

YUULU?IL?ATH GOVERNMENT

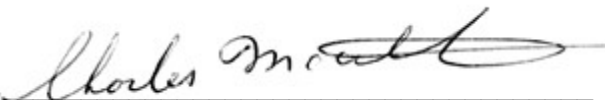
Enacted under the Financial Administration Act section 8.6

YFN RESORTS AND ACCOMMODATION LIMITED PARTNERSHIP GUARANTEE REGULATION

YFN 48/2021



This regulation enacted on April 23, 2021

Signed 
Charles McCarthy, President of the
Yuułu?il?ath Government

DEPOSITED IN THE
REGISTRY OF LAWS

ON 26 /APR /2021



Signature of Law Clerk

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PART 1 - INTRODUCTORY PROVISIONS

Short title

- 1.1 This regulation may be cited as YFN Resorts and Accommodation Limited Partnership Guarantee Regulation.

Application

- 1.2 This regulation authorizes the Yuulu?il?ath Government (also known as the Ucluelet First Nation) to provide guarantees for certain loans and credit facilities to be granted to the YFN Resorts and Accommodation Limited Partnership to replace existing credit facilities and for general operating requirements.

Definitions

- 1.3 In this regulation:
- “Act” means the Financial Administration Act.

PART 2 - LOAN GUARANTEES

Loan guarantee

- 2.1 (a) Having considered the report prepared by the chief financial officer pursuant to section 8.6(b)(i) of the Act, the Executive hereby authorizes the Yuulu?il?ath? Government (also known as the Ucluelet First Nation) to provide a guarantee for the indebtedness of YFN Resorts and Accommodation Limited Partnership in the amount of \$3,065,000.00.
- (b) Yuulu?il?ath? Government (also known as the Ucluelet First Nation) authorizes the guarantee as outlined in Schedules 1 and 2 to this regulation (LF 43 Guarantee for Indebtedness of a Partnership and LF984 BMO Letter of Agreement dated April 19, 2021), executed by Yuulu?il?ath? Government (also known as the Ucluelet First Nation) as guarantor, including all terms, conditions, fees, covenants and representations detailed in the Schedules.

Authorized signatories

- 2.2 For certainty, as provided in section 8.7 of the Act, any agreement or instrument relating, in whole or in part, to the guarantee authorized under section 2.1 must be signed by two members of the Executive.

SCHEDULE 1 – LF 43 GUARANTEE FOR INDEBTEDNESS OF A PARTNERSHIP

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with YFN Resorts and Accommodation Inc. doing business in partnership under the firm name of **YFN RESORTS AND ACCOMMODATION LIMITED PARTNERSHIP** (the "Customers"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time due or owing to the Bank from or by the Customers and whether arising from dealings between the Bank and the Customers or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customers, wherever incurred and whether incurred by the Customers as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one) under this Guarantee is limited to the aggregate amount of **Three million sixty five thousand and 00/100 Dollars** \$3,065,000.00, plus interest thereon at a rate of **3.00** per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that notwithstanding any change or changes in the name of the Customers' partnership or any change or changes in the membership of the Customers' partnership by death, retirement, introduction of a partner or partners, or otherwise, and notwithstanding any dissolution of the Customers' partnership, the liability of the undersigned shall continue and the provisions hereof shall be applicable to all debts or liabilities incurred, before and after any such changes.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customers under any agreement entered into by the Customers with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customers under any agreement entered into by the Customers with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customers which would have been payable by the Customers but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customers.

IT IS FURTHER AGREED that the Bank without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with the Customers and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customers or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customers or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customers upon any insolvency or winding up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customers either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customers or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such ninety day period, notwithstanding the death or insanity of such terminating party. After the expiry of such ninety day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such ninety day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such ninety day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customers must be returned to the Customers, or any successor or representative of the Customers, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customers), then this Guarantee shall continue after the

termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of Canadian Province in which Customers' account with the Bank is kept at the time guarantee is given.

THIS CONTRACT shall be construed in accordance with the laws of the Province of **British Columbia** and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customers to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customers to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned, or in any relationship between such undersigned and the other Customers or such undersigned and the Customers' partnership.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the Limitations Act, 2002 (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the Limitations Act, 2002 (Ontario).


IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

This clause applies to the Province of Québec only.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.


DATED as of April 23, 2021.

UCLUELET FIRST NATION (Yuulu?il?ath Government)

By: 

Name: Charles McCarthy

Title: Authorized Signatory

By: 

Name: Jenny Touchie

Title: Authorized Signatory

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SCHEDULE 2 – LF 984 BMO LETTER OF AGREEMENT DATED APRIL 19, 2021

Letter of Agreement



1-6908 NORTH ISLAND HIGHWAY,
NANAIMO, B.C. V9V 1P6

April 19, 2021

YFN RESORTS AND ACCOMMODATION LIMITED PARTNERSHIP
UCLUELET, BRITISH COLUMBIA V0R 3A0

Attention: Jonathan Cross, CEO

LETTER OF AGREEMENT

Bank of Montreal ("**BMO**") is pleased to advise that it has authorized the following new and/or amended credit Facilities for **YFN RESORTS AND ACCOMMODATION LIMITED PARTNERSHIP** (each, a "**Facility**" and collectively, the "**Facilities**") on the terms and conditions outlined in this Letter of Agreement. The Schedules listed below and attached form part of this Letter of Agreement.

The Schedules listed below and attached form part of this Letter of Agreement. Capitalised terms used but not defined have the meanings ascribed to them in Schedule D.

Notwithstanding any other provision of this Letter of Agreement or in any applicable agreements, any Advance under any Facility hereunder will be made at BMO's sole discretion. Any unutilized portion of any Facility hereunder may be cancelled by BMO at any time without prior notice.

Borrower:	YFN RESORTS AND ACCOMMODATION LIMITED PARTNERSHIP (the "Borrower")
Guarantor(s):	UCLUELET FIRST NATION (Yuułııı?ı?ath Government) YFN RESORTS AND ACCOMMODATION INC. (the "Guarantor(s)")
Total Facility Limit:	The total approved amount of all facilities shall not exceed \$2,999,146.06 at any time.



Your Product Summary

Facility/ Facilities:

Facility No#	Product Type	Authorized Amount	Currency
1	Revolving Facility - Shared limit/Multi-product/Multi-draw	\$250,000.00	CAD
2	Non-Revolving Facility - Shared limit/Multi-product/Multi-draw	Up to \$2,065,000.00	CAD
3	Non-Revolving Facility - Shared limit/Multi-product/Multi-draw	\$0.00	CAD
4	Real Estate Facility - Shared limit/Multi-product/Multi-draw	\$664,146.06	CAD
5	BMO Corporate MasterCard	\$20,000.00	CAD

Your Product Details

Revolving Facility - Shared limit/Multi-product/Multi-draw

Facility # 1 - New	
Facility Authorization:	\$250,000.00 CAD
Current Advanced Amount:	\$0.00 CAD
Available Amount:	\$250,000.00 CAD
Type of Loan:	Operating Facility
Purpose:	For general operating requirements
Advance Options (each a "Loan" and collectively the "Loans")	Additional Details
Operating Demand Loan	<p>Interest Rate: Prime Rate plus 0.75%. Interest is calculated monthly in arrears, and payable on the last day of each month. The Prime Rate in effect as of April 19, 2021 is 2.45%.</p> <p>Facility Fee: \$100.00 per month. This is the fee for the loan and does not include other account fees. Refer to our Better Banking Guide for other applicable fees.</p> <p>Repayment Terms: Repayable on demand</p>



Your Product Summary

	<p>Other Costs: BMO is not obliged to permit the Loan to exceed the Cap amount.</p> <p>In the event the Loans exceed the Cap amount, the excess will bear interest at the Overdraft Rate, which is currently 21% per annum. BMO shall also be entitled to charge the Borrower a fee of 1% calculated on the amount of excess over the Cap amount or \$100, whichever is greater and a \$5 overdraft handling charge per item that creates or increases the excess.</p>
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Non-Revolving Facility - Shared limit/Multi-product/Multi-draw

