number of days the Additional Services are provided;
 - iii. no less than one day if the Additional Services are commenced on the day preceding the beginning or the day following the end of the Availability Period;
 - c) Flight Time at the Flying Rate;
 - d) in the event of Aircraft Positioning, Flight Time at the Flying Rate;
 - e) Flight and Maintenance Crew accommodation and expenses when crews are away overnight from their Designated Base, as specified in this Schedule;
 - f) those fuel expenses, if incurred by the Company in the performance of the Services;
 - g) those airport landing and navigation fees and charges, if incurred by the Company in the performance of the Services; and
 - h) Other Costs as set out in this Schedule.
- 2.02 The Province will pay those fees described in paragraph 2.01 and as set out in this Schedule, all other charges and any applicable taxes within 30 days following receipt by the Province of a Proper Account.
- 2.03 The Company will submit Proper Accounts in no less than weekly and no longer than monthly intervals.
- 2.04 As of the Year commencing April 1, 2011, the Availability Charges, Flying Rate, and Additional Availability Charges as set out in this Schedule will be adjusted on a compound basis by 100% of the change in the Statistics Canada Consumer Price Index (CPI) for Vancouver, British Columbia for the twelve month period December to December immediately preceding the Year to which such amounts are applicable.

3. AVAILABILITY CHARGES

- 3.01 A total Availability Charge for the Availability Period, totalling **eight million, six hundred and ten thousand, one hundred and ninety eight dollars (\$8,610,198.00)** calculated as follows:
- a) Heavy Air Tanker Group:

Aircraft Type		# of Aircraft	Availability Period	Availability Charge
Air Tanker	Lockheed 1.-188C enhanced	1	123 days	<u>\$1,517,787.00</u>
Birddog	Turbo Commander TC 690A	1		



b) Intermediate Air Tanker Group

Aircraft Type		# of Aircraft	Availability Period	Total
Air Tanker	Convair CV 580	2	123 days	\$2,564,358.00
Birddog	Turbo Commander TC 690A	1		
Number of Air Tanker Groups				x 2
Total Availability Charge for Intermediate Air Tanker Groups				<u>\$5,128,716.00</u>

c) Light Air Tanker Group

Aircraft Type		# of Aircraft	Availability Period	Total
Air Tanker	Air Tractor 802AF	4	123 days	<u>\$1,963,695.00</u>
Birddog	Piper Aerostar PA-60	1		

3.02 The Availability Charge is payable in five (5) equal instalments of one million, seven hundred and twenty two thousand, thirty nine dollars and sixty cents (\$1,722,039.60) on May 1st, June 1st, July 1st, August 1st and September 1st in each Year of the Agreement.

3.03 Additional Availability Charges

The Additional Availability Charges for each day of Additional Services for each Air Tanker Group as follows:

a) Heavy Air Tanker Group:

Aircraft Type		Additional Availability Charge
Air Tanker	Lockheed L-188C enhanced	\$12,340.00 /day
Birddog	Turbo Commander TC 690A	

b) Intermediate Air Tanker Group:

Aircraft Type		Additional Availability Charge
Air Tanker	Convair CV580	\$20,848.00 /day
Birddog	TC 690A	

c) Light Air Tanker Group:

Aircraft Type		Additional Availability Charge
Air Tanker	Air Tractor 802AF	\$15,965.00 /day
Birddog	Aerostar PA 60	



4. FLIGHT TIME CHARGES

4.01 Flight Time Charges for each hour of Flight Time and pro rated for part hours are calculated at the hourly Flying Rate as follows:

Aircraft Type		Flying Rate
Air Tanker	Lockheed I-188C enhanced	\$3,563.00 /hour
	Convair CV500	\$1,640.00 /hour
	Air Tractor 802AF	\$1,232.00 /hour
Birddog	TC 690A	\$915.00 /hour
	Acrostar PA 60	\$450.00 /hour

5. FLIGHT AND MAINTENANCE CREW ACCOMMODATION AND EXPENSES

5.01 Away from Designated Base living expenses will be flat rated and receipts will not be required. The daily allowance will be:

- a) Two hundred fourteen dollars and fifty cents (214.50) including ground transportation or and must be submitted on the daily flight slips; OR
- b) One hundred forty nine dollars and fifty cents (\$149.50) excluding ground transportation.

And must be itemized and submitted on the daily flight slip.

5.02 Should the Ministry supply any of the above expenses the daily rate will be reduced as follows: accommodation - \$100.00, \$16.50 each meal, and ground transportation-\$65.00.

5.03 If Away from Designated Base expenses related to the Province's request to Reposition the Aircraft and the Company's maintenance vehicle is required will be as follows:

- a) mileage at eighty four cents (\$.84) per kilometer to position and de-position the Company's maintenance vehicle between the Designated Base and the Aircraft's temporarily assigned site; and
- b) if required, costs incurred for transport by water ferry will be reimbursed at cost. Receipts are required.

5.04 An additional twenty seven (\$27.00) dollars per night per flight and maintenance crew member when the Aircraft and crew are required by the Minister to be positioned north of the 60° latitude.

6. OTHER

6.01 Fuel

The cost incurred and paid by the Company for aviation fuel used by the Company to provide the Services under this Agreement.

6.02 Landing Fees

The cost for Landing Fees as set out in the Ministry's current years Helicopter Landing Fee Table. No receipts are required and the number of landings per location *must* be noted on the daily flight slips and will be paid accordingly.



- 6.03 **Additional Personnel**
The direct costs of additional maintenance personnel required during periods of extraordinary fire activity.
- 6.04 **Mutual Aid Resource Sharing (MARS) Charges**
Charges, as agreed by the Parties and as required to meet the Province's and the Company's obligations in providing the Aircraft and Services under Mutual Aid Resource Sharing Agreements to which the Province is a signatory.
- 6.05 **Extra Availability Charges**
As agreed to by the Province and the Company.
- 6.06 **Aerial Spray Operations**
- a) Flight Time at the Flying Rates for any flight hours where the Company has provided aerial spray operations; and
 - b) Other charges as agreed by both parties as directly related to the aerial spray operation
- 6.07 **Other**
As agreed by both Parties

7. RELEASE RATES

- 7.01 The rate for the Company's use of the Aircraft when released from the Company's Service requirements by the Ministry will be at the Release Rate for each and every day the Aircraft is released. The Release Rate is as agreed by the parties.

8. DAMAGES

- 8.01 For each and every hour the Aircraft, Speciality Equipment and Personnel are not available for Services as required by the Minister, the Minister may assess damages in the amount to one tenth of the Daily Availability (defined as the Aircraft Availability Charge divided by 123 days) or at the Minister's discretion, the reasonable cost to the Province to replace the Aircraft and Services.
- 8.02 Damages may be assessed if the Company does not, in the reasonable opinion of the Minister, use all the resources available to the Company to ensure the serviceability of the Aircraft and as a result the Company fails to respond to a request for Services according to the daily readiness (alert) criteria established by the Minister. Failure to respond in this instance represent a non availability day or portion thereof.
- 8.03 If the Birddog Aircraft is unavailable and it is not operationally feasible for the Air Tanker to join another air tanker group, the assess damages may be applicable to both the Air Tanker and the Birddog Aircraft.



Schedule E INSURANCE

I. INSURANCE REQUIREMENTS

- 1.01 In addition to such policies as are required by Canadian laws and regulations, the Company shall, at its sole cost and expense and during the Agreement Term provide and maintain for the benefit of the Minister, his servants, agents and employees the following insurance:
- a) Aircraft Liability in respect of third part bodily injury and/or property damage, including passenger liability, with limits not less than ten million dollars (\$10,000,000) combined single limit, each occurrence;
 - b) Aviation General Liability insurance, including Premises & Operations and Products & Completed Operations liability, with limits not less than ten million dollars (\$10,000,000) combined single limit, each occurrence and in the annual aggregate with respect to Products & Completed Operations;
 - c) The insurance outlined under a) and b) above, shall include the following endorsements and/or provisions:
 - i. blanket contractual liability;
 - ii. non-owned automobile insurance;
 - iii. contingent employer liability;
 - iv. personal injury liability;
 - v. employees as additional insureds; and
 - vi. a cross liability clause;
 - vii. Her Majesty the Queen in the right of the Province of British Columbia as represented by the Minister of Forests and Range and any of its employees, servants or agents are to be added as an "Additional Insured"; and
 - viii. Any additional insurance which is required by law or which the Company considers necessary to cover risks not otherwise covered by insurance specified in this section.
- 1.02 All insurance will be in a form, and content and placed with an insurer or insurers duly licensed to carry on insurance business in British Columbia acceptable to the Minister.
- 1.03 The Company shall, not later than the commencement of the Agreement Term, provide to the Province a Certificate of Insurance confirming all policies and necessary endorsements to comply with the insurance requirements outlined herein.
- 1.04 The Company will ensure that the insurance may not be cancelled or materially changed in any way whatsoever without the insurers providing 30 days prior notice to the Minister.
- 1.05 The insurance will be primary and not require the sharing of any loss by any insurer of the Province.
- 1.06 The Company waives all rights of recourse against the Province with regard to damage to the Company's property.
- 1.07 The Company shall, at its own expense, obtain WorkSafe BC coverage for itself, its subcontractors, all workers and any shareholders, directors, partners or other individuals employed or engaged in the performance of the Services. The Company must comply with all conditions of the *Workers Compensation Act* and regulations thereunder, and upon request, must provide the Province with proof of such compliance.





MINISTRY OF FORESTS AND RANGE
AIRCRAFT OPERATIONS AGREEMENT

STANDING OFFER FOR:
MARTIN MARS AIR TANKER SERVICES

STANDING OFFER NO.: AO0988E001
FILE: 1070-20/COUL 09 01

THIS AGREEMENT executed and dated for
Reference the 1st (first) day of May 2008.

BETWEEN:
HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA:

AND

Ministry of Forests and Range, Protection Program
("Province") at the following address:

P.O. Box 9502 Stn Prov Govt
Victoria, British Columbia
V8W 9C1

Telephone No: (250) 387-8727
Fax No: (250) 387-1072

Ministry Representative: Marcia Foote
Email Address: marcia.foote@gov.bc.ca

Coulson Aircrane Ltd.
d.b.a. Coulson Flying Tankers
("Offeror") at the following address:

9350 Bomber Base Road
Port Alberni, British Columbia
V9Y 8Z3

Telephone No: (250) 723-6225
Fax No: (250) 723-6200

Offeror Representative: Wayne Coulson
Email Address: wayne.coulson@coulsongroup.com

WHEREAS:

The Offeror offers to supply, as, if and when requested, the Services described in Appendix I, to the Province.

ACCORDINGLY, the parties agree as follows:

1. DEFINITIONS

1.01 In this Standing Offer, unless the context otherwise requires:

- a) "Air Tanker Request" means any form of the Province, issued during the Operating Period that references this Standing Offer and the Services as set out in Appendix I and is sent to the Offeror
- b) "Appendix I" means the Terms and Conditions with all Schedules attached thereto;
- c) "Contract" means the binding agreement the terms of which are set out in Appendix I entered into by the Offeror and the Province which enables the Province to acquire the Services set out in the Air Tanker Request for the Fees set out in Schedule E of Appendix I;
- d) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests and Range; the Director, Protection Program; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Protection Program may authorize;
- e) "Minister" means the Minister of Forests and Range or his "Designated Representative";
- f) "Ministry" means the Ministry of Forests and Range, Province of British Columbia;
- g) "Operating Period" means a period within the Standing Offer Term during which the Services will be available to the Province under the Terms and Conditions of Appendix I.
- h) "Operating Period Request" means any form of the Province that references this Standing Offer and the Services as set out in Appendix I and is sent to the Offeror, giving notice of the dates of the Operating Period. The first Operating Period is as set out in section 2.03;
- i) "Services" means the air tanker services provided by the Offeror to the Province as described in Appendix I;
- j) "Standing Offer" means the Offeror's offer to supply the Services under the Terms and Conditions of Appendix I; and
- k) "Standing Offer Term" means the Term as set out in section 2.

2. TERM AND EXPIRY

- 2.01 This Standing Offer will commence on April 1, 2008 and expire on March 31, 2009 unless withdrawn in accordance with section 5.
- 2.02 This Standing Offer Term may be extended on the mutual agreement of both parties.
- 2.03 The first Operating Period will be the 90 day period commencing on June 02, 2008 and expiring on August 30, 2008.
- 2.04 The Operating Period may be amended or an additional Operating Period determined on the mutual agreement of both parties.

3. THE STANDING OFFER

- 3.01 The Offeror understands and agrees that:
 - a) a Contract is formed on receipt by the Offeror of the Operating Period Request which has been completed and signed by a Ministry Representative;
 - b) the Operating Period Request shall form a Contract only for those Services which have been requested provided always that such request is made in accordance with the provisions of this Standing Offer;
 - c) the issue and distribution this Standing Offer does not oblige the Province to authorize or order all or any of the Services, described in this Standing Offer;
 - d) the Province's liability shall be limited to that which arises from a Contract, made prior to the expiry date described in section 2;
 - e) the Province reserves the right to procure the specified Services by any other means it deems necessary including the use of other contracts, standing offers, or by other contracting methods;
 - f) the Province reserves the right to set aside this Standing Offer, for whatever reason, and not make it available for any Operating Period Requests ;
 - g) no change to this Standing Offer will be valid unless it is by way of an addendum signed by both the Offeror and the Province; and
 - h) the Terms and Conditions set out in Appendix I will apply to each Contract.
- 3.02 If the Province provides an Operating Period Request prior to the expiry of this Standing Offer and receives the Services, then the Province will pay to the Offeror amounts payable as described in Appendix I of this Standing Offer.

4. SERVICE REQUEST MECHANISM

- 4.01 During the Operating Period, Services may be ordered by methods other than an Air Tanker Request, such as telephone, facsimile or e-mail.
- 4.02 If there is any conflict between the Operating Period Request and this Standing Offer, the provisions specifically set out in this Standing Offer will prevail and all else will be as if not written.
- 4.03 The Offeror will use all commercially reasonable efforts to fulfill any and all Operating Period Requests, which may be made before the expiry of this Standing Offer or of the notice period under section 5.01.
- 4.04 If the Offeror is unable to fulfill any request for Services, the Offeror must immediately notify the Minister.

5. NOTIFICATION OF WITHDRAWAL

- 5.01 In the event that the Offeror wishes to withdraw this Standing Offer, the Offeror shall provide no less than ten (10) days written notice to the Minister and such withdrawal of Standing Offer shall not be effective until receipt of such notification by the Minister and the expiry of such notice period.

IN WITNESS WHEREOF the undersigned extends this Standing Offer on the first date written above:



(Signed by Offeror)

WAYNE COULSON, CEO

Print Name and Title

JUNE 20/08

Date



(Signed for the Minister of Forests and Range)

MARCIA FOOTE

Print Name and Title

JUNE 23/08

Date

**APPENDIX I
TERMS AND CONDITIONS**

1. DEFINITIONS

1.01 In this Appendix, unless the context otherwise requires:

- a) "Aircraft" means any or all aircraft, described in Schedule A covered by this Agreement;
- b) "Air Tanker Alerts" means the daily alert status for the Province's air tanker resources as prepared by the Minister during the fire season;
- c) "Aviation Occurrence" means an aviation occurrence as defined and detailed in the Transport Canada Aeronautical Information Manual (TC AIM);
- d) "BC Forest Service Fire Bombing Procedures" means the British Columbia Fire Bombing Procedures, created and maintained by the Province, outlining the Province's training requirements and operational policies and procedures in relation to aerial fire fighting;
- e) "Built-up Area" means any forest or range land occupied by houses, trailers, mobile homes, outbuildings or other manmade structures that are being threatened by, or adjacent to, or within the boundaries of, a Wildfire;
- f) "Designated Base" means the Company's usual operational base for the Aircraft;
- g) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests and Range; the Director, Protection Program; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Forest Protection Program may authorize;
- h) "Day" means each calendar day during the Operating Period when Services, Personnel and Equipment are provided;
- i) "Equipment" means the Company's fire fighting Aircraft and the Specialty Equipment required in providing the Services and as described in Schedule A, and any other such equipment approved by the Minister for use in providing the Services;
- j) "Improvements" means any vehicle, equipment or other manmade structure that is occupying forest or range lands being threatened by, adjacent to, or within the boundaries of, a Wildfire;
- k) "Maintenance Manuals" means the Company's Transport Canada approved Maintenance Control and Maintenance Procedures Manuals detailing the aircraft operated by the air carrier, the maintenance criteria, procedures and schedules for each aircraft and the personnel responsible for maintenance, inspection and quality control;
- l) "Minister" means the Minister of Forests and Range or his Designated Representative;

- m) "Ministry" means the Ministry of Forests and Range, Province of British Columbia;
- n) "Operations Manual" means the Company's Transport Canada approved document detailing the Company's operating procedures and includes any amendments to the same as required by law;
- o) "Operating Period" means a period within the Standing Offer Term during which the Services will be available to the Province under the Terms and Conditions of Appendix 1 and as requested by the Province to the Company;
- p) "Services" means the aircraft services as described in Schedule B;
- q) "Specialty Equipment" means the Company's specialty equipment required in providing the Services and as described in Schedule A, and any other such equipment approved by the Minister for use in providing the Services;
- r) "Warm-Up" means the warming up of aircraft engines as described in Schedule C.
- s) "Wildfire" means an unplanned fire occurring on forest or range lands, burning forest vegetation, grass, brush, scrub, peatlands, or a prescribed fire set under a Burn Registration which, in the judgment of a Forest Officer threatens to spread beyond the area authorized for that burning; and
- t) "Year" means, in respect of the term of this Agreement, the period from April 1 of one year to March 31 of the following year.

2. APPOINTMENT, TERM AND SERVICES

- 2.01 The Province shall request the Services with an electronic Air Tanker Request, facsimile or e-mail confirmation to the Company.
- 2.02 The Company will provide the Services as requested in accordance with this Agreement.
- 2.03 The Company will provide the Services during the Operating Period regardless of the date of execution or delivery of this Agreement.
- 2.04 More than one Operating Period can exist prior to the expiration or withdrawal of the Standing Offer.

3. FEES AND EXPENSES

- 3.01 In consideration of the Company providing the Services, the Province will pay to the Company Fees and Expenses in the amounts and in the manner set out in this Agreement.
- 3.02 The sums described in section 3.01 constitute the maximum amounts payable to the Company for its performance of the Services and the Company will not be entitled to any additional compensation for its performance whether or not the work actually undertaken by the Company is described in the Agreement.

3.03 Notwithstanding any other provision of the Agreement, the payment of money by the Province to the Company under this Agreement is subject to:

- a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, to enable the Province, in a fiscal year or part thereof when any payment of money by the Province to the Company falls due under this Agreement to make that payment; and
- b) Treasury Board, as defined in the *Financial Administration Act*, not having controlled or limited, under the *Financial Administration Act*, expenditure under any appropriation referred to in subsection (a).

3.04 The Province certifies that the property and/or Services ordered and purchased under this Agreement are for the use of, and are being purchased by, the Province with Crown funds and are therefore not subject to the Goods and Services Tax.

4. COVENANTS OF THE COMPANY

4.01 The Company will:

- a) observe, perform and comply with all of its obligations under this Agreement;
- b) remain an independent contractor and not the servant, employee, partner, or agent of the Province or the Minister;
- c) not, in any manner whatsoever, commit or propose to commit the Province or the Minister to the payment of any money to any person, except as contemplated by this Agreement;
- d) secure and maintain in good standing all necessary approvals and certificates for the Aircraft and Specialty Equipment described in this Agreement;
- e) equip, operate and maintain the Aircraft in accordance with all requirements of Canadian and British Columbia laws and regulations;
- f) comply with all the standards, practices, procedures and specification set out in the Company's Transport Canada approved Operations Manual; and those set out in the Company's Transport Canada approved Maintenance Manuals in conducting all Aircraft maintenance;
- g) service, repair, overhaul, test, and maintain the Aircraft in a safe and airworthy state of repair at all times in accordance with manufacturer's recommended maintenance programs and the Company's Maintenance Manuals, to the satisfaction of the Minister;
- h) perform the Services and its obligations under this Agreement in a safe and professional manner to the reasonable satisfaction of the Minister;

- i) except with the explicit approval of the Minister, ensure that all Aircraft maintenance is performed by a fully qualified and licensed Aircraft Maintenance Engineer ("AME") who is not the Aircraft pilot;
- j) allow no pilot to fly the Aircraft and provide the Services pursuant to this Agreement, without prior approval of the Minister;
- k) provide and maintain at all times, sufficient qualified staff, facilities, materials, appropriate Specialty Equipment and approved subcontractual arrangements to fully perform the Services and its obligations under this Agreement to the reasonable satisfaction of the Minister;
- l) provide all refueling and foam or gel retardant equipment when the Aircraft is away from its Designated Base;
- m) be responsible for all charges, costs and expenses including but not limited to, Aircraft fuel, costs of lubricants, airport costs, and Aircraft parking fees, necessary for the efficient operations of the Aircraft and Specialty Equipment required for the performance of the Services under this Agreement, unless specified otherwise in this Agreement;
- n) obtain and maintain in force during the Operating Period insurance as described in Schedule D;
- o) in addition to the items contained in this Agreement, provide all living expenses and services to the Company's employees and permitted subcontractors throughout the province, together with all other expenses connected with the Company's operations; and
- p) reasonably cooperate with the Province and any other persons providing services to the Province.

5. COVENANTS OF THE PROVINCE

5.01 The Province will, at its own expense, provide the following:

- a) extraordinary charges for navigation and/or aerodrome fees (where applicable), that are necessary for the Company to perform the Services, except as otherwise provided;
- b) a bird dog aircraft as deemed appropriate to support an Air Tanker Request;
- c) at the Province's discretion, a bird dog aircraft to support the Company's training and practice exercises; and
- d) access to view the Province's Resource Tracking System.

6. INDEMNITY

6.01 The Company will indemnify and save harmless the Province and the Minister from and against all claims, demands, losses, damages, costs and expenses made against or incurred, suffered or sustained by the Province and the Minister or either of them at any time or times (whether before or after termination of this Agreement) where the same or any of them are based upon or arise out of anything done or omitted to be done by the Company or by any employee, officer, subcontractor, or agent of the Company pursuant to this Agreement, excepting as always liability arising out of the independent negligent acts of the Province or the Minister.

6.02 Notwithstanding section 6.01, the Province will indemnify and save harmless the Company, its permitted subcontractors and their respective agents, servants and employees from and against any and all liability or bodily injury or damage to improvements directly or indirectly caused by, arising from or resulting from the dropping of fire retardants, water, foam and other fire control chemicals from a Martin Mars Air Tanker by the Company or any of its permitted subcontractors, their respective agents, servants or employees under this Agreement in the vicinity of improvements or Built-up Areas where such actions are:

- i. carried out at the direction of the Minister;
- ii. are, in the opinion of the Minister, considered to be essential to the control of Wildfires; and
- iii. not negligently performed by the Company.

6.03 The Company will cooperate with the Province and its counsel in any and all investigations, settlements and judicial determination of any claims made against the Province, the Minister or the Company relating directly or indirectly to this Agreement and will use its best effort to cause its employees, officers, subcontractors and agents to be similarly bound.

7. ASSIGNMENT AND SUBCONTRACTING

7.01 The Company will not assign this Agreement, nor subcontract any of its obligations under this Agreement, to any person, firm, or corporation without the prior written consent of the Province.

7.02 The Company will at all times be held fully responsible to the Province for the acts and omissions of its subcontractors and persons employed by them and no subcontract entered into by the Company will impose any obligation or liability upon the Province to any such subcontractor or any of its employees.

7.03 The Company will cause every assignee or subcontractor to be bound by the terms of this Agreement so far as they apply to the work to be performed by each subcontractor.

7.04 Nothing in this Agreement will create any contractual relationship between the Province and the subcontractor of the Company.

8. TERMINATION

8.01 The Province may, in addition to any remedy available to it at law or equity, terminate this Agreement by written notice to the Company if the Company fails to observe, perform or comply with any provisions of this Agreement.

9. NOTICES

9.01 Any notice, document, statement, report or demand desired or required to be given or made under this Agreement will be in writing and may be given or made by personal delivery to the party to whom it is to be given or made, or by mailing it in Canada with postage prepaid to the applicable address, or by transmitting it by facsimile to the applicable facsimile transmission number, noted for both the Province and the Company at the start of this Agreement.

9.02 The Company will provide to the Province, as soon as possible and by the quickest means possible the particulars and details of any Aviation Occurrence that occurs while providing the Services.

9.03 The Province may request the Company prepares a detailed report of the Aviation Occurrence referred to in section 9.02.

10. MISCELLANEOUS

10.01 This Agreement will ensure to the benefit and be binding upon the Province and its assigns and the Company and its successors and permitted agents.

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


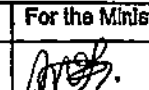
10.03 All disputes arising out of or in connection with this Agreement will be referred and finally resolved by arbitration administered by the British Columbia International Commercial Arbitration Center pursuant to the "Rules of Procedures". The place of arbitration will be Victoria BC.

10.04 Each party will, upon reasonable request of the other parties, fully cooperate to the betterment of the Services provided under this Agreement.

10.05 This Agreement may only be amended by further written amendments executed by or behalf of the parties.

10.08 All the discretion and obligations of the Minister or the Province under this Agreement may be exercised or performed by the Minister, the Deputy Minister of Forests and Range or by a Designated Representative.

10.07 Each Schedule A to E attached to this Agreement is an integral part of this Agreement as if set out in length in the body of this Agreement.

INITIALS	
For the Company	For the Minister
	

**SCHEDULE A
AIRCRAFT, PERSONNEL AND SPECIALTY
EQUIPMENT**

During the Operating Period, the Company shall provide Aircraft, Personnel and Specialty Equipment according to the following specifications.

1. AIRCRAFT

- 1.01 The Company will supply one Martin Mars Air Tanker, suitable for aerial attack of wildfires as follows:
C-FLYL tail #823
- 1.02 The Aircraft will be located at the Company's Sproat Lake (BC) Base unless otherwise agreed by both parties.

2. PERSONNEL

- 2.01 The Martin Mars Air Tanker Air Crew will meet the following specifications:
- a) Airline Transport License;
 - b) Transport Canada requirements;
 - c) Meet the Company's Operating certification requirement;
 - d) two years experience flying in fire bombing operations; and
 - e) personal flying history shall be made available upon the request of the Minister.
- 2.02 Maintenance Personnel
- a) trained in accordance with the Company Maintenance Manuals; and
 - b) Aircraft Maintenance Engineers licensed in accordance with current Transport Canada requirements.

3. SPECIALTY EQUIPMENT

- 3.01 The Martin Mars Air Tanker will be equipped to meet the following communication requirements:
- a) equipped with standard aircraft transmit and receive VHF - AM radio equipment with a minimum frequency range of 118 to 135.95 megahertz;
 - b) transmit and receive FM multi channel programmable radio equipment with a frequency range of 150 to 174 megahertz and capable of operation with continuous tone coded squelch system (CTCSS). The radio equipment must be capable of storing 50 or more channels and have operator accessibility to all CTCSS tones. The Equipment must be compatible with Industry Canada's Radio Spectrum Realignment (narrow banding) requirement;
 - c) The FM radio will have a separate guard channel;
 - d) a Global Positioning System (GPS) having a minimum of 4 channels, capable of storing up to 100 user inputted way points and having NMEA.0183 standard output with RS232 or

USB serial port and ASCII format.

- 3.02 The Aircraft will be equipped with a satellite communication system (SATCOM) which incorporates the Iridium System.
- 3.03 The Aircraft will be equipped with an Automated Flight Following (AFF) tracking system providing voice communications and data management/transfer that meets the Canadian and United States requirements.
- 3.04 The Ministry's AFF specifications are set out at www.bcwildfire.ca/FightingWildfire/Aviation/AFF.
- 3.05 The Aircraft will be equipped with all safety and survival equipment and supplies as required by federal and provincial laws and regulations.

