

**Exhibit "K"**

**Restrictive Covenant KX78608**

214

C  
645

LAND TITLE ACT  
FORM C

17 JUN 2005 14 55

KX078608

(Section 233)  
Province of  
British Columbia

GENERAL INSTRUMENT - PART 1 (This area for Land Title Office use)

PAGE 1 of 6 page(s)

1. APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)  
MARY JO CAMPBELL, Borden Ladner Gervais LLP, 1200 - 200 Burrard Street, Vancouver,  
British Columbia, V7X 1T2, (604) 687-5744

Client No. 10439 (File No. 550918/000020)

Signature of Solicitor - Mary Jo Campbell

10330

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND: \*  
(PID) (LEGAL DESCRIPTION)

013-076-736

That Part of District Lot 203, Lillooet District shown on Plan A20 Except  
Plans KAP63162, KAP64875, Plan KAP77917 and Plan KAP 78331

3. NATURE OF INTEREST: \*  
DESCRIPTION

DOCUMENT REFERENCE  
(page and paragraph)

PERSON ENTITLED TO INTEREST

Restrictive Covenant

Entire Instrument

Registered Owner of:

Parcel A (Plan KAP 78331),  
District Lot 203, Lillooet District  
shown on Plan A20, NO PID

4. TERMS: Part 2 of this instrument consists of (select one only)

(a) Filed Standard Charge Terms

D.F. Number:

01 05/06/17 14:58:37 01 KL

8396:

(b) Express Charge Terms

Annexed as Part 2

CHARGE

\$64.

(c) Release

There is no Part 2 of this instrument

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in Item 3 is released or discharged as a charge on the land described in Item 2.

5. TRANSFEROR(S): \*

BRITISH COLUMBIA RAILWAY COMPANY (Inc. No. PA-43)

6. TRANSFEREE(S): (including postal address(es) and postal code(s))\*

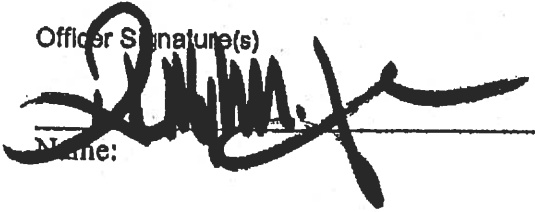
BRITISH COLUMBIA RAILWAY COMPANY (Inc. No. PA-43) of Suite 400 - 221 West Esplanade,  
North Vancouver, British Columbia, V7M 3J3

7. ADDITIONAL OR MODIFIED TERMS: \*

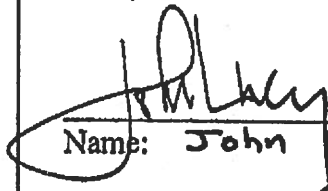
N/A

**GENERAL INSTRUMENT**

8. EXECUTION(S):\*\* This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)  
  
Name: \_\_\_\_\_

Execution Date		
Y	M	D
2005	06	10

Party(ies) Signature(s)  
BRITISH COLUMBIA RAILWAY  
COMPANY by its authorized  
signatory(ies):  
  
Name: John Kusney

**RICHARD MYHILL-JONES, Commissioner**  
for taking Affidavits for British Columbia  
#506 - 221 West Esplanade  
North Vancouver, B.C. V7M 3J3

~~(as to both signatures)~~

~~Name:~~ \_\_\_\_\_

**TERMS OF INSTRUMENT - PART 2**

**RESTRICTIVE COVENANT**

**WHEREAS:**

A. The Transferor described in Item 5 of Part 1 of this General Instrument (the "Covenantor") is the registered owner of the lands and premises more particularly described in Item 2 of Part 1 of this General Instrument (the "Burdened Lands");

B. The Transferee described in Item 6 of Part 1 of this General Instrument (the "Covenantee") is the registered owner of the lands and premises more particularly described under the heading "Person Entitled to Interest" in Item 3 of Part 1 of this General Instrument (the "Benefitted Lands"); and

C. The Covenantor agrees with the Covenantee for the benefit of the Benefitted Lands to restrict the use of the Burdened Lands or of buildings or structures on the Burdened Lands as detailed in this Covenant;

NOW THEREFORE in consideration of the payment of the sum of ONE (\$1.00) DOLLAR by the Covenantee to the Covenantor and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Covenantor (for itself and its successors and assigns and others claiming under it) covenants and agrees as follows:

1. **Restrictive Covenant**

1.1 The Covenantor acknowledges that the Benefitted Lands consist of railway yards or transportation corridors, or both, that are used for railway purposes and abut or are adjacent to the Burdened Lands.

1.2 The Covenantor, as the owner of the Burdened Lands, for itself and its successors and assigns and others claiming under it, hereby covenants and agrees that the Burdened Lands shall not be used in any manner which:

- (a) may adversely affect the lateral support between the Burdened Lands and the Benefitted Lands;
- (b) may adversely affect the stability of the slope which supports the railway line situate on the Benefitted Lands; and
- (c) alters the existing grades or drainage patterns in respect of the Burdened Lands in such a way as would adversely affect drainage from or to the Benefitted Lands and therefore adversely affect use of the Benefitted Lands as a rail or transportation corridor, except to the extent that may be required by applicable municipal storm drainage requirements.

