

THIS AGREEMENT is dated for reference the 1st day of April, 2016

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the Minister of Transportation and Infrastructure

(the “Province”)

AND:

BRITISH COLUMBIA FERRY SERVICES INC. a body corporate, incorporated under the laws of the Province of British Columbia under Certificate of Incorporation No. 0667014

(“BC Ferries”)

WHEREAS

- A. The Coastal Ferry Services Contract, as defined in this Agreement, contemplates that the parties will from time to time enter into discussions reviewing certain matters set out in the Coastal Ferry Services Contract; and
- B. The parties have undertaken such discussion in respect of the fourth Performance Term and wish to amend the Coastal Ferry Services Contract on the terms and conditions set out in this Agreement.

NOW THEREFORE in consideration of the foregoing premises and for other good and valuable consideration (the receipt and sufficiency of which each of the Province and BC Ferries acknowledges) the parties agree as follows:

1. DEFINITIONS

- 1.1 In this Agreement “**CFSC**” means the service contract between the Province and BC Ferries entitled the “Coastal Ferry Services Contract”, as amended, and any other words having initial uppercase letters will have the meanings given to them in the CFSC.

2. REPRESENTATIONS AND WARRANTIES

- 2.1 BC Ferries represents and warrants to the Province that on execution of this Agreement and at all times thereafter:
 - (a) this Agreement has been duly authorized, executed and delivered by BC Ferries;
 - (b) all representations and warranties of BC Ferries in the CFSC, other than the representation and warranty set out in section 2.01(a) of the CFSC, remain true and correct as if made on the reference date of this Agreement;
 - (c) that BC Ferries is a corporation duly continued and validly existing under the laws of the Province of British Columbia; and
 - (d) that BC Ferries is not in default under the CFSC, under any Ferry Terminal Lease or under any trust deeds or other security interests contemplated in sections 2.04 – 2.06 of the CFSC.

2.2 The Province represents and warrants to BC Ferries that this Agreement has been duly authorized, executed and delivered on behalf of the Province.

3. UNREGULATED ROUTES

3.1 The parties acknowledge that as of the date of execution of this Agreement, the Operator Contracts for the Unregulated Routes are currently being re-negotiated and that in accordance with Article 9 of the CFSC, a further amendment to the CFSC may be required as a result of those negotiations; provided however that the Province agrees that it will completely fund each of the Unregulated Routes.

4. COASTAL FERRY SERVICES CONTRACT AMENDMENTS

Ferry Services

4.1 Section 4.12 of the CFSC is deleted in its entirety and the following is substituted in its place:

“4.12 BC Ferries will make available its Published Schedule, which will be in effect for at least a consecutive six month period, which Published Scheduled may be revised due to operational or regulatory considerations.”

Schedule A [Designated Routes and Services]

4.2 Schedule “A” to the CFSC is amended as follows:

- (a) The main body of Schedule “A”, entitled “Designated Ferry Routes and Services”, to the CFSC is amended as follows:
 - (i) The table in Section 1 entitled “Designated Ferry Route Group” is deleted in its entirety and the following substituted:

DESIGNATED FERRY ROUTE GROUP	
Route No.	Designated Ferry Route Name
1	Tsawwassen/Swartz Bay
2	Horseshoe Bay/Nanaimo
3	Horseshoe Bay/Langdale
4	Swartz Bay/Salt Spring
5	Swartz Bay/Outer Gulf Islands
6	Crofton/Salt Spring
7	Saltery Bay/Earls Cove
8	Horseshoe Bay/Bowen Island
9	Tsawwassen/Gulf Islands
10	Port Hardy/Prince Rupert
11	Prince Rupert/Skidegate
12	Brentwood Bay/Mill Bay
13	Langdale/Gambier/Keats
17	Comox/Powell River
18	Powell River/Texada
19	Nanaimo Harbour/Gabriola
20	Chemainus/Thetis/Penelakut
21	Buckley Bay/Denman
22	Denman/Hornby
23	Campbell River/Quadra
24	Quadra/Cortes
25	Port McNeill/Alert Bay/Sointula
26	Skidegate/Alliford Bay
30	Tsawwassen/Nanaimo

(ii) A Section 1.1 is added as follows:

“1.1 Unless otherwise agreed to in writing by the parties, commencing April 1, 2020, the Designated Ferry Routes will be listed by Route Group and BC Ferries will operate the BC Ferry System in a manner that complies with or exceeds the Core Service Levels in relation to the following Designated Ferry Routes listed by Route Group: Major Routes – 1, 2, 3, and 30; Northern Routes – 10 and 11; Minor Routes – 4, 5, 6, 7, 8, 9, 12, 13, 17, 18, 19, 20, 21, 22, 23, 24, 25 and 26.”