**SCHEDULE B
SERVICES**

1. SERVICES

- 1.01 During the Operating Period, the Company will:
- a) provide Aircraft flight and fire bombing services;
 - b) provide all fueling and foam or gel retardant loading services necessary for the performance of the Services;
 - c) position the Aircraft at the times and locations specified by the Minister;
 - d) maintain an air readiness level as specified by the Minister;
 - e) use its best efforts to ensure that the Aircraft and flight operations Personnel adhere to the Ministry's operational procedures and instructions;
 - f) cause appropriate personnel of the Company to attend pre-and de-briefing exercises;
 - g) cause appropriate personnel of the Company to attend an end of Operating Period de-brief session;
 - h) undertake work utilizing the Martin Mars Air Tankers and appropriate personnel for third parties as directed by the Minister;
 - i) ensure that all flight operations Personnel are attired in standard apparel for either flight or maintenance as the case may be;
 - j) work co-operatively with the Province in joint training sessions; and
 - k) provide the Services in accordance with the British Columbia Forest Service Fire Bombing Procedures.

- 1.02 During the Operating Period, the Company will have in place the necessary support equipment to quickly respond should the Minister request the Aircraft be Positioned to a location other than the Company's Designated Base. This support equipment will include:
- one (1) fuel truck;
 - one (1) tractor trailer;
 - one (1) service trailer;
 - one (1) van; and
 - one (1) boat.
- 1.03 During the Operating Period or any extensions, the Company will advise the Minister of any possible opportunities or requirements for the Company's own use of the Aircraft.

SCHEDULE C FEE SCHEDULE

1. FEE SCHEDULE

- 1.01 In this Schedule, unless the context requires otherwise:
- "Fees" are as set out in Schedule E. All charges are in Canadian dollars;
 - "Flight Time" for the Martin Mars Air Tanker means the time, measured in minutes and reported in tenths of an hour as calculated and detailed in the Transport Canada Aeronautical Information Manual (TC AIM), from the aircraft leaving the buoy for the purpose of initial takeoff to the time when the aircraft comes to a complete stop at the buoy;
 - "Flying Rate" means the hourly charges for Flight Time as set out in Schedule E;
 - "Minimum Utilization Rate" means the hourly rate charged for any minimum utilization shortfall hours set out in Schedule E;
 - "Positioning" means a change in the location of the Aircraft, Personnel and Equipment at the request of the Minister;
 - "Positioning Daily Rate" means the fee set out in Schedule E for Positioning the Aircraft;
 - "Proper Account" means a written statement of account, on Company letterhead, in a form satisfactory to the Minister, to the address set out in this Agreement or as directed by the Ministry, showing the calculation of the amounts claimed for the period, including:
 - flight slip or invoice reference number;
 - flight date;
 - pilot name;
 - Aircraft registration and type;
 - Agreement number;
 - Branch or Fire Center;
 - legs of flight, including:
 - from/to
 - up/down times

- hours flown
- Ministry Use Code
- Fire or Project Number
- volume of foam or gel retardant;
- number of drops and volumes
- fuel and oil costs as permitted under Schedule E;
- other applicable costs and expenses;
- "goods and services received" signature;
- total flight cost.

- "Release Rate" means that rate set out in Schedule E to credit the Ministry for each day the Aircraft is released by the Province to the company.
- "Warm-Up Fee" means the flat rate charge for a Warm-Up on Days the Ministry's established alert and required response time is one half hour or less, as set out in Schedule E.

- 1.02 The Province will pay the Company the following charges, as set out in Schedule E, with respect to the Services provided:
- Flight Time Charges;
 - Warm-Up Charges;
 - Operating Period Guaranteed Flight Time Utilization;
 - Fuel Costs;
 - Foam and gel retardant costs;
 - Positioning and Expenses; and
 - Other Costs.
- 1.03 The Province will pay those fees described in section 1.02 within sixty (60) days following receipt by the Province of a Proper Account.
- 1.04 The Company will submit Proper Accounts in no less than weekly intervals.

SCHEDULE D INSURANCE

1. INSURANCE

- 1.01 In addition to such policies as are required by Canadian laws and regulations, the Company shall, at its sole cost and expense and during the Agreement Term provide and maintain for the benefit of the Minister, his servants, agents and employees:
- combined public liability, property damage and passenger bodily injury insurance in sums not less than ten million dollars (\$10,000,000) and the insurance will include:
 - products and completed operations liability;
 - non-owned automobile insurance;
 - blanket contractual liability;
 - contingent employer liability;
 - personal injury liability;

- vi. employees as additional insureds; and
- vii. a cross liability clause

The Province is to be added as an "Additional Insured" on owned aircraft liability insurance under this policy, as follows: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests and Range and any of its employees, servants or agents"; and

- b) any additional insurance which is required by law or which the Company considers necessary to cover risks not otherwise covered by insurance specified in this section.

- 1.02 All insurance will be in a form, and content and placed with an insurer or insurers duly licensed to carry on insurance business in British Columbia acceptable to the Minister.
- 1.03 The Company shall, not later than the commencement of the Agreement Term, provide to the Province a Certificate of Insurance confirming all policies and necessary endorsements to comply with the insurance requirements outlined herein.
- 1.04 The Company will ensure that the insurance may not be cancelled or materially changed in any way whatsoever without the insurers providing 30 days prior notice to the Minister.
- 1.05 The insurance will be primary and not require the sharing of any loss by any insurer of the Province.
- 1.06 The Company waives all rights of recourse against the Province with regard to damage to the Company's property.
- 1.07 At the Company's own expense, shall obtain WorkSafe BC coverage for itself, its subcontractors, all workers and any shareholders, directors, partners or other individuals employed or engaged in the performance of the Services. The Company must comply with all conditions of the *Workers Compensation Act* and regulations thereunder, and upon request, must provide the Province with proof of such compliance.

- c) any Flight Time hours Positioning the Aircraft;
- d) Flight Time hours in a), b) and c) above will be included in the calculation of Guaranteed Flight Time Utilization.

2. OPERATING PERIOD GUARANTEED FLIGHT TIME UTILIZATION

- 2.01 During the Operating Period the Province will guarantee a total of forty five (45) hours of Martin Mars Air Tanker Flight Time.
- 2.02 If the total number of Martin Mars Air Tanker Flight Time hours flown during the Operating Period does not equal forty five hours (45), the Province will pay to the Company an amount equal to forty five hours (45) less the actual Flight Time hours flown multiplied by the Minimum Utilization Rate.
- 2.03 If the total number of Martin Mars Air Tanker Flight Time hours flown during an extension of the Operating Period or a new Operating Period does not equal the equivalent of 50% of one (1) hour multiplied by the number of extension Days or new Operating Period Days, the Province will pay to the Company the shortfall in hours multiplied by the Minimum Utilization Rate.
- 2.04 **Minimum Utilization Charges**
A Minimum Utilization Rate of twelve thousand two hundred sixty seven dollars (\$12,267.00) per hour will apply for any hours as calculated under section 2.02 and 2.03.
- 2.05 **Guaranteed Flight Time**
 - a) Should the Flight Time hours during the period June 2nd to June 30, 2008 not total 15 hours an amount equal to the difference in the hours multiplied by the Minimum Utilization Rate as set out in section 2.04 shall be payable by the Minister;
 - b) Should the Flight Time during the period July 1st to July 31st, 2008 plus amounts paid under section a) above not total 30 hours, an amount equal to the difference in hours multiplied by the Utilization Rate as set out in section 2.04, shall be payable by the Minister; and
 - c) Operating Period from June 2, 2008 to August 30, 2008:
 - i. Should the Flight Time during the period August 1st to August 30th plus amounts paid under section a) and b) above not total 45 hours, an amount equal to the difference in hours multiplied by the Minimum Utilization Rate as set out in section 2.04 shall be payable by the Minister; or

SCHEDULE E FEES

1. FLIGHT TIME CHARGES

- 1.01 Flight Time for the Martin Mars Air Tanker at a Flying Rate of sixteen thousand one hundred thirty five dollars (\$16,135.00) exclusive of fuel will be applicable for:
 - a) all hours of Flight Time flown to provide the Services;
 - b) any Flight Time hours flown in a practice or training session if such sessions are at the specific written request of the Minister;

- ii. Should the total Flight Time during the Operating Period exceed 45 hours, the total of the amounts paid by the Minister for Guaranteed Flight Time under sections a) and b) above shall be payable by the Company to the Minister within 60 days.
- d) Operating Period Extensions or New Operating Periods:
 - i. Should the Flight Time during any of these periods not total the utilization guaranteed as calculated in section 2.03, an amount equal to the difference in hours multiplied by the Minimum Utilization Rate as set out in section 2.04 shall be payable by the Minister.

3. ALERT STATUS

- 3.01 The Province will advise the Company of the next Day's alert status by fax between 1300 hours and 1600 hours of the previous day.

4. FUEL COSTS

- 4.01 **Fuel Rate at Sproat Lake BC**
The cost incurred at the Company's Base of Sproat Lake BC and paid by the Company for aviation fuel used by the Company to fulfill its obligation under this Agreement will be four thousand four hundred forty nine dollars (\$4,449.00) per hour of Flight Time.
- 4.02 **Fuel Rate Away From the Company's Base**
Fuel purchases other than listed in this Schedule will be reimbursed at the actual cost incurred, supported by receipts and paid by the Company.
- 4.03 The Company will retain all supporting documentation to support the charges for the aviation fuel costs as set out in section 4.01 and participate in a post season review with the Province to reconcile actual usage and costs. The results may include a one-time payment by the Minister to the Company or a reimbursement from the Company to the Province for each year of this Agreement.

5. FOAM AND GEL RETARDANT COSTS

- 5.01 The Province will reimburse the Company for all foam and/or gel retardant used to provide the Services under this Standing Offer.
- 5.02 The volumes must be noted on the daily flight slips or invoice and will be paid at the rate of:
 - a) \$5.00 per litre for fire fighting foam concentrate; and
 - b) \$16.00 per litre for gel retardant concentrate.

6. WARM-UP FEE

- 6.01 The Province will reimburse the Company for all warm-ups required as per Schedule C 1.01 h) of this Standing Offer.
- 6.02 The warm-up must be noted on the daily flight slips and will be paid at the rate of five hundred dollars (\$500.00) per warm-up, inclusive of fuel.

7. POSITIONING AND EXPENSES

- 7.01 Should the Minister request the Aircraft, Flight Crew, support equipment and personnel be Positioned away from the Company's Sproat Lake Base or from one base designated by the Minister to another base designated by the Minister the following rates are payable by the Minister:
 - a) A Daily Rate will be applicable for each Day Positioning or Positioned away from the Company's Sproat Lake Base as follows:
 - i. A Daily Positioning Rate shall be payable by the Minister at eight thousand eight hundred ninety four dollars (\$8,894.00) per Day for the first and last Day of positioning away from the Company's Base; and
 - ii. a Daily Rate while Positioned away from the Company's Base shall be payable by the Minister at seven thousand nine hundred dollars (\$7,900.00) per Day.
- 7.02 Should the Ministry supply any accommodations and/or meals the Daily Rates set out in this section will be reduced as follows: accommodations \$95 each and \$46.50 each (\$15.50 for each meal).
- 7.03 Vehicle mileage allowance of \$0.49 per kilometer during mobilization and demobilization when required to be away from the Company's Base for one (1) Fuel Truck, two (2) Service Trailers and one (1) Van.
- 7.04 Other necessary out of pocket travel expenses approved by the Ministry when the Flight and Support Crew are away from the Designated Base will be reimbursed at the actual cost incurred and supported by receipts. This may include but is not limited to additional rental vehicles or air travel.

8. OTHER

- 8.01 The Province will reimburse the Company:
 - a) the actual amount paid by the Company for navigation and/or aerodrome fees required in the performance of the Services;
 - b) with the prior written approval of the Province, the actual amount paid by the Company for other costs as may be necessary to provide the Services away from the Company's Designated Base.

9. RELEASE RATES

9.01 The rate for the Company's use of the Aircraft when released from the Company's Service Requirements by the Ministry will be at the Release Rate for each and every day the aircraft is released. The Release Rate is as agreed by the parties.

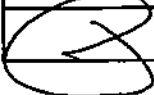

10. PENALTIES

10.01 During the Operating Period, for each and every instance the Aircraft, Personnel or Services are not available for use as required by the Minister, the Minister may assess damages as follows:

- a) Up to and including 5 consecutive Days, an amount equal to 50% of one (1) hour at the Minimum Utilization Rate for each full Day or prorated Day, the Aircraft, Personnel or Services are not available; or
- b) between 6 and 15 consecutive Days inclusive, an amount equal to (1) hour at the Minimum Utilization Rate for each full Day or prorated Day, the Aircraft, Personnel or Services are not available; or
- c) a period greater than 15 consecutive Days the Aircraft, Personnel or Services are not available would nullify any Guaranteed Flight Time Utilization payable under this Agreement and any Minimum Utilization Charges paid by the Minister under Section 2.05 of this Schedule shall be payable by the Company to the Minister within 60 days.

10.02 Should the Aircraft, Personnel and Services become available to the Minister after an assessment of damages under 10.01 c) has been made by the Minister, Guaranteed Flight Time Utilization for the remainder of the Operating Period may be determined on the mutual agreement of both parties.

10.03 The company must prepare an Unserviceability Report for each day or part day, the Aircraft, Personnel or Services are not available.

INITIALS	
For the Company	For the Minister
	

**APPENDIX II
POSITIONING AND EXPENSES**

2008 Positioning and Expenses (Schedule E-7)

DAILY RATE BREAKDOWN:

<u>Quantity</u>	<u>Description</u>	<u>Daily Off Site Rate</u>	<u>Total</u>	<u>comments</u>
1	Fuel Truck	\$1,018.00	\$1,018.00	driver included
1	Tractor Trailer	\$1,018.00	\$1,018.00	driver included
1	Service Trailer	\$1,018.00	\$1,018.00	driver included
1	Van	\$101.80	\$101.80	driver included
2	Rental Vehicles	\$60.00	\$120.00	on-site rentals for ground transport
1	Daily Fuel	\$48.90	\$48.90	for van and 2 rental vehicles
1	Boat	\$101.80	\$101.80	
6	Support Employees	\$486.00	\$2,916.00	wages (exclusive of drivers above)
6	Ferry - Individuals	\$13.00	\$78.00	passenger fares (one way)
2	Ferry - Trucks	\$291.00	\$582.00	vehicle & driver fares (one way)
1	Ferry Service - Trailer	\$291.00	\$291.00	vehicle & driver fare (one way)
1	Ferry - Van	\$43.00	\$43.00	vehicle & driver fare (one way)
11	Living Out - Individuals	\$141.50	\$1,556.50	Includes four (4) flight crew, one (1) Ops Manager and six (6) Support Employees
Daily Positioning First & Last Day Only:			\$8,894.00	Daily Rate includes BC Ferry costs.
Daily Rate Positioned away from Sproat Lake:			\$7,900.00	Daily Rate includes BC Ferry costs

Other Expenses (if required):

Vehicle Mileage	\$0.49	Mob & de-Mob only - for one (1) Fuel Truck, two (2) Trailers and one (1) Van.
Additional Rental Vehicles	expenses incurred	Must be pre-approved by the Province if required.
Air Travel	expenses incurred	

*** Should the Ministry supply any of the 'Living Out - Individual' expenses, the Daily Off Site Rate will be reduced as follow: accommodation \$95.00 per individual and \$15.50 for each meal.**



MINISTRY OF FORESTS AND RANGE
AIRCRAFT OPERATIONS AGREEMENT

STANDING OFFER FOR:
MARTIN MARS AIR TANKER SERVICES

STANDING OFFER NO.: AO1146B001
FILE: 1070-20/COUL 11 01

THIS AGREEMENT executed and dated for
Reference the 10th (tenth) day of May 2010.

JUN - 8 2010

BETWEEN:
HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA:

AND
PROVINCIAL AIRTANKER CENTRE
B.C.F.S.
KAMLOOPS, BRITISH COLUMBIA

Ministry of Forests and Range, Wildfire
Management Branch
("Province") at the following address:

Coulson Air crane Ltd.
d.b.a. Coulson Flying Tankers
("Offeror") at the following address:

3080 Airport Drive
Kamloops, British Columbia
V2B 7X2

9350 Bomber Base Road
Port Alberni, British Columbia
V9Y 8Z3

Telephone No: (250) 312-3010
Fax No: (250) 554-5468
Ministry Representative: Nina Barber
Email Address: nina.barber@gov.bc.ca

Telephone No: (250) 723-6225
Fax No: (250) 723-6200
Offeror Representative: Wayne Coulson
Email Address: wayne.coulson@coulsongroup.com

WHEREAS:

The Offeror offers to supply, as, if and when requested, the Services described in Appendix I, to the Province.

ACCORDINGLY, the parties agree as follows:

1. DEFINITIONS

1.01 In this Standing Offer, unless the context otherwise requires:

- a) "Air Tanker Request" means any form of the Province, issued during the Operating Period that references this Standing Offer and the Services as set out in Appendix I and is sent to the Offeror
- b) "Appendix I" means the Terms and Conditions with all Schedules attached thereto;
- c) "Contract" means the binding agreement the terms of which are set out in Appendix I entered into by the Offeror and the Province which enables the Province to acquire the Services set out in the Air Tanker Request for the Fees set out in Schedule E of Appendix I;
- d) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests and Range; the Director, Wildfire Management Branch; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Wildfire Management Branch may authorize;
- e) "Minister" means the Minister of Forests and Range or his "Designated Representative";
- f) "Ministry" means the Ministry of Forests and Range, Province of British Columbia;
- g) "Operating Period" means a period within the Standing Offer Term during which the Services will be available to the Province under the Terms and Conditions of Appendix I.
- h) "Operating Period Request" means any form of the Province that references this Standing Offer and the Services as set out in Appendix I and is sent to the Offeror, giving notice of the dates of the Operating Period. The first Operating Period is as set out in section 2.03;
- i) "Services" means the air tanker services provided by the Offeror to the Province as described in Appendix I;
- j) "Standing Offer" means the Offeror's offer to supply the Services under the Terms and Conditions of Appendix I; and
- k) "Standing Offer Term" means the Term as set out in section 2.

2. TERM AND EXPIRY

- 2.01 This Standing Offer will commence on May 10th, 2010 and expire on March 31, 2011 unless withdrawn in accordance with section 5. Subject to satisfactory performance by the Contractor and availability of funding by the Province, the Parties may agree in writing to extend this Agreement for a further Term of one year. Second year rates will be reviewed and adjusted by mutual agreement.
- 2.02 This Standing Offer Term may be extended on the mutual agreement of both parties.
- 2.03 The first Operating Period will be the 90 day period commencing on June 15, 2010 and expiring on August 30, 2010
- 2.04 The Operating Period may be amended or an additional Operating Period determined on the mutual agreement of both parties.

3. THE STANDING OFFER

- 3.01 The Offeror understands and agrees that:
 - a) a Contract is formed on receipt by the Offeror of the Operating Period Request which has been completed and signed by a Ministry Representative;
 - b) the Operating Period Request shall form a Contract only for those Services which have been requested provided always that such request is made in accordance with the provisions of this Standing Offer;
 - c) the issue and distribution this Standing Offer does not oblige the Province to authorize or order all or any of the Services, described in this Standing Offer;
 - d) the Province's liability shall be limited to that which arises from a Contract, made prior to the expiry date described in section 2;
 - e) the Province reserves the right to procure the specified Services by any other means it deems necessary including the use of other contracts, standing offers, or by other contracting methods;
 - f) the Province reserves the right to set aside this Standing Offer, for whatever reason, and not make it available for any Operating Period Requests ;
 - g) no change to this Standing Offer will be valid unless it is by way of an addendum signed by both the Offeror and the Province; and
 - h) the Terms and Conditions set out in Appendix I will apply to each Contract.
- 3.02 If the Province provides an Operating Period Request prior to the expiry of this Standing Offer and receives the Services, then the Province will pay to the Offeror amounts payable as described in Appendix I of this Standing Offer.


4. SERVICE REQUEST MECHANISM

- 4.01 During the Operating Period, Services may be ordered by methods other than an Air Tanker Request, such as telephone, facsimile or e-mail.
- 4.02 If there is any conflict between the Operating Period Request and this Standing Offer, the provisions specifically set out in this Standing Offer will prevail and all else will be as if not written.
- 4.03 The Offeror will use all commercially reasonable efforts to fulfill any and all Operating Period Requests, which may be made before the expiry of this Standing Offer or of the notice period under section 5.01.
- 4.04 If the Offeror is unable to fulfill any request for Services, the Offeror must immediately notify the Minister.

5. NOTIFICATION OF WITHDRAWAL

- 5.01 In the event that the Offeror wishes to withdraw this Standing Offer, the Offeror shall provide no less than ten (10) days written notice to the Minister and such withdrawal of Standing Offer shall not be effective until receipt of such notification by the Minister and the expiry of such notice period.

IN WITNESS WHEREOF the undersigned extends this Standing Offer on the first date written above:



(Signed by Offeror)

W. Coulson, CEO

Print Name and Title

June 4/2010

Date



(Signed for the Minister of Forests and Range)

Nirca Barber, Minister

Print Name and Title

June 8/2010

Date

**APPENDIX I
TERMS AND CONDITIONS**

1. DEFINITIONS

1.01 In this Appendix, unless the context otherwise requires:

- a) "Aircraft" means any or all aircraft, described in Schedule A covered by this Agreement;
- b) "Air Tanker Alerts" means the daily alert status for the Province's air tanker resources as prepared by the Minister during the fire season;
- c) "Aviation Occurrence" means an aviation occurrence as defined and detailed in the Transport Canada Aeronautical Information Manual (TC AIM);
- d) "BC Forest Service Fire Bombing Procedures" means the British Columbia Fire Bombing Procedures, created and maintained by the Province, outlining the Province's training requirements and operational policies and procedures in relation to aerial fire fighting;
- e) "Built-up Area" means any forest or range land occupied by houses, trailers, mobile homes, outbuildings or other manmade structures that are being threatened by, or adjacent to, or within the boundaries of, a Wildfire;
- f) "Designated Base" means the Company's usual operational base for the Aircraft;
- g) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests and Range; the Director, Wildfire Management Branch; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Forest Wildfire Management Branch may authorize;
- h) "Day" means each calendar day during the Operating Period when Services, Personnel and Equipment are provided;
- i) "Equipment" means the Company's fire fighting Aircraft and the Specialty Equipment required in providing the Services and as described in Schedule A, and any other such equipment approved by the Minister for use in providing the Services;
- j) "Improvements" means any vehicle, equipment or other manmade structure that is occupying forest or range lands being threatened by, adjacent to, or within the boundaries of, a Wildfire;
- k) "Maintenance Manuals" means the Company's Transport Canada approved Maintenance Control and Maintenance Procedures Manuals detailing the aircraft operated by the air carrier, the maintenance criteria, procedures and schedules for each aircraft and the personnel responsible for maintenance, inspection and quality control;
- l) "Minister" means the Minister of Forests and Range or his Designated Representative;
- m) "Ministry" means the Ministry of Forests and Range, Province of British Columbia;
- n) "Operations Manual" means the Company's Transport Canada approved document detailing the Company's operating procedures and includes any amendments to the same as required by law;
- o) "Operating Period" means a period within the Standing Offer Term during which the Services will be available to the Province under the Terms and Conditions of Appendix 1 and as requested by the Province to the Company;
- p) "Services" means the aircraft services as described in Schedule B;
- q) "Specialty Equipment" means the Company's specialty equipment required in providing the Services and as described in Schedule A, and any other such equipment approved by the Minister for use in providing the Services;
- r) "Warm-Up" means the warming up of aircraft engines as described in Schedule C.
- s) "Wildfire" means an unplanned fire occurring on forest or range lands, burning forest vegetation, grass, brush, scrub, peatlands, or a prescribed fire set under a Burn Registration which, in the judgment of a Forest Officer threatens to spread beyond the area authorized for that burning; and
- t) "Year" means, in respect of the term of this Agreement, the period from April 1 of one year to March 31 of the following year.

2. APPOINTMENT, TERM AND SERVICES

- 2.01 The Province shall request the Services with an electronic Air Tanker Request, facsimile or e-mail confirmation to the Company.
- 2.02 The Company will provide the Services as requested in accordance with this Agreement.
- 2.03 The Company will provide the Services during the Operating Period regardless of the date of execution or delivery of this Agreement.
- 2.04 More than one Operating Period can exist prior to the expiration or withdrawal of the Standing Offer.

3. FEES AND EXPENSES

- 3.01 In consideration of the Company providing the Services, the Province will pay to the Company Fees and Expenses in the amounts and in the manner set out in this Agreement.
- 3.02 The sums described in section 3.01 constitute the maximum amounts payable to the Company for its performance of the Services and the Company will not be entitled to any additional compensation for its performance whether or not the work actually undertaken by the Company is described in the Agreement.

3.03 Notwithstanding any other provision of the Agreement, the payment of money by the Province to the Company under this Agreement is subject to:

- a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, to enable the Province, in a fiscal year or part thereof when any payment of money by the Province to the Company falls due under this Agreement to make that payment; and
- b) Treasury Board, as defined in the *Financial Administration Act*, not having controlled or limited, under the *Financial Administration Act*, expenditure under any appropriation referred to in subsection (a).

3.04 The Province certifies that the property and/or Services ordered and purchased under this Agreement are for the use of, and are being purchased by, the Province with Crown funds and are therefore not subject to the Goods and Services Tax. Effective July 1, 2010, the Federal Goods and Services Tax (GST) along with B.C.'s Provincial Sales Tax (PST) is replaced with the federally administered Harmonized Sales Tax (HST). The HST has a combined tax rate of 12 percent; 5% GST and a 7% B.C. Component. The HST has the same rules as the GST, therefore if GST is applied prior to July 1st, then HST applies after July 1, 2010.

4. COVENANTS OF THE COMPANY

4.01 The Company will:

- a) observe, perform and comply with all of its obligations under this Agreement;
- b) remain an independent contractor and not the servant, employee, partner, or agent of the Province or the Minister;
- c) not, in any manner whatsoever, commit or propose to commit the Province or the Minister to the payment of any money to any person, except as contemplated by this Agreement;
- d) secure and maintain in good standing all necessary approvals and certificates for the Aircraft and Specialty Equipment described in this Agreement;
- e) equip, operate and maintain the Aircraft in accordance with all requirements of Canadian and British Columbia laws and regulations;
- f) comply with all the standards, practices, procedures and specification set out in the Company's Transport Canada approved Operations Manual; and those set out in the Company's Transport Canada approved Maintenance Manuals in conducting all Aircraft maintenance;
- g) service, repair, overhaul, test, and maintain the Aircraft in a safe and airworthy state of repair at all times in accordance with manufacturer's recommended maintenance programs and the

Company's Maintenance Manuals, to the satisfaction of the Minister;

- h) perform the Services and its obligations under this Agreement in a safe and professional manner to the reasonable satisfaction of the Minister;
- i) except with the explicit approval of the Minister, ensure that all Aircraft maintenance is performed by a fully qualified and licensed Aircraft Maintenance Engineer ("AME") who is not the Aircraft pilot;
- j) allow no pilot to fly the Aircraft and provide the Services pursuant to this Agreement, without prior approval of the Minister;
- k) provide and maintain at all times, sufficient qualified staff, facilities, materials, appropriate Specialty Equipment and approved subcontractual arrangements to fully perform the Services and its obligations under this Agreement to the reasonable satisfaction of the Minister;
- l) provide all refueling and foam or gel retardant equipment when the Aircraft is away from its Designated Base;
- m) be responsible for all charges, costs and expenses including but not limited to, Aircraft fuel, costs of lubricants, airport costs, and Aircraft parking fees, necessary for the efficient operations of the Aircraft and Specialty Equipment required for the performance of the Services under this Agreement, unless specified otherwise in this Agreement;
- n) obtain and maintain in force during the Operating Period insurance as described in Schedule D;
- o) in addition to the items contained in this Agreement, provide all living expenses and services to the Company's employees and permitted subcontractors throughout the province, together with all other expenses connected with the Company's operations; and
- p) reasonably cooperate with the Province and any other persons providing services to the Province.