Facility # 2 - New	
Facility Authorization:	Up to \$2,065,000.00 CAD
Current Advanced Amount:	\$0.00 CAD
Available Amount:	Up to \$2,065,000.00 CAD
Type of Loan:	Asset and capital financing
Purpose:	For general capital requirements
Maximum Amortization:	180 months
Advance Options (each a "Loan" and collectively the "Loans")	<p>Additional Details / Disbursements</p> <ol style="list-style-type: none"> 1.) Pay-out of Facility #3 Loan 3655 6999-686 2.) Pay-out Demand Loan Non-Revolving 3655 6999-918 under Ucluelet First Nation (Yuułu?if?ath Government) 3.) Pay-out Operating Demand Loan 3655 1006-809 (Maximum of \$350,000) under YFN Retail and Food Services Limited Partnership Limit of \$500,000 to be removed upon disbursement 4.) Pay-out Operating Demand Loan 3655 1006-809 (Maximum of \$100,000) under YFN Management Services Limited Partnership Limit of \$100,000 to be removed upon disbursement
Demand Loan Non Revolving	<p>Interest Rate: Prime Rate plus .75%. Interest is calculated monthly in arrears, and payable Monthly. The Prime Rate in effect as of April 19, 2021 is 2.45%.</p> <p>Repayment Terms: Repayable on demand, provided that until demand is made by BMO:</p> <p>Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of</p>



Your Product Summary

	<p>each month. The amount of the payment will be initially determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion.</p> <p>OR</p> <p>Equal Monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance, as applicable.</p> <p>Prepayments of principal in whole or in part are permitted, without penalty</p> <p>Other:</p>
Fixed Rate Term Loan	<p>Type of Loan: Closed Term Loan</p> <p>Interest Rate: To be determined at time of Advance. By way of reference only, the rate in effect as of April 19, 2021 for a 5 year term is 2.80% per annum; and the rate is valid for 14 days, and thereafter subject to change at BMO's sole discretion from time to time.</p> <p>Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in Advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.</p> <p>Repayment Terms: Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, payment frequency, amortization, and term.</p> <p>OR</p> <p>Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance.</p> <p>The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.</p> <p>Prepayment Terms: <i>Closed Term Loan Only</i></p> <p>May not be prepaid, in whole or in part, prior to the maturity date.</p> <p>Maximum Term: 5 years</p>



Your Product Summary

	<p>Maturity Date: The last day of the month determined based on the term selected and the date of Advance.</p> <p>Other:</p>
<p>The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.</p> <p>Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.</p> <p>At the request of the Borrower, the rate may be fixed up to 45 days before the Advance is made. If requested, the Borrower shall pay a refundable rate reservation fee of 1% of the principal amount of the Advance, which fee will be refunded to the Borrower on the day the Advance is made. In the event that the Advance is cancelled by the Borrower, such fee will not be refunded to the Borrower.</p> <p>The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.</p>	

Non-Revolving Facility - Shared limit/Multi-product/Multi-draw

Facility # 3 - Existing								
Facility Authorization:	\$0.00 CAD							
Current Advanced Amount:	\$1,279,404.68 CAD							
Available Amount:	\$0.00 CAD							
Type of Loan:	Asset and capital financing							
Purpose:	For general capital requirements							
Current Advances:	Product type	Account #	Current Balance	Payment Amount	Payment Type	Payment Frequency	Interest Rate	Maturity Date
	Demand Loan Non Revolving	3655-6999-686	\$1,279,404.68	\$15,916.93	Blended Payment	Monthly	3.45%	N/A
Maximum Amortization:	109 months							



Your Product Summary

Advance Options (each a "Loan" and collectively the "Loans")	Additional Details Loan 3655 6999-686 to be paid out and closed by Facility #2
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Real Estate Facility - Shared limit/Multi-product/Multi-draw

Facility # 4 - Existing								
Facility Authorization:	\$664,146.06 CAD							
Current Advanced Amount:	\$664,146.06 CAD							
Available Amount:	\$0.00 CAD							
Type of Loan:	Real Estate Financing							
Purpose:	For general capital requirements							
Current Advances:	Product type	Account #	Current Balance	Payment Amount	Payment Type	Payment Frequency	Interest Rate	Maturity Date
	Demand Loan Non Revolving	3655-6999-416	\$664,146.06	To be confirmed	Blended Payment	Monthly	3.45%	N/A
Maximum Amortization:	180 months							
Advance Options (each a "Loan" and collectively the "Loans")	Additional Details Amortization to be extended to 180 Months Interest rate to be reduced to Prime + .75% from Prime + 1.00% Conversion to Fixed Rate Term Loan available.							
Demand Loan Non Revolving	Interest Rate: Prime Rate plus .75%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of April 19, 2021 is 2.45%. Repayment Terms: Repayable on demand, provided that until demand is made by BMO: Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of each month. The amount of the payment will be initially determined based on the Loan amount,							