(iii) Section 2 is deleted in its entirety and the following is substituted:

“2. The Core Service Levels for each of the Designated Ferry Routes as described and contained in Appendix 1 of this Schedule, entitled “Route Overview Document”, include the following additional service level allowances, service requirements and adjustments:

(a) Temporary Service Disruptions: The Core Service Level in relation to each Designated Ferry Route includes an allowance for a short term, temporary service disruption if

(i) the disruption is for a duration of not more than twenty (20) consecutive days, except for those Designated Ferry Routes on which daily service is not scheduled, in which case, the disruption is for a duration of not more than twenty (20) consecutive days on which service is scheduled to be provided in accordance with the Published Schedule for that Designated Ferry Route;

(ii) the disruption is due to any one or more of the following circumstances:

- Vessel or dock breakdown or mechanical failure,
- situations that compromise safety,
- tasking of Vessels for emergency response,
- bad weather,
- maintenance to Vessels or docks,
- sinking or grounding of Vessels,
- fire,
- labour disputes, except lockouts initiated by BC Ferries, or
- annual roe herring fishery season as established by the Department of Fisheries and Oceans in the Baynes Sound waterway (Designated Ferry Route 21); and

(iii) the aggregate of all temporary service disruptions which occurred during the applicable Contract Year does not exceed thirty (30) days;

- (b) Designated Ferry Routes 12 and 26: The Core Service Level in relation to Designated Ferry Routes 12 and 26 includes an allowance for a temporary service disruption of up to sixty five (65) consecutive days once in every four (4) years on those Designated Ferry Routes for the purpose of carrying out quadrennial surveys and refits;
- (c) Designated Ferry Route 10: The Core Service Level, in relation to the supplementary service (10S) provided on Designated Ferry Route 10, includes an allowance for a temporary service disruption of up to sixty five (65) consecutive days twice in every five (5) years on this Designated Ferry Route for the purpose of carrying out surveys and refits;
- (d) Provincial Social Program Requirement: The Core Service Levels include a requirement that BC Ferries carry passengers falling within the provincial social programs identified in section 1(b) of Schedule B and traveling on any of the Designated Ferry Routes; and
- (e) Senior Discount Requirement: The Core Service Levels include a requirement that BC Ferries provide discounts to seniors in accordance with section 5.1 of Schedule B.”;

(iv) Section 3 is deleted in its entirety.

- (b) The part of Appendix 1 entitled “Definitions and Interpretations used in Appendix 1” of Schedule “A” to the CFSC is deleted in its entirety and the part of Appendix 1 entitled “Definitions and Interpretations used in Appendix 1” set out in Schedule “1” of this Agreement is substituted.
- (c) The part of Appendix 1 of Schedule “A” to the CFSC entitled “Route Overview” is amended by deleting the Route Overview documents for Route 1, 8, 10, 11, 19, 21, 23 and 26 and the Route Overview documents set out in Schedule “2” to this Agreement are substituted.

Schedule B [Service Fees for Designated Ferry Routes]

4.3 Schedule “B” entitled “Service Fees for Designated Ferry Routes” to the CFSC is amended as follows:

- (a) Section 1 is deleted in its entirety and the following is substituted:

“1. The Service Fee payable to BC Ferries pursuant to this Agreement for Services provided in respect of each Designated Ferry Route will be as follows:

- (a) Subject to the terms of this Agreement including sections 2 to 4 of this Schedule, an amount not exceeding \$155,443,368 for each Contract Year between April 1, 2016 and March 31, 2020 for ferry transportation services provided by BC Ferries on the Designated Ferry Routes (the “Ferry Transportation Fee”); and
- (b) an amount representing reimbursement to BC Ferries for the foregone revenue in respect of the provincial social program discounts (the “Social Program Reimbursement”), as those discounts may be changed by the Province upon 90 days written notice to BC Ferries, calculated in accordance with section 5 of this Schedule and in an amount equal to 100% of the foregone revenue.”

(b) Sections 2.1 and 2.2 are deleted in their entirety and the following is substituted:

“2. The Ferry Transportation Fee Table set out in Appendix 1 identifies the following matters in respect of the Contract Year:

- (a) The applicable Designated Ferry Route numbers and names are listed in Columns 1 and 2.
- (b) The maximum annual amount that, subject to the terms of this Agreement, is payable as the part of the Ferry Transportation Fee corresponding to the applicable Designated Ferry Routes are listed in Column 3.
- (c) The total number of round trips to be delivered on the applicable Designated Ferry Routes to meet the Core Service Levels are listed in Column 4.
- (d) The individual amount that, subject to the terms of this Agreement, is payable in respect of the applicable Designated Ferry Route for each round trip is listed in Column 5”.

(c) Section 5(c) is deleted in its entirety.

(d) Section 5(d) is renumbered as section 5(c).

(e) A Section 5.1 is added as follows:

“5.1 Senior Discount:

(a) BC Ferries will provide discounts to those seniors, who are 65 or older, and produce a valid BC Gold Carecard or BC Services Card as follows:

- (i) a 50% discount on the applicable passenger fare, as it may be adjusted, taking into account any and all discounts, special programs, offerings or loyalty program, at the time of travel, on any of the Designated Ferry Routes except for the Northern Route (10 and 11):
 - (A) from Monday to Thursday, excluding all statutory holidays; and
 - (B) on Remembrance Day;
- (ii) a 33% discount on the applicable passenger fare, as it may be adjusted, taking into account any and all discounts, special programs, offerings or loyalty program, at the time of travel, on each day of the week for travel on the Northern Route (10 and 11).