1.3 The benefit of the covenants referred to above in section 1.2 made by the Covenantor shall be annexed to and run with each part of the Benefitted Lands and shall be for the benefit of the Covenantee, its successors and assigns and the owners, tenants and other occupants from time to time of the Benefitted Lands, or any part thereof, and others claiming under them. The burden of the covenants referred to in section 1.2 made by the Covenantor shall be annexed to and run with every part of the Burdened Lands.

1.4 The Covenantor personally covenants and agrees that it shall not object to the use of the Benefitted Lands for railway purposes or to any noise or vibration associated with such use, provided the railway use is consistent with prevailing standards in the railway industry from time to time in Canada.

1.5 The Covenantor personally releases and forever discharges the Covenantee, its successors and assigns and the owners, tenants and other occupants from time to time of the Benefitted Lands, or any part thereof, and each of their respective agents, contractors, licensees and invitees (collectively the "Released Parties") from all liabilities, claims, actions, damages, costs, fees and expenses that it has ever had, now has or in the future may have against any of the Released Parties relating to or arising from any matters referred to in the preceding section 1.4.

1.6 In conjunction with any sale of the Burdened Lands, the Covenantor shall obtain and deliver to the Covenantee a written agreement from the transferee of the Burdened Lands or any portion thereof in favour of the Covenantee whereby the transferee provides covenants to the Covenantee in the form contained in sections 1.4 and 1.5 hereof in respect of the Burdened Lands or the portion thereof, as the case may be, together with a covenant to similarly obtain such covenants in favour of the Covenantee from any subsequent purchaser or purchasers of the Burdened Lands or any portion thereof.

## 2. General

2.1 Priority - The Covenantor agrees that this Agreement is to be registered against title to the Burdened Lands in priority to all financial encumbrances which charge the Burdened Lands or any part thereof.

2.2 Remedies - If the Covenantor fails to comply with this Agreement or if any breach of this Agreement occurs, then the Covenantor acknowledges and agrees that the Covenantee shall be entitled to apply for and obtain an injunction against the Covenantor and any other person who may be causing a breach of this Agreement, in addition to any and all other remedies available to the Covenantee, at law or in equity, in respect of such failure or breach. The Covenantor hereby acknowledges the inadequacy of a remedy in damages and the irreparable harm which would be caused to the Covenantee by any such failure or breach.

2.3 Personal Liability - Notwithstanding anything contained herein, the Covenantor and the Covenantee shall not be liable under any of the covenants and agreements contained herein where such liability arises by reason of any act or omission occurring after the Covenantor or the Covenantee, respectively, ceases to have any further interest in the Burdened Lands or the Benefitted Lands, respectively.

2.4 Notice - Any demand or notice which may be given to any of the parties hereto pursuant to this Agreement shall be in writing, and shall be delivered or sent by postage prepaid mail and addressed to the intended recipient as follows:

(a) to the Covenantee at:

British Columbia Railway Company  
400 – 221 West Esplanade  
North Vancouver, B.C.  
V7M 3J3

Attention: President

with a copy to:

Canadian National Railway Company  
935, rue de la Gauchetière Ouest  
16e étage  
Montreal, QC  
H3B 2M9

Attention: Chief Legal Officer

(b) to the Covenantor at:

BCR Properties Ltd.  
506 – 221 West Esplanade  
North Vancouver, B.C.  
V7M 3J3

Attention: President

or to such other address as the intended recipient may have most recently notified the other party hereto in writing as an address for the delivery of notices hereunder. The time of receipt of any such demand or notice shall be deemed to be the day of delivery if delivered on a business day and, if not a business day, then on the next business day following the date of such delivery, or on the fourth business day after the date of mailing thereof if sent by postage prepaid mail. During any interruption of mail service in or between the place of intended mailing and the location of the intended recipient of a demand or notice, a demand or notice shall not be effective unless delivered.

("Business day" means any day excluding Saturdays, Sundays and statutory holidays in the Province in which the Benefitted and Burdened Lands are located.)

2.5 No Waiver - No failure or delay on the part of any party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

2.6 Severability - If any provision of this Agreement or any part hereof is determined to be invalid, it shall be severable and severed from this Agreement and the remainder of this Agreement shall be construed as if such invalid provision or part had been deleted from this Agreement.

2.7 Gender and Number - Words importing the masculine gender include the feminine and neuter genders and words in the singular include the plural and vice versa.

2.8 Further Assurances - The parties hereto shall do and cause to be done all things and execute and cause to be executed all documents that may be necessary to give proper effect to the intention of this Agreement.

2.9 Governing Law - This Agreement shall be governed by and construed in accordance with the laws of the Province in which the Benefitted and Burdened Lands are located.

2.10 Binding Effect - This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

2.11 Separate Lots - If the same Covenantor does not hereafter own all of the Burdened Lands, an owner of a Lot comprised in the Burdened Lands shall only be liable hereunder for defaults of the owner from time to time of such Lot and the Covenantee shall only enforce the terms of this instrument against that Lot and the owner from time to time of that Lot that is in default.

IN WITNESS WHEREOF the parties have executed this Agreement in Item 8 of Part 1 of this General Instrument.

**END OF DOCUMENT**