5. COVENANTS OF THE PROVINCE

5.01 The Province will, at its own expense, provide the following:

- a) extraordinary charges for navigation and/or aerodrome fees (where applicable), that are necessary for the Company to perform the Services, except as otherwise provided;
- b) a bird dog aircraft as deemed appropriate to support an Air Tanker Request;
- c) at the Province's discretion, a bird dog aircraft to support the Company's training and practice exercises; and
- d) access to view the Province's Resource Tracking System.

6. INDEMNITY

- 6.01 The Company will indemnify and save harmless the Province and the Minister from and against all claims, demands, losses, damages, costs and expenses made against or incurred, suffered or sustained by the Province and the Minister or either of them at any time or times (whether before or after termination of this Agreement) where the same or any of them are based upon or arise out of anything done or omitted to be done by the Company or by any employee, officer, subcontractor, or agent of the Company pursuant to this Agreement, excepting as always liability arising out of the independent negligent acts of the Province or the Minister.
- 6.02 Notwithstanding section 6.01, the Province will indemnify and save harmless the Company, its permitted subcontractors and their respective agents, servants and employees from and against any and all liability or bodily injury or damage to Improvements directly or indirectly caused by, arising from or resulting from the dropping of fire retardants, water, foam and other fire control chemicals from a Martin Mars Air Tanker by the Company or any of its permitted subcontractors, their respective agents, servants or employees under this Agreement in the vicinity of Improvements or Built-up Areas where such actions are:
 - i. carried out at the direction of the Minister;
 - ii. are, in the opinion of the Minister, considered to be essential to the control of Wildfires; and
 - iii. not negligently performed by the Company.
- 6.03 The Company will cooperate with the Province and its counsel in any and all investigations, settlements and judicial determination of any claims made against the Province, the Minister or the Company relating directly or indirectly to this Agreement and will use its best effort to cause its employees, officers, subcontractors and agents to be similarly bound.

7. ASSIGNMENT AND SUBCONTRACTING

- 7.01 The Company will not assign this Agreement, nor subcontract any of its obligations under this Agreement, to any person, firm, or corporation without the prior written consent of the Province.
- 7.02 The Company will at all times be held fully responsible to the Province for the acts and omissions of its subcontractors and persons employed by them and no subcontract entered into by the Company will impose any obligation or liability upon the Province to any such subcontractor or any of its employees.
- 7.03 The Company will cause every assignee or subcontractor to be bound by the terms of this Agreement so far as they apply to the work to be performed by each subcontractor.

7.04 Nothing in this Agreement will create any contractual relationship between the Province and the subcontractor of the Company.

8. TERMINATION


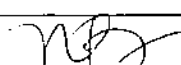
8.01 The Province may, in addition to any remedy available to it at law or equity, terminate this Agreement by written notice to the Company if the Company fails to observe, perform or comply with any provisions of this Agreement.

9. NOTICES

- 9.01 Any notice, document, statement, report or demand desired or required to be given or made under this Agreement will be in writing and may be given or made by personal delivery to the party to whom it is to be given or made, or by mailing it in Canada with postage prepaid to the applicable address, or by transmitting it by facsimile to the applicable facsimile transmission number, noted for both the Province and the Company at the start of this Agreement.
- 9.02 The Company will provide to the Province, as soon as possible and by the quickest means possible the particulars and details of any Aviation Occurrence that occurs while providing the Services.
- 9.03 The Province may request the Company prepares a detailed report of the Aviation Occurrence referred to in section 9.02.

10. MISCELLANEOUS

- 10.01 This Agreement will ensure to the benefit and be binding upon the Province and its assigns and the Company and its successors and permitted agents.
- 10.02 This Agreement will be governed by, construed and interpreted in accordance with the laws of the Province of British Columbia.
- 10.03 All disputes arising out of or in connection with this Agreement will be referred and finally resolved by arbitration administered by the British Columbia International Commercial Arbitration Center pursuant to the "Rules of Procedures". The place of arbitration will be Victoria BC.
- 10.04 Each party will, upon reasonable request of the other parties, fully cooperate to the betterment of the Services provided under this Agreement.
- 10.05 This Agreement may only be amended by further written amendments executed by or behalf of the parties.
- 10.06 All the discretion and obligations of the Minister or the Province under this Agreement may be exercised or performed by the Minister, the Deputy Minister of Forests and Range or by a Designated Representative.
- 10.07 Each Schedule A to E attached to this Agreement is an integral part of this Agreement as if set out in length in the body of this Agreement.

INITIALS	
For the Company	For the Minister
	

**SCHEDULE A
AIRCRAFT, PERSONNEL AND SPECIALTY
EQUIPMENT**

During the Operating Period, the Company shall provide Aircraft, Personnel and Specialty Equipment according to the following specifications.

1. AIRCRAFT

- 1.01 The Company will supply one Martin Mars Air Tankers, suitable for aerial attack of wildfires as follows:
C-FLYL tail #823
- 1.02 The Aircraft will be located at the Company's Sprout Lake (BC) Base unless otherwise agreed by both parties.

2. PERSONNEL

- 2.01 The Martin Mars Air Tanker Air Crew will meet the following specifications:
 - a) Airline Transport License;
 - b) Transport Canada requirements;
 - c) Meet the Company's Operating certification requirement;
 - d) two years experience flying in fire bombing operations; and
 - e) personal flying history shall be made available upon the request of the Minister.
- 2.02 Maintenance Personnel
 - a) trained in accordance with the Company Maintenance Manuals; and
 - b) Aircraft Maintenance Engineers licensed in accordance with current Transport Canada requirements.

3. SPECIALTY EQUIPMENT

- 3.01 The Martin Mars Air Tanker will be equipped to meet the following communication requirements:
 - a) equipped with standard aircraft transmit and receive VHF - AM radio equipment with a minimum frequency range of 118 to 135.95 megahertz;
 - b) transmit and receive FM multi channel programmable radio equipment with a frequency range of 150 to 174 megahertz and capable of operation with continuous tone coded squelch system (CTCSS). The radio equipment must be capable of storing 50 or more channels and have operator accessibility to all CTCSS tones. The Equipment must be **compatible with Industry Canada's Radio Spectrum Realignment** (narrow banding) requirement;
 - c) The FM radio will have a separate guard channel;
 - d) a Global Positioning System (GPS) having a minimum of 4 channels, capable of storing up to 100 user inputted way points and having

NMEA.0183 standard output with RS232 or USB serial port and ASCII format.

- 3.02 The Aircraft will be equipped with a satellite communication system (SATCOM) which incorporates the Iridium System.
- 3.03 The Aircraft will be equipped with an Automated Flight Following (AFF) tracking system providing voice communications and data management/transfer that meets the Canadian and United States requirements.
- 3.04 The Ministry's AFF specifications are set out at www.bcwildfire.ca/FightingWildfire/Aviation/AFF.
- 3.05 The Aircraft will be equipped with all safety and survival equipment and supplies as required by federal and provincial laws and regulations.

**SCHEDULE B
SERVICES**

1. SERVICES

- 1.01 During the Operating Period, the Company will:
 - a) provide Aircraft flight and fire bombing services;
 - b) provide all fueling and foam or gel retardant loading services necessary for the performance of the Services;
 - c) position the Aircraft at the times and locations specified by the Minister;
 - d) maintain an air readiness level as specified by the Minister;
 - e) use its best efforts to ensure that the Aircraft and flight operations Personnel adhere to the Ministry's operational procedures and instructions;
 - f) cause appropriate personnel of the Company to attend pre-and de-briefing exercises;
 - g) cause appropriate personnel of the Company to attend an end of Operating Period de-brief session;
 - h) undertake work utilizing the Martin Mars Air Tankers and appropriate personnel for third parties as directed by the Minister;
 - i) ensure that all flight operations Personnel are attired in standard apparel for either flight or maintenance as the case may be;
 - j) work co-operatively with the Province in joint training sessions; and
 - k) provide the Services in accordance with the British Columbia Forest Service Fire Bombing Procedures.

- 1.02 During the Operating Period, the Company will have in place the necessary support equipment to quickly respond should the Minister request the Aircraft be Positioned to a location other than the Company's Designated Base. This support equipment will include:
- one (1) fuel truck;
 - one (1) tractor trailer;
 - one (1) service trailer;
 - one (1) van; and
 - one (1) boat.
- 1.03 During the Operating Period or any extensions, the Company will advise the Minister of any possible opportunities or requirements for the Company's own use of the Aircraft.

- hours flown
- Ministry Use Code
- Fire or Project Number
- volume of foam or gel retardant;
- number of drops and volumes
- fuel and oil costs as permitted under Schedule E;
- other applicable costs and expenses;
- "goods and services received" signature;
- total flight cost.

- g) "Release Rate" means that rate set out in Schedule E to credit the Ministry for each day the Aircraft is released by the Province to the company.
- h) "Warm-Up Fee" means the flat rate charge for a Warm-Up on Days the Ministry's established alert and required response time is one half hour or less, as set out in Schedule E. These include yellow and red days but not blue and green.

SCHEDULE C FEE SCHEDULE

1. FEE SCHEDULE

- 1.01 In this Schedule, unless the context requires otherwise:
- "Fees" are as set out in Schedule E. All charges are in Canadian dollars;
 - "Flight Time" for the Martin Mars Air Tanker means the time, measured in minutes and reported in tenths of an hour as calculated and detailed in the Transport Canada Aeronautical Information Manual (TC AIM), from the aircraft leaving the buoy for the purpose of initial takeoff to the time when the aircraft comes to a complete stop at the buoy;
 - "Flying Rate" means the hourly charges for Flight Time as set out in Schedule E;
 - "Minimum Utilization Rate" means the hourly rate charged for any minimum utilization shortfall hours set out in Schedule E;
 - "Positioning" means a change in the location of the Aircraft, Personnel and Equipment at the request of the Minister;
 - "Positioning Fee" means the fee set out in Schedule E for Positioning the Aircraft;
 - "Proper Account" means a written statement of account, on Company letterhead, in a form satisfactory to the Minister, to the address set out in this Agreement or as directed by the Ministry, showing the calculation of the amounts claimed for the period, including:
 - flight slip or invoice reference number;
 - flight date;
 - pilot name;
 - Aircraft registration and type;
 - Agreement number;
 - Branch or Fire Center;
 - legs of flight, including:
 - from/to
 - up/down times

- 1.02 The Province will pay the Company the following charges, as set out in Schedule E, with respect to the Services provided:
- Flight Time Charges;
 - Warm-Up Charges;
 - Operating Period Guaranteed Flight Time Utilization;
 - Fuel Costs;
 - Foam and gel retardant costs;
 - Positioning and Expenses; and
 - Other Costs.
- 1.03 The Province will pay those fees described in section 1.02 within sixty (60) days following receipt by the Province of a Proper Account.
- 1.04 The Company will submit Proper Accounts in no less than weekly intervals.

SCHEDULE D INSURANCE

1. INSURANCE

- 1.01 In addition to such policies as are required by Canadian laws and regulations, the Company shall, at its sole cost and expense and during the Agreement Term provide and maintain for the benefit of the Minister, his servants, agents and employees:
- combined public liability, property damage and passenger bodily injury insurance in sums not less than ten million dollars (\$10,000,000) and the insurance will include:
 - products and completed operations liability;
 - non-owned automobile insurance;
 - blanket contractual liability;

- iv. contingent employer liability;
- v. personal injury liability;
- vi. employees as additional insureds; and
- vii. a cross liability clause

The Province is to be added as an "Additional Insured" on owned aircraft liability insurance under this policy, as follows: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests and Range and any of its employees, servants or agents"; and

- b) any additional insurance which is required by law or which the Company considers necessary to cover risks not otherwise covered by insurance specified in this section.

- 1.02 All insurance will be in a form, and content and placed with an insurer or insurers duly licensed to carry on insurance business in British Columbia acceptable to the Minister.
- 1.03 The Company shall, not later than the commencement of the Agreement Term, provide to the Province a Certificate of Insurance confirming all policies and necessary endorsements to comply with the insurance requirements outlined herein.
- 1.04 The Company will ensure that the insurance may not be cancelled or materially changed in any way whatsoever without the insurers providing 30 days prior notice to the Minister.
- 1.05 The insurance will be primary and not require the sharing of any loss by any insurer of the Province.
- 1.06 The Company waives all rights of recourse against the Province with regard to damage to the Company's property.
- 1.07 At the Company's own expense, shall obtain WorkSafe BC coverage for itself, its subcontractors, all workers and any shareholders, directors, partners or other individuals employed or engaged in the performance of the Services. The Company must comply with all conditions of the *Workers Compensation Act* and regulations thereunder, and upon request, must provide the Province with proof of such compliance.

- training session if such sessions are at the specific written request of the Minister;
- c) any Flight Time hours Positioning the Aircraft;
- d) Flight Time hours in a), b) and c) above will be included in the calculation of Guaranteed Flight Time Utilization.

2. OPERATING PERIOD GUARANTEED FLIGHT TIME UTILIZATION

- 2.01 During the Operating Period the Province will guarantee a total of **forty five (45) hours** of Martin Mars Air Tanker Flight Time.
- 2.02 If the total number of Martin Mars Air Tanker Flight Time hours flown during the Operating Period does not equal forty five hours (45), the Province will pay to the Company an amount equal to forty five hours (45) less the actual Flight Time hours flown multiplied by the Minimum Utilization Rate.
- 2.03 If the total number of Martin Mars Air Tanker Flight Time hours flown during an extension of the Operating Period or a new Operating Period does not equal the equivalent of 50% of one (1) hour multiplied by the number of extension Days or new Operating Period Days, the Province will pay to the Company the shortfall in hours multiplied by the Minimum Utilization Rate.
- 2.04 **Minimum Utilization Charges**
A Minimum Utilization Rate of **fourteen thousand six hundred eighty eight dollars (\$14,688.00)** per hour will apply for any hours as calculated under section 2.02 and 2.03.
- 2.05 **Guaranteed Flight Time**
 - a) Should the Flight Time hours during the period June 15th to June 30, 2010 not total 15 hours an amount equal to the difference in the hours multiplied by the Minimum Utilization Rate as set out in section 2.04 shall be payable by the Minister;
 - b) Should the Flight Time during the period July 1st to July 31st, 2010 plus amounts paid under section a) above not total 30 hours, an amount equal to the difference in hours multiplied by the Utilization Rate as set out in section 2.04, shall be payable by the Minister; and
 - c) Operating Period from June 15, 2010 to August 30, 2010:
 - i. Should the Flight Time during the period August 1st to August 30th plus amounts paid under section a) and b) above not total 45 hours, an amount equal to the difference in hours multiplied by the Minimum Utilization Rate as set out in section 2.04 shall be payable by the Minister; or

SCHEDULE E FEES

1. FLIGHT TIME CHARGES

- 1.01 Flight Time for the Martin Mars Air Tanker at a Flying Rate of **eighteen thousand five hundred fifty six dollars (\$18,556.00)** exclusive of fuel will be applicable for:
 - a) all hours of Flight Time flown to provide the Services;
 - b) any Flight Time hours flown in a practice or

- ii. Should the total Flight Time during the Operating Period exceed 45 hours, the total of the amounts paid by the Minister for Guaranteed Flight Time under sections a) and b) above shall be payable by the Company to the Minister within 60 days.
- d) Operating Period Extensions or New Operating Periods:
 - i. Should the Flight Time during any of these periods not total the utilization guaranteed as calculated in section 2.03, an amount equal to the difference in hours multiplied by the Minimum Utilization Rate as set out in section 2.04 shall be payable by the Minister.

3. ALERT STATUS

- 3.01 The Province will advise the Company of the next Day's alert status by fax between 1300 hours and 1600 hours of the previous day.

4. FUEL COSTS

- 4.01 **Fuel Rate at Sproat Lake BC**
The cost incurred at the Company's Base of Sproat Lake BC and paid by the Company for aviation fuel used by the Company to fulfill its obligation under this Agreement will be **four thousand four hundred forty nine dollars (\$4,449.00)** per hour of Flight Time.
- 4.02 **Fuel Rate Away From the Company's Base**
Fuel purchases other than listed in this Schedule will be reimbursed at the actual cost incurred, supported by receipts and paid by the Company.
- 4.03 The Company will retain all supporting documentation to support the charges for the aviation fuel costs as set out in section 4.01 and participate in a post season review with the Province to reconcile actual usage and costs. The results may include a one-time payment by the Minister to the Company or a reimbursement from the Company to the Province for each year of this Agreement.

5. FOAM AND GEL RETARDANT COSTS

- 5.01 The Province will reimburse the Company for all foam and/or gel used to provide the Services under this Standing Offer.
- 5.02 The volumes must be noted on the daily flight slips or invoice and will be paid at the actual cost from the supplier(s) plus a handling fee of 3 cents/litre on each mixed litre dropped at a 1% basis.

6. WARM-UP FEE

- 6.01 The Province will reimburse the Company for all warm-ups required as per Schedule C 1.01 h) of this Standing Offer.
- 6.02 The warm-up must be noted on the daily flight slips and will be paid at the rate of **five hundred and eight seven dollars (\$587.00)** per warm-up, inclusive of fuel.

7. POSITIONING AND EXPENSES

- 7.01 Should the Minister request the Aircraft, Flight Crew, support equipment and personnel be Positioned away from the Company's Sproat Lake Base or from one base designated by the Minister to another base designated by the Minister the following rates are payable by the Minister:
 - a) A Daily Rate will be applicable for each Day Positioning or Positioned away from the Company's Sproat Lake Base as follows:
 - i. A **Daily Positioning Rate** shall be payable by the Minister at **twelve thousand eight hundred thirty dollars (\$12,830.00)** per Day for the first and last Day of positioning away from the Company's Base; and
 - ii. a **Daily Rate while Positioned** away from the Company's Base shall be payable by the Minister at **ten thousand nine hundred and sixty dollars (\$10,960.00)** per Day based on Schedule E-7, daily minimum requirement.
- 7.02 Should the Ministry supply any accommodations and/or meals the Daily Rates set out in this section will be reduced as follows: accommodations \$95 each and \$46.50 each (\$15.50 for each meal).
- 7.03 Vehicle mileage allowance of \$0.49 per kilometer during mobilization and demobilization when required to be away from the Company's Base for one (1) Fuel Truck, two (2) Service Vehicles.
- 7.04 Other necessary out of pocket travel expenses approved by the Ministry when the Flight and Support Crew are away from the Designated Base will be reimbursed at the actual cost incurred and supported by receipts. This may include but is not limited to additional rental vehicles or air travel.

8. OTHER

- 8.01 The Province will reimburse the Company:
 - a) the actual amount paid by the Company for navigation and/or aerodrome fees required in the performance of the Services;
 - b) with the prior written approval of the Province, the actual amount paid by the Company for other costs as may be necessary to provide the Services away from the Company's Designated Base.

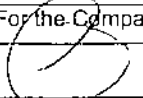

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9. RELEASE RATES

9.01 The rate for the Company's use of the Aircraft when released from the Company's Service Requirements by the Ministry will be at the Release Rate for each and every day the aircraft is released. The Release Rate is as agreed by the parties.

10. PENALTIES

- 10.01 During the Operating Period, for each and every instance the Aircraft, Personnel or Services are not available for use as required by the Minister, the Minister may assess damages as follows:
- a) Up to and including 5 consecutive Days, an amount equal to 50% of one (1) hour at the Minimum Utilization Rate for each full Day or prorated Day, the Aircraft, Personnel or Services are not available; or
 - b) between 6 and 15 consecutive Days inclusive, an amount equal to (1) hour at the Minimum Utilization Rate for each full Day or prorated Day, the Aircraft, Personnel or Services are not available; or
 - c) a period greater than 15 consecutive Days the Aircraft, Personnel or Services are not available would nullify any Guaranteed Flight Time Utilization payable under this Agreement and any Minimum Utilization Charges paid by the Minister under Section 2.05 of this Schedule shall be payable by the Company to the Minister within 60 days.
- 10.02 Should the Aircraft, Personnel and Services become available to the Minister after an assessment of damages under 10.01 c) has been made by the Minister, Guaranteed Flight Time Utilization for the remainder of the Operating Period may be determined on the mutual agreement of both parties.
- 10.03 The company must prepare an Unserviceability Report for each day or part day, the Aircraft, Personnel or Services are not available.

INITIALS	
For the Company	For the Minister
	

Coulson Flying Tankers 2010 Positioning and Expenses (Schedule E-7)

Daily Rate Breakdown

The following shall be considered the minimum required daily accompaniment of manpower and equipment to support Coulson Flying Tankers. The rates shall be reduced accordingly for each item not used or unserviceable on the fireline. Any additional expenses required (ie expense travel or additional rental vehicles) must be pre-approved by the Ministry.

Quantity	Description	Daily Off Site Rate	Total	Comments
1	Fuel Truck	\$1,100.00	\$1,100.00	Driver included
1	Tractor Trailer	\$1,100.00	\$1,100.00	Driver included
1	Crane truck	\$1100.00	\$1,100.00	Driver included
1	bus	\$1100.00	\$1,100.00	Driver Included
1	Kodiak Truck	\$1100.00	\$1,100.00	Driver Included
1	Van	\$110.00	\$110.00	Driver included
1	Rental Vehicle	\$65.00	\$65.00	On-site rentals for ground transport
1	Fuel (van, rental vehicle, Kodiak)	\$55.00	\$55.00	
2	Boats	\$110.00	\$220.00	
6	Support Employees	\$525.00	\$3,150.00	Wages (exclusive of drivers above)
12	Living Out – Accomodation	\$105.00	\$1260.00	
12	Living Out - Meals	\$50.00	\$600.00	
7	Ferry Individuals	\$16.00	\$111.00	
1	Ferry for Fuel Truck	\$312.00	\$312.00	
1	Ferry for Tractor Trailer	\$429.00	\$429.00	
1	Ferry – Crane Truck & Trailer	\$429.00	\$429.00	
1	Ferry – Bus	\$207.00	\$207.00	
1	Ferry – Kodiak & Trailer	\$253.00	\$253.00	
1	Ferry – Van and Trailer	\$129.00	\$129.00	



Ministry of
Forests, Lands and
Natural Resource Operations



Contract Modification Agreement No. 1

MINISTRY CONTRACT/FILE NO.: 1070-20/COUL 11 01

PROJECT NAME: Martin Mars Tanker Services

THIS MODIFICATION AGREEMENT dated for reference May 18th, 2011.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA, represented by the MINISTER OF FORESTS,
LANDS AND NATURAL RESOURCE OPERATIONS

Provincial Wildfire Coordination Centre

(the "Province", "we", "us", or "our" as applicable) at the following address:
3080 Airport Road, Kamloops, B.C.

Telephone: (250) 312-3000 Fax: (250) 554-5468 E-mail Address: Nina.barber@gov.bc.ca

Ministry Representative: Nina Barber

Alternate (if applicable): Jeff Berry

AND

Coulson Aircrane Ltd. DbA Coulson Flying Tankers
(the "Contractor", "you", or "your" as applicable) at the following address:

9350 Bomber Base Road
Port Alberni, BC. V9Y 8Z3

Telephone: (250) 723-8118 Fax: (250) 723-7766 E-mail Address: Wayne.coulson@coulsongroup.com

Contractor Representative: Wayne Coulson

Corporate Business Number: BC0297018

WorkSafe BC No: 363134 and/or POP No. N/A

WorkSafe BC No: 363134 and/or POP No. N/A

The Parties entered into an Agreement dated for reference May 10th, 2010, (hereinafter called the "Agreement"),

B. The Parties agree to amend the Agreement as follows:

1. AIRCRAFT

1.03 An Aircraft Acceptance and Release checklist will be filled out at the beginning and completion of the Operating Period. (See Schedule 8), attached.

2. Term and Expiry

2.01 This Standing Offer will commence on June 1st, 2011 and expire on March 31, 2012 unless withdrawn in accordance with Section 5. Subject to satisfactory performance by the Contractor and availability of funding by the Province, the Parties agree to extend this Agreement for a Term of one year. Third year rates will be reviewed and adjusted by mutual agreement.

2.03 The first Operating Period will be the 90 day period commencing June 2, 2011 to August 31, 2011.

SCHEDULE E

FEES

1. FLIGHT TIME CHARGES

1.01 Flight Time for the Martin Mars Air Tanker at a Flying Rate of eighteen thousand, seven hundred and ninety seven dollars (\$18,797.00) exclusive of fuel will be applicable for:

- all hours of Flight Time flown to provide the Services;
- any Flight Time hours flown in a practice or training session if such a session are at the specific written request of the Minister;
- any Flight Time hours Positioning the Aircraft;
- Flight Time hours in a), b) and c) above will be included in the calculation of Guaranteed Flight Time Utilization.

2. OPERATING PERIOD GUARANTEED FLIGHT TIME UTILIZATION

2.04 A Minimum Utilization Rate of fourteen thousand eight hundred and seventy nine dollars (14,879.00) per hour will apply for any hours as calculated under section 2.02 and 2.03.

2.05 Guaranteed Flight Time

CONTRACT MODIFICATION AGREEMENT

CONTINUED

- (a) Should the Flight Time hours during the period of June 2 to June 30th, 2011 not total 15 hours an amount equal to the difference in the hours multiplied by the Minimum Utilization Rate as set out in section 2.04 shall be payable by the Minister;

4. FUEL COSTS

Fuel Rate at Sproat Lake BC

The cost incurred at the Company's Base of Sproat Lake BC and paid by the Company for aviation fuel used by the Company to fulfill its obligation under this Agreement will be based on rack rate Port Alberni, plus an into plane fee of 15 cents per litre. The rack rate Port Alberni should include you actual fuel costs for the particular load plus transport costs reflected as a per litre cost (this to must be auditable with back up records). If no metering system is available to provide a fuel slip, information noted on the flight slip should include, litres pumped, date of purchase, and location . The into plane fee and fuel will be noted separately per mission on each flight slip.

Fuel pricing information for Port Alberni will be provided at the beginning of each month for the cost of Avgas. This information can be faxed to (250) 554-5468 or emailed to FORPCCP.AIRPWCC@gov.bc.ca.

When deployed away from Port Alberni no into plane fee will apply. Pricing information may be different at other locations, if pricing information is different, a price notification change will be submitted as above.

6. WARM UP FEE

6.02 The warm-up must be noted on the daily flight slips and will be paid at the rate of **\$437.00** per warm-up, exclusive of fuel.

**SCHEDULE 8
AIRCRAFT ACCEPTANCE AND RELEASE CHECKLIST**

Type: Martin Mars Registration: C-FLYL Tail #: 823

Start of Contract: June 2, 2011 (month / day / year) (time) OUT: _____ (month / day / year) (time)

	Start of Contract	Completion of Contract
Base Location – Sprout Lake	<u>June 2, 2011</u>	
Fuel On Board (litres)		
Aircraft Serviceable yes /no		
Radios – Correct Type (VHF / FM) Yes/ No		N/A
Radios – Programmed (FM) Yes/No		N/A
GPS Yes/No		N/A
AFF – Functional Yes/No		N/A
SAT Phone – Confirm with PATC		N/A
Blackberry assigned to crew position Yes/No		N/A

Received by: _____ Released by: _____

(Print name of signatory above)

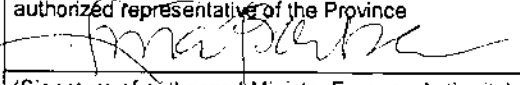
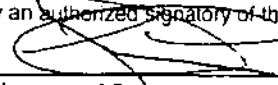
(Print name of signatory above)

FAX TO AVIATION MANAGEMENT 250-554-5468

Unless otherwise indicated, lump sum or unit prices shown below constitute full payment for all labour, materials, equipment, overhead, profit, taxes and other things required to completely incorporate the change(s) into the contract work, but exclude the Harmonized Sales Tax.