(b) Unless otherwise agreed to in writing by the parties, commencing April 1, 2020, the Province will provide BC Ferries with an agreed to maximum annual amount in respect of the Senior Discount, in accordance with the process established in Contract Years 2014 – 2016 as set out in the agreement entitled “PT 3 Amending Agreement No. 2” between the parties and in particular section 2.4 of that PT3 Amending Agreement No. 2.”

(f) Sections 6(i) and 6(j) are deleted in their entirety and the following is substituted:

- “6(i) BC Ferries will invoice the Province monthly for the Social Program Reimbursements. The invoice will set out the reimbursement amount for each social program, including BC Student, Disabled Discount, Disabled Cabin Rate Discount and the Medical Travel Assistance Program Discount. Payment is to be made to BC Ferries within 30 days of receipt of the invoice by deposit into a bank account designated by BC Ferries, in such amounts and in such manner as BC Ferries directs.”
- (g) The expression “Performance Term Three” or “Performance Term 3” wherever it appears in the body of Schedule “B” is deleted and the following words are substituted in its place: “Performance Term Four”.
- (h) Appendix 1 of Schedule “B” to the CFSC is deleted in its entirety and the Appendix 1 entitled “Ferry Transportation Fee” set out in Schedule “3” to this Agreement is substituted.
- (i) Appendix 2 of Schedule “B” to the CFSC is deleted in its entirety and the Appendix 2 entitled “BC Student (under 19 years of age) Discount Table” set out in Schedule “4” to this Agreement is substituted.

5. GENERAL

- 5.1 Notwithstanding any other provision of this Agreement, the payment of money by the Province to BC Ferries in connection with this Agreement or under the CFSC as a result of or in connection with 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 BC Ferries falls due, 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) of this section.
- 5.2 No term of this Agreement is intended to derogate from or be inconsistent with or in conflict with any law, including without limitation the Act, and shall not be interpreted in a manner as to result in any such derogation, inconsistency or conflict.
- 5.3 Each term of this Agreement will be valid and enforceable to the fullest extent permitted by law and if any term of this Agreement is held to be invalid, unenforceable or illegal to any extent, such term may be severed and such invalidity, unenforceability or illegality will not prejudice or affect the validity, enforceability and legality of the remaining provisions of this Agreement.
- 5.4 This Agreement and the CFSC constitute the entire agreement between the parties in respect of the subject matter of this Agreement and no understandings, representations, contracts, or agreements, written, oral or otherwise, exist between the parties with respect to the subject matter of this Agreement or to the subject matter of this Agreement and of the CFSC or of anything relating to this Agreement except as expressly set out in this Agreement or the CFSC. BC Ferries agrees that in entering into this Agreement BC Ferries has not and does not rely upon any representation of the Province, or of servants, employees, agents, or representatives of the Province, whether expressed or implied, or upon any inducement or agreement, written, oral or otherwise, of any kind or nature. All prior understandings, discussions, negotiations, undertakings, representations, and save for the

CFSC, contracts and agreements relating to the subject matter of this Agreement are hereby canceled and this Agreement supersedes and replaces all such agreements, discussions, negotiations, undertakings, and representations, if any, regarding the amendment and extension of the CFSC that may have been entered into, facilitated, discussed, made or given by any of the parties prior to the reference date of this Agreement.

- 5.5 Time is of the essence of this Agreement and will remain of the essence of the CFSC, as amended and supplemented by this Agreement.
- 5.6 The provisions of the CFSC, as amended and supplemented by this Agreement, are ratified and confirmed and where the CFSC is referred to in another agreement between the Province and BC Ferries, unless otherwise expressly provided for, those references will be deemed to refer to the CFSC as amended and supplemented by this Agreement.
- 5.7 All dollar amounts expressed in this Agreement refer to lawful currency of Canada.
- 5.8 No waiver by either party of a breach or default by the other party in the observance, performance or compliance of any of its obligations under this Agreement will be effective unless it is in writing and no such waiver will be deemed or construed to be a waiver of any other breach or default, and failure or delay on the part of either party to complain of an act or failure of the other party or to declare such other party in default, irrespective of how long such failure or delay continues, will not constitute a waiver by such party of any of its rights against the other party.
- 5.9 Each party will, upon the reasonable request of the other, make, do, execute or cause to be made, done or executed all further and other lawful acts, deeds, things, devices, documents, instruments and assurances whatever for the better or more perfect and absolute performance of the obligations of the requested party under this Agreement.

6. INTERPRETATION

- 6.1 A reference in this Agreement to a statute, whether or not that statute has been defined, means a statute of the Province of British Columbia unless otherwise stated and includes every amendment to it, every regulation made under it and any enactment passed in substitution therefore or in replacement thereof.
- 6.2 Unless the context otherwise requires, any reference to “this Agreement” means this instrument and all of the appendices attached to it and any reference to any article, section, subsection or paragraph by number is a reference to the appropriate article, section, subsection or paragraph of this Agreement.
- 6.3 The headings or captions in this Agreement are inserted for convenience only and do not form a part of this Agreement and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Agreement.
- 6.4 In this Agreement, "person" includes a corporation, firm, association and any other legal entity and wherever the singular or masculine is used it will be construed as if the plural, the feminine or the neuter, and wherever the plural or the feminine or the neuter is used it will be construed as the singular or masculine, as the case may be, had been used where the context or the parties so require.
- 6.5 Each schedule and appendix attached to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.

