

**APPENDIX 1: ANSWERS TO ENQUIRIES RECEIVED BY THE LSC PRIOR TO THE FEBRUARY 2021
VIRTUAL INFORMATION MEETING**

Q1. Given the existing pandemic situation, I do not believe this is the right time to add stress to the community members to make a decision of this magnitude regarding the Club's Open Lands. What we decide today will have an impact for many generations to come and requires a full understanding to be provided by experts in the field, of the potential impact of this action, if the membership chooses to spend the money to pursue this. As fiduciaries of the Club, I expect the directors of the Club would agree that this decision will require much community input, much due diligence by the directors with the experts in the field, given it will affect not only the current members but will impact many future generations, and as a result, this undertaking must not be rushed. The membership needs to understand the merits, the pros and cons of a Conservation Easement for the membership's Open Lands. Please consider delaying this to a more appropriate date?

A1. *The Community is not being asked to make any decision on February 9. The purpose of that meeting is to allow the Land Stewardship Committee to review its presentation with the Community and to allow members of the Community to ask questions about the proposal and other considerations made by the LSC prior to making its initial recommendation to the Board. The presentation was first published by the LSC in the summer of 2020. Due to COVID-19 restrictions and the important decision on the caretaker's site that was also being discussed by the Community, the LSC decided not to hold community group meetings as planned. The LSC requested that the current presentation be recirculated recently so that a virtual Community meeting could be held for the purpose outlined.*

The LSC has recommended a two-step approval process to the Board. Subject to further consultation and discussion within the Community, the first step would be to seek Community approval to the concept of a Conservation Agreement in principle. If that approval is given, the LSC would proceed to prepare a form of Conservation Agreement to be presented to and discussed with the Community. In doing so, preliminary discussions would be held with the Conservation Body with whom it is proposed to enter into the agreement. Those discussions would be intended to ensure that the form of Agreement presented to the Community would likely be acceptable to the Conservation Body. Those discussions would also enable the LSC to present a budget to the Community so that costs and benefits could also be part of the discussion. The discussions with the Community could lead to amending the proposed form of Conservation Agreement to ensure that any restrictions imposed by the Agreement and the permitted uses contemplated by the Agreement would meet with Community approval. Eventually, a final form of Agreement would be presented to the Community for its approval or rejection. The LSC understands that the Board agrees with the two-step approach suggested by the Committee. As a result, the LSC considers now to be a good time to restart this discussion with the Community and generate feedback and discussion with respect to the presentation.

Q2. To reiterate the motion I brought forward during our AGM in September, 2020, prior to this item being brought forward to the membership for a vote/discussion, I believe the Club's by-laws should be amended to require a budget of the expected costs of this undertaking. The budget of said costs must be submitted to the membership for approval in order to ensure the membership is made aware of the expected costs of this undertaking, before any work is done and the costs are incurred. Given the fact that other members at that AGM seconded my motion, yet due to protocol it was prevented from going through at that time and deferred to the next meeting, at probably one of the most well attended member meetings in history, I suggest I am not alone in my thinking here. If this meeting is to go ahead, I believe my motion to amend the Club's by-laws for budget purposes should be brought forth to this meeting (as per the follow-up I sent Jan Wishart, Secretary, following the 2020 AGM).

A2. *This is a matter for the Board and the February 9 meeting is strictly an information session for the Community. That said, and as outlined in A1., the LSC fully intends to present a full statement as to the costs and benefits of the proposal. To date, the Club has incurred some legal costs in obtaining preliminary tax advice. There will be additional costs incurred, although based on earlier discussions with GBLT, the LSC anticipates that the moneys received from the Conservation Body as consideration for the Conservation Agreement will more than offset any expenses incurred by the Club.*

Q3. Who, on the Board, has the experience/expertise with Conservation Easements? It would seem prudent to have a consultant with experience and expertise in Conservation Easements to present an analysis to the membership before this were put to a membership vote? The analysis provided by the consultant must include the objective, the merits, the potential risks, the Club's ongoing costs/responsibilities under a Conservation Easement, and any other costs required to bringing a Conservation Easement to fruition. Prior to hiring a consultant, however, total costs of a consultant and estimated costs of all that would be required to transfer the Open Lands to a Conservation Easement should be estimated and provided to the membership through a budget approval process. I expect costs would include but not be limited to the costs of surveys, severances, land valuation, environmental assessment and legal costs? If an assessment of the Open Lands is necessary, please explain why?