7. In all other respects, the Agreement is confirmed.
8. Time is of the essence in this Modification Agreement.

The Parties duly execute this Modification Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province	SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)
	
(Signature of authorized Ministry Expense Authority)	(Signature of Contractor or Authorized Signatory)
Printed Name <u>Nina Barber</u>	Printed Name <u>Wilma Colson</u>
(PRINTED NAME of authorized representative)	(PRINTED NAME of Contractor or authorized signatory)
Dated this <u>2nd</u> day of <u>June</u> 20 <u>11</u>	Dated this <u>2nd</u> day of <u>June</u> 20 <u>11</u>



MINISTRY OF FORESTS, LANDS AND NATURAL
RESOURCE OPERATIONS
AIRCRAFT OPERATIONS AGREEMENT

STANDING OFFER FOR:
MARTIN MARS AIR TANKER SERVICES

STANDING OFFER NO.: AO13WCC009
FILE: 1070-20/COUL 13 01

THIS AGREEMENT executed and dated for
Reference the 28th day of May 2012.

BETWEEN:
HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA:

AND

Ministry of Forests, Lands and Natural Resource
Operations, Wildfire Management Branch
("Province") at the following address:

Coulson Airplane Ltd.
d.b.a. Coulson Flying Tankers
("Offeror") at the following address:

3080 Airport Drive
Kamloops, British Columbia
V2B 7X2

9350 Bomber Base Road
Port Alberni, British Columbia
V9Y 8Z3

Telephone No: (250) 312-3010
Fax No: (250) 554-5468
Ministry Representative: Nina Barber
Email Address: nina.barber@gov.bc.ca

Telephone No: (250) 723-6225
Fax No: (250) 723-6200
Offeror Representative: Wayne Coulson
Email Address: wayne.coulson@coulsongroup.com

WHEREAS:

The Offeror offers to supply, as, if and when requested, the Services described in Appendix I, to the Province.

ACCORDINGLY, the parties agree as follows:

1. DEFINITIONS

1.01 In this Standing Offer, unless the context otherwise requires:

- a) "Air Tanker Request" means any form of the Province, issued during the Operating Period that references this Standing Offer and the Services as set out in Appendix I and is sent to the Offeror
- b) "Appendix I" means the Terms and Conditions with all Schedules attached thereto;
- c) "Contract" means the binding agreement the terms of which are set out in Appendix I entered into by the Offeror and the Province which enables the Province to acquire the Services set out in the Air Tanker Request for the Fees set out in Schedule E of Appendix I;
- d) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests, Lands and Natural Resource Operations, Wildfire Management Branch; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Wildfire Management Branch may authorize;
- e) "Minister" means the Minister of Forests and Range or his "Designated Representative";
- f) "Ministry" means the Ministry of Forests and Range, Province of British Columbia;
- g) "Operating Period" means a period within the Standing Offer Term during which the Services will be available to the Province under the Terms and Conditions of Appendix I.
- h) "Operating Period Request" means any form of the Province that references this Standing Offer and the Services as set out in Appendix I and is sent to the Offeror, giving notice of the dates of the Operating Period. The first Operating Period is as set out in section 2.03;
- i) "Services" means the air tanker services provided by the Offeror to the Province as described in Appendix I;
- j) "Standing Offer" means the Offeror's offer to supply the Services under the Terms and Conditions of Appendix I; and

k) "Standing Offer Term" means the Term as set out in section 2.

2. TERM AND EXPIRY

- 2.01 This Standing Offer will commence on June 1st, 2012 and expire on March 31, 2013 unless withdrawn in accordance with section 5. Subject to satisfactory performance by the Contractor and availability of funding by the Province, the Parties may agree in writing to extend this Agreement for a further Term of one year. Second year rates will be reviewed and adjusted by mutual agreement.
- 2.02 This Standing Offer Term may be extended on the mutual agreement of both parties.
- 2.03 The first Operating Period will be the 90 day period commencing on **June 1, 2012 and expiring on August 29, 2012.**
- 2.04 The Operating Period may be amended or an additional Operating Period determined on the mutual agreement of both parties.

3. THE STANDING OFFER

- 3.01 The Offeror understands and agrees that:
 - a) a Contract is formed on receipt by the Offeror of the Operating Period Request which has been completed and signed by a Ministry Representative;
 - b) the Operating Period Request shall form a Contract only for those Services which have been requested provided always that such request is made in accordance with the provisions of this Standing Offer;
 - c) the issue and distribution this Standing Offer does not oblige the Province to authorize or order all or any of the Services, described in this Standing Offer;
 - d) the Province's liability shall be limited to that which arises from a Contract, made prior to the expiry date described in section 2;
 - e) the Province reserves the right to procure the specified Services by any other means it deems necessary including the use of other contracts, standing offers, or by other contracting methods;
 - f) the Province reserves the right to set aside this Standing Offer, for whatever reason, and not make it available for any Operating Period Requests ;
 - g) no change to this Standing Offer will be valid unless it is by way of an addendum signed by both the Offeror and the Province; and
 - h) the Terms and Conditions set out in Appendix I will apply to each Contract.
- 3.02 If the Province provides an Operating Period Request prior to the expiry of this Standing Offer and receives the Services, then the Province will pay to the Offeror amounts payable as described in Appendix I of this Standing Offer.

4. SERVICE REQUEST MECHANISM

- 4.01 During the Operating Period, Services may be ordered by methods other than an Air Tanker Request, such as telephone, facsimile or e-mail.
- 4.02 If there is any conflict between the Operating Period Request and this Standing Offer, the provisions specifically set out in this Standing Offer will prevail and all else will be as if not written.
- 4.03 The Offeror will use all commercially reasonable efforts to fulfill any and all Operating Period Requests, which may be made before the expiry of this Standing Offer or of the notice period under section 5.01.
- 4.04 If the Offeror is unable to fulfill any request for Services, the Offeror must immediately notify the Minister.

5. NOTIFICATION OF WITHDRAWAL

- 5.01 In the event that the Offeror wishes to withdraw this Standing Offer, the Offeror shall provide no less than ten (10) days written notice to the Minister and such withdrawal of Standing Offer shall not be effective until receipt of such notification by the Minister and the expiry of such notice period.

IN WITNESS WHEREOF the undersigned extends this Standing Offer on the first date written above:



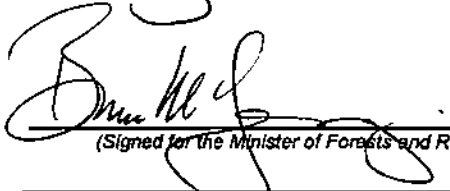
(Signed by Offeror)

WAYNE COULLSON, CEO

Print Name and Title

JUNE 1, 2012

Date



(Signed for the Minister of Forests and Range)

BRUCE YOUNG

Print Name and Title

JUNE 1, 2012

Date

**APPENDIX I
TERMS AND CONDITIONS**

1. DEFINITIONS

1.01 In this Appendix, unless the context otherwise requires:

- a) "Aircraft" means any or all aircraft, described in Schedule A covered by this Agreement;
- b) "Air Tanker Alerts" means the daily alert status for the Province's air tanker resources as prepared by the Minister during the fire season;
- c) "Aviation Occurrence" means an aviation occurrence as defined and detailed in the Transport Canada Aeronautical Information Manual (TC AIM);
- d) "BC Forest Service Fire Bombing Procedures" means the British Columbia Fire Bombing Procedures, created and maintained by the Province, outlining the Province's training requirements and operational policies and procedures in relation to aerial fire fighting;
- e) "Built-up Area" means any forest or range land occupied by houses, trailers, mobile homes, outbuildings or other manmade structures that are being threatened by, or adjacent to, or within the boundaries of, a Wildfire;
- f) "Designated Base" means the Company's usual operational base for the Aircraft;
- g) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests, Lands and Natural Resource Operations; the Director, Wildfire Management Branch; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Forest Wildfire Management Branch may authorize;
- h) "Day" means each calendar day during the Operating Period when Services, Personnel and Equipment are provided;
- i) "Equipment" means the Company's fire fighting Aircraft and the Specialty Equipment required in providing the Services and as described in Schedule A, and any other such equipment approved by the Minister for use in providing the Services;
- j) "Improvements" means any vehicle, equipment or other manmade structure that is occupying forest or range lands being threatened by, adjacent to, or within the boundaries of, a Wildfire;
- k) "Maintenance Manuals" means the Company's Transport Canada approved Maintenance Control and Maintenance Procedures Manuals detailing the aircraft operated by the air carrier, the maintenance criteria, procedures and schedules for each aircraft and the personnel responsible for maintenance, inspection and quality control;
- l) "Minister" means the Minister of Forests, Lands and Natural Resource Operations or his

- Designated Representative;
- m) "Ministry" means the Ministry of Forests, Lands and Natural Resource Operations, Province of British Columbia;
- n) "Operations Manual" means the Company's Transport Canada approved document detailing the Company's operating procedures and includes any amendments to the same as required by law;
- o) "Operating Period" means a period within the Standing Offer Term during which the Services will be available to the Province under the Terms and Conditions of Appendix 1 and as requested by the Province to the Company;
- p) "Services" means the aircraft services as described in Schedule B;
- q) "Specialty Equipment" means the Company's specialty equipment required in providing the Services and as described in Schedule A, and any other such equipment approved by the Minister for use in providing the Services;
- r) "Warm-Up" means the warming up of aircraft engines as described in Schedule C.
- s) "Wildfire" means an unplanned fire occurring on forest or range lands, burning forest vegetation, grass, brush, scrub, peatlands, or a prescribed fire set under a Burn Registration which, in the judgment of a Forest Officer threatens to spread beyond the area authorized for that burning; and
- t) "Year" means, in respect of the term of this Agreement, the period from April 1 of one year to March 31 of the following year.

2. APPOINTMENT, TERM AND SERVICES

- 2.01 The Province shall request the Services with an electronic Air Tanker Request, facsimile or e-mail confirmation to the Company.
- 2.02 The Company will provide the Services as requested in accordance with this Agreement.
- 2.03 The Company will provide the Services during the Operating Period regardless of the date of execution or delivery of this Agreement.
- 2.04 More than one Operating Period can exist prior to the expiration or withdrawal of the Standing Offer.

3. FEES AND EXPENSES

- 3.01 In consideration of the Company providing the Services, the Province will pay to the Company Fees and Expenses in the amounts and in the manner set out in this Agreement.
- 3.02 The sums described in section 3.01 constitute the maximum amounts payable to the Company for its performance of the Services and the Company will not be entitled to any additional compensation for its performance whether or not the work actually undertaken by the Company is described in the Agreement.

3.03 Notwithstanding any other provision of the Agreement, the payment of money by the Province to the Company under this Agreement is subject to:

- a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, to enable the Province, in a fiscal year or part thereof when any payment of money by the Province to the Company falls due under this Agreement to make that payment; and
- b) Treasury Board, as defined in the *Financial Administration Act*, not having controlled or limited, under the *Financial Administration Act*, expenditure under any appropriation referred to in subsection (a).

3.04 The Province certifies that the property and/or Services ordered and purchased under this Agreement are for the use of, and are being purchased by, the Province with Crown funds and are therefore not subject to the Goods and Services Tax. Effective July 1, 2010, the Federal Goods and Services Tax (GST) along with B.C.'s Provincial Sales Tax (PST) is replaced with the federally administered Harmonized Sales Tax (HST). The HST has a combined tax rate of 12 percent; 5% GST and a 7% B.C. Component. The HST has the same rules as the GST, therefore if GST is applied prior to July 1st, then HST applies after July 1, 2010.

4. COVENANTS OF THE COMPANY

4.01 The Company will:

- a) observe, perform and comply with all of its obligations under this Agreement;
- b) remain an independent contractor and not the servant, employee, partner, or agent of the Province or the Minister;
- c) not, in any manner whatsoever, commit or propose to commit the Province or the Minister to the payment of any money to any person, except as contemplated by this Agreement;
- d) secure and maintain in good standing all necessary approvals and certificates for the Aircraft and Specialty Equipment described in this Agreement;
- e) equip, operate and maintain the Aircraft in accordance with all requirements of Canadian and British Columbia laws and regulations;
- f) comply with all the standards, practices, procedures and specification set out in the Company's Transport Canada approved Operations Manual; and those set out in the Company's Transport Canada approved Maintenance Manuals in conducting all Aircraft maintenance;
- g) service, repair, overhaul, test, and maintain the Aircraft in a safe and airworthy state of repair at all times in accordance with manufacturer's recommended maintenance programs and the

- Company's Maintenance Manuals, to the satisfaction of the Minister;
- h) perform the Services and its obligations under this Agreement in a safe and professional manner to the reasonable satisfaction of the Minister;
- i) except with the explicit approval of the Minister, ensure that all Aircraft maintenance is performed by a fully qualified and licensed Aircraft Maintenance Engineer ("AME") who is not the Aircraft pilot;
- j) allow no pilot to fly the Aircraft and provide the Services pursuant to this Agreement, without prior approval of the Minister;
- k) provide and maintain at all times, sufficient qualified staff, facilities, materials, appropriate Specialty Equipment and approved subcontractual arrangements to fully perform the Services and its obligations under this Agreement to the reasonable satisfaction of the Minister;
- l) provide all refueling and foam or gel retardant equipment when the Aircraft is away from its Designated Base;
- m) be responsible for all charges, costs and expenses including but not limited to, Aircraft fuel, costs of lubricants, airport costs, and Aircraft parking fees, necessary for the efficient operations of the Aircraft and Specialty Equipment required for the performance of the Services under this Agreement, unless specified otherwise in this Agreement;
- n) obtain and maintain in force during the Operating Period insurance as described in Schedule D;
- o) in addition to the items contained in this Agreement, provide all living expenses and services to the Company's employees and permitted subcontractors throughout the province, together with all other expenses connected with the Company's operations; and
- p) reasonably cooperate with the Province and any other persons providing services to the Province.

5. COVENANTS OF THE PROVINCE

5.01 The Province will, at its own expense, provide the following:

- a) extraordinary charges for navigation and/or aerodrome fees (where applicable), that are necessary for the Company to perform the Services, except as otherwise provided;
- b) a bird dog aircraft as deemed appropriate to support an Air Tanker Request;
- c) at the Province's discretion, a bird dog aircraft to support the Company's training and practice exercises.

6. INDEMNITY

- 6.01 The Company will indemnify and save harmless the Province and the Minister from and against all claims, demands, losses, damages, costs and expenses made against or incurred, suffered or sustained by the Province and the Minister or either of them at any time or times (whether before or after termination of this Agreement) where the same or any of them are based upon or arise out of anything done or omitted to be done by the Company or by any employee, officer, subcontractor, or agent of the Company pursuant to this Agreement, excepting as always liability arising out of the independent negligent acts of the Province or the Minister.
- 6.02 Notwithstanding section 6.01, the Province will indemnify and save harmless the Company, its permitted subcontractors and their respective agents, servants and employees from and against any and all liability or bodily injury or damage to Improvements directly or indirectly caused by, arising from or resulting from the dropping of fire retardants, water, foam and other fire control chemicals from a Martin Mars Air Tanker by the Company or any of its permitted subcontractors, their respective agents, servants or employees under this Agreement in the vicinity of Improvements or Built-up Areas where such actions are:
- carried out at the direction of the Minister;
 - are, in the opinion of the Minister, considered to be essential to the control of Wildfires; and
 - not negligently performed by the Company.
- 6.03 The Company will cooperate with the Province and its counsel in any and all investigations, settlements and judicial determination of any claims made against the Province, the Minister or the Company relating directly or indirectly to this Agreement and will use its best effort to cause its employees, officers, subcontractors and agents to be similarly bound.

7. ASSIGNMENT AND SUBCONTRACTING

- 7.01 The Company will not assign this Agreement, nor subcontract any of its obligations under this Agreement, to any person, firm, or corporation without the prior written consent of the Province.
- 7.02 The Company will at all times be held fully responsible to the Province for the acts and omissions of its subcontractors and persons employed by them and no subcontract entered into by the Company will impose any obligation or liability upon the Province to any such subcontractor or any of its employees.
- 7.03 The Company will cause every assignee or subcontractor to be bound by the terms of this Agreement so far as they apply to the work to be performed by each subcontractor.

- 7.04 Nothing in this Agreement will create any contractual relationship between the Province and the subcontractor of the Company.

8. TERMINATION

- 8.01 The Province may, in addition to any remedy available to it at law or equity, terminate this Agreement by written notice to the Company if the Company fails to observe, perform or comply with any provisions of this Agreement.

9. NOTICES

- 9.01 Any notice, document, statement, report or demand desired or required to be given or made under this Agreement will be in writing and may be given or made by personal delivery to the party to whom it is to be given or made, or by mailing it in Canada with postage prepaid to the applicable address, or by transmitting it by facsimile to the applicable facsimile transmission number, noted for both the Province and the Company at the start of this Agreement.
- 9.02 The Company will provide to the Province, as soon as possible and by the quickest means possible the particulars and details of any Aviation Occurrence that occurs while providing the Services.
- 9.03 The Province may request the Company prepares a detailed report of the Aviation Occurrence referred to in section 9.02.

10. MISCELLANEOUS

- 10.01 This Agreement will ensure to the benefit and be binding upon the Province and its assigns and the Company and its successors and permitted agents.
- 10.02 This Agreement will be governed by, construed and interpreted in accordance with the laws of the Province of British Columbia.
- 10.03 All disputes arising out of or in connection with this Agreement will be referred and finally resolved by arbitration administered by the British Columbia International Commercial Arbitration Center pursuant to the "Rules of Procedures". The place of arbitration will be Victoria BC.
- 10.04 Each party will, upon reasonable request of the other parties, fully cooperate to the betterment of the Services provided under this Agreement.
- 10.05 This Agreement may only be amended by further written amendments executed by or behalf of the parties.
- 10.06 All the discretion and obligations of the Minister or the Province under this Agreement may be exercised or performed by the Minister, the Deputy Minister of Forests and Range or by a Designated Representative.
- 10.07 Each Schedule A to E attached to this Agreement is an integral part of this Agreement as if set out in length in the body of this Agreement.

**SCHEDULE A
AIRCRAFT, PERSONNEL AND SPECIALTY
EQUIPMENT**

During the Operating Period, the Company shall provide Aircraft, Personnel and Specialty Equipment according to the following specifications.

1. AIRCRAFT

- 1.01 The Company will supply one Martin Mars Air Tankers, suitable for aerial attack of wildfires as follows:
C-FLYL tail #823
- 1.02 The Aircraft will be located at the Company's Sproat Lake (BC) Base unless otherwise agreed by both parties.

2. PERSONNEL

- 2.01 The Martin Mars Air Tanker Air Crew will meet the following specifications:
- a) Airline Transport License;
 - b) Transport Canada requirements;
 - c) Meet the Company's Operating certification requirement;
 - d) two years experience flying in fire bombing operations; and
 - e) personal flying history shall be made available upon the request of the Minister.
- 2.02 Maintenance Personnel
- a) trained in accordance with the Company Maintenance Manuals; and
 - b) Aircraft Maintenance Engineers licensed in accordance with current Transport Canada requirements.

3. SPECIALTY EQUIPMENT

- 3.01 The Martin Mars Air Tanker will be equipped to meet the following communication requirements:
- a) equipped with standard aircraft transmit and receive VHF - AM radio equipment with a minimum frequency range of 118 to 135.95 megahertz;
 - b) transmit and receive FM multi channel programmable radio equipment with a frequency range of 150 to 174 megahertz and capable of operation with continuous tone coded squelch system (CTCSS). The radio equipment must be capable of storing 50 or more channels and have operator accessibility to all CTCSS tones. The Equipment must be compatible with Industry Canada's Radio Spectrum Realignment (narrow banding) requirement;
 - c) The FM radio will have a separate guard channel;
 - d) a Global Positioning System (GPS) having a minimum of 4 channels, capable of storing up to 100 user inputted way points and having

NMEA.0183 standard output with RS232 or USB serial port and ASCII format.

- 3.02 The Aircraft will be equipped with a satellite communication system (SATCOM) which incorporates the Iridium System.
- 3.03 The Aircraft will be equipped with an Automated Flight Following (AFF) tracking system providing voice communications and data management/transfer that meets the Canadian and United States requirements.
- 3.04 The Ministry's AFF specifications are set out at www.bcwildfire.ca/FightingWildfire/Aviation/AFF.
- 3.05 The Aircraft will be equipped with all safety and survival equipment and supplies as required by federal and provincial laws and regulations.

**SCHEDULE B
SERVICES**

1. SERVICES

- 1.01 During the Operating Period, the Company will:
- a) provide Aircraft flight and fire bombing services;
 - b) provide all fueling and foam or gel retardant loading services necessary for the performance of the Services;
 - c) position the Aircraft at the times and locations specified by the Minister;
 - d) maintain an air readiness level as specified by the Minister;
 - e) use its best efforts to ensure that the Aircraft and flight operations Personnel adhere to the Ministry's operational procedures and instructions;
 - f) cause appropriate personnel of the Company to attend pre-and de-briefing exercises;
 - g) cause appropriate personnel of the Company to attend an end of Operating Period de-brief session;
 - h) undertake work utilizing the Martin Mars Air Tankers and appropriate personnel for third parties as directed by the Minister;
 - i) ensure that all flight operations Personnel are attired in standard apparel for either flight or maintenance as the case may be;
 - j) work co-operatively with the Province in joint training sessions; and
 - k) provide the Services in accordance with the British Columbia Forest Service Fire Bombing Procedures.

- 1.02 During the Operating Period, the Company will have in place the necessary support equipment to quickly respond should the Minister request the Aircraft be Positioned to a location other than the Company's Designated Base. This support equipment will include:
- one (1) fuel truck;
 - one (1) tractor trailer;
 - one (1) service trailer;
 - one (1) van; and
 - one (1) boat.
- 1.03 During the Operating Period or any extensions, the Company will advise the Minister of any possible opportunities or requirements for the Company's own use of the Aircraft.

- volume of foam or gel retardant;
- number of drops and volumes
- fuel and oil costs as permitted under Schedule E;
- other applicable costs and expenses;
- "goods and services received" signature;
- total flight cost.

- g) "Release Rate" means that rate set out in Schedule E to credit the Ministry for each day the Aircraft is released by the Province to the company.
- h) "Warm-Up Fee" means the flat rate charge for a Warm-Up on Days the Ministry's established alert and required response time is one half hour or less, as set out in Schedule E. These include yellow and red days but not blue and green.

SCHEDULE C FEE SCHEDULE

1. FEE SCHEDULE

- 1.01 In this Schedule, unless the context requires otherwise:
- "Fees" are as set out in Schedule E. All charges are in Canadian dollars;
 - "Flight Time" for the Martin Mars Air Tanker means the time, measured in minutes and reported in tenths of an hour as calculated and detailed in the Transport Canada Aeronautical Information Manual (TC AIM), from the aircraft leaving the buoy for the purpose of initial takeoff to the time when the aircraft comes to a complete stop at the buoy;
 - "Flying Rate" means the hourly charges for Flight Time as set out in Schedule E;
 - "Positioning" means a change in the location of the Aircraft, Personnel and Equipment at the request of the Minister;
 - "Positioning Fee" means the fee set out in Schedule E for Positioning the Aircraft;
 - "Proper Account" means a written statement of account, on Company letterhead, in a form satisfactory to the Minister, to the address set out in this Agreement or as directed by the Ministry, showing the calculation of the amounts claimed for the period, including:
 - flight slip or invoice reference number;
 - flight date;
 - pilot name;
 - Aircraft registration and type;
 - Agreement number;
 - Branch or Fire Center;
 - legs of flight, including:
 - from/to
 - up/down times
 - hours flown
 - Ministry Use Code
 - Fire or Project Number

- 1.02 The Province will pay the Company the following charges, as set out in Schedule E, with respect to the Services provided:
- Flight Time Charges;
 - Warm-Up Charges;
 - Daily Availability Charges;
 - Fuel Costs;
 - Foam and gel retardant costs;
 - Positioning and Expenses; and
 - Other Costs.
- 1.03 The Province will pay those fees described in section 1.02 within sixty (60) days following receipt by the Province of a Proper Account.
- 1.04 The Company will submit Proper Accounts in no less than weekly intervals.

SCHEDULE D INSURANCE

1. INSURANCE REQUIREMENTS

- 1.01 In addition to such policies as are required by Canadian laws and regulations, the Company shall, at its sole cost and expense and during the Agreement Term provide and maintain for the benefit of the Minister, his servants, agents and employees the following insurance:
- Aircraft Liability in respect of third party bodily injury and/or property damage, including passenger liability, with limits not less than ten million dollars (\$10,000,000) combined single limit, each occurrence;
 - Aviation General Liability insurance, including Premises & Operations and Products & Completed Operations liability, with limits not less than ten million dollars (\$10,000,000) combined

single limit, each occurrence and in the annual aggregate with respect to Products & Completed Operations;

- c) The insurance outlined under a) and b) above, shall include the following endorsements and/or provisions:
- i. blanket contractual liability;
 - ii. non-owned automobile insurance;
 - iii. contingent employer liability;
 - iv. personal injury liability;
 - v. employees as additional insureds; and
 - vi. a cross liability clause;
 - vii. Her Majesty the Queen in the right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations and any of its employees, servants or agents are to be added as an "Additional Insured"; and
 - viii. Any additional insurance which is required by law or which the Company considers necessary to cover risks not otherwise covered by insurance specified in this section.

- 1.02 All insurance will be in a form, and content and placed with an insurer or insurers duly licensed to carry on insurance business in British Columbia acceptable to the Minister.
- 1.03 The Company shall, not later than the commencement of the Agreement Term, provide to the Province a Certificate of Insurance confirming all policies and necessary endorsements to comply with the insurance requirements outlined herein.
- 1.04 The Company will ensure that the insurance may not be cancelled or materially changed in any way whatsoever without the insurers providing 30 days prior notice to the Minister.
- 1.05 The insurance will be primary and not require the sharing of any loss by any insurer of the Province.
- 1.06 The Company waives all rights of recourse against the Province with regard to damage to the Company's property.
- 1.07 The Company shall, at its own expense, obtain WorkSafe BC coverage for itself, its subcontractors, all workers and any shareholders, directors, partners or other individuals employed or engaged in the performance of the Services. The Company must comply with all conditions of the *Workers Compensation Act* and regulations

thereunder, and upon request, must provide the Province with proof of such compliance.

SCHEDULE E FEES

1. FLIGHT TIME CHARGES

- 1.01 Flight Time for the Martin Mars Air Tanker at a Flying Rate of:
- a) **Three thousand nine hundred dollars (\$3,900.00)** exclusive of fuel will be applicable for all hours of Flight Time flown to provide the Services up to a maximum of **45 hours**;
 - b) **Eighteen thousand, seven hundred and ninety seven dollars (\$18,797.00)** exclusive of fuel for all hours flown **exceeding 45 hours**;
 - c) Any Flight Time hours flown in a practice or training session if such sessions are at the specific written request of the Minister.

2. AVAILABILITY CHARGES

- 2.01 **Daily Availability Charges**
Daily availability charges of **seven thousand four hundred and forty dollars (\$7,440.00)** per day will apply for any days as calculated during the 90 day operating period. This payment will be billed by the company in three equal payments of **two hundred and twenty three thousand, two hundred dollars (\$223,200.00)** on June 15th, July 15th and August 15th.