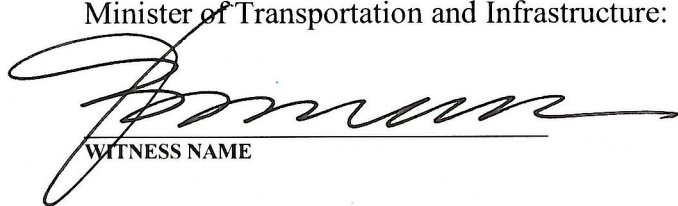
- 6.6 In this Agreement, the words “including”, “include” and “includes” are not to be construed as limiting to a general term or statement or to specific items or matters set forth or to similar items or matters, but rather as meaning “including without limitation”, “include without limitation” and “includes without limitation”, respectively, and permitting a general term or statement to refer to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement and the words following “including”, “include” and “includes” will not be considered to set out an exhaustive list.
- 6.7 This Agreement may only be amended by a written agreement executed on behalf of each of the Province and BC Ferries.
- 6.8 This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia.


7. EFFECTIVE DATE

- 7.1 Notwithstanding the date of execution or delivery of this Agreement, this Agreement is effective as of April 1, 2016.


IN WITNESS WHEREOF, each of the Province and BC Ferries has executed this Agreement by its duly authorized representative or officer, as follows:

Signed on behalf of Her Majesty the Queen in right)
of the Province of British Columbia by a)
duly authorized representative of the)
Minister of Transportation and Infrastructure:)


WITNESS NAME


Grant Main, Deputy Minister
Ministry of Transportation and Infrastructure

BRITISH COLUMBIA FERRY SERVICES INC.

Per: 
Mike Corrigan, President and Chief Executive Officer



SCHEDULE 1

Appendix 1 of Schedule “A” Route Overview

DEFINITIONS AND INTERPRETATIONS USED IN APPENDIX 1

Core Service Levels

1. To ensure services are clearly defined and predictable, Core Service Levels will be established for each Performance Term. During each Performance Term, BC Ferries will look at innovative ways to deliver services that respond to the needs of the communities and customers it serves.
2. In this Route Overview, subject to the service level allowances and service requirements, in section 2 of Schedule A, the Core Service Levels in relation to a Designated Ferry Route are:
 - (a) the total number of round trips to be delivered in a Contract Year for the Designated Ferry Route as defined in the Route Overview;
 - (b) in relation to each Designated Ferry Route having round trips, the minimum hours of operation during which originating port departures occur for the Designated Ferry Route as defined in the Route Overview;
 - (c) the number of departures per day for the Designated Ferry Route as defined in the Route Overview (identified herein as “Number of Round Trips Per Day”); and
 - (d) the capacity provided on the Designated Ferry Route will be sufficient to carry the previous year’s traffic.

Note:

1. Core Service Levels:
 - (a) The number of round trips may fluctuate in each Contract Year depending on the number of days, statutory holidays and weekends, which fall within a Contract Year;
 - (b) do not apply on Christmas Day and New Years Day for the following routes: 3, 4, 5, 5A, 6, 7, 8, 12, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 30; and
 - (c) do not apply on Christmas Day for the round trip relating to Designated Ferry Route 11.
2. Round trips on the Northern Routes (Routes 10 and 11) are calculated on a weekly rather than a daily basis.
3. The sailing known as the “Christmas carol sailing” satisfies one of the required round trips comprising the applicable Core Service Level for Designated Ferry Route 20.
4. Dangerous Cargo round trips will take place if at least ten minutes notice is provided to BC Ferries prior to the scheduled departure of the initial leg of the round trip sailing. (A Dangerous Cargo ‘round trip’ applies only where all/both sailing legs are designated for Dangerous Cargo transport).

Peak & Off-Peak Seasons

1. Core Service Levels have been divided into peak and off-peak seasons as defined below:

(a) Routes other than Northern Routes and Route 6:

Peak June 29, 2016 – September 5, 2016
 June 28, 2017 – September 4, 2017
 June 27, 2018 – September 3, 2018
 June 26, 2019 – September 2, 2019

Off-Peak Those dates in each Contract Year which fall outside of the Peak season.

(b) Northern Routes:

Peak Route 10 & 11: Mid-June to Mid-September
Off-Peak Route 10 & 11: Mid-September to Mid-June

(c) Route 6:

Peak Mid-May to Mid-October
Off-Peak Mid-October to Mid-May

Hours of Operation

1. For **Single Vessel** routes, the hours of operation are defined as the lapsed time from when the first sailing of the day leaves the originating port to the time the last sailing leaves from the originating port.
2. For **Designated Ferry Routes 1, 2 & 30**, the hours of operation are defined as the lapsed time from when the first sailing leaves the originating port to the time the last sailing returns to the same originating port (the originating port of the first sailing of the day).
3. Hours of operation are rounded down to the nearest hour.