A3. *Conservation Agreements are widely and commonly used as a conservation mechanism by land trusts across North America. They are attractive to landowners who wish to conserve their land while retaining full ownership and control. Barb Zimmerman has entered into a Conservation Agreement with GBLT on some of her privately owned lands. When asked about her reasoning for entering into a Conservation Agreement, Barb offered "I chose a conservation agreement over a donation to a land trust for my 11 acres in North Go Home because I wished to preserve this beautiful place of Georgian Bay with good breeding habitat for amphibians and songbirds and other important ecological features while not losing control or ownership of the precious place that our family enjoys. Go Home Bay is Ontario's Amazon – now I can rest assured that, as far as is possible, this land will not be carved up into cottage lots. It will remain wild for my family to enjoy and others that come after."*

The LSC has consulted with Bill Lougheed who has experience with conservation agreements. The LSC has also received some preliminary advice from Paul Peterson a lawyer who has considerable experience in drafting and settling conservation agreements. To date, the Club has not fully engaged any other consultants since doing so would have been premature without having obtained a first step approval.

Q4. If the membership were to vote for a Conservation Easement and the Club requires funds in the future, there would be no way to raise money from land sales after the final two sites held for sale have been sold, and without this option, what alternatives besides members' fees, have been considered to ensure the ability to raise funds to continue the Club's Operations/Activities should this be necessary?

A4. The proposal for a Conservation Agreement relates only to the lands of the Club which are currently zoned as Open Space and not available for development. The sale or re-designation of those lands to permit development would require approval by members of the Club by way of special resolution. The Board asked the LSC to investigate whether or not other steps could be taken to further enhance the restriction on the development of the lands and preserve their natural heritage. The suggestion that these lands be sold in the future to raise funds for the Clubs is contrary to the Community Plan which the Club adopted approximately 32 years ago and, as a result, has not been a consideration for the LSC. Presumably any member who wishes to preserve the option of developing the Open Lands would not be in favour of any recommendation that would enhance the restriction on future development.

Q5. Could properties adjacent to Conservation Easement lands increase in value given members cottages would reside beside a conservation protected area and, as a result, may be considered more valuable? If so, this may lead to increased taxes on member owned properties, as well as Club properties.

A5. The LSC has not conducted any inquiry of this nature. Member sites are taxed based on a fair market value for assessment purposes determined by MPAC (Municipal Property Assessment Corporation) using various factors. Entering into a Conservation Agreement would merely ensure that the Open Lands remain undeveloped, as they currently are. Intuitively, therefore, it would seem that the undeveloped nature of the Open Lands, if a factor utilized by MPAC in its assessment criteria, would already be factored into the assessed value of member owned sites.

Q6. It is very difficult to amend the Conservation Easement Agreement in the future, if needed? It would require the Minister's approval.

A6. *It is true that Section 3(4.2) of the Conservation Land Act provides that an owner of the land affected by a conservation covenant shall not amend the covenant without the consent of the Minister. That, of course, is part of the attraction of a Conservation Agreement as a means of enhancing the protection afforded to the Open Lands. Since the mandate given to the LSC by the Board was to seek ways to enhance the protection of the Open Lands, this statutory provision was not viewed as a problem.*

Q7. Future unknown? Cell towers on the land, drones for transporting, etc.

A7. *The future is unknown. That is part of the reason that the LSC believes that it will take some time and careful consideration by the Community to settle upon the restrictions that will be included in the Conservation Agreement. It will take some time to settle upon the restrictions on use and permitted activities for the Open Lands. That said, for example, the restrictive covenants adopted with respect to the Conservation Agreement entered into by the Tadenac Club with GBLT permit transportation corridors for the supply of utilities to the privately-owned sites within the Tadenac Club boundaries. The LSC believes that it will be possible to draft an agreement that provides sufficient flexibility to the Club subject to the general principle that the Open Lands, as they have been for over 100 years, are not developed and are maintained in their natural state.*

Q8. Responsibility – please clarify whose responsibility it is to protect/manage the lands if under a Conservation Easement?

A8. *The landowner has an obligation to abide by the restrictions imposed by the Conservation Agreement. The Conservation Body has an oversight obligation to ensure that the landowner is abiding by the restrictions. The LSC does not anticipate that a Conservation Agreement entered into by the Club would impose any more active management obligations on the Club than it currently undertakes with respect to the Open Lands.*

Q9. Under the Conservation Act, is the creation of camping sites considered development?

A9. *The Conservation Land Act does not address this kind of detail. The extent to which camping would be permitted or restricted on the Open Lands could be one of the matters covered in detail by the Conservation Agreement. This is an example of something that will need to be considered and discussed by the Community during the process of settling the form of any Conservation Agreement.*

Q10. Is the Municipal Zoning Designation not as strong as a Conservation Easement? In 1988 at the AGM, the Community Plan was adopted by the Club and enshrined in the Official Plan and Zoning By-Law applicable to the Go Home Bay community. Based on this, it required 2/3 vote

to develop Pig Island and "Open Lands" (excluding the Caretaker's site and the Main dock) were to remain undeveloped.