3. ALERT STATUS

- 3.01 The Province will advise the Company of the next Day's alert status by fax between 1300 hours and 1600 hours of the previous day.

4. FUEL COSTS

- 4.01 **Fuel Rate at Sproat Lake BC**
The cost incurred at the Company's Base of Sproat Lake BC and paid by the Company for aviation fuel used by the Company to fulfill its obligation under this Agreement will be based on rack rate Port Alberni, plus an into plane fee of 15 cents per litre. The rack rate Port Alberni should include you actual fuel costs for the particular load plus transport costs reflected as a per litre cost (this to must be auditable with back up records). If no metering system is available to provide a fuel slip, information noted on the flight slip should include, litres pumped, date of purchase, and location. The into plane fee and fuel will be noted separately per mission on each flight slip. Fuel pricing information for Port Alberni will be provided at the beginning of each month for the cost of Avgas. This information can be faxed to (250) 554-5468 or emailed to FORPCCP.AIRPWCC@gov.bc.ca.

When deployed away from Port Alberni no into plane fee will apply. Pricing information may be different at other locations, if pricing information is different, a price notification change will be submitted as above.

- 4.02 Fuel Rate Away From the Company's Base Fuel purchases other than listed in this Schedule will be reimbursed at the actual cost incurred, supported by receipts and paid by the Company.
- 4.03 The Company will retain all supporting documentation to support the charges for the aviation fuel costs as set out in section 4.01 and participate in a post season review with the Province to reconcile actual usage and costs. The results may include a one-time payment by the Minister to the Company or a reimbursement from the Company to the Province for each year of this Agreement.

5 FOAM AND GEL RETARDANT COSTS

- 5.01 The Province will reimburse the Company for all foam and/or gel used to provide the Services under this Standing Offer.
- 5.02 The volumes must be noted on the daily flight slips or invoice and will be paid at the actual cost from the supplier(s) plus a handling fee of 3 cents/litre on each mixed litre dropped at a 1% basis.

6 WARM-UP FEE

- 6.01 The Province will reimburse the Company for all warm-ups required as per Schedule C 1.01 h) of this Standing Offer.
- 6.02 The warm-up must be noted on the daily flight slips and will be paid at the rate of four hundred and thirty seven (\$437.00) per warm-up, inclusive of fuel.

7. POSITIONING AND EXPENSES

- 7.01 Should the Minister request the Aircraft, Flight Crew, support equipment and personnel be Positioned away from the Company's Sproat Lake Base or from one base designated by the Minister to another base designated by the Minister the following rates are payable by the Minister:
- a) A Daily Rate will be applicable for each Day Positioning or Positioned away from the Company's Sproat Lake Base as follows:
- i. A Daily Positioning Rate shall be payable by the Minister at twelve thousand nine hundred and forty seven

(\$12,947.00) per Day for the first and last Day of positioning away from the Company's Base; and

- ii. a Daily Rate while Positioned away from the Company's Base shall be payable by the Minister at ten thousand nine hundred and sixty dollars (\$10,960.00) per Day based on Schedule E-7, daily minimum requirement.

- 7.02 Should the Ministry supply any accommodations and/or meals the Daily Rates set out in this section will be reduced as follows: accommodations \$105 each and meals \$50.00 (\$16.50 for each meal).
- 7.03 Vehicle mileage allowance of \$0.49 per kilometer during mobilization and demobilization when required to be away from the Company's Base for one (1) Fuel Truck, two (2) Service Vehicles.
- 7.04 Other necessary out of pocket travel expenses approved by the Ministry when the Flight and Support Crew are away from the Designated Base will be reimbursed at the actual cost incurred and supported by receipts. This may include but is not limited to additional rental vehicles or air travel.

8 OTHER

- 8.01 The Province will reimburse the Company:
- a) the actual amount paid by the Company for navigation and/or aerodrome fees required in the performance of the Services;
- b) with the prior written approval of the Province, the actual amount paid by the Company for other costs as may be necessary to provide the Services away from the Company's Designated Base.

9. RELEASE RATES

- 9.01 The rate for the Company's use of the Aircraft when released from the Company's Service Requirements by the Ministry will be at the Release Rate for each and every day the aircraft is released. The Release Rate is as agreed by the parties.

10. PENALTIES

- 10.01 For each and every hour the Aircraft, Specialty Equipment, Personnel and Services are not available for Services as required by the Minister, the Minister may assess damages in the amount of one tenth of the Daily Availability (defined in Schedule E Fees, Section 2 – Availability Charges).

**Coulson Flying Tankers
2012 Positioning and Expenses (Schedule E-7)**

Daily Rate Breakdown

The following shall be considered the minimum required daily accompaniment of manpower and equipment to support Coulson Flying Tankers. The rates shall be reduced accordingly for each item not used or unserviceable on the fireline. Any additional expenses required (ie expense travel or additional rental vehicles) must be pre-approved by the Ministry.

Quantity	Description	Daily Off Site Rate	Total	Comments
1	Fuel Truck	\$1,100.00	\$1,100.00	Driver included
1	Tractor Trailer	\$1,100.00	\$1,100.00	Driver included
1	Crane truck	\$1100.00	\$1,100.00	Driver included
1	bus	\$1100.00	\$1,100.00	Driver Included
1	Kodiak Truck	\$1100.00	\$1,100.00	Driver Included
1	Van	\$110.00	\$110.00	Driver included
1	Rental Vehicle	\$65.00	\$65.00	On-site rentals for ground transport
1	Fuel (van, rental vehicle, Kodiak)	\$55.00	\$55.00	
2	Boats	\$110.00	\$220.00	
6	Support Employees	\$525.00	\$3,150.00	Wages (exclusive of drivers above)
12	Living Out – Accommodation	\$105.00	\$1,260.00	
12	Living Out - Meals	\$50.00	\$600.00	
7	Ferry Individuals	\$16.00	\$116.00	
1	Ferry for Fuel Truck	\$312.00	\$332.00	
1	Ferry for Tractor Trailer	\$429.00	\$458.00	
1	Ferry – Crane Truck & Trailer	\$429.00	\$458.00	
1	Ferry – Bus	\$207.00	\$220.00	
1	Ferry – Kodiak & Trailer	\$253.00	\$270.00	
1	Ferry – Van and Trailer	\$129.00	\$133.00	



**Ministry of
Forests, Lands and
Natural Resource Operations**

Contract Modification Agreement No. 2

MINISTRY CONTRACT/FILE NO.: 1070-20/COU 13 01

PROJECT NAME: AO13WCC009

THIS MODIFICATION AGREEMENT dated for reference 29th day of May, 2013.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS

Wildfire Management Branch
Provincial Wildfire Coordination Centre

(the "Province", "we", "us", or "our" as applicable) at the following address:
3080 Airport Drive, Kamloops, B.C. V2B 7X2

Telephone: (250) 312-3010 Fax: (250) 554-5468 E-mail Address: nina.barber@gov.bc.ca

Ministry Representative: Nina Barber

Alternate (if applicable): Michael Benson

AND

Coulson Aircrane Ltd
dba Coulson Flying Tankers
(the "Contractor", "you", or "your" as applicable) at the following address:

4890 Cherry Creek Road
Port Alberni, British Columbia
V9Y 8E9

Telephone: (250) 723-6225 Fax: (250) 723-6200 E-mail Address: Wayne.coulson@coulsongroup.com

Contractor Representative: Wayne Coulson

Business Number: 0297018

WorkSafe BC No: 363134 and/or POP No. AQ

A. The Parties entered into an Agreement dated for reference May 28th, 2012, (hereinafter called the "Agreement"),

B. The Parties agree to amend the Agreement as follows:

1. The Company shall provide to the Province for the sake of safety and efficiency, a pre-identified list of all suitable water bodies in British Columbia that the Martin Mars bomber can operationally scoop from. The list will contain names and coordinates of each water body and will be accompanied by a map at a scale of 1:1,000,000 identifying the locations of the water bodies.
2. The Company shall provide to the Province a list of suitable water bodies that the Martin Mars bomber can base out of. The list will contain names and coordinates of each water body and will be accompanied by a map at a scale of 1:1,000,000 identifying the locations of the water bodies (this map may be the same as identified in #1 above).

In all other respects, the Agreement is confirmed.

C. Time is of the essence in this Modification Agreement.

The Parties duly execute this Modification Agreement as follows:

<p>SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province</p> <p></p> <p>(Signature of authorized Ministry Expense Authority)</p> <p>Nina Barber</p> <p>(PRINTED NAME of authorized representative)</p> <p>Dated this <u>29</u> day of <u>May</u> 20<u>13</u></p>	<p>SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)</p> <p></p> <p>(Signature of Contractor or Authorized Signatory)</p> <p>Wayne Coulson SUSAN MERIVITA</p> <p>(PRINTED NAME of Contractor or authorized signatory)</p> <p>Dated this <u>18</u> day of <u>July</u> 20<u>13</u>.</p>
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Coulson Aircrane Ltd. Addendum 2 Mars contract July 2013
Coulson Flying Tanker- Mars - Lakes designated as suitable for scooping water

Lake	Latitude	Longitude	Elevation
Adams	51°15'0.00"N	119°28'60.00"W	1340'
Alice	50°28'0.00"N	127°25'0.00"W	180'
Alouette	49°19'53.46"N	122°25'16.60"W	420'
Anderson	50°37'0.00"N	122°25'0.00"W	870'
Atlin	59°31'60.00"N	133°43'0.00"W	2200'
Azure	52°23'5.34"N	120° 3'19.75"W	2250'
Babine	54°43'60.00"N	125°58'60.00"W	2340'
Bonanza	50°22'0.00"N	126°46'0.00"W	890'
Bonaparte	51°15'30.63"N	120°33'3.60"W	3870'
Bowser	56°25'26.47"N	129°31'2.21"W	1210'
Buttle Lake	49°45'0.00"N	125°34'60.00"W	730'
Campbell	50° 1'25.94"N	125°27'26.21"W	590'
Carpenter	50°52'0.00"N	122°34'0.00"W	2150'
Charlie	56°19'38.41"N	120°58'29.93"W	2280'
Charlotte	52°12'0.00"N	125°19'60.00"W	3850'
Cheslatta	53°44'25.21"N	125°21'2.85"W	2530'
Chilko	51°16'0.00"N	124° 4'0.00"W	3860'
Choelequoit	51°42'16.22"N	124°11'54.69"W	3820'
Christina	49° 5'26.15"N	118°13'54.26"W	1480'
Chuchi	55°10'42.89"N	124°30'15.75"W	2860'
Clearwater	52°16'0.00"N	120°13'0.00"W	2250'
Cold Fish	57°40'0.00"N	128°46'60.00"W	4040'
Comox	49°37'17.10"N	125° 9'51.81"W	450'
Cry	58°44'35.85"N	129° 1'47.34"W	3860'
Dease	58°32'0.03"N	130° 2'59.18"W	2480'
Decker	54°17'60.00"N	125°50'60.00"W	2300'
Downton	50°50'16.42"N	122°59'1.56"W	2460'
Eagle (Murphy)	52° 2'60.00"N	121°15'0.00"W	2850'
Euchu	53°25'9.86"N	125°23'47.34"W	2810'
Eutsuk	53°13'60.00"N	126°29'60.00"W	2820'
Fantail	59°37'8.30"N	134°32'22.40"W	2300'
Fortress	52°22'12.08"N	117°47'42.95"W	4380'
Francois	54° 1'2.19"N	125°22'14.26"W	2360'
Fraser	54° 5'17.50"N	124°41'39.22"W	2220'
Gladys	59°49'60.00"N	132°48'0.00"W	2860'
Great Central	49°21'0.00"N	125°17'60.00"W	280'
Gwillim	55°21'16.77"N	121°19'32.32"W	2570'
Harrison	49°31'60.00"N	121°49'0.00"W	40'
Henderson	49° 4'46.51"N	125° 1'47.12"W	20'
Hobson	52°36'0.89"N	120°14'25.57"W	2840'
Horsefly	52°24'17.54"N	121° 2'11.98"W	2590'

Indata	55°19'18.93"N	125°15'8.90"W	2880'
Johnny	53° 7'22.34"N	125°26'3.87"W	3090'
Kamloops	50°45'30.72"N	120°42'2.73"W	1100'
Kinaskan	57°35'26.30"N	130° 8'35.04"W	2910'
Kinbasket	51°55'42.72"N	118° 0'42.82"W	2480'
Kitchener	57° 2'60.00"N	127°25'0.00"W	4330'
Kitsumkalum	54°45'9.70"N	128°47'29.99"W	490'
Kootenay	49°33'2.67"N	116°49'26.04"W	1750'
Lac La Hache	51°48'53.45"N	121°31'27.21"W	2650'
Lake Cowichan	48°52'60.00"N	124°18'0.00"W	540'
Lakelse	54°22'26.63"N	128°33'39.19"W	250'
Link	52°25'2.55"N	127°40'32.75"W	160'
Lower Arrow	49°27'59.16"N	118° 6'25.25"W	1450'
Mabel	50°35'28.33"N	118°43'1.15"W	1300'
Mara	50°47'19.26"N	119° 0'25.53"W	1140'
Meziadin	56° 3'20.87"N	129°16'49.36"W	810'
Moberly	55°49'0.00"N	121°47'60.00"W	2290'
Morice	54° 1'0.00"N	127°34'60.00"W	2510'
Muncho	58°59'10.23"N	125°46'45.12"W	2710'
Myrtle	52° 7'25.82"N	119°38'48.18"W	3510'
Nanika	53°46'41.05"N	127°39'16.55"W	3090'
Natakuz	53°27'0.00"N	125°15'0.00"W	2810'
Nicola	50°10'0.03"N	120°31'45.35"W	2060'
Nimkish	50°22'60.00"N	126°58'0.00"W	90'
Nitinat	48°45'0.00"N	124°43'60.00"W	10'
Nome	59°40'5.50"N	130°53'58.34"W	3920'
Northwest Arm	55°11'42.97"N	125°50'58.76"W	2260'
Okanagan	50° 4'0.00"N	119°28'0.00"W	1130'
Ootsa	53°45'11.05"N	126° 0'37.02"W	2810'
Osoyoos	49° 2'60.00"N	119°28'0.00"W	910'
Owikeno	51°40'9.71"N	126°52'30.12"W	40'
Pinchi	54°35'11.47"N	124°22'16.40"W	2360'
Pitt	49°26'42.35"N	122°32'16.07"W	20'
Powell	49°58'60.00"N	124°31'60.00"W	190'
Qualcho	53° 1'60.00"N	125°53'60.00"W	2950'
Quesnel	52°31'58.40"N	121° 3'34.63"W	2400'
Revelstoke	51°18'10.21"N	118°17'50.71"W	1870'
Seton	50°41'9.08"N	122° 7'21.02"W	800'
Shuswap	50°56'34.51"N	119°16'30.49"W	1140'
Skaha	49°24'60.00"N	119°34'60.00"W	1120'
Slocan	49°54'8.93"N	117°24'26.99"W	1780'
Sproat	49°16'10.78"N	125°3'50.41"W	100'
Stave	49°22'0.00"N	122°16'60.00"W	280'
Stuart	54°28'60.00"N	124°27'0.00"W	2240'
Surprise	59°40'16.91"N	133°14'54.69"W	3000'
Tachick	53°57'0.00"N	124°13'0.00"W	2340'
Tagish	59°32'60.00"N	134°16'60.00"W	2160'

Tahtsa	53°40'54.98"N	127°31'13.07"W	2810'
Taitapin	54°18'35.09"N	125°18'15.58"W	2850'
Takla	55°23'2.15"N	125°50'49.66"W	2260'
Tatla	51°58'9.45"N	124°26'44.33"W	2980'
Tatlayoko	51°31'53.21"N	124°24'42.78"W	2720'
Tchentio	55°10'60.00"N	125° 1'60.00"W	2860'
Tchesinkut	54° 5'49.50"N	125°38'30.40"W	2440'
Teslin	59°52'0.00"N	132°18'0.00"W	2250'
Tezzeron	54°41'6.64"N	124°24'35.51"W	2520'
Tochcha	54°55'0.00"N	125°52'60.00"W	2800'
Trembleur	54°50'51.08"N	125° 5'50.84"W	2270'
Troitsa	53°33'53.77"N	127°16'57.98"W	2960'
Tsayta	55°27'15.65"N	125°24'34.67"W	2890'
Tutshi	59°55'0.00"N	134°46'0.00"W	2350'
Tuya	59° 4'29.89"N	130°35'27.81"W	3680'
Uncha	53°54'53.73"N	125°35'37.36"W	2540'
Upper Arrow	50°25'39.19"N	117°55'40.01"W	1450'
Upper Campbell	49°56'40.55"N	125°37'3.97"W	730'
Victoria	50°22'0.00"N	127°22'60.00"W	320'
Whalen	53°13'0.00"N	128°55'60.00"W	400'
Whatshan	50° 2'18.15"N	118° 6'9.39"W	2110'
Whitesail	53°29'46.98"N	126°58'23.70"W	2810'
Williston	55°58'51.67"N	123°56'23.11"W	2210'
Witch	55° 7'20.27"N	124°30'57.74"W	3030'
Woss	50° 6'55.84"N	126°36'30.81"W	490'

Coulson Aircrane Ltd- BC Wildfire Mars Contract Addendum 2

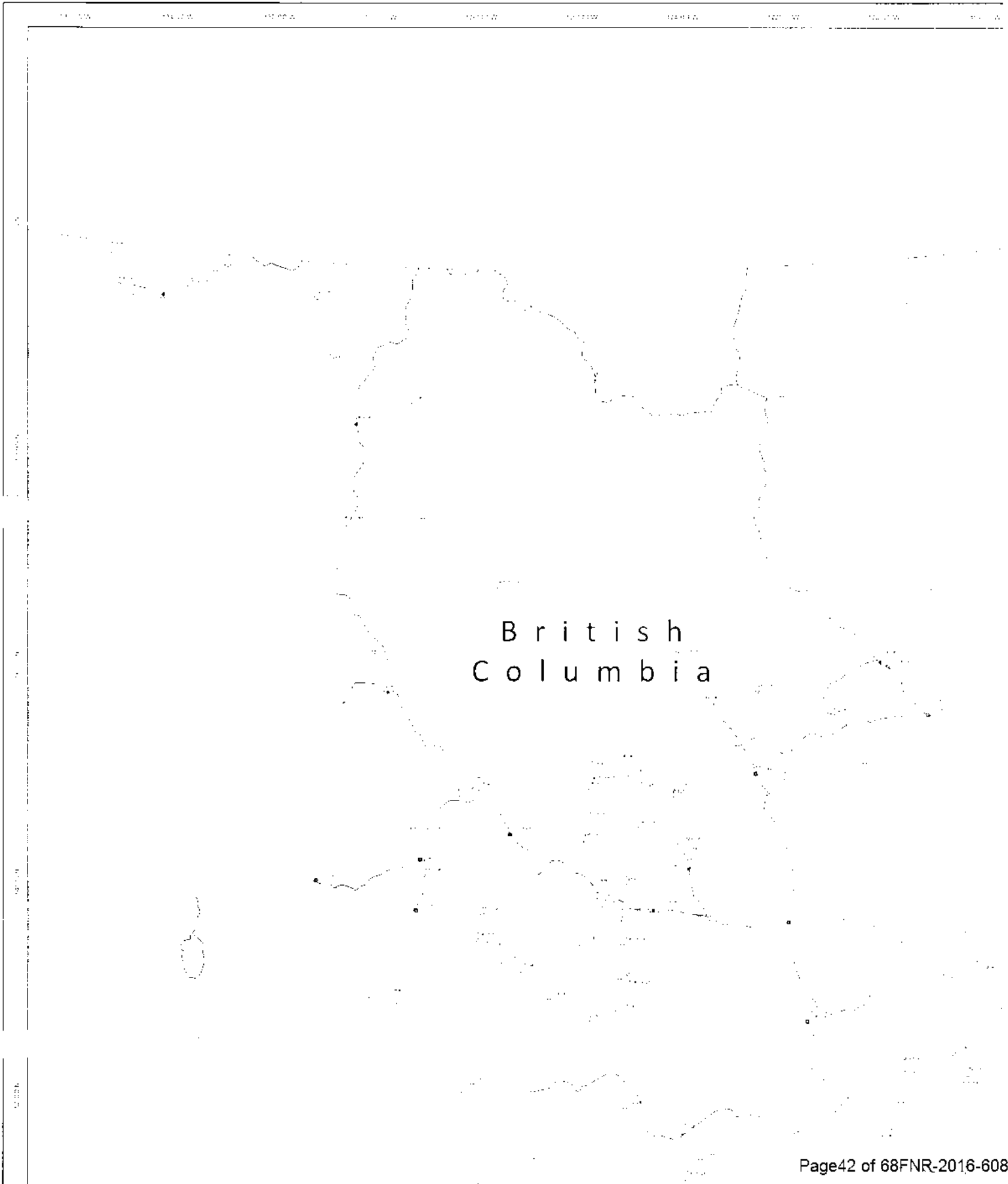
Coulson Flying Tankers JRM-3 Mars Lakes designated as suitable for aircraft basing July 2013

Sample Basing Lakes	Latitude	Longitude	Comments
Atlin	59°34'2.10"N	133°42'42.91"W	
Charlie	56°17'8.35"N	120°57'26.66"W	
Dease	58°31'8.54"N	130° 2'19.43"W	
Fraser	54° 3'50.68"N	124°51'1.06"W	Used previously as a base .
Kamloops	50°45'24.59"N	120°51'19.90"W	
Kootenay	49°31'19.37"N	117°15'38.10"W	Used previously as a base .
Lac La Hache	51°50'47.99"N	121°34'58.99"W	
Meziadin	56° 3'9.59"N	129°15'4.06"W	
Okanagon	49°51'50.35"N	119°30'54.85"W	Several locations used previously
Osoyoos	49° 4'8.47"N	119°30'52.34"W	
Penticton	49°30'32.22"N	119°36'12.23"W	
Shuswap	50°43'44.86"N	119°18'15.10"W	Used previously as a base
Stuart	54°26'56.94"N	124°16'21.25"W	
Upper Arrow	50°14'9.80"N	117°47'59.52"W	Nakusp

Note: Basing locations are not limited to the coordinates provided, but are a sample for suitable lakes. For lakes not previously used for Mars basing, coordinate locations may be changed due to local bylaws or for access to fuel and thermo gel re-filling or secure tie-up buoy placements.

British Columbia







Ministry of
Forests, Lands and
Natural Resource Operations

Contract Modification Agreement No. 1

MINISTRY CONTRACT/FILE NO.: 1070-20/COU 13 01

PROJECT NAME: AO13WCC009

THIS MODIFICATION AGREEMENT dated for reference 18th day of April 2013.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA, represented by the MINISTER OF FORESTS,
LANDS AND NATURAL RESOURCE OPERATIONS

Wildfire Management Branch
Provincial Wildfire Coordination Centre

(the "Province", "we", "us", or "our" as applicable) at the following address:

3080 Airport Drive, Kamloops, B.C. V2B 7X2

Telephone: (250) 312-3010 Fax: (250) 554-5468 E-mail Address: nina.barber@gov.bc.ca

Ministry Representative: Nina Barber

Alternate (if applicable): Michael Benson

AND

Coulson Aircrane Ltd.
dba Coulson Flying Tankers
(the "Contractor", "you", or "your" as applicable) at the following address:

9350 Bomber Base Road
Port Alberni, British Columbia
V9Y 8Z3

Telephone: (250) 723-6225 Fax: (250) 723-6200 E-mail Address: Wayne.coulson@coulsongroup.com

Contractor Representative: Wayne Coulson
Business Number: 0297018
WorkSafe BC No: 363134 and/or POP No. AQ

A. The Parties entered into an Agreement dated for reference May 28th 2012, (hereinafter called the "Agreement"),

B. The Parties agree to amend the Agreement as follows

2. TERM AND EXPIRY

- 2.01 This Standing Offer will commence on June 1st, 2013 and expire on March 31, 2014 unless withdrawn in accordance with section 5.
- 2.03 The Operating Period will be the 90 day period commencing on **June 3, 2013 and expiring on August 31, 2013**

**SCHEDULE E
FEES**

1. FLIGHT TIME CHARGES

- 1.01 a) **Three thousand nine hundred and sixteen dollars (\$3,916.00)** exclusive of fuel will be applicable for all hours of Flight Time flow to provide Services up to a maximum of 45 hours
- b) **Eighteen thousand eight hundred and seventy two dollars (\$18,872.00)** exclusive of fuel for all hours flown exceeding 45 hours

2. **AVAILABILITY CHARGES**

- 2.01 Daily availability charges of **seven thousand four hundred and seventy (\$7,470.00)** per day will apply for any days as calculated during the 90 day operating period. This payment will be billed by the company in three equal payments of **two hundred and twenty four thousand, one hundred (\$224,100.00)** on June 15th, July 15th and August 15th.

6. **WARM-UP FEE**

- 6.02 The warm-up must be noted on the daily flight slips and will be paid at the rate of **four hundred and thirty nine (\$439.00)** per warm-up inclusive of fuel.

7. **POSITIONING AND EXPENSES**

- 7.01 i) A Daily Rate shall be payable by the Minister at **thirteen thousand and forty-four (\$13,044.00)** per Day for the first and last Day of positioning away from the Company's Base; and
- ii) A Daily Rate while Positioned away from the Company's Base shall be payable by the Minister at **twelve thousand and four dollars (\$12,004.00)** per Day based on Schedule E-7, daily minimum requirement.

Coulson Flying Tankers 2013 Positioning and Expenses (Schedule E-7)



Daily Rate Breakdown

The following shall be considered the minimum required daily accompaniment of manpower and equipment to support Coulson Flying Tankers. The rates shall be reduced accordingly for each item not used or unserviceable on the fireline. Any additional expenses required (ie expense travel or additional rental vehicles) must be pre-approved by the Ministry.

Quantity	Description	Daily Off Site Rate	Total	Comments
1	Fuel Truck	\$1,104.00	\$1,104.00	Driver included
1	Tractor Trailer	\$1,104.00	\$1,104.00	Driver included
1	Crane truck	\$1104.00	\$1,104.00	Driver included
1	bus	\$1104.00	\$1,104.00	Driver Included
1	Kodiak Truck	\$1104.00	\$1,104.00	Driver Included
1	Van	\$110.00	\$110.00	Driver included
1	Rental Vehicle	\$65.00	\$65.00	On-site rentals for ground transport
1	Fuel (van, rental vehicle, Kodiak)	\$55.00	\$55.00	
2	Boats	\$110.00	\$220.00	
6	Support Employees	\$527.00	\$3,162.00	Wages (exclusive of drivers above)
12	Living Out – Accommodation	\$105.00	\$1,260.00	
12	Living Out - Meals	\$50.00	\$600.00	
7	Ferry Individuals	\$16.00	\$116.00	
1	Ferry for Fuel Truck	\$313.00	\$344.00	
1	Ferry for Tractor Trailer	\$431.00	\$475.00	
1	Ferry – Crane Truck & Trailer	\$431.00	\$475.00	
1	Ferry – Bus	\$208.00	\$228.00	
1	Ferry – Kodiak & Trailer	\$254.00	\$279.00	
1	Ferry – Van and Trailer	\$130.00	\$133.00	

- C. In all other respects, the Agreement is confirmed.
- D. Time is of the essence in this Modification Agreement.

The Parties duly execute this Modification Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province	SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation)
	
(Signature of authorized Ministry Expense Authority)	(Signature of Contractor or Authorized Signatory)
Nina Barber	Wayne Coulson
(PRINTED NAME of authorized representative)	(PRINTED NAME of Contractor or authorized signatory)
Dated this <u>31st</u> day of <u>MAY</u> 20 <u>13</u> .	Dated this <u>29th</u> day of <u>MAY</u> 20 <u>13</u> .