SCHEDULE 2

**Route Overview
(See Attached)**

ROUTE 1 – SWARTZ BAY TO TSAWWASSEN



OVERVIEW

Route 1 connects the two largest metropolitan areas in the province between Swartz Bay on Vancouver Island and Tsawwassen on the Lower Mainland.

CORE SERVICE LEVELS

Number of Aggregate Round Trips to be Delivered per Contract Year on Routes 1, 2, 3 and 30		12,254
Minimum Number of Round Trips to be Delivered per Contract Year		3,512
Minimum Number of Round Trips per Day	Peak	10 – 15 (varies by day)
	Off Peak	7 (7-9 Friday & Sunday)
Minimum Hours of Operation	Peak	12
	Off Peak	10

ROUTE AND SERVICE DESCRIPTION

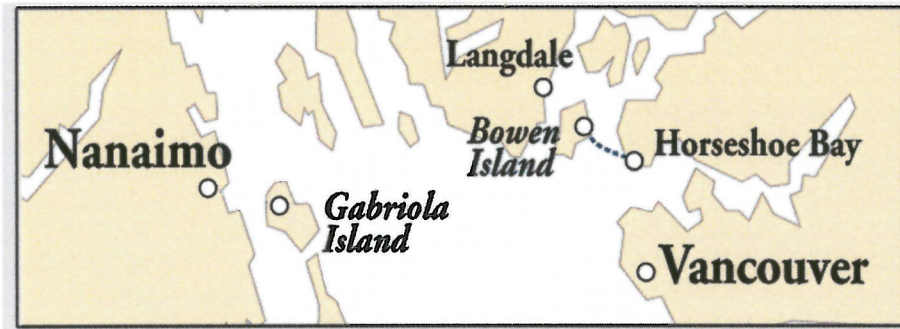
Distance	24 nautical miles
Crossing Time	1 hour and 35 minutes

VESSEL AND TERMINAL DESCRIPTION

Vessel	Spirit of BC (SoBC), Spirit of Vancouver Island (SoVI)	Queen of New Westminster	Coastal Celebration Coastal Renaissance
<i>Silhouette</i>			
<i>Passenger Capacity (Max.)</i>	2052	1303	1571
<i>Vehicle Capacity (Official)</i>	400	286	370
<i>Crew size</i>	48	29	33

Terminal	Tsawwassen	Swartz Bay
<i>Location</i>	Delta	North Saanich
<i>Holding Capacity</i>	2,240 AEQ	1,160AEQ
<i>Short Term Parking</i>	160 car spaces	173 car spaces
<i>Long Term Parking</i>	826 car spaces plus 34 drop-off	532 car spaces plus 32 drop-off
<i>Docks</i>	5	5

ROUTE 8 – HORSESHOE BAY TO BOWEN ISLAND (SNUG COVE)



OVERVIEW

Route 8 connects Bowen Island with Horseshoe Bay on the Lower Mainland.

CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		5,335
Minimum Number of Round Trips per Day	Peak	14.5 (12 one day per week and statutory holidays, 11 one day per week)
	Off Peak	14.5 (12 one day per week and statutory holidays, 11 one day per week)
Minimum Hours of Operation	Peak	14 (12 one day per week; 11 one day per week)
	Off Peak	14 (12 one day per week; 11 one day per week)

ROUTE AND SERVICE DESCRIPTION

Distance	3 nautical miles
Crossing Time	20 minutes

VESSEL AND TERMINAL DESCRIPTION

Vessel	Queen of Capilano
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	445
<i>Vehicle Capacity (Official)</i>	100
<i>Crew Size</i>	12

Terminal	Snug Cove	Horseshoe Bay
<i>Location</i>	Bowen Island	West Vancouver
<i>Holding Capacity</i>	None (queue on road right-of-way)	1,600 AEQ
<i>Short Term Parking</i>	None	140 car spaces
<i>Long Term Parking</i>	None	462 car spaces plus 15 drop-off
<i>Docks</i>	1	3

ROUTE 10 – PORT HARDY – MID COAST - PRINCE RUPERT



OVERVIEW

The Route 10 Peak season service connects Prince Rupert, Bella Bella, Klemtu and Port Hardy on the northern tip of Vancouver Island. This daily service commences mid-June and continues to mid-September.

The Route 10 off-peak service connects Prince Rupert, Bella Bella, Klemtu and Port Hardy on the northern tip of Vancouver Island through weekend overnight sailings.

Route 10S (supplementary) connects Bella Coola, Ocean Falls & Shearwater with Bella Bella where travellers connect to Route 10 service to/from Port Hardy.

CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		83
Minimum Number of Round Trips per Week	Peak	3.5*
	Off Peak	1 [^]
Hours of Operation	Peak	Varies
	Off Peak	Varies

* ALTERNATING DAILY SERVICE BETWEEN PORT HARDY AND PRINCE RUPERT, COMMENCING MID-JUNE AND ENDING MID-SEPTEMBER. FIVE STOPS IN EACH DIRECTION AT MCLOUGHLIN BAY AND TWO STOPS IN EACH DIRECTION AT KLEMTU EVERY TWO WEEKS. ROUTE 10S EVERY TWO WEEKS: FOUR STOPS AT ALL PORTS TRAVELLING EASTBOUND AND THREE STOPS AT ALL PORTS TRAVELLING WESTBOUND.