A10. Please refer to the presentation. The page describing External Considerations outlines the concerns considered by the LSC with respect to the risk of change that could be imposed by the Township or District with respect to the Community Plan and the willingness of the Provincial Government to limit the impact of development restrictions.

Q11. What was the genesis of this? It would help me to better understand the objective if you would provide some context? Who approached the Board to consider this action item initially (August, 2016) and why?

A11. In his final remarks at the 2014 Annual and General Meeting, George Lougheed, as the retiring President, suggested that Club members were the beneficiaries of great stewardship of the open lands for over a century. George said that in his view it was the responsibility of current Club members to develop a way that would maintain the open lands in their natural, undeveloped state for the next century. Following that, and informal discussions that George had with other members of the Community including Barb Zimmerman, Donald Fraser and Sheila MacFeeters, the Board directed George to form a committee to consider the options available to the Club for achieving the goal that he had proposed. The Committee was formed in 2016 with a goal of looking at ways to enhance the protection of the Open Lands.

Q12. Are there different responsibilities to the Club (members) with work required to be done to ensure MFTIP status versus the requirements per the Conservation Easement Agreement with the GBLT? Please provide comparison of responsibilities to each? Will the Club be required to provide periodic Report Cards on the condition of the lands/water/lakes/ponds in and around the Open Lands?

A12. This would depend on the terms of the Conservation Agreement. The LSC is not contemplating an agreement that would impose significant active management or reporting obligations upon the Club. There are no such obligations imposed on the Tadenac Club under the terms of its Conservation Agreement.

Currently, the MFTIP imposes reporting requirements upon the Club. The program has a term of 10 years and requires a written report by a licensed provider at the five-year halfway mark and for renewal at the end of the 10-year term. The cost of preparation and submission of each such report is approximately \$7,000 to \$10,000.

Q13. What happens if the Club were to breach any of the conditions/requirements within a Conservation Easement Agreement?

A13. *Section 3(6) of the Conservation Land Act provides that the conservation body may enforce the covenant against the landowner. The Act does not provide any further detail. Presumably, this means that the conservation body could seek an order requiring the landowner to comply with the terms of the agreement. The Act does not have a provision for imposing fines for non-compliance or any provision for forfeiture for non-compliance. More importantly, the LSC does not anticipate entering into a Conservation Agreement that the Club would be unable or unwilling to comply with.*

Q14. How many other lands has the GBLT secured through a Conservation Easement and what size are each of those properties (acreage)? What other parties have been given the responsibility for Conservation Easements in Ontario and why would the GBLT be our first choice if we were to consider a Conservation Easement?

A14. *Georgian Bay Land Trust manages 62 properties of which 12 are under Conservation Agreements. The Conservation Agreements cover approximately 5,800 acres while owned properties cover approximately 1,700 acres. Within the corridor from Cognashene to King Bay, GBLT is party to five Conservation Agreements covering about 5,600 acres (most of which is the Tadenac property which exceeds 5,400 acres). The LSC has not undertaken any review of how many other Conservation Agreements exist throughout Ontario. In the view of the LSC, GBLT would be the logical conservation body to contract with given its expertise in managing property in Georgian Bay. It is well funded and it is managed by a Board that understands the Georgian Bay community. GBLT's stated mission is to act to protect wilderness lands and species along the eastern shore of Georgian Bay and the North Channel and its near watershed through strategic conservation planning, land securement, stewardship, research and education.*

Q15. What, if anything does the GBLT receive for this in terms of compensation from any party both at time of transfer wherein the GBLT were to become the Conservation Body for the Club's Open Lands, and on an ongoing basis?

A15. *You may recall that in 2019 part of the initial discussion pertaining to this proposal related to funding that would be available to GBLT under federal programmes. That funding would have supported GBLT's cost of acquiring the Conservation Agreement with the Club and would have provided the additional funding required by GBLT to support its ongoing monitoring of the Conservation Agreement terms. If the Club proceeds with a Conservation Agreement with GBLT, the LSC assumes that GBLT will again seek funding from the federal government under its programmes or will seek funding through its fundraising programmes. GBLT will not enter into a Conservation Agreement unless it is able to assure itself of the funding it will require on an ongoing basis.*

Q16. Are there ongoing fees payable to the GBLT for being the Conservation Body for the Club's lands?

A16. No.

Q17. Will the Club receive any money for this from the Canada Nature Fund (\$1.35B), if so, how much (\$250-\$600 per acre?) and given the Club's not-for-profit status, what is the expected use of the proceeds? And is this the reason for the urgency in this decision (i.e. when is this potential grant expected to expire)?

A17. *The Club will not receive funding from the Canada Nature Fund. In 2019, the Club permitted GBLT to include its lands as part of a GBLT request for funding from CNF. That request was not approved. Since then, the LSC has not had further discussions with GBLT regarding its activities for funding under CNF and so we do not know if that is a realistic source of the funding if we proceed. Until the