MINISTRY OF FORESTS, LANDS AND NATURAL
RESOURCE OPERATIONS
AIRCRAFT OPERATIONS AGREEMENT

STANDING OFFER FOR:
MARTIN MARS AIR TANKER SERVICES

STANDING OFFER NO.: AO16WCC021
FILE: 1070-20/COUL 15 01

THIS AGREEMENT executed and dated for
Reference the 8th day of July 2015.

BETWEEN:
HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA:

AND

Ministry of Forests, Lands and Natural Resource
Operations, Wildfire Management Branch
("Province") at the following address:

Coulson Aircrane Ltd.
d.b.a. Coulson Flying Tankers
("Offeror") at the following address:

3080 Airport Drive
Kamloops, British Columbia
V2B 7X2

9350 Bomber Base Road
Port Alberni, British Columbia
V9Y 8Z3

Telephone No: (250) 312-3010
Fax No: (250) 554-5468

Telephone No: (250) 723-6225
Fax No: (250) 723-6200

Ministry Representative: Nina Barber
Email Address: nina.barber@gov.bc.ca

Offeror Representative: Wayne Coulson
Email Address: wayne.coulson@coulsongroup.com

WHEREAS:

The Offeror offers to supply, as, if and when requested, the Services described in Appendix I, to the Province.

ACCORDINGLY, the parties agree as follows:

1. DEFINITIONS

1.01 In this Standing Offer, unless the context otherwise requires:

- a) "Air Tanker Request" means any form of the Province, issued during the Operating Period that references this Standing Offer and the Services as set out in Appendix I and is sent to the Offeror
- b) "Appendix I" means the Terms and Conditions with all Schedules attached thereto;
- c) "Contract" means the binding agreement the terms of which are set out in Appendix I entered into by the Offeror and the Province which enables the Province to acquire the Services set out in the Air Tanker Request for the Fees set out in Schedule E of Appendix I;
- d) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests, Lands and Natural Resource Operations, Wildfire Management Branch; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Wildfire Management Branch may authorize;
- e) "Minister" means the Minister of Forests, Lands and Natural Resource Operations or his "Designated Representative";
- f) "Ministry" means the Ministry of Forests, Lands and Natural Resource Operations, Province of British Columbia;
- g) "Operating Period" means a period within the Standing Offer Term during which the Services will be available to the Province under the Terms and Conditions of Appendix I.
- h) "Operating Period Request" means any form of the Province that references this Standing Offer and the Services as set out in Appendix I and is sent to the Offeror, giving notice of the dates of the Operating Period. The first Operating Period is as set out in section 2.03;

- i) "Services" means the air tanker services provided by the Offeror to the Province as described in Appendix I;
- j) "Standing Offer" means the Offeror's offer to supply the Services under the Terms and Conditions of Appendix I; and
- k) "Standing Offer Term" means the Term as set out in section 2.

2. TERM AND EXPIRY

- 2.01 This Standing Offer will commence on July 12th, 2015 and expire on September 9, 2015 unless withdrawn in accordance with section 5. Subject to satisfactory performance by the Contractor and availability of funding by the Province, the Parties may agree in writing to extend this Agreement for a further Term of up to 30 days.
- 2.02 This Standing Offer Term may be extended on the mutual agreement of both parties.
- 2.03 The first Operating Period will be the 30 day period commencing on July 12, 2015 and expiring on August 10th, 2015. It is noted that the Company has another Agreement in place prior to this one for approximately a week to ten days with a third party. The Company agrees to minimize the impact of this Agreement on the Province, and the Province agrees to release the Company in order for the Company to fulfill its obligations under its prior commitment without prejudice. Any days missed resulting of the release will be added to the end of the Operating Period.
- 2.04 The Operating Period may be amended up to an additional 30 day Operating Period determined on the mutual agreement of both parties.

3. THE STANDING OFFER

- 3.01 The Offeror understands and agrees that:
 - a) a Contract is formed on receipt by the Offeror of the Operating Period Request which has been completed and signed by a Ministry Representative;
 - b) the Operating Period Request shall form a Contract only for those Services which have been requested provided always that such request is made in accordance with the provisions of this Standing Offer;
 - c) the issue and distribution of this Standing Offer does not oblige the Province to authorize or order all or any of the Services, described in this Standing Offer;
 - d) the Province's liability shall be limited to that which arises from a Contract, made prior to the expiry date described in section 2;
 - e) the Province reserves the right to procure the specified Services by any other means it deems necessary including the use of other contracts, standing offers, or by other contracting methods;
 - f) the Province reserves the right to set aside this Standing Offer, for whatever reason, and not make it available for any Operating Period Requests ;
 - g) no change to this Standing Offer will be valid unless it is by way of an addendum signed by both the Offeror and the Province; and
 - h) the Terms and Conditions set out in Appendix I will apply to each Contract.
- 3.02 If the Province provides an Operating Period Request prior to the expiry of this Standing Offer and receives the Services, then the Province will pay to the Offeror amounts payable as described in Appendix I of this Standing Offer.

4. SERVICE REQUEST MECHANISM

- 4.01 During the Operating Period, Services may be ordered by methods other than an Air Tanker Request, such as telephone, facsimile or e-mail.
- 4.02 If there is any conflict between the Operating Period Request and this Standing Offer, the provisions specifically set out in this Standing Offer will prevail and all else will be as if not written.
- 4.03 The Offeror will use all commercially reasonable efforts to fulfill any and all Operating Period Requests, which may be made before the expiry of this Standing Offer or of the notice period under section 5.01.
- 4.04 If the Offeror is unable to fulfill any request for Services, the Offeror must immediately notify the Minister.

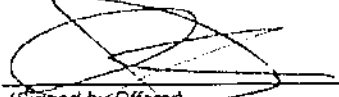
5. NOTIFICATION OF WITHDRAWAL

- 5.01 In the event that the Offeror wishes to withdraw this Standing Offer, the Offeror shall provide no less than ten (10) days written notice to the Minister and such withdrawal of Standing Offer shall not be effective until receipt of such notification by the Minister and the expiry of such notice period.

6. MEDIA RELEASES

- 6.01 Both parties agree that any information being released to the press shall be done jointly and in consultation. The Company will not communicate directly or indirectly with members of the public or the media about the project or aircraft described in this Agreement other than as expressly directed or permitted by the Province.

IN WITNESS WHEREOF the undersigned extends this Standing Offer on the first date written above:



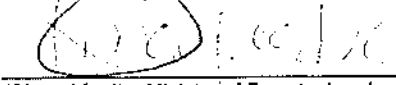
(Signed by Offeror)

W. Coulson CEO

Print Name and Title

July 10, 2015

Date



(Signed for the Minister of Forests, Lands and
Natural Resource Operations)

W. Coulson, CEO

Print Name and Title

July 10, 2015

Date

**APPENDIX I
TERMS AND CONDITIONS**

1. DEFINITIONS

1.01 In this Appendix, unless the context otherwise requires:

- a) "Aircraft" means any or all aircraft, described in Schedule A covered by this Agreement;
- b) "Air Tanker Alerts" means the daily alert status for the Province's air tanker resources as prepared by the Minister during the fire season;
- c) "Aviation Occurrence" means an aviation occurrence as defined and detailed in the Transport Canada Aeronautical Information Manual (TC AIM);
- d) "BC Forest Service Fire Bombing Procedures" means the British Columbia Fire Bombing Procedures, created and maintained by the Province, outlining the Province's training requirements and operational policies and procedures in relation to aerial fire fighting;
- e) "Built-up Area" means any forest or range land occupied by houses, trailers, mobile homes, outbuildings or other manmade structures that are being threatened by, or adjacent to, or within the boundaries of, a Wildfire;
- f) "Designated Base" means the Company's usual operational base for the Aircraft;
- g) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests, Lands and Natural Resource Operations; the Director, Wildfire Management Branch; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Forest Wildfire Management Branch may authorize;
- h) "Day" means each calendar day during the Operating Period when Services, Personnel and Equipment are provided;
- i) "Equipment" means the Company's fire fighting Aircraft and the Specialty Equipment required in providing the Services and as described in Schedule A, and any other such equipment approved by the Minister for use in providing the Services;
- j) "Improvements" means any vehicle, equipment or other manmade structure that is occupying forest or range lands being threatened by, adjacent to, or within the boundaries of, a Wildfire;
- k) "Maintenance Manuals" means the Company's Transport Canada approved Maintenance Control and Maintenance Procedures Manuals detailing the aircraft operated by the air carrier, the maintenance criteria, procedures and schedules for each aircraft and the personnel responsible for maintenance, inspection and quality control;
- l) "Minister" means the Minister of Forests, Lands and Natural Resource Operations or his

- Designated Representative;
- m) "Ministry" means the Ministry of Forests, Lands and Natural Resource Operations, Province of British Columbia;
- n) "Operations Manual" means the Company's Transport Canada approved document detailing the Company's operating procedures and includes any amendments to the same as required by law;
- o) "Operating Period" means a period within the Standing Offer Term during which the Services will be available to the Province under the Terms and Conditions of Appendix 1 and as requested by the Province to the Company;
- p) "Services" means the aircraft services as described in Schedule B;
- q) "Specialty Equipment" means the Company's specialty equipment required in providing the Services and as described in Schedule A, and any other such equipment approved by the Minister for use in providing the Services;
- r) "Warm-Up" means the warming up of aircraft engines as described in Schedule C.
- s) "Wildfire" means an unplanned fire occurring on forest or range lands, burning forest vegetation, grass, brush, scrub, peatlands, or a prescribed fire set under a Burn Registration which, in the judgment of a Forest Officer threatens to spread beyond the area authorized for that burning; and

2. APPOINTMENT, TERM AND SERVICES

- 2.01 The Province shall request the Services with an electronic Air Tanker Request, facsimile or e-mail confirmation to the Company.
- 2.02 The Company will provide the Services as requested in accordance with this Agreement.
- 2.03 The Company will provide the Services during the Operating Period regardless of the date of execution or delivery of this Agreement.
- 2.04 More than one Operating Period can exist prior to the expiration or withdrawal of the Standing Offer.

3. FEES AND EXPENSES

- 3.01 In consideration of the Company providing the Services, the Province will pay to the Company Fees and Expenses in the amounts and in the manner set out in this Agreement.
- 3.02 The sums described in section 3.01 constitute the maximum amounts payable to the Company for its performance of the Services and the Company will not be entitled to any additional compensation for its performance whether or not the work actually undertaken by the Company is described in the Agreement.

3.03 Notwithstanding any other provision of the Agreement, the payment of money by the Province to the Company under this Agreement is subject to:

- a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, to enable the Province, in a fiscal year or part thereof when any payment of money by the Province to the Company falls due under this Agreement to make that payment; and
- b) Treasury Board, as defined in the *Financial Administration Act*, not having controlled or limited, under the *Financial Administration Act*, expenditure under any appropriation referred to in subsection (a).

3.04 The Province certifies that the property and/or Services ordered and purchased under this Agreement are for the use of, and are being purchased by, the Province with Crown Funds.

4. COVENANTS OF THE COMPANY

4.01 The Company will:

- a) observe, perform and comply with all of its obligations under this Agreement;
- b) remain an independent contractor and not the servant, employee, partner, or agent of the Province or the Minister;
- c) not, in any manner whatsoever, commit or propose to commit the Province or the Minister to the payment of any money to any person, except as contemplated by this Agreement;
- d) secure and maintain in good standing all necessary approvals and certificates for the Aircraft and Specialty Equipment described in this Agreement;
- e) equip, operate and maintain the Aircraft in accordance with all requirements of Canadian and British Columbia laws and regulations;
- f) comply with all the standards, practices, procedures and specification set out in the Company's Transport Canada approved Operations Manual; and those set out in the Company's Transport Canada approved Maintenance Manuals in conducting all Aircraft maintenance;
- g) service, repair, overhaul, test, and maintain the Aircraft in a safe and airworthy state of repair at all times in accordance with manufacturer's recommended maintenance programs and the Company's Maintenance Manuals, to the satisfaction of the Minister;
- h) perform the Services and its obligations under this Agreement in a safe and professional manner to the reasonable satisfaction of the Minister;
- i) except with the explicit approval of the Minister, ensure that all Aircraft maintenance is performed by a fully qualified and licensed Aircraft Maintenance Engineer ("AME") who is

- not the Aircraft pilot;
- j) allow no pilot to fly the Aircraft and provide the Services pursuant to this Agreement, without prior approval of the Minister;
- k) provide and maintain at all times, sufficient qualified staff, facilities, materials, appropriate Specialty Equipment and approved subcontractual arrangements to fully perform the Services and its obligations under this Agreement to the reasonable satisfaction of the Minister;
- l) provide all refueling and foam or gel retardant equipment when the Aircraft is away from its Designated Base;
- m) be responsible for all charges, costs and expenses including but not limited to, Aircraft fuel, costs of lubricants, airport costs, and Aircraft parking fees, necessary for the efficient operations of the Aircraft and Specialty Equipment required for the performance of the Services under this Agreement, unless specified otherwise in this Agreement;
- n) obtain and maintain in force during the Operating Period Insurance as described in Schedule D;
- o) in addition to the items contained in this Agreement, provide all living expenses and services to the Company's employees and permitted subcontractors throughout the province, together with all other expenses connected with the Company's operations; and
- p) reasonably cooperate with the Province and any other persons providing services to the Province.
- q) Make Operations Manual, Maintenance Manuals, Training Manual and other such manuals or proof of pilot competencies and training available to the Province upon request. You must grant to the Province, its servants employees or agents access to the technical maintenance and flight records respecting the Services or this Standing Offer at all reasonable times for the purpose of inspections.
- r) Grant the Province, its servants, employees and agents the right to inspect the Aircraft and Aviation Equipment
- s) In addition to the any other rights of inspection the Province may have under statute or otherwise, at its sole discretion and at its expense, at any reasonable time and on reasonable notice to you to conduct an audit of your technical, maintenance and flight records respecting the Services or this Standing Offer, including the right to inspect and take copies of such records upon reasonable notice and at reasonable times. In respect to such audits the Company will:
 - (a) Fully cooperate with the Province in conducting the audit; and
 - (b) Provide, upon request of the Province,

copies of your most recent annual audited financial statements.

5. COVENANTS OF THE PROVINCE

- 5.01 The Province will, at its own expense, provide the following:
- a) extraordinary charges for navigation and/or aerodrome fees (where applicable), that are necessary for the Company to perform the Services, except as otherwise provided;
 - b) a bird dog aircraft as deemed appropriate to support an Air Tanker Request;
 - c) at the Province's discretion, a bird dog aircraft to support the Company's training and practice exercises.

6. INDEMNITY

- 6.01 The Company will indemnify and save harmless the Province and the Minister from and against all claims, demands, losses, damages, costs and expenses made against or incurred, suffered or sustained by the Province and the Minister or either of them at any time or times (whether before or after termination of this Agreement) where the same or any of them are based upon or arise out of anything done or omitted to be done by the Company or by any employee, officer, subcontractor, or agent of the Company pursuant to this Agreement, excepting as always liability arising out of the independent negligent acts of the Province or the Minister.
- 6.02 Notwithstanding section 6.01, the Province will indemnify and save harmless the Company, its permitted subcontractors and their respective agents, servants and employees from and against any and all liability or bodily injury or damage to Improvements directly or indirectly caused by, arising from or resulting from the dropping of fire retardants, water, foam and other fire control chemicals from a Martin Mars Air Tanker by the Company or any of its permitted subcontractors, their respective agents, servants or employees under this Agreement in the vicinity of Improvements or Built-up Areas where such actions are:
- i. carried out at the direction of the Minister;
 - ii. are, in the opinion of the Minister, considered to be essential to the control of Wildfires; and
 - iii. not negligently performed by the Company.
- 6.03 The Company will cooperate with the Province and its counsel in any and all investigations, settlements and judicial determination of any claims made against the Province, the Minister or the Company relating directly or indirectly to this Agreement and will use its best effort to cause its employees, officers, subcontractors and agents to be similarly bound.

7. ASSIGNMENT AND SUBCONTRACTING

- 7.01 The Company will not assign this Agreement, nor subcontract any of its obligations under this Agreement, to any person, firm, or corporation without the prior written consent of the Province.
- 7.02 The Company will at all times be held fully responsible to the Province for the acts and omissions of its subcontractors and persons employed by them and no subcontract entered into by the Company will impose any obligation or liability upon the Province to any such subcontractor or any of its employees.
- 7.03 The Company will cause every assignee or subcontractor to be bound by the terms of this Agreement so far as they apply to the work to be performed by each subcontractor.
- 7.04 Nothing in this Agreement will create any contractual relationship between the Province and the subcontractor of the Company.

8. TERMINATION

- 8.01 The Province may, in addition to any remedy available to it at law or equity, terminate this Agreement by written notice to the Company if the Company fails to observe, perform or comply with any provisions of this Agreement.

9. NOTICES

- 9.01 Any notice, document, statement, report or demand desired or required to be given or made under this Agreement will be in writing and may be given or made by personal delivery to the party to whom it is to be given or made, or by mailing it in Canada with postage prepaid to the applicable address, or by transmitting it by facsimile to the applicable facsimile transmission number, noted for both the Province and the Company at the start of this Agreement.
- 9.02 The Company will provide to the Province, as soon as possible and by the quickest means possible the particulars and details of any Aviation Occurrence that occurs while providing the Services.
- 9.03 The Province may request the Company prepares a detailed report of the Aviation Occurrence referred to in section 9.02.

10. MISCELLANEOUS

- 10.01 This Agreement will ensure to the benefit and be binding upon the Province and its assigns and the Company and its successors and permitted agents.
- 10.02 This Agreement will be governed by, construed and interpreted in accordance with the laws of the Province of British Columbia.
- 10.03 All disputes arising out of or in connection with this Agreement will be referred and finally resolved by arbitration administered by the British Columbia International Commercial Arbitration Center pursuant to the "Rules of Procedures". The place of arbitration will be Victoria BC.

- 10.04 Each party will, upon reasonable request of the other parties, fully cooperate to the betterment of the Services provided under this Agreement.
- 10.05 This Agreement may only be amended by further written amendments executed by or behalf of the parties.
- 10.06 All the discretion and obligations of the Minister or the Province under this Agreement may be exercised or performed by the Minister, the Deputy Minister of Forests Lands and Natural Resource Operations, or by a Designated Representative.
- 10.07 Each Schedule A to E attached to this Agreement is an integral part of this Agreement as if set out in length in the body of this Agreement.

**SCHEDULE A
AIRCRAFT, PERSONNEL AND SPECIALTY
EQUIPMENT**

During the Operating Period, the Company shall provide Aircraft, Personnel and Specialty Equipment according to the following specifications.

1. AIRCRAFT

1.01 The Company will supply one Martin Mars Air Tankers, suitable for aerial attack of wildfires as follows:

C-FLYL tail #823

1.02 The Aircraft will be located at the Company's Sproat Lake (BC) Base unless otherwise agreed by both parties.

2. PERSONNEL

2.01 The Martin Mars Air Tanker Air Crew will meet the following specifications:

- a) Airline Transport License;
- b) Transport Canada requirements;
- c) Meet the Company's Operating certification requirement;
- d) two years experience flying in fire bombing operations; and
- e) personal flying history shall be made available upon the request of the Minister.

2.02 Maintenance Personnel

- a) trained in accordance with the Company Maintenance Manuals; and
- b) Aircraft Maintenance Engineers licensed in accordance with current Transport Canada requirements.

3. SPECIALTY EQUIPMENT

3.01 The Martin Mars Air Tanker will be equipped to meet the following communication requirements:

- a) equipped with standard aircraft transmit and receive VHF - AM radio equipment with a minimum frequency range of 118 to 135.95 megahertz;
- b) transmit and receive FM multi channel programmable radio equipment with a frequency range of 150 to 174 megahertz and capable of operation with continuous tone coded squelch system (CTCSS). The radio equipment must be capable of storing 50 or more channels and have operator accessibility to all CTCSS tones. The Equipment must be compatible with Industry Canada's Radio Spectrum Realignment (narrow banding) requirement;
- c) The FM radio will have a separate guard channel;
- d) a Global Positioning System (GPS) having a minimum of 4 channels, capable of storing up to 100 user inputted way points and having

NMEA.0183 standard output with RS232 or USB serial port and ASCII format.

- 3.02 The Aircraft will be equipped with a satellite communication system (SATCOM) which incorporates the Iridium System.
- 3.03 The Aircraft will be equipped with an Automated Flight Following (AFF) tracking system providing voice communications and data management/transfer that meets the Canadian and United States requirements.
- 3.04 The Ministry's AFF specifications are set out at www.bcwildfire.ca/FightingWildfire/Aviation/AFF.
- 3.05 The Aircraft will be equipped with all safety and survival equipment and supplies as required by federal and provincial laws and regulations.

**SCHEDULE B
SERVICES**

1. SERVICES

- 1.01 During the Operating Period, the Company will:
- a) provide Aircraft flight and fire bombing services;
 - b) provide all fueling and foam or gel retardant loading services necessary for the performance of the Services;
 - c) position the Aircraft at the times and locations specified by the Minister;
 - d) maintain an air readiness level as specified by the Minister;
 - e) use its best efforts to ensure that the Aircraft and flight operations Personnel adhere to the Ministry's operational procedures and instructions;
 - f) cause appropriate personnel of the Company to attend pre-and de-briefing exercises;
 - g) cause appropriate personnel of the Company to attend an end of Operating Period de-brief session;
 - h) undertake work utilizing the Martin Mars Air Tankers and appropriate personnel for third parties as directed by the Minister;
 - i) ensure that all flight operations Personnel are attired in standard apparel for either flight or maintenance as the case may be;
 - j) work co-operatively with the Province in joint training sessions; and
 - k) provide the Services in accordance with the British Columbia Forest Service Fire Bombing Procedures.

- 1.02 During the Operating Period, the Company will have in place the necessary support equipment to quickly respond should the Minister request the Aircraft be Positioned to a location other than the Company's Designated Base. This support equipment will include:
- one (1) fuel truck;
 - one (1) tractor trailer;
 - one (1) service trailer;
 - one (1) van; and
 - one (1) boat.
- 1.03 During the Operating Period or any extensions, the Company will advise the Minister of any possible opportunities or requirements for the Company's own use of the Aircraft.

- volume of foam or gel retardant;
- number of drops and volumes
- fuel and oil costs as permitted under Schedule E;
- other applicable costs and expenses;
- "goods and services received" signature;
- total flight cost.

- g) "Release Rate" means that rate set out in Schedule E to credit the Ministry for each day the Aircraft is released by the Province to the company.
- h) "Warm-Up Fee" means the flat rate charge for a Warm-Up on Days the Ministry's established alert and required response time is one half hour or less, as set out in Schedule E. These include yellow and red days but not blue and green.

SCHEDULE C FEE SCHEDULE

1. FEE SCHEDULE

- 1.01 In this Schedule, unless the context requires otherwise:
- "Fees" are as set out in Schedule E. All charges are in Canadian dollars;
 - "Flight Time" for the Martin Mars Air Tanker means the time, measured in minutes and reported in tenths of an hour as calculated and detailed in the Transport Canada Aeronautical Information Manual (TC AIM), from the aircraft leaving the buoy for the purpose of initial takeoff to the time when the aircraft comes to a complete stop at the buoy;
 - "Flying Rate" means the hourly charges for Flight Time as set out in Schedule E;
 - "Positioning" means a change in the location of the Aircraft, Personnel and Equipment at the request of the Minister;
 - "Positioning Fee" means the fee set out in Schedule E for Positioning the Aircraft;
 - "Proper Account" means a written statement of account, on Company letterhead, in a form satisfactory to the Minister, to the address set out in this Agreement or as directed by the Ministry, showing the calculation of the amounts claimed for the period, including:
 - flight slip or invoice reference number;
 - flight date;
 - pilot name;
 - Aircraft registration and type;
 - Agreement number;
 - Branch or Fire Center;
 - legs of flight, including:
 - from/to
 - up/down times
 - hours flown
 - Ministry Use Code
 - Fire or Project Number

- 1.02 The Province will pay the Company the following charges, as set out in Schedule E, with respect to the Services provided:
- Flight Time Charges;
 - Warm-Up Charges;
 - Daily Availability Charges;
 - Fuel Costs;
 - Foam and gel retardant costs;
 - Positioning and Expenses; and
 - Other Costs.
- 1.03 The Province will pay those fees described in section 1.02 within sixty (60) days following receipt by the Province of a Proper Account.
- 1.04 The Company will submit Proper Accounts in no less than weekly intervals.

SCHEDULE D INSURANCE

1. INSURANCE REQUIREMENTS

- 1.01 In addition to such policies as are required by Canadian laws and regulations, the Company shall, at its sole cost and expense and during the Agreement Term provide and maintain for the benefit of the Minister, his servants, agents and employees the following insurance:
- Aircraft Liability in respect of third part bodily injury and/or property damage, including passenger liability, with limits not less than ten million dollars (\$10,000,000) combined single limit, each occurrence;
 - Aviation General Liability insurance, including Premises & Operations and Products & Completed Operations liability, with limits not less than ten million dollars (\$10,000,000) combined

single limit, each occurrence and in the annual aggregate with respect to Products & Completed Operations;

- c) The insurance outlined under a) and b) above, shall include the following endorsements and/or provisions:
- i. blanket contractual liability;
 - ii. non-owned automobile insurance;
 - iii. contingent employer liability;
 - iv. personal injury liability;
 - v. employees as additional insureds; and
 - vi. a cross liability clause;
 - vii. Her Majesty the Queen in the right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations and any of its employees, servants or agents are to be added as an "Additional Insured", and
 - viii. Any additional insurance which is required by law or which the Company considers necessary to cover risks not otherwise covered by insurance specified in this section.

- 1.02 All insurance will be in a form, and content and placed with an insurer or insurers duly licensed to carry on insurance business in British Columbia acceptable to the Minister.
- 1.03 The Company shall, not later than the commencement of the Agreement Term, provide to the Province a Certificate of Insurance confirming all policies and necessary endorsements to comply with the insurance requirements outlined herein.
- 1.04 The Company will ensure that the insurance may not be cancelled or materially changed in any way whatsoever without the insurers providing 30 days prior notice to the Minister.
- 1.05 The insurance will be primary and not require the sharing of any loss by any insurer of the Province.
- 1.06 The Company waives all rights of recourse against the Province with regard to damage to the Company's property.
- 1.07 The Company shall, at its own expense, obtain WorkSafe BC coverage for itself, its subcontractors, all workers and any shareholders, directors, partners or other individuals employed or engaged in the performance of the Services. The Company must comply with all conditions of the *Workers Compensation Act* and regulations

thereunder, and upon request, must provide the Province with proof of such compliance.

SCHEDULE E FEES

1. FLIGHT TIME CHARGES

- 1.01 Flight Time for the Martin Mars Air Tanker at a Flying Rate of:
- a) **Six thousand dollars (\$6,000.00)** exclusive of fuel will be applicable for all hours of Flight Time flown;
 - b) Any Flight Time hours flown in a practice or training session if such sessions are at the specific written request of the Minister.

2. AVAILABILITY CHARGES

2.01 Daily Availability Charges

Daily availability charges of **fifteen thousand dollars (\$15,000.00)** per day will apply for any days as calculated during the 30 day operating period.

3. ALERT STATUS

- 3.01 The Province will advise the Company of the next Day's alert status by fax between 1300 hours and 1600 hours of the previous day.

4. FUEL COSTS

4.01 Fuel Rate at Sproat Lake BC

The cost incurred at the Company's Base of Sproat Lake BC and paid by the Company for aviation fuel used by the Company to fulfill its obligation under this Agreement will be based on rack rate Port Alberni, plus an into plane fee of 15 cents per litre. The rack rate Port Alberni should include your actual fuel costs for the particular load plus transport costs reflected as a per litre cost (this too must be auditable with back up records). If no metering system is available to provide a fuel slip, information noted on the flight slip should include, litres pumped, date of purchase, and location. The into plane fee and fuel will be noted separately per mission on each flight slip.