[^] COMMENCING MID-SEPTEMBER UNTIL MID-JUNE, WEEKLY ROUND TRIP SERVICE BETWEEN PRINCE RUPERT AND PORT HARDY. NORTHBOUND BIWEEKLY SERVICE AND SOUTHBOUND BIWEEKLY SERVICE AS FOLLOWS: MCLOUGHLIN BAY – 2 TIMES EACH DIRECTION; KLEMTU – 2 TIMES EACH DIRECTION.




[^]ROUTE 10S EVERY WEEK: TWO STOPS AT ALL PORTS FOR PORT HARDY CONNECTIVITY. A ROUTE TERMINUS COUNTS AS TWO STOPS, ONE EACH FOR DAY OF ARRIVAL AND DAY OF DEPARTURE.

Route 10 – Port Hardy – Mid Coast - Prince Rupert

ROUTE AND SERVICE DESCRIPTION

Distance	273 nautical miles
Crossing Time	15-21 hours depending on number of stops

VESSEL AND TERMINAL DESCRIPTION

Vessel	Northern Adventure	Northern Expedition	Nimpkish
<i>Silhouette</i>			
<i>Passenger Capacity (Max.)</i>	600	600	120
<i>Vehicle Capacity (Official)</i>	101	130	16
<i>Crew Size</i>	40	38	5

Terminal	McLough-lin Bay	Prince Rupert	Klemtu	Shear-water	Ocean Falls	Bear Cove	Bella Coola
<i>Location</i>	3 km from Bella Bella	Prince Rupert	2 km from village	Shear-water	Ocean Falls	10 km from Port Hardy	4 km from Bella Coola
<i>Holding Capacity / Parking</i>	Ample parking but no formal compound	181 AEQ 98	7 short term / 30 AEQ	Ample parking but no formal compound	Ample parking but no formal compound	163 / 98 AEQ	Lease arranged in town
<i>Docks</i>	1	1	1	1	1	1	1

NOTE: KLEMTU VILLAGE TERMINAL NOT IN USE

ROUTE 11 – HAIDA GWAI TO PRINCE RUPERT



OVERVIEW

Route 11 connects the Haida Gwaii with Prince Rupert and the Mainland.

CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		139
Minimum Number of Round Trips per Week	Peak	3-5 (varies by week)*
	Off Peak	2^
Hours of Operation	Peak	Varies
	Off Peak	Varies



* ON OR BEFORE JULY 1ST UNTIL ON OR AFTER LABOUR DAY, FIVE ROUND TRIPS PER WEEK BETWEEN SKIDEGATE AND PRINCE RUPERT.

^ ON OR AFTER LABOUR DAY UNTIL ON OR BEFORE JULY 1ST, A MINIMUM OF TWO ROUND TRIPS PER WEEK BETWEEN SKIDEGATE AND PRINCE RUPERT.

ROUTE AND SERVICE DESCRIPTION

Distance	93 nautical miles
Crossing Time	7 hours

VESSEL AND TERMINAL DESCRIPTION

Vessel	Northern Adventure	Northern Expedition
<i>Silhouette</i>		
<i>Passenger Capacity (Max.)</i>	600	600
<i>Vehicle Capacity (Official)</i>	101	130
<i>Crew Size</i>	40	38

Terminal	Skidegate	Prince Rupert
<i>Location</i>	Graham Island	Prince Rupert
<i>Holding Capacity</i>	167 AEQ	181 AEQ
<i>Parking</i>	No	47
<i>Docks</i>	1	1

ROUTE 19 – NANAIMO HARBOUR TO GABRIOLA ISLAND (DESCANSO BAY)



OVERVIEW

Route 19 connects Gabriola Island with Nanaimo.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		4,898
Minimum Number of Round Trips per Day	Peak	13 four days per week; 12 two days per week; 11 one day per week
	Off Peak	13 four days per week; 12 two days per week; 11 one day per week
Minimum Hours of Operation	Peak	14 four days per week; 13 two days per week; 12 one day per week
	Off Peak	14 four days per week; 13 two days per week; 12 one day per week