Your Product Summary

	<p>amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion.</p> <p>OR</p> <p>Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance, as applicable.</p> <p>Prepayments of principal in whole or in part are permitted, without penalty</p> <p>Other:</p>
Fixed Rate Term Loan	<p>Type of Loan: Closed Term Loan</p> <p>Interest Rate: To be determined at time of Advance. By way of reference only, the rate in effect as of April 19, 2021 for a 5 year term is 2.80% per annum; and the rate is valid for 14 days, and thereafter subject to change at BMO's sole discretion from time to time.</p> <p>Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in Advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.</p> <p>Repayment Terms: Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, payment frequency, amortization, and term.</p> <p>OR</p> <p>Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance.</p> <p>The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.</p> <p>Prepayment Terms: <i>Closed Term Loan Only</i></p> <p>May not be prepaid, in whole or in part, prior to the maturity date.</p> <p>Maximum Term: 5 years</p>



Your Product Summary

	<p>Maturity Date: The last day of the month determined based on the term selected and the date of Advance.</p> <p>Other:</p>
<p>The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.</p> <p>Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.</p> <p>At the request of the Borrower, the rate may be fixed up to 45 days before the Advance is made. If requested, the Borrower shall pay a refundable rate reservation fee of 1% of the principal amount of the Advance, which fee will be refunded to the Borrower on the day the Advance is made. In the event that the Advance is cancelled by the Borrower, such fee will not be refunded to the Borrower.</p> <p>The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.</p>	

BMO Corporate MasterCard

Facility # 5 - New	
Facility Authorization:	\$20,000.00 CAD
Type of Loan:	Corporate MasterCard ^{Â®*}
Purpose:	Operating Financing
Additional Details	Corporate MC to replace existing Mastercard held under YFN Management Services Limited Partnership.
Interest Rate:	As determined by Corporate MasterCard Agreement.
Repayments:	As determined by Corporate MasterCard Agreement.
Facility Fee:	As determined by Corporate MasterCard Agreement.
<small>Â®* MasterCard is a registered trademark of MasterCard International Incorporated. Used under license.</small>	



Conditions Precedent to Advances:

BMO will not be required to make any Advance to the Borrower unless and until each of the following conditions and each of the additional conditions precedent set out in Schedule C have been met to the entire satisfaction of BMO (at its sole discretion):

Conditions Precedent to be Obtained:

1. Evidence of repayment of all indebtedness not otherwise permitted under this Agreement, as applicable.
2. Receipt of all notices, certificates, directions, forms or other Documentation required in connection with an Advance.

Security:

Each of the following documents, instruments, agreements and other assurances (collectively, the "**Security**") shall be delivered to BMO prior to any Advance of funds, in form and substance acceptable to BMO and its solicitors, acting reasonably:

Security Held:

1. Registered General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of the Borrower with a First ranking for CDN Accounts Receivable
2. \$3,142,270.00 Corporate guarantee from UCLUELET FIRST NATION (Yuufu?if?ath Government), **(To be replaced)**
3. \$565,000.00 Corporate guarantee from YFN RESORTS AND ACCOMODATION INC., supported by
 - a) Registered General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of the Guarantor (YFN Resorts and Accommodation Inc.) with a First ranking for CDN Accounts Receivable
 - b) Registered first-ranking All Indebtedness Mortgage in the amount of \$565,000.00 registered over Lot 1 DL 282 Clayquot District Plan VIP6018, with the municipal address of 1861 Peninsula Rd., Tofino, BC, V0R3A0 (the "Mortgaged Property") with appropriate enabling resolutions and Documentation Assignment of Rents over 1861 Peninsula Rd., Tofino, BC, V0R3A0.
 - i. Insurance on a "Fire and Extended Coverage" or "All Risks" basis must be arranged (with satisfactory evidence thereof delivered to BMO) satisfactory to BMO for the full insurable or replacement value with loss payable to BMO. The policy is to contain the Standard Mortgage Clause. A copy of the policy is to be provided.
 - ii. Delivery of an Up to Date or Existing survey/certificate of location of Mortgaged Property(ies) and all buildings located on the Mortgaged Property(ies), prepared by a surveyor licensed in the jurisdiction in which the property(ies) is/are located, which: - bears the name, address and signature of the surveyor, his official seal and licence number (any, or both), the date of a survey, and - includes a Surveyor's Certificate in the form and content required by the jurisdiction(s) in which the property is located OR - Title insurance from Approved Title Insurance Provider in respect of Lot 1 DL 282 Clayquot District Plan VIP6018, naming BMO as beneficiary