Fuel pricing information for Port Alberni will be provided at the beginning of each month for the cost of Avgas. This information can be faxed to (250) 554-5468 or emailed to

FORPCCP.AIRPWCC@gov.bc.ca.

When deployed away from Port Alberni no into plane fee will apply. Pricing information may be different at other locations, if pricing information is different, a price notification change will be submitted as above.

- 4.02 Fuel Rate Away From the Company's Base
Fuel purchases other than listed in this Schedule

will be reimbursed at the actual cost incurred, supported by receipts and paid by the Company.

- 4.03 The Company will retain all supporting documentation to support the charges for the aviation fuel costs as set out in section 4.01 and participate in a post season review with the Province to reconcile actual usage and costs. The results may include a one-time payment by the Minister to the Company or a reimbursement from the Company to the Province for the term of this agreement.

5 FOAM AND GEL RETARDANT COSTS

- 5.01 The Province will reimburse the Company for all foam and/or gel used to provide the Services under this Standing Offer.
- 5.02 The volumes must be noted on the daily flight slips or invoice and will be paid at the actual cost from the supplier(s) plus a handling fee of 3 cents/litre on each mixed litre dropped at a 1% basis.

6 WARM-UP FEE

- 6.01 The Province will reimburse the Company for all warm-ups required as per Schedule C 1.01 h) of this Standing Offer.
- 6.02 The warm-up must be noted on the daily flight slips and will be paid at the rate of four hundred and thirty-nine (\$439.00) per warm-up inclusive of fuel.

7. POSITIONING AND EXPENSES

- 7.01 Should the Minister request the Aircraft, Flight Crew, support equipment and personnel be Positioned away from the Company's Sproat Lake Base or from one base designated by the Minister to another base designated by the Minister the following rates are payable by the Minister:
- a) A Daily Rate will be applicable for each Day Positioning or Positioned away from the Company's Sproat Lake Base as follows:
 - i. A **Daily Positioning Rate** shall be payable by the Minister at **thirteen thousand six hundred and ninety-six (\$13,696.00.00)** per Day for the first and last Day of positioning away from the Company's Base; and
 - ii. a **Daily Rate while Positioned** away from the Company's Base shall be payable by

the Minister at **twelve thousand six hundred and four dollars (\$12,604.00)** per Day based on Schedule E-7, daily minimum requirement.

- 7.02 Should the Ministry supply any accommodations and/or meals the Daily Rates set out in this section will be reduced as follows: accommodations \$115 each and meals \$50.00 (\$16.50 for each meal).
- 7.03 Vehicle mileage allowance of \$0.49 per kilometer during mobilization and demobilization when required to be away from the Company's Base for one (1) Fuel Truck, two (2) Service Vehicles.
- 7.04 Other necessary out of pocket travel expenses approved by the Ministry when the Flight and Support Crew are away from the Designated Base will be reimbursed at the actual cost incurred and supported by receipts. This may include but is not limited to additional rental vehicles or air travel.

8 OTHER

- 8.01 The Province will reimburse the Company:
- a) the actual amount paid by the Company for navigation and/or aerodrome fees required in the performance of the Services;
 - b) with the prior written approval of the Province, the actual amount paid by the Company for other costs as may be necessary to provide the Services away from the Company's Designated Base.

9. RELEASE RATES

- 9.01 The rate for the Company's use of the Aircraft when released from the Company's Service Requirements by the Ministry will be at the Release Rate for each and every day the aircraft is released. The Release Rate is as agreed by the parties.

10. PENALTIES

- 10.01 For each and every hour the Aircraft, Specialty Equipment, Personnel and Services are not available for Services as required by the Minister, the Minister may assess damages in the amount of one tenth of the Daily Availability (defined in Schedule E Fees, Section 2 – Availability Charges)

**Coulson Flying Tankers
2015 Positioning and Expenses (Schedule E-7)**

Daily Rate Breakdown

The following shall be considered the minimum required daily accompaniment of manpower and equipment to support Coulson Flying Tankers. The rates shall be reduced accordingly for each item not used or unserviceable on the fireline. Any additional expenses required (ie expense travel or additional rental vehicles) must be pre-approved by the Ministry.

Quantity	Description	Daily Off Site Rate	Total	Comments
1	Fuel Truck	\$1,100.00	\$1,100.00	Driver included
1	Tractor Trailer	\$1,100.00	\$1,100.00	Driver included
1	Crane truck	\$1,100.00	\$1,100.00	Driver included
1	bus	\$1,100.00	\$1,100.00	Driver Included
1	Kodiak Truck	\$1,100.00	\$1,100.00	Driver Included
1	Van	\$110.00	\$110.00	Driver included
1	Rental Vehicle	\$65.00	\$65.00	On-site rentals for ground transport
1	Fuel (van, rental vehicle, Kodiak)	\$55.00	\$55.00	
2	Boats	\$110.00	\$220.00	
6	Support Employees	\$525.00	\$3,150.00	Wages (exclusive of drivers above)
12	Living Out – Accommodation	\$105.00	\$1,260.00	
12	Living Out - Meals	\$50.00	\$600.00	
7	Ferry Individuals	\$16.00	\$116.00	
1	Ferry for Fuel Truck	\$312.00	\$332.00	
1	Ferry for Tractor Trailer	\$429.00	\$458.00	
1	Ferry – Crane Truck & Trailer	\$429.00	\$458.00	
1	Ferry – Bus	\$207.00	\$220.00	
1	Ferry – Kodiak & Trailer	\$253.00	\$270.00	
1	Ferry – Van and Trailer	\$129.00	\$133.00	



**MINISTRY OF FORESTS AND RANGE
AIRCRAFT OPERATIONS AGREEMENT**

**STANDING OFFER FOR:
MARTIN MARS AIR TANKER SERVICES**

STANDING OFFER NO.: AO0888E009
FILE: 1080-20/COUL 08 09

THIS AGREEMENT executed and dated for
Reference the 1st (first) day of April 2007.

BETWEEN:
HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA:

AND

Ministry of Forests and Range, Protection Program
("Province") at the following address:

P.O. Box 9502 Stn Prov Govt
Victoria, British Columbia
V8W 9C1

Telephone No: (250) 387-8727
Fax No: (250) 387-1072

Ministry Representative: Marcia Foote

Email Address: marcia.foote@gov.bc.ca

Coulson Airplane Ltd.
d.b.a. Coulson Flying Tankers

("Offeror") at the following address:
9350 Bomber Base Road
Port Alberni, British Columbia
V9Y 8Z3

Telephone No: (250) 723-6225
Fax No: (250) 723-6200

Offeror Representative: Wayne Coulson

Email Address: wayne.coulson@coulsongroup.com

WHEREAS:

The Offeror offers to supply, as, if and when requested, the Services described in Appendix I, to the Province.

ACCORDINGLY, the parties agree as follows:

1. DEFINITIONS

1.01 In this Standing Offer, unless the context otherwise requires:

- a) "Air Tanker Request" means any form of the Province, issued during the Operating Period that references this Standing Offer and the Services as set out in Appendix I and is sent to the Offeror
- b) "Appendix I" means the Terms and Conditions with all Schedules attached thereto;
- c) "Contract" means the binding agreement the terms of which are set out in Appendix I entered into by the Offeror and the Province which enables the Province to acquire the Services set out in the Air Tanker Request for the Fees set out in Schedule E of Appendix I;
- d) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests and Range; the Director, Protection Program; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Protection Program may authorize;
- e) "Minister" means the Minister of Forests and Range or his "Designated Representative";
- f) "Ministry" means the Ministry of Forests and Range, Province of British Columbia;
- g) "Operating Period" means a period within the Standing Offer Term during which the Services will be available to the Province under the Terms and Conditions of Appendix I.
- h) "Operating Period Request" means any form of the Province that references this Standing Offer and the Services as set out in Appendix I and is sent to the Offeror, giving notice of the dates of the Operating Period. The first Operating Period is as set out in section 2.03;
- i) "Services" means the air tanker services provided by the Offeror to the Province as described in Appendix I;
- j) "Standing Offer" means the Offeror's offer to supply the Services under the Terms and Conditions of Appendix I; and
- k) "Standing Offer Term" means the Term as set out in section 2.

APPENDIX I TERMS AND CONDITIONS

1. DEFINITIONS

1.01 In this Appendix, unless the context otherwise requires:

- a) "Aircraft" means any or all aircraft, described in Schedule A covered by this Agreement;
- b) "Air Tanker Alerts" means the daily alert status for the Province's air tanker resources as prepared by the Minister during the fire season;
- c) "Aviation Occurrence" means an aviation occurrence as defined and detailed in the Transport Canada Aeronautical Information Manual (TC AIM);
- d) "BC Forest Service Fire Bombing Procedures" means the British Columbia Fire Bombing Procedures, created and maintained by the Province, outlining the Province's training requirements and operational policies and procedures in relation to aerial fire fighting;
- e) "Built-up Area" means any forest or range land occupied by houses, trailers, mobile homes, outbuildings or other manmade structures that are being threatened by, or adjacent to, or within the boundaries of, a Wildfire;
- f) "Designated Base" means the Company's usual operational base for the Aircraft;
- g) "Designated Representative" means the Assistant Deputy Minister, Operations, Ministry of Forests and Range; the Director, Protection Program; and such other Ministry employees as the Assistant Deputy Minister, Operations or the Director, Forest Protection Program may authorize;
- h) "Day" means each calendar day during the Operating Period when Services, Personnel and Equipment are provided;
- i) "Equipment" means the Company's fire fighting Aircraft and the Specialty Equipment required in providing the Services and as described in Schedule A, and any other such equipment approved by the Minister for use in providing the Services;
- j) "Improvements" means any vehicle, equipment or other manmade structure that is occupying forest or range lands being threatened by, adjacent to, or within the boundaries of, a Wildfire;
- k) "Maintenance Manuals" means the Company's Transport Canada approved Maintenance Control and Maintenance Procedures Manuals detailing the aircraft operated by the air carrier, the maintenance criteria, procedures and schedules for each aircraft and the personnel responsible for maintenance, inspection and quality control;

- l) "Minister" means the Minister of Forests and Range or his Designated Representative;
- m) "Ministry" means the Ministry of Forests and Range, Province of British Columbia;
- n) "Operations Manual" means the Company's Transport Canada approved document detailing the Company's operating procedures and includes any amendments to the same as required by law;
- o) "Operating Period" means a period within the Standing Offer Term during which the Services will be available to the Province under the Terms and Conditions of Appendix 1 and as requested by the Province to the Company;
- p) "Services" means the aircraft services as described in Schedule B;
- q) "Specialty Equipment" means the Company's specialty equipment required in providing the Services and as described in Schedule A, and any other such equipment approved by the Minister for use in providing the Services;
- r) "Wildfire" means an unplanned fire occurring on forest or range lands, burning forest vegetation, grass, brush, scrub, peatlands, or a prescribed fire set under a Burn Registration which, in the judgment of a Forest Officer threatens to spread beyond the area authorized for that burning; and
- s) "Year" means, in respect of the term of this Agreement, the period from April 1 of one year to March 31 of the following year.

2. APPOINTMENT, TERM AND SERVICES

- 2.01 The Province shall request the Services with an electronic Air Tanker Requests, facsimile or e-mail confirmation to the Company.
- 2.02 The Company will provide the Services as requested in accordance with this Agreement.
- 2.03 The Company will provide the Services during the Operating Period regardless of the date of execution or delivery of this Agreement.
- 2.04 More than one Operating Period can exist prior to the expiration or withdrawal of the Standing Offer.

3. FEES AND EXPENSES

- 3.01 In consideration of the Company providing the Services, the Province will pay to the Company Fees and Expenses in the amounts and in the manner set out in this Agreement.
- 3.02 The sums described in section 3.01 constitute the maximum amounts payable to the Company for its performance of the Services and the Company will not be entitled to any additional compensation for its performance whether or not the work actually undertaken by the Company is described in the Agreement.

3.03 Notwithstanding any other provision of the Agreement, the payment of money by the Province to the Company under this Agreement is subject to:

- a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, to enable the Province, in a fiscal year or part thereof when any payment of money by the Province to the Company falls due under this Agreement to make that payment; and
- b) Treasury Board, as defined in the *Financial Administration Act*, not having controlled or limited, under the *Financial Administration Act*, expenditure under any appropriation referred to in subsection (a).

3.04 The Province certifies that the property and/or Services ordered and purchased under this Agreement are for the use of, and are being purchased by, the Province with Crown funds and are therefore not subject to the Goods and Services Tax.

4. COVENANTS OF THE COMPANY

4.01 The Company will:

- a) observe, perform and comply with all of its obligations under this Agreement;
- b) remain an independent contractor and not the servant, employee, partner, or agent of the Province or the Minister;
- c) not, in any manner whatsoever, commit or propose to commit the Province or the Minister to the payment of any money to any person, except as contemplated by this Agreement;
- d) secure and maintain in good standing all necessary approvals and certificates for the Aircraft and Specialty Equipment described in this Agreement;
- e) equip, operate and maintain the Aircraft in accordance with all requirements of Canadian and British Columbia laws and regulations;
- f) comply with all the standards, practices, procedures and specification set out in the Company's Transport Canada approved Operations Manual; and those set out in the Company's Transport Canada approved Maintenance Manuals in conducting all Aircraft maintenance;
- g) service, repair, overhaul, test, and maintain the Aircraft in a safe and airworthy state of repair at all times in accordance with manufacturer's recommended maintenance programs and the Company's Maintenance Manuals, to the satisfaction of the Minister;
- h) perform the Services and its obligations under this Agreement in a safe and professional manner to the reasonable satisfaction of the Minister;

- i) except with the explicit approval of the Minister, ensure that all Aircraft maintenance is performed by a fully qualified and licensed Aircraft Maintenance Engineer ("AME") who is not the Aircraft pilot;
- j) allow no pilot to fly the Aircraft and provide the Services pursuant to this Agreement, without prior approval of the Minister;
- k) provide and maintain at all times, sufficient qualified staff, facilities, materials, appropriate Specialty Equipment and approved subcontractual arrangements to fully perform the Services and its obligations under this Agreement to the reasonable satisfaction of the Minister;
- l) provide all refueling and foam or gel retardant equipment when the Aircraft is away from its Designated Base;
- m) be responsible for all charges, costs and expenses including but not limited to, Aircraft fuel, costs of lubricants, airport costs, and Aircraft parking fees, necessary for the efficient operations of the Aircraft and Specialty Equipment required for the performance of the Services under this Agreement, unless specified otherwise in this Agreement;
- n) obtain and maintain in force during the Operating Period insurance as described in Schedule D;
- o) in addition to the items contained in this Agreement, provide all living expenses and services to the Company's employees and permitted subcontractors throughout the province, together with all other expenses connected with the Company's operations; and
- p) reasonably cooperate with the Province and any other persons providing services to the Province.

5. COVENANTS OF THE PROVINCE

5.01 The Province will, at its own expense, provide the following:

- a) extraordinary charges for navigation and/or aerodrome fees (where applicable), that are necessary for the Company to perform the Services, except as otherwise provided;
- b) a bird dog aircraft as deemed appropriate to support an Air Tanker Request;
- c) at the Province's discretion, a bird dog aircraft to support the Company's training and practice exercises; and
- d) access to view the Province's Resource Tracking System.

6. INDEMNITY

- 6.01 The Company will indemnify and save harmless the Province and the Minister from and against all claims, demands, losses, damages, costs and expenses made against or incurred, suffered or sustained by the Province and the Minister or either of them at any time or times (whether before or after termination of this Agreement) where the same or any of them are based upon or arise out of anything done or omitted to be done by the Company or by any employee, officer, subcontractor, or agent of the Company pursuant to this Agreement, excepting as always liability arising out of the independent negligent acts of the Province or the Minister.
- 6.02 Notwithstanding section 6.01, the Province will indemnify and save harmless the Company, its permitted subcontractors and their respective agents, servants and employees from and against any and all liability or bodily injury or damage to Improvements directly or indirectly caused by, arising from or resulting from the dropping of fire retardants, water, foam and other fire control chemicals from a Martin Mars Air Tanker by the Company or any of its permitted subcontractors, their respective agents, servants or employees under this Agreement in the vicinity of Improvements or Built-up Areas where such actions are:
 - i. carried out at the direction of the Minister;
 - ii. are, in the opinion of the Minister, considered to be essential to the control of Wildfires; and
 - iii. not negligently performed by the Company.
- 6.03 The Company will cooperate with the Province and its counsel in any and all investigations, settlements and judicial determination of any claims made against the Province, the Minister or the Company relating directly or indirectly to this Agreement and will use its best effort to cause its employees, officers, subcontractors and agents to be similarly bound.

7. ASSIGNMENT AND SUBCONTRACTING

- 7.01 The Company will not assign this Agreement, nor subcontract any of its obligations under this Agreement, to any person, firm, or corporation without the prior written consent of the Province.
- 7.02 The Company will at all times be held fully responsible to the Province for the acts and omissions of its subcontractors and persons employed by them and no subcontract entered into by the Company will impose any obligation or liability upon the Province to any such subcontractor or any of its employees.
- 7.03 The Company will cause every assignee or subcontractor to be bound by the terms of this Agreement so far as they apply to the work to be performed by each subcontractor.

7.04 Nothing in this Agreement will create any contractual relationship between the Province and the subcontractor of the Company.

8. TERMINATION

8.01 The Province may, in addition to any remedy available to it at law or equity, terminate this Agreement by written notice to the Company if the Company fails to observe, perform or comply with any provisions of this Agreement.

9. NOTICES

- 9.01 Any notice, document, statement, report or demand desired or required to be given or made under this Agreement will be in writing and may be given or made by personal delivery to the party to whom it is to be given or made, or by mailing it in Canada with postage prepaid to the applicable address, or by transmitting it by facsimile to the applicable facsimile transmission number, noted for both the Province and the Company at the start of this Agreement.
- 9.02 The Company will provide to the Province, as soon as possible and by the quickest means possible the particulars and details of any Aviation Occurrence that occurs while providing the Services.
- 9.03 The Province may request the Company prepares a detailed report of the Aviation Occurrence referred to in section 9.02.

10. MISCELLANEOUS

- 10.01 This Agreement will ensure to the benefit and be binding upon the Province and its assigns and the Company and its successors and permitted agents.
- 10.02 This Agreement will be governed by, construed and interpreted in accordance with the laws of the Province of British Columbia.
- 10.03 All disputes arising out of or in connection with this Agreement will be referred and finally resolved by arbitration administered by the British Columbia International Commercial Arbitration Center pursuant to the "Rules of Procedures". The place of arbitration will be Victoria BC.
- 10.04 Each party will, upon reasonable request of the other parties, fully cooperate to the betterment of the Services provided under this Agreement.
- 10.05 This Agreement may only be amended by further written amendments executed by or behalf of the parties.
- 10.06 All the discretion and obligations of the Minister or the Province under this Agreement may be exercised or performed by the Minister, the Deputy Minister of Forests and Range or by a Designated Representative.
- 10.07 Each Schedule A to E attached to this Agreement is an integral part of this Agreement as if set out in length in the body of this Agreement.

INITIALS	
For the Company	For the Minister

**SCHEDULE A
AIRCRAFT, PERSONNEL AND SPECIALTY
EQUIPMENT**

During the Operating Period, the Company shall provide Aircraft, Personnel and Specialty Equipment according to the following specifications.

1. AIRCRAFT

1.01 The Company will supply one or two Martin Mars Air Tankers, suitable for aerial attack of wildfires as follows:

Primary	C-FLYL	tail #823
Back up	C-FLYK	tail #820

1.02 The Aircraft will be located at the Company's Sproat Lake (BC) Base unless otherwise agreed by both parties.

2. PERSONNEL

2.01 The Martin Mars Air Tanker Flight Crew will each meet the following specifications:

- a) Airline Transport License;
- b) Transport Canada requirements;
- c) Meet the Company's Operating certification requirement;
- d) two years experience flying in fire bombing operations; and
- e) personal flying history shall be made available upon the request of the Minister.

2.02 Maintenance Personnel

- a) trained in accordance with the Company Maintenance Manuals; and
- b) Aircraft Maintenance Engineers licensed in accordance with current Transport Canada requirements.

3. SPECIALTY EQUIPMENT

3.01 The Martin Mars Air Tanker will be equipped to meet the following communication requirements:

- a) equipped with standard aircraft transmit and receive VHF - AM radio equipment with a minimum frequency range of 118 to 135.95 megahertz;
- b) transmit and receive FM multi channel programmable radio equipment with a frequency range of 150 to 174 megahertz and capable of operation with continuous tone coded squelch system (CTCSS). The radio equipment must be capable of storing 50 or more channels and have operator accessibility to all CTCSS tones. The Equipment must be compatible with Industry Canada's Radio Spectrum Realignment (narrow banding) requirement;
- c) The FM radio will have a separate guard channel;

- d) a Global Positioning System (GPS) having a minimum of 4 channels, capable of storing up to 100 user inputted way points and having NMEA.0183 standard output with RS232 serial port and ASCII format.

3.02 The Aircraft will be equipped with a satellite communication system (SATCOM) which incorporates the Iridium System.

3.03 The Aircraft will be equipped with an Automated Flight Following (AFF) tracking system providing voice communications and data management/transfer that meets the Canadian and United States requirements.

3.04 The Ministry's AFF specifications are set out at www.for.gov.bc.ca/protect/AFF.

3.05 The Aircraft will be equipped with all safety and survival equipment and supplies as required by federal and provincial laws and regulations.

**SCHEDULE B
SERVICES**

1. SERVICES

- 1.01 During the Operating Period, the Company will:
- a) provide Aircraft flight and fire bombing services;
 - b) provide all fueling and foam or gel retardant loading services necessary for the performance of the Services;
 - c) position the Aircraft at the times and locations specified by the Minister;
 - d) maintain an air readiness level as specified by the Minister;
 - e) use its best efforts to ensure that the Aircraft and flight operations Personnel adhere to the Ministry's operational procedures and instructions;
 - f) cause appropriate personnel of the Company to attend pre-and de-briefing exercises;
 - g) cause appropriate personnel of the Company to attend an end of Operating Period de-brief session;
 - h) undertake work utilizing the Martin Mars Air Tankers and appropriate personnel for third parties as directed by the Minister;
 - i) ensure that all flight operations Personnel are attired in standard apparel for either flight or maintenance as the case may be;
 - j) work co-operatively with the Province in joint training sessions; and

- k) provide the Services in accordance with the British Columbia Forest Service Fire Bombing Procedures.
- 1.02 During the Operating Period, the Company will have in place the necessary support equipment to quickly respond should the Minister request the Aircraft be Positioned to a location other than the Company's Designated Base. This support equipment will include:
- 8,000 gallon tanker unit; and
 - transporter with support trailer to store spare parts, oil, retardant foam or gel and other support equipment.
- 1.03 During the Operating Period or any extensions, the Company will advise the Minister of any possible opportunities or requirements for the Company's own use of the Aircraft.

- legs of flight, including:
 - from/to and up/down times
 - hours flown
 - Ministry Use Code
 - Fire or Project Number
 - volume of foam or gel retardant;
 - number of drops and volumes
 - fuel and oil costs as permitted under Schedule E;
 - other applicable costs and expenses;
 - "goods and services received" signature;
 - total flight cost.
- g) "Release Rate" means that rate set out in Schedule E to credit the Ministry for each day the Aircraft is released by the Province to the company.

- 1.02 The Province will pay the Company the following charges, as set out in Schedule E, with respect to the Services provided:
- Flight Time Charges;
 - Operating Period Guaranteed Flight Time Utilization;
 - Alert Status Minimum Utilization;
 - Fuel and Oil Costs;
 - Foam and gel retardant costs;
 - Crew Accommodation and Expenses;
 - Positioning Fee; and
 - Other Costs.
- 1.03 The Province will pay those fees described in section 1.02 within sixty (60) days following receipt by the Province of a Proper Account.
- 1.04 The Company will submit Proper Accounts in no less than weekly intervals.

SCHEDULE C FEE SCHEDULE

1. FEE SCHEDULE

- 1.01 In this Schedule, unless the context requires otherwise:
- "Fees" are as set out in Schedule E. All charges are in Canadian dollars;
 - "Flight Time" for the Martin Mars Air Tanker means the time, measured in minutes and reported in tenths of an hour as calculated and detailed in the Transport Canada Aeronautical Information Manual (TC AIM), from the aircraft leaving the buoy for the purpose of initial takeoff to the time when the aircraft comes to a complete stop at the buoy;
 - "Flying Rate" means the hourly charges for Flight Time as set out in Schedule E;
 - "Minimum Utilization Rate" means the hourly rate charged for any minimum utilization shortfall hours set out in Schedule E;
 - "Positioning" means a change in the location of the Aircraft, Personnel and Equipment at the request of the Minister;
 - "Positioning Fee" means the fee set out in Schedule E for Positioning the Aircraft;
 - "Proper Account" means a written statement of account, on Company letterhead, in a form satisfactory to the Minister, to the address set out in this Agreement or as directed by the Ministry, showing the calculation of the amounts claimed for the period, including:
 - flight slip or invoice reference number;
 - flight date;
 - pilot name;
 - Aircraft registration and type;
 - Agreement number;
 - Branch or Fire Center;

SCHEDULE D INSURANCE

- In addition to such policies as are required by Canadian laws and regulations, the Company shall, at its sole cost and expense and during the Agreement Term provide and maintain for the benefit of the Minister, his servants, agents and employees:
 - combined public liability, property damage and passenger bodily injury insurance in sums not less than ten million dollars (\$10,000,000) and the insurance will include:
 - products and completed operations liability;
 - non-owned automobile insurance;
 - blanket contractual liability;
 - contingent employer liability;
 - personal injury liability;

- vi. employees as additional insureds; and
- vii. a cross liability clause

The Province is to be added as an "Additional Insured" on owned aircraft liability insurance under this policy, as follows: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests and Range and any of its employees, servants or agents"; and

- b) any additional insurance which is required by law or which the Company considers necessary to cover risks not otherwise covered by insurance specified in this section.
2. All insurance will be in a form, and content and placed with an insurer or insurers duly licensed to carry on insurance business in British Columbia acceptable to the Minister.
 3. The Company shall, not later than the commencement of the Agreement Term, provide to the Province a Certificate of Insurance confirming all policies and necessary endorsements to comply with the insurance requirements outlined herein.
 4. The Company will ensure that the insurance may not be cancelled or materially changed in any way whatsoever without the insurers providing 30 days prior notice to the Minister.
 5. The insurance will be primary and not require the sharing of any loss by any insurer of the Province.
 6. The Company waives all rights of recourse against the Province with regard to damage to the Company's property.
 7. At the Company's own expense, shall obtain WorkSafe BC coverage for itself, its subcontractors, all workers and any shareholders, directors, partners or other individuals employed or engaged in the performance of the Services. The Company must comply with all conditions of the *Workers Compensation Act* and regulations thereunder, and upon request, must provide the Province with proof of such compliance.

SCHEDULE E FEES

1. FLIGHT TIME CHARGES

- 1.01 Flight Time for the Martin Mars Air Tanker at a Flying Rate of **seventeen thousand three hundred fifty dollars (\$17,350.00)** inclusive of fuel will be applicable for:
 - a) all hours of Flight Time flown to provide the Services;
 - b) any Flight Time hours flown in a practice or training session if such sessions are at the specific written request of the Minister;
 - c) any Flight Time hours Positioning the Aircraft;
 - d) Flight Time hours in a), b) and c) above will be included in the calculation of Guaranteed Flight Time Utilization.