ROUTE AND SERVICE DESCRIPTION

Distance	2.8 nautical miles
Crossing Time	20 minutes

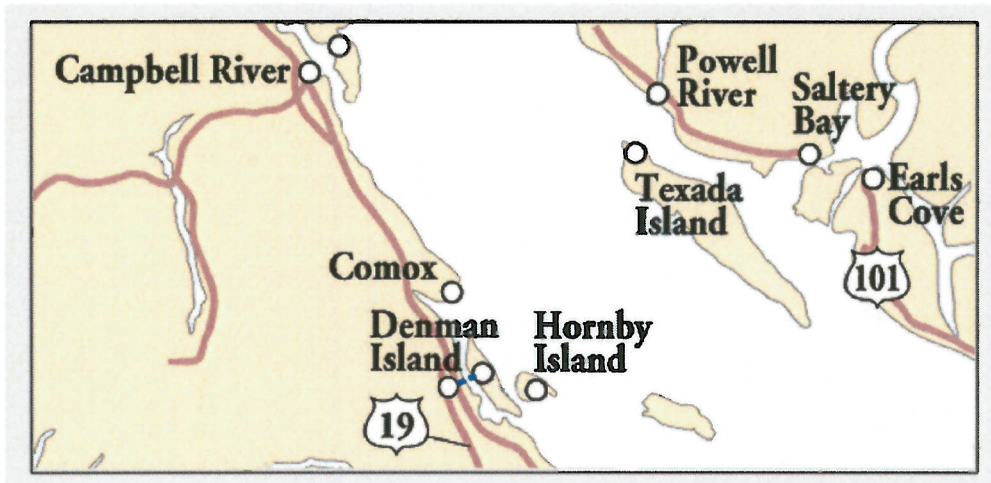
VESSEL AND TERMINAL DESCRIPTION

Vessel	Quinsam
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	392
<i>Vehicle Capacity (Official)</i>	70
<i>Crew Size</i>	8

Coastal Ferry Services Contract Schedule A, Appendix 1 - Route Overview

Terminal	Nanaimo Harbour	Descanso Bay
<i>Location</i>	Vancouver Island	Gabriola Island
<i>Holding Capacity</i>	74 AEQ	75 AEQ (on road)
<i>Parking</i>	16 car spaces	35 car spaces
<i>Docks</i>	1	1

ROUTE 21 – BUCKLEY BAY TO DENMAN ISLAND (DENMAN WEST)



OVERVIEW

Route 21 connects Denman Island with Buckley Bay, 20 km south of Comox/Courtenay area on Vancouver Island. Route 21 is also used to access Vancouver Island from Hornby Island.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		5,261
Minimum Number of Round Trips per Day	Peak	16 (15 on Sunday)
	Off Peak	13 (12 on Sunday)
Minimum Hours of Operation	Peak	15
	Off Peak	11

ROUTE AND SERVICE DESCRIPTION

Distance	1.2 nautical miles
Crossing Time	10 minutes

VESSEL AND TERMINAL DESCRIPTION

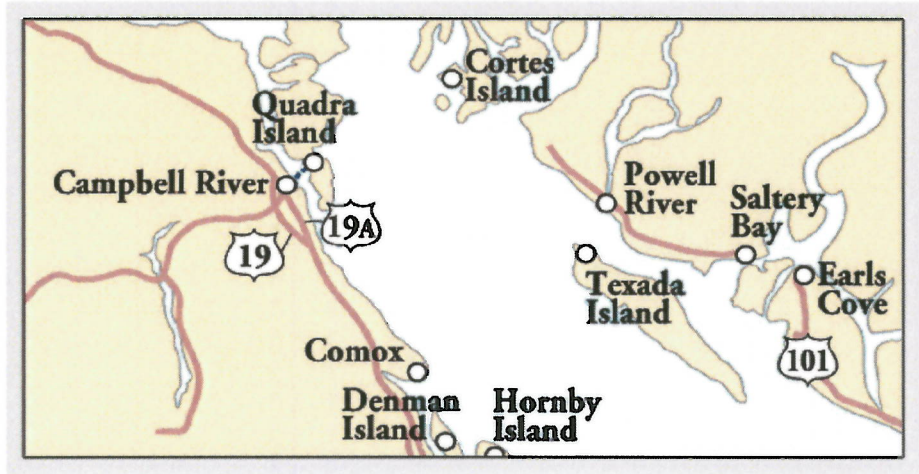
Vessel	Baynes Sound Connector
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	147
<i>Vehicle Capacity (Official)</i>	50
<i>Crew Size</i>	3

Route 21 – Buckley Bay to Denman Island (Denman West)

Terminal	Buckley Bay	Denman West
<i>Location</i>	Vancouver Island	Denman Island
<i>Holding Capacity</i>	60 AEQ	50 AEQ plus 46 on road
<i>Parking</i>	12 car spaces	20 car spaces
<i>Docks</i>	2	2



**ROUTE 23 – CAMPBELL RIVER TO QUADRA ISLAND
(QUATHIASKI COVE)**



OVERVIEW

Route 23 connects Quadra Island and Campbell River. Route 23 is also used to access Vancouver Island from Cortes Island.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		5,785
Minimum Number of Round Trips per Day	Peak	15 five days per week; 13 one day per week; 16 one day per week
	Off Peak	15 five days per week; 13 one day per week; 16 one day per week
Minimum Hours of Operation	Peak	13
	Off Peak	13

ROUTE AND SERVICE DESCRIPTION

Distance	1.8 nautical miles
Crossing Time	10 minutes

VESSEL AND TERMINAL DESCRIPTION

Vessel	Powell River Queen
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	392
<i>Vehicle Capacity (Official)</i>	70
<i>Crew Size</i>	8

Coastal Ferry Services Contract Schedule A, Appendix 1 - Route Overview

Terminal	Campbell River	Quathiaski Cove
<i>Location</i>	Vancouver Island	Quadra Island
<i>Holding Capacity</i>	Inside: 129 AEQ/Outside 33 AEQ	129 AEQ
<i>Parking</i>	None	75 car spaces (at Federal Wharf)
<i>Docks</i>	1	1

**ROUTE 26 – HAIDA GWAI: GRAHAM ISLAND (SKIDEGATE) –
MORIESBY ISLAND (ALLIFORD BAY)**



OVERVIEW

Route 26 in the Haida Gwaii connects Alliford Bay on Moresby Island (where the local airport at Sandspit is located) with Skidegate on Graham Island.

CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		2,918
Minimum Number of Round Trips per Day	Peak	7
	Off Peak	7
Minimum Hours of Operation	Peak	8
	Off Peak	8

ROUTE AND SERVICE DESCRIPTION

Distance	3.5 nautical miles
Crossing Time	20 minutes

VESSEL AND TERMINAL DESCRIPTION

Vessel	Kwuna
<i>Silhouette</i>	

Route 23 – Campbell River to Quadra Island (Quathiaski Cove)

Coastal Ferry Services Contract Schedule A, Appendix 1 - Route Overview

<i>Passenger Capacity (Max.)</i>	146
<i>Vehicle Capacity (Official)</i>	26
<i>Crew Size</i>	4

Terminal	Skidegate	Alliford Bay
<i>Location</i>	Graham Island	Moresby Island
<i>Holding Capacity</i>	167 AEQ	None (queue on road)
<i>Parking</i>	None	None
<i>Dock</i>	1	1

SCHEDULE 3

Appendix 1 of Schedule “B” Ferry Transportation Fee – Performance Term 4

Ferry Transportation Fee Table – Performance Term 4

Route #	Route	Maximum Annual Ferry Transportation Fee (\$)	Number of Round Trips to be Delivered per Contract Year to Meet Core Service Levels*	Ferry Transportation Fee per Round Trip (\$)
4	Swartz Bay/Salt Spring	2,834,642	2,880	984.25
5	Swartz Bay/Outer Gulf Islands	17,682,549	3,461	5,109.09
6	Crofton/Salt Spring	2,834,641	4,441	638.29
7	Saltery Bay/Earls Cove	11,730,815	2,513	4,668.05
8	Horseshoe Bay/Bowen Island	5,957,222	5,335	1,116.63
9	Tsawwassen/Gulf Islands	10,358,786	812	12,757.13
10	Bear Cove/Prince Rupert	32,454,829	83	391,022.04
11	Prince Rupert/Skidegate	26,820,150	139	192,950.72
12	Brentwood/Mill Bay	1,410,590	3,215	438.75
13	Langdale/Gambier/Keats	321,855	4,065	79.18
17	Comox/Powell River	8,121,113	1,366	5,945.18
18	Powell River/Texada	4,530,616	2,814	1,610.03
19	Nanaimo Harbour/Gabriola	3,003,177	4,898	613.14
20	Chemainus/Thetis/Penelakut	4,458,757	3,702	1,204.42
21	Buckley Bay/Denman	4,282,233	5,261	813.96
22	Denman/Hornby	3,582,166	4,060	882.31
23	Campbell River/Quadra	3,191,056	5,785	551.61
24	Quadra/Cortes	2,822,063	2,134	1,322.43
25	Port McNeill/ Alert Bay/Sointula	4,585,638	3,961	1,157.70
26	Skidegate/Alliford Bay	4,460,467	2,918	1,528.60
Annual Total		\$155,443,368		

*Note: see Note 1(a) in Schedule A, Appendix 1

SCHEDULE 4

**Appendix 2 of Schedule “B”
BC Student (under 19 years of age) Discount Table**

Route #	Route Name	Adult Student at 50% Adult Fare	Child Student at 50% Child Fare	Free Adult Student	Free Child Student
Route 1	Swartz Bay/ Tsawwassen	X	X		
Route 2	Horseshoe Bay/ Departure Bay	X	X		
Route 3	Horseshoe Bay/ Langdale	X	X		
Route 4	Swartz Bay/ Fulford			X	X
Route 5	Swartz Bay/ Outer Gulf Islands*			X	X
Route 6	Crofton/ Vesuvius			X	X
Route 7	Saltery Bay/ Earls Cove	X	X		
Route 8	Horseshoe Bay/ Bowen Is.			X	X
Route 9	Tsawwassen/ Gulf Islands	X	X		
Route 10	Prince Rupert/ Bear Cove (Port Hardy)	X	X		
Route 11	Prince Rupert/ Skidegate	X	X		
Route 12	Mill Bay/ Brentwood Bay			X	X
Route 13	Langdale/ Keats/ Gambier Is.			X	X
Route 17	Powell River/ Little River	X	X		
Route 18	Powell River/ Texada Is.			X	X
Route 19	Nanaimo Hbr/ Gabriola Is.			X	X
Route 20	Chemainus/ Thetis/ Penelakut			X	X
Route 21	Buckley Bay/ Denman Is.			X	X
Route 22	Denman/ Hornby Is.			X	X
Route 23	Campbell River/ Quadra Is.			X	X
Route 24	Quadra Is./ Cortes Is.			X	X
Route 25	Port McNeill/ Alert Bay/ Sointula			X	X
Route 26	Skidegate/ Alliford Bay			X	X
Route 30	Duke Point/ Tsawwassen	X	X		

*Students travel for free on Inter Southern Gulf Island Trips