Terms and Conditions

Security to be Obtained:

1. \$3,065,000.00 Corporate guarantee from UCLUELET FIRST NATION (Yuulu?if?ath Government),
2. Ucluelet First Nation (Yuulu?if?ath Government) Borrowing Resolution acknowledging proposed advances and all security including guarantee in support of debts and liabilities owing to BMO Bank of Montreal by YFN Resorts and Accommodation Limited Partnership.

Any other documents, instruments or agreements as may be required by BMO, acting reasonably

Covenants:

As long as any Advance remains outstanding under or in connection with this Letter of Agreement, or so long as this Letter of Agreement remains in effect, the Borrower and any Guarantor will perform and comply with the covenants set out in Schedule A.

Financial Covenants:

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following financial covenants, based on financial statements of the Borrower or applicable Guarantor:

NIL

Additional Covenants:

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following covenants:

1. The Borrower will not, without BMO's prior written consent, participate in any retrofit project or energy or water efficiency project affecting the Mortgaged Property which would have the effect of creating a lien, hypothec or other interest (including, but without limitation, a local improvement charge or similar interest) in the Mortgaged Property ranking, or potentially ranking, in priority to or *pari passu* with the interest of BMO in the Mortgaged Property, whether or not such project is sponsored or endorsed by a municipal or other government, governmental organization or utility.

Reporting Requirements:

Annual	To be provided within 180 Days of Fiscal Year End
	YFN Holdings Limited Partnership Fiscal Year End – Dec 31st
	Audited Financial Statements
	YFN Resorts and Accommodation Limited Partnership Fiscal Year End – Dec 31st
	In-house Financial Statements (Income Statement)
	UCLUELET FIRST NATION (Yuulu?if?ath Government) FYE – March 31st
	Audited Financial Statements. Such other information as Lender may reasonably request from time to time.

A \$100 per month fee will be applied for non compliance with reporting requirements. The application of this fee does not waive the Default condition.

Prompt notification of management letters, Default notices, Litigation, and any other material events

Satisfactory evidence that all Taxes (including, without limitation, GST, HST, sales tax, withholdings, etc.) have been paid to date



Representations and Warranties:

The Borrower and each Guarantor, as applicable, makes the representations and warranties set out in Schedule B. All representations and warranties of the Borrower and any Guarantor, in addition to any representation or warranty provided in any document executed in connection with a Facility or any Security, shall be true and correct on the date of this Letter of Agreement and on the date of any Advance under a Facility.

Noteless Advances:

The Borrower acknowledges that the actual recording of the amount of any Advance or repayment thereof under the Facilities, and interest, fees and other amounts due in connection with the Facilities, in an account of the Borrower maintained by BMO, shall constitute prima facie evidence of the Borrower's indebtedness and liability from time to time under the Facilities; provided that the obligation of the Borrower to pay or repay any indebtedness and liability in accordance with the terms and conditions of the Facilities set out in this Letter of Agreement shall not be affected by the failure of BMO to make such recording. The Borrower also hereby acknowledges being indebted to BMO for principal amounts shown as outstanding from time to time in BMO's account records, and all accrued and unpaid interest in respect thereto, which principal and interest the Borrower hereby undertakes to pay to BMO in accordance with the terms and conditions applicable to the Facilities as set out in this Letter of Agreement.

Fees:

All costs and expense incurred by BMO in connection with this Letter of Agreement and the Facilities (including without limitation all legal, appraisal, consulting, and registration fees), and the enforcement of the Security are for the account of the Borrower.

A one-time fee ("Fee") of \$0 is payable by the Borrower to BMO upon acceptance of this Letter of Agreement. This fee is deemed to be earned by BMO upon acceptance of this Letter of Agreement, to compensate for time, effort and expense incurred by BMO in authorizing these Facilities.

Credit renewal fees will be payable as advised by BMO annually; at the date of this letter such fees are estimated to be \$1,500. All fees payable under this Letter of Agreement shall be paid to BMO on the dates due, in immediately available funds. Fees paid shall not be refundable except in the case of manifest error in the calculation of any fee payment.

Banking Services:

The Borrower shall maintain its bank accounts, solely with BMO. Borrower acknowledges that the pricing (including interest, fees and charges) contained in this Letter of Agreement is contingent on the Borrower maintaining all of its operating accounts with BMO. In the event the Borrower does not do so, BMO may, at any time, in its sole discretion and without any requirement to obtain the agreement of, or provide prior notice to the Borrower, increase such pricing.

Treasury & Payment Solutions:

BMO will provide Non-Credit and treasury & payment solutions to the Borrower. A Treasury & Payment Specialist will contact the Borrower to implement BMO's On-Line Banking for Business platform (OLBB) and discuss additional treasury & payment features such as Electronic Funds Transfer (EFT), Wire Payments, BMO DepositEdge® and Moneris® Payment Processing Solutions. BMO's objective is to provide a package of services that are tailored to meet both the current and future needs of the Borrower in a cost efficient operating environment.

Commercial Loan Insurance Plan:

You understand that unless you submit an Application for Commercial Loan Insurance Plan ("Application"), and it has been approved by Canada Life as the insurer, you will not be covered under the Commercial Loan Insurance Plan for any facilities under this Letter of Agreement and would be ineligible to submit a claim should you undergo an insurable event.



Counterparts; Electronic Transmissions:

This agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same document. Any counterpart of this Agreement may be executed and circulated by facsimile, PDF or other electronic means and any counterpart executed and circulated in such a manner shall be deemed to be an original counterpart of this Agreement. All counterparts shall be construed together and shall constitute one and the same original agreement.

Governing Law:

British Columbia and the federal Laws of Canada applicable therein.

Schedules:

The following Schedules are attached to and form part of this letter of agreement:

Schedule A – Covenants

Schedule B – Representations and Warranties

Schedule C – Conditions Precedent to Advances



Agreement and Consent

In accepting this Letter of Agreement you acknowledge that if, in the opinion of BMO, a material adverse change in risk occurs including, without limitation, any material adverse change in the financial condition, business, property or prospects of the Borrower or any Guarantor, the rights and remedies of BMO, or the ability of the Borrower or any Guarantor to perform its Obligations to BMO, any obligation to Advance some or all of the above Facilities may be withdrawn or cancelled.

Please indicate your acceptance of the terms and conditions hereof by signing and returning one copy of this Letter of Agreement (and making payment of the above noted fee, if applicable) to BMO no later than May 31st. If your acceptance of this Letter of Agreement is not received by BMO by that date, BMO shall not be required to proceed with any of the Facilities.

Yours truly,
BANK OF MONTREAL



By: _____
Name: JOHN PEREIRA
Title: Senior Relationship Manager

Accepted and agreed to this 23 day of April, 2021
(Day) (Month) (Year)

BORROWER(S)

YFN RESORTS AND ACCOMMODATION LIMITED PARTNERSHIP

By its general partner, YFN Resorts and Accommodation Inc.

By its authorized signatory(ies):

Signature: _____

Signature: _____

Name: _____

Name: _____


Title: Authorized Signatory

Title: Authorized Signatory




GUARANTOR(S)

UCLUELET FIRST NATION (Yuuʔuʔiʔath Government)

Signature:  _____

Name: Charles McCarthy

Title: Authorized Signatory

Signature:  _____

Name: Jenny Touchie

Title: Authorized Signatory

YFN RESORTS AND ACCOMMODATION INC.

Signature: _____

Name: _____

Title: Authorized Signatory

Signature: _____

Name: _____

Title: Authorized Signatory



SCHEDULE A

COVENANTS

1. Payment of all indebtedness due to BMO in connection with this Letter of Agreement or any Facility.
2. Maintenance of corporate existence and status, if applicable.
3. Payment of all Taxes when due (including, without limitation, corporate, GST, HST, sales tax and withholding).
4. Compliance with all material Laws, regulations and applicable permits or Approvals (including health, safety and employment standards, labour codes and environmental Laws).
5. Compliance with all material agreements.
6. Use of proceeds to be consistent with the approved purpose.
7. Notices of death of Borrower or Guarantor, Default, material Litigation, and regulatory proceedings to be provided to BMO on a timely basis.
8. Access by BMO to books and records; BMO to have right to inspect property to which its security applies.
9. No assumption of additional indebtedness or guarantee Obligations by Borrower without prior written consent of BMO.
10. No liens or encumbrances on any assets except with the prior written consent of BMO.
11. No change of control or ownership of the Borrower without the prior written consent of BMO.
12. No disposition of property or assets (except in the ordinary course of business) without the prior written consent of BMO.
13. No material acquisitions, hostile takeovers, mergers or amalgamations without BMO's prior written approval.
14. [For multiple currencies]:

If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Letter of Agreement, it becomes necessary to convert into a particular currency (the "Judgment Currency") any amount due under this Letter of Agreement in any currency other than the Judgment Currency (the "Currency Due"), then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose "rate of exchange" means the rate at which BMO is able, on the relevant date, to purchase the Currency Due with the Judgment Currency in accordance with its normal practice at its principal office in Toronto, Ontario. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgment is given and the date of receipt by BMO of the amount due, the Borrower will, on the date of receipt by BMO, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any, as may be necessary to ensure that the amount received by BMO on such date is the amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of receipt by BMO is the amount then due under this Letter of Agreement in the Currency Due. If the amount of the Currency Due which BMO is so able to purchase is less than the amount of the Currency Due originally due to it, the Borrower and each Guarantor jointly and severally (solidarily) agree to indemnify BMO from and against any and all loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other Obligations contained in this Letter of Agreement, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by BMO from time to time and shall continue in full force and effect notwithstanding any judgment or order in respect of an amount due under this Letter of Agreement or under any judgment or order.



SCHEDULE B

REPRESENTATIONS AND WARRANTIES

1. It has the corporate status, power and authority to enter into this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party, and to perform its Obligations hereunder and thereunder.
2. It is in compliance with all applicable Laws (including environmental Laws) and its existing agreements.
3. Except as otherwise disclosed to BMO in writing, no consent or approval of, registration or filing with, or any other action by, any governmental authority is required in connection with the execution, delivery and performance by it of this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party.
4. All factual information that has been provided to BMO for purposes of or in connection with this Letter of Agreement or any transaction contemplated herein is true and complete in all material respects on the date as of which such information is dated or certified.
5. No event, development or circumstance has occurred that has had or could reasonably be expected to have a Material Adverse Effect on the business, assets, operations or condition, financial or otherwise, of the Borrower or any Guarantor.
6. There is no material Litigation pending against it or, to its knowledge, threatened against or affecting it.
7. It has timely filed or caused to be filed all required tax returns and reports and has paid or caused to be paid all required Taxes.
8. It has good and marketable title to its properties and assets including ownership of and/or sufficient rights in any material intellectual property.
9. It has complied with all Obligations in connection with any pension plan which it has sponsored, administered or contributed to, or is required to contribute to including, without limitation, registration in accordance with applicable Laws, timely payment of all required contributions or premiums, and performance of all fiduciary and administration Obligations.
10. It maintains insurance policies and coverage that provides sufficient insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons in the same or a similar business.
11. It is not in Default nor has any event or circumstance occurred which, but for the passage of time or the giving of notice, or both, would constitute a Default under any loan, credit or security agreement, or under any material instrument or agreement, to which it is a party.



SCHEDULE C

ADDITIONAL CONDITIONS PRECEDENT TO ADVANCES

1. Delivery and review of the articles or other constating documents, by-laws, certified resolutions, shareholder agreements (if any) and good standing or equivalent certificates of each Credit Party demonstrating corporate or organisational status, due capacity and sufficient authority.
2. Delivery of a duly executed copy of the Documentation.
3. Review of all necessary Approvals.
4. Review of all Material Contracts.
5. Review of all information necessary for BMO to comply with all legal and internal requirements in respect of anti-money laundering and proceeds of crime legislation and “know your customer” requirements.
6. Review (as to covered risks, amounts, periods, renewals, issuer(s), named insured(s), beneficiaries, loss payees, caps, standard mortgage and similar clauses, conditions, exclusions and otherwise) by BMO (or its agents) of all insurance policies issued to the Credit Parties.
7. Completion of all due diligence required by BMO in respect of the Credit Parties and their respective business, operations, assets, property and undertaking (including lien, Litigation and solvency searches, as well as real property, insurance, tax, pension and environmental diligence, in each case where and as applicable).
8. Confirmation that all representations, warranties and other declarations made by the Credit Parties under each of the Documentation are true, complete and accurate at the time made or deemed made (including at the time of any Advance).
9. Confirmation that, since the most recent financial statements provided to BMO, no event or series of events has occurred or failed to occur which would reasonably be expected to have, either singly or in the aggregate, a Material Adverse Effect.
10. Confirmation that no Default shall have occurred or be continuing.
11. Payment of all fees, costs, charges, expenses and other amounts then owing under the Documentation.
12. Any other document or action that BMO may reasonably require.



SCHEDULE D

DEFINITIONS

“Advance” means an advance, continuation or conversion (where applicable) of any loan or credit extended under this Agreement.

“Approvals” means, collectively, all material governmental, regulatory, third party or other approvals, authorizations, consents, rights, titles, interests, franchises, licenses, permits, privileges, qualifications and the like, and orders, registrations, declarations, publications, recordings, filings, notices and such other actions which, in each case, are necessary or desirable (i) for the ownership, lease, operation and normal conduct of the business, property, undertaking and assets of any Credit Party, or (ii) under or in connection with the Facilities and the Documentation (including the execution, delivery, performance, validity, enforceability and perfection (opposability) thereof).

“Credit Parties” means, collectively, the Borrower(s) and the Guarantor(s).

“Default” means a breach or default or event which, with the giving of notice or the passage of time or both, would constitute a breach or a default (whether as to the performance or fulfilment of any representations, warranties, covenants, obligations or other provisions thereunder) under the applicable documentation (including the Documentation).

“Documentation” means, collectively, this Agreement, the Guarantee and Security (set forth below) and all other agreements and documents required to be delivered in connection with the Facilities or the transactions contemplated hereby.

“including” means including but without limitation.

“Laws” means all laws, statutes, regulations, rules, codes, orders, ordinances, treaties, conventions, judgements, awards, determinations, directives, orders and decrees applicable to a Credit Party, its business or its property, undertaking and assets, including, without limitation, environmental laws and pension plan and other employee plan matters.

“Litigation” means any judgment, writ of execution, order, notice of deficiency, injunction or directive rendered, and any notice of infraction, action, suit, proceeding or investigation pending or threatened, in each case against a Credit Party or any of its property or assets.

“Material Contracts” means any contract or agreement entered into by any Credit Party in respect of which any material breach or default or any termination or non-renewal would reasonably be expected to have a Material Adverse Effect under clause (i) or (ii) of the definition thereof, as such contracts or agreements may be amended, supplemented, restated, replaced or otherwise modified from time to time to the extent permitted under the Documentation.

“Material Adverse Effect” means a material adverse effect on (i) the business, assets, results of operations, prospects or condition (financial or otherwise) of any Credit Party, (ii) the ability of each Credit Party to perform its obligations under the Documentation, or (iii) the legality, validity, binding nature or enforceability of the rights, remedies or recourses of BMO under any of the Documentation.

“Obligations” means all debts, liabilities and obligations owed to BMO under or in connection with the Facilities, this Letter of Agreement or any other Documentation (in principal, interest, fees, premiums, penalties, costs, losses, expenses and other charges).



“Prime Rate” means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on Canadian dollar loans made to its customers in Canada and designated as its prime rate.

“Taxes” means all taxes, duties, assessments, imposts, levies and similar charges and claims imposed upon a Credit Party, its income or profits, or upon any properties belonging to it (including, without limitation, corporate, GST, HST, sales tax, real property taxes and other withholdings, deductions and related liabilities).

“US Base Rate” means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on U.S. Dollar loans made to its customers in Canada and designated as its U.S. base rate.