2. OPERATING PERIOD GUARANTEED FLIGHT TIME UTILIZATION

- 2.01 During the Operating Period the Province will guarantee a total of forty five (45) hours of Martin Mars Air Tanker Flight Time.
- 2.02 If the total number of Martin Mars Air Tanker Flight Time hours flown during the Operating Period does not equal forty five hours (45), the Province will pay to the Company an amount equal to forty five hours (45) less the actual Flight Time hours flown multiplied by the Minimum Utilization Rate.
- 2.03 If the total number of Martin Mars Air Tanker Flight Time hours flown during an extension of the Operating Period or a new Operating Period does not equal the equivalent of 50% of one (1) hour multiplied by the number of extension Days or new Operating Period Days, the Province will pay to the Company the shortfall in hours multiplied by the Minimum Utilization Rate.
- 2.04 Minimum Utilization Charges
A Minimum Utilization Rate of **twelve thousand fifty dollars (\$12,050.00)** per hour will apply for any hours as calculated under section 2.02 and 2.03.
- 2.05 Guaranteed Flight Time
 - a) Should the Flight Time hours during the period June 8 to July 15, 2007 not total 15 hours an amount equal to the difference in the hours multiplied by the Minimum Utilization Rate as set out in section 2.04 shall be payable by the Minister;
 - b) Should the Flight Time during the period June 8, 2007 to August 15, 2007 not total 30 hours, an amount equal to the difference in hours multiplied by the Minimum Utilization Rate as set out in section 2.04, less the amounts paid under section a) above shall be

payable by the Minister; or if negative payable by the Company to the Minister; and

- c) Operating Period from June 8, 2007 to September 11, 2007:
 - i. Should the Flight Time during this period not total 45 hours, an amount equal to the difference in hours multiplied by the Minimum Utilization Rate as set out in section 2.04 less any amounts paid (received) under sections a) and b) above shall be payable by the Minister or if negative payable by the Company to the Minister; or
 - ii. Should the total Flight Time during the this period exceed 45 hours, the total of the amounts paid by the Minister and/or received by the Minister under sections a) and b) above shall be payable by the Company to the Minister within 60 days.
- d) Operating Period Extensions or New Operating Periods:
 - i. Should the Flight Time during any of these periods not total the utilization guaranteed as calculated in section 2.03, an amount equal to the difference in hours multiplied by the Minimum Utilization Rate as set out in section 2.04 shall be payable by the Minister.

3. ALERT STATUS MINIMUM UTILIZATION

- 3.01 During the Operating Period, the Province will guarantee a total of (20) twenty notices of Air Tanker Alerts as follows:
 - a) ten (10) blue alerts requiring a four hour or less response time; and
 - b) ten (10) green alerts requiring more than four hours response time.
- 3.02 The Province will advise the Company of the next day's daily Alert Status by fax between 1300 hours. and 1600 hours. of the previous day.
- 3.03 If the Province does not issue a total of 20 (twenty) Air Tanker Alerts as set out in section 2.01 above, the Province will pay to the Company an amount equal to **three thousand dollars (\$3,000)** multiplied by the difference in the actual number of Air Tanker alerts issued and the minimum number as set out in section 2.01.

4. FUEL and OIL COSTS

- 4.01 Should fuel and oil costs incurred by the Company during the Operating Period exceed expected costs where such aviation fuel and oil are delivered to the Air Tankers at a location other than the Company's Sproat Lake Base, the Province will pay to the Company 100% of any reasonable over-expenditures.

- 4.02 The Company will retain all supporting documentation to support the charges for the aviation fuel and oil costs as set out in section 4.01.

5. FOAM AND GEL RETARDANT COSTS

- 5.01 The Province will reimburse the Company for all foam and/or gel retardant used to provide the Services under this Standing Offer.
- 5.02 The volumes must be noted on the daily flight slips or invoice and will be paid at the rate of:
 - a) \$4.00 per litre for fire fighting foam concentrate; and
 - b) \$16.00 per litre for gel retardant concentrate.

6. CREW ACCOMMODATION AND EXPENSES

- 6.01 Away from Designated Base living expenses will be flat rated and receipts will not be required. The daily allowance for each Flight Crew member (to a maximum of ten Flight Crew members) will be one hundred and ninety dollars (\$190.00) and must be submitted on the daily flight slips.
- 6.02 Should the Ministry supply any of the above expenses or where covered under section 6.03 the daily rate will be reduced as follows: accommodation \$85, meals \$45 (\$15 for each meal), and ground transportation \$60.
- 6.03 A vehicle mileage allowance of \$0.48 per kilometer when Flight Crew is away from the Designated Base.
- 6.04 Other necessary out of pocket travel expenses when the Flight Crew is away from the Designated Base, at the actual cost incurred supported by receipts.

7. POSITIONING

- 7.01 Positioning Fees
If the Minister requests that the Aircraft be Positioned away from the Company's Sproat Lake Base or from one base designated by the Minister to another base designated by the Minister, a daily Positioning Fee of **\$4,900.00 (four thousand nine hundred dollars)** for each day the Martin Mars Air Tanker is Positioned away from the Company's Sproat Lake Base., in addition to any Flight Time charges, may be applicable.

8. OTHER

- 8.01 The Province will reimburse the Company:
- a) the actual amount paid by the Company for navigation and/or aerodrome fees required in the performance of the Services;
 - b) with the prior written approval of the Province, the actual amount paid by the Company for other costs as may be necessary to provide the Services away from the Company's Designated Base.

9. RELEASE RATES

- 9.01 The rate for the Company's use of the Aircraft when released from the Company's Service Requirements by the Ministry will be at the Release Rate for each and every day the aircraft is released. The Release Rate is as agreed by the parties.

10. PENALTIES

- 10.01 During the Operating Period, for each and every instance the Aircraft, Personnel or Services are not available for use on the Alert Status as required by the Minister, the Minister may assess damages as follows:

- c) an amount equal to 50% of one (1) hour of Flight Time for each full Day, the Aircraft, Personnel or Services are not available; and
- d) an amount equal to 25% of one (1) hour of Flight Time for each half Day, the Aircraft, Personnel or Services are not available.

- 10.02 The company must prepare an Unserviceability Report for each day or part day, the Aircraft, Personnel or Services are not available.

- 10.03 The number of guaranteed Air Tanker Alerts as set out in section 3.01 of this schedule is reduced by one for each instance that the Company fails to respond to an Air Tanker Request.

INITIALS	
For the Company	For the Minister

Air Carrier Summary Aviation Management System

REPORT SELECTION FACTORS

Report Date: 11/01/2016

*Note: * or blank indicates that all data will be used.*

Start Date : 20140101	Weight Class :	Invoice # :	Retardant Type :
Finish Date : 20141231	Lower Use Code :	Response Ctr : 88X	Retardant Base :
Carrier Code : AIR	Upper Use Code :	Lower Account :	Airport (Landings) :
Contract Code :	Region/Centre :	Upper Account :	Update Date*
Aircraft Type :	District/Zone :	Lower Project :	<i>*Date of Last entry update</i>
Registration :	Pilot Name :	Upper Project :	User Id/Logon :
Stob :			Reconciliation#

CODE	AIR CARRIER NAME	HOURS FLOWN	AIRCRAFT COST
AIR	AIR SPRAY (1967) LTD.	1,231.2	\$3,169,273.01
REPORT TOTALS		1,231.2	\$3,169,273.01

Air Carrier Summary Aviation Management System

REPORT SELECTION FACTORS

Report Date: 14/04/2016

*Note: * or blank indicates that all data will be used.*

Start Date : 20140101	Weight Class :	Invoice # :	Retardant Type :
Finish Date : 20141231	Lower Use Code :	Response Ctr : 88X	Retardant Base :
Carrier Code : CON	Upper Use Code :	Lower Account :	Airport (Landings) :
Contract Code :	Region/Centre :	Upper Account :	Update Date*
Aircraft Type :	District/Zone :	Lower Project :	<i>*date of data entry update</i>
Registration :	Pilot Name :	Upper Project :	User Id/Logon :
Stob :			Reconciliation#

CODE	AIR CARRIER NAME	HOURS FLOWN	AIRCRAFT COST
CON	CONAIR GROUP INC.	3,165.0	\$4,880,600.85
REPORT TOTALS		3,165.0	\$4,880,600.85

Air Carrier Summary Aviation Management System

REPORT SELECTION FACTORS

Report Date: 14/04/2016

*Note: * or blank indicates that all data will be used.*

Start Date : 20140101	Weight Class :	Invoice # :	Retardant Type :
Finish Date : 20141231	Lower Use Code :	Response Ctr : 88X	Retardant Base :
Carrier Code : COU	Upper Use Code :	Lower Account :	Airport (Landings) :
Contract Code :	Region/Centre :	Upper Account :	Update Date*
Aircraft Type :	District/Zone :	Lower Project :	<i>*date of data entry update</i>
Registration :	Pilot Name :	Upper Project :	User Id/Logon :
Stob :			Reconciliation#

CODE	AIR CARRIER NAME	HOURS FLOWN	AIRCRAFT COST
		0.0	\$0.00
REPORT TOTALS		0.0	\$0.00

Air Carrier Summary Aviation Management System

REPORT SELECTION FACTORS

Report Date: 14/04/2016

*Note: * or blank indicates that all data will be used.*

Start Date : 20150101	Weight Class :	Invoice # :	Retardant Type :
Finish Date : 20151231	Lower Use Code :	Response Ctr : 88X	Retardant Base :
Carrier Code : AIR	Upper Use Code :	Lower Account :	Airport (Landings) :
Contract Code :	Region/Centre :	Upper Account :	Update Date*
Aircraft Type :	District/Zone :	Lower Project :	<i>*date of data entry update</i>
Registration :	Pilot Name :	Upper Project :	User Id/Login :
Stob :			Reconciliation#

CODE	AIR CARRIER NAME	HOURS FLOWN	AIRCRAFT COST
AIR	AIR SPRAY (1967) LTD.	1,178.6	\$3,037,369.18
REPORT TOTALS		1,178.6	\$3,037,369.18

Air Carrier Summary Aviation Management System

REPORT SELECTION FACTORS

Report Date: 14/04/2016

*Note: * or blank indicates that all data will be used.*

Start Date : 20150101	Weight Class :	Invoice # :	Retardant Type :
Finish Date : 20151231	Lower Use Code :	Response Ctr : 88X	Retardant Base :
Carrier Code : CON	Upper Use Code :	Lower Account :	Airport (Landings) :
Contract Code :	Region/Centre :	Upper Account :	Update Date*
Aircraft Type :	District/Zone :	Lower Project :	<small>*date of data entry update</small>
Registration :	Pilot Name :	Upper Project :	User Id/Logon :
Stob :			Reconciliation#

CODE	AIR CARRIER NAME	HOURS FLOWN	AIRCRAFT COST
CON	CONAIR GROUP INC.	3,745.7	\$5,796,335.54
REPORT TOTALS		3,745.7	\$5,796,335.54

Air Carrier Summary Aviation Management System

REPORT SELECTION FACTORS

Report Date: 14/04/2016

*Note: * or blank indicates that all data will be used.*

Start Date : 20150101
 Finish Date : 20151231
 Carrier Code : COU
 Contract Code :
 Aircraft Type :
 Registration :
 Stob :

Weight Class :
 Lower Use Code :
 Upper Use Code :
 Region/Centre :
 District/Zone :
 Pilot Name :

Invoice # :
 Response Ctr : 88X
 Lower Account :
 Upper Account :
 Lower Project :
 Upper Project :

Retardant Type :
 Retardant Base :
 Airport (Landings) :
 Update Date*
**Date of data entry update*
 User Id/Login :
 Reconciliation#

CODE	AIR CARRIER NAME	HOURS FLOWN	AIRCRAFT COST
COU	COULSON AIRCRANE LTD.	24.1	\$319,199.94
REPORT TOTALS		24.1	\$319,199.94

Type	Fuel Burn
L-188	2430
L-188 (T460)	2820
CV580	1410
AT802F	340
AT802 (amphib)	350
TC690	330
C525	395
C208	175
Twin Otter	600
CL215	905
CL415	1137

Aircraft Type - Registration Summary Aviation Management System

REPORT SELECTION FACTORS

Report Date: 07/04/2016

*Note: * or blank indicates that all data will be used.*

Start Date : 20140101	Weight Class :	Invoice # :	Retardant Type :
Finish Date : 20141231	Lower Use Code :	Response Ctr : 88X	Retardant Base :
Carrier Code :	Upper Use Code :	Lower Account :	Airport (Landings) :
Contract Code :	Region/Centre :	Upper Account :	Update Date*
Aircraft Type :	District/Zone :	Lower Project :	<i>*date of data entry update</i>
Registration :	Pilot Name :	Upper Project :	User Id/Login :
Stob :			Reconciliation#

AIRCRAFT TYPE / MAKE	REGISTRATION	HOURS FLOWN	AIRCRAFT COST
A600 TED SMITH Fixed Wing	CB118	1.0	\$485.00
	A600 TOTALS	1.0	\$485.00
AT802 AIR TRACTO Fixed Wing	CA679	5.8	\$13,929.31
	CT674	241.8	\$298,606.40
	CT677	17.2	\$24,727.52
	CT687	224.2	\$277,586.14
	AT802 TOTALS	489.0	\$614,849.37
AT802F AIR TRACTO Fixed Wing	CA688	5.1	\$15,486.40
	CA690	5.0	\$15,248.90
	CA181	6.3	\$14,654.31
	CA182	6.2	\$14,509.31
	CA183	5.1	\$15,486.40
	CA184	5.1	\$15,486.40
	CT675	226.5	\$280,077.90
	CT685	207.4	\$254,483.66
	CT696	120.7	\$168,348.34
	CT697	153.1	\$244,278.47
	CT698	151.1	\$221,185.62
	CT699	103.7	\$143,660.06
	AT802F TOTALS	995.3	\$1,402,905.77
C208 CESSNA Fixed Wing	CA127	4.6	\$8,493.01
	CAB28	5.3	\$11,581.05
	CB125	158.3	\$207,475.15
	CB129	275.7	\$382,644.15
	C208 TOTALS	443.9	\$610,193.36
C525 CESSNA Fixed Wing	CB114	146.4	\$148,179.10
	CB115	14.1	\$13,833.65
	C525 TOTALS	160.5	\$162,012.75

AIRCRAFT TYPE / MAKE			REGISTRATION	HOURS FLOWN	AIRCRAFT COST
CL215T	CANADAIR	Fixed Wing	CA201	64.1	\$125,959.10
			CA202	63.1	\$123,108.10
			CA203	60.4	\$117,840.40
			CA204	61.9	\$120,766.90
			CL215T TOTALS	249.5	\$486,774.50
CV580	G DYNAMICS	Fixed Wing	CA155	4.0	\$28,453.20
			CT412	32.5	\$71,574.85
			CT444	126.8	\$239,572.17
			CT445	132.8	\$249,715.80
			CT447	170.7	\$319,102.53
			CT449	161.8	\$303,010.87
CV580 TOTALS	628.6	\$1,214,429.42			
L188	LOCKHEED	Fixed Wing	CA190	7.3	\$46,594.10
			CT460	174.2	\$708,682.92
			CT481	227.8	\$916,949.23
			CT482	203.8	\$826,131.69
			CT489	166.4	\$663,401.74
			CT498	69.6	\$316,298.95
			CT498	24.7	\$89,908.00
L188 TOTALS	873.8	\$3,567,966.63			
RJ85AT	BRITISH AE	Fixed Wing	CT860	2.9	\$0.00
			CT862	6.5	\$0.00
			RJ85AT TOTALS	9.4	\$0.00
TC690	ROCKWELL	Fixed Wing	CB352	67.9	\$81,196.00
			CB051	174.0	\$130,461.20
			CB052	200.6	\$172,151.50
			CB053	185.3	\$140,552.35
			CB058	3.7	\$3,326.35
			CB131	170.9	\$179,442.00
			CB134	144.7	\$140,928.55
			CYB35	2.9	\$6,539.50
TC690 TOTALS	972.5	\$882,347.45			
REPORT TOTALS				4,823.5	\$8,941,964.25

PATC - DEC (DAILY SITREP)

Aircraft CONTRACTED to BCFS for Season

Enter Hrs. Flown, Accoms, Veh - Print - Do Not Save						Date of Flight	Tuesday, July 14, 2015
Tail #	Hours Flown	Accom - # Persons	Meals	Non-Rental Vehicle	Aircraft Type	Rate	Flight Cost
125					C208	1264	\$ -
696					802	1304	\$ -
697					802	1304	\$ -
698					802	1304	\$ -
699					802	1304	\$ -
129					C208	1281	\$ -
674					802 AF	1198	\$ -
687					802 AF	1198	\$ -
694					802AF	1198	\$ -
695					802 AF	1198	\$ -
134					T C	968	\$ -
444					CV580	1734	\$ -
445					CV580	1734	\$ -
131					TC	968	\$ -
447					CV580	1734	\$ -
449					CV580	1734	\$ -
114					C525	968	\$ -
460					L188	3770	\$ -
053					TC	726	\$ -
481					L188	3508	\$ -
052					T C	726	\$ -
482					L188	3508	\$ -
051					T C	726	\$ -
489					L188	3508	\$ -
124					C208	495	\$ -
823					MARS	6000	\$ -
warm-up						439	\$ -
Daily Totals	0	\$ -	\$ -	\$ -	Gross Daily Total (Flight, Accoms, & Vehicles)	\$ -	\$ -
					Landing Fees	\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
					Net Daily Total	\$ -	\$ -
# FS Staff on OT (Any who submit a diary to PATC)							
AC	AG	AK	AN	AR	AV	PATC Staff	Total
							0

PROVINCIAL AIRTANKER CENTRE - DAILY SITREP

"Blue" = Active

OFF CONTRACT AIRCRAFT - Only

Revised August 21, 2015

Enter Hrs Flown - Print - Do Not Save				Date of Flight		Sunday, August 23, 2015	
Tail #	Hours Flown (#'s only)	Accom	Non-Rental Vehicle	Agency Contracted From	Aircraft Type	Rate	Flight Cost
150		<i>Included</i>	<i>Included</i>	Ontario	TC690	1592	\$ -
GOGG - 273		<i>Included</i>	<i>Included</i>	Ontario	CL415	3787	\$ -
GOGY - 277		<i>Included</i>	<i>Included</i>	Ontario	CL415	3787	\$ -
BD132	0	<i>Included</i>	<i>Included</i>	Alberta	TC690	1400	\$ -
CT201	1.9	<i>Included</i>	<i>Included</i>	Alberta	CL215T	1990	\$ 3,781.00
CT202	0	<i>Included</i>	<i>Included</i>	Alberta	CL215T	1990	\$ -
CT203	0	<i>Included</i>	<i>Included</i>	Alberta	CL215T	1990	\$ -
CT204	0	<i>Included</i>	<i>Included</i>	Alberta	CL215T	1990	\$ -
Total Flight Cost (excluding Accoms etc.)						\$	3,781.00
Daily Totals	1.9		0				
Grand Daily Total (Includes Accoms / Rentals if applicable)						\$	3,781.00

Aircraft Type Summary Aviation Management System

REPORT SELECTION FACTORS

Report Date: 06/04/2016

*Note: * or blank indicates that all data will be used.*

Start Date : 20150101	Weight Class :	Invoice # :	Retardant Type :
Finish Date : 20151231	Lower Use Code :	Response Ctr : 88X	Retardant Base :
Carrier Code :	Upper Use Code :	Lower Account :	Airport (Landings) :
Contract Code :	Region/Centre :	Upper Account :	Update Date*
Aircraft Type :	District/Zone : *	Lower Project :	<i>*date of data entry update</i>
Registration :	Pilot Name :	Upper Project :	User Id/Logon :
Stob :			Reconciliation#

AIRCRAFT TYPE / MAKE	HOURS FLOWN	AIRCRAFT COST
A600 TED SMITH Fixed Wing	5.0	\$3,930.48
A1802 AIR TRACTO Fixed Wing	935.8	\$1,213,567.32
A1802F AIR TRACTO Fixed Wing	796.5	\$1,114,008.56
C208 CESSNA Fixed Wing	513.0	\$719,096.65
C525 CESSNA Fixed Wing	162.3	\$162,829.70
CL215T CANADAIR Fixed Wing	71.1	\$143,597.20
CL415 CANADAIR Fixed Wing	54.8	\$209,275.20
CV580 G DYNAMICS Fixed Wing	789.3	\$1,501,543.11
L188 LOCKHEED Fixed Wing	806.7	\$3,312,776.87
MMS MARTIN Fixed Wing	24.1	\$319,199.94
TC690 ROCKWELL Fixed Wing	973.7	\$962,679.48
REPORT TOTALS	5,132.3	\$9,662,504.51

Aircraft Type - Registration Summary Aviation Management System

REPORT SELECTION FACTORS

Report Date: 07/04/2016

*Note: * or blank indicates that all data will be used.*

Start Date : 20150101	Weight Class :	Invoice # :	Retardant Type :
Finish Date : 20151231	Lower Use Code :	Response Ctr : 88X	Retardant Base :
Carrier Code :	Upper Use Code :	Lower Account :	Airport (Landings) :
Contract Code :	Region/Centre :	Upper Account :	Update Date*
Aircraft Type :	District/Zone :	Lower Project :	<i>*date of data entry update</i>
Registration :	Pilot Name :	Upper Project :	User Id/Login :
Stob :			Reconciliation#

AIRCRAFT TYPE / MAKE	REGISTRATION	HOURS FLOWN	AIRCRAFT COST			
A600	TED SMITH	Fixed Wing				
		CB124	5.0			
	A600 TOTALS	5.0	\$3,930.48			
AT802	AIR TRACTO	Fixed Wing	CB1674	228.3	\$288,971.24	
			CB1677	6.6	\$8,902.72	
			CB1687	229.0	\$289,978.94	
			CB1691	148.0	\$192,355.46	
			CB1694	86.9	\$110,442.96	
			CB1695	230.1	\$291,039.50	
			CY675	2.3	\$10,625.50	
			CY676	2.2	\$10,367.00	
			CY677	2.4	\$10,884.00	
				AT802 TOTALS	935.8	\$1,213,567.32
AT802F	AIR TRACTO	Fixed Wing	CB1680	39.0	\$67,434.98	
			CB1693	8.9	\$15,585.62	
			CB1696	187.4	\$257,846.92	
			CB1697	192.3	\$265,650.68	
			CB1698	194.6	\$267,546.16	
			CB1699	174.3	\$239,944.20	
				AT802F TOTALS	796.5	\$1,114,008.56
			C208	CESSNA	Fixed Wing	CB125
CB127	10.9	\$15,051.10				
CB129	248.7	\$363,201.00				
C208 TOTALS	513.0	\$719,096.65				
C525	CESSNA	Fixed Wing	CB114	152.5	\$153,201.80	
			CB115	9.8	\$9,627.90	
			C525 TOTALS	162.3	\$162,829.70	
CL215T	CANADAIR	Fixed Wing	CA201	14.2	\$28,641.20	

AIRCRAFT TYPE / MAKE			REGISTRATION	HOURS FLOWN	AIRCRAFT COST
			CA202	19.0	\$38,385.00
			CA203	19.0	\$38,385.00
			CA204	18.9	\$38,186.00
			CL215T TOTALS	71.1	\$143,597.20
CL415	CANADAIR	Fixed Wing			
			CT273	27.2	\$103,880.20
			CT277	27.6	\$105,395.00
			CL415 TOTALS	54.8	\$209,275.20
CV580	G DYNAMICS	Fixed Wing			
			CT442	5.5	\$14,003.09
			CT444	201.8	\$379,757.01
			CT445	211.4	\$397,278.75
			CT447	188.4	\$359,901.04
			CT449	182.2	\$350,603.22
			CV580 TOTALS	789.3	\$1,501,543.11
L188	LOCKHEED	Fixed Wing			
			CA190	2.7	\$24,352.48
			CT460	180.4	\$748,920.70
			CT481	208.1	\$848,919.22
			CT482	179.9	\$731,639.83
			CT489	234.1	\$942,429.40
			CV498	1.5	\$16,515.24
			L188 TOTALS	806.7	\$3,312,776.87
MMS	MARTIN	Fixed Wing			
			CELY1	24.1	\$319,199.94
			MMS TOTALS	24.1	\$319,199.94
TC690	ROCKWELL	Fixed Wing			
			CAB32	15.9	\$22,403.20
			CB051	184.7	\$152,319.29
			CB052	164.8	\$166,016.12
			CB053	207.0	\$196,045.32
			CB131	190.9	\$197,331.07
			CB134	179.4	\$175,849.15
			CB150	3.1	\$5,025.20
			COB50	23.2	\$37,179.75
			CV135	3.0	\$6,708.75
			CVB57	1.7	\$3,801.63
			TC690 TOTALS	973.7	\$962,679.48
REPORT TOTALS				5,132.3	\$9,662,504.51

PATC - DEC (DAILY SITREP)

Aircraft CONTRACTED to BCFS for Season

Enter Hrs. Flown, Accoms, Veh - Print - Do Not Save					Date of Flight	Thursday, April 7, 2016	
Tail #	Hours Flown	Accom - # Persons	Meals	Non-Rental Vehicle	Aircraft Type	Rate	Flight Cost
125					C208	1253	\$ -
696					802	1292	\$ -
697					802	1292	\$ -
698					802	1292	\$ -
677					802	1292	\$ -
129					C208	1270	\$ -
674					802 AF	1187	\$ -
675					802 AF	1187	\$ -
687					802 AF	1187	\$ -
134					T C	959	\$ -
444					CV580	1719	\$ -
445					CV580	1719	\$ -
131					TC	959	\$ -
447					CV580	1719	\$ -
449					CV580	1719	\$ -
114					C525	959	\$ -
460					L188	3736	\$ -
053					TC	720	\$ -
481					L188	3477	\$ -
052					T C	720	\$ -
482					L188	3477	\$ -
051					T C	720	\$ -
489					L188	3477	\$ -
Daily Totals	0	\$ -	\$ -	\$ -	Gross Daily Total (Flight, Accoms, & Vehicles)		\$ -
						Landing Fees	\$ -
							\$ -
							\$ -
							\$ -
						Net Daily Total	\$ -

# FS Staff on OT (Any who submit a diary to PATC)							
AC	AG	AK	AN	AR	AV	PATC Staff	Total
	0	1			0	3	4

Aircraft Type Summary Aviation Management System

REPORT SELECTION FACTORS

Report Date: 06/04/2016

*Note: * or blank indicates that all data will be used.*

Start Date : 20140101	Weight Class :	Invoice # :	Retardant Type :
Finish Date : 20141231	Lower Use Code :	Response Ctr : 88X	Retardant Base :
Carrier Code :	Upper Use Code :	Lower Account :	Airport (Landings) :
Contract Code :	Region/Centre :	Upper Account :	Update Date*
Aircraft Type :	District/Zone : *	Lower Project :	<i>*date of data entry update</i>
Registration :	Pilot Name :	Upper Project :	User Id/Login :
Stob :			Reconciliation#

AIRCRAFT TYPE / MAKE	HOURS FLOWN	AIRCRAFT COST
A600 FED SMITH Fixed Wing	1.0	\$485.00
A1802 AIR TRACTO Fixed Wing	489.0	\$611,849.37
A1802F AIR TRACTO Fixed Wing	995.3	\$1,402,905.77
C208 CESSNA Fixed Wing	443.9	\$610,193.36
C525 CESSNA Fixed Wing	160.5	\$162,012.75
CL2151 CANADAIR Fixed Wing	249.5	\$486,774.50
CV580 G DYNAMICS Fixed Wing	628.6	\$1,211,429.42
L188 LOCKHEED Fixed Wing	873.8	\$3,567,966.63
R185AT BRITISH AF Fixed Wing	9.1	\$0.00
TC690 ROCKWELL Fixed Wing	972.5	\$882,347.45
REPORT TOTALS	4,823.5	\$8,941,964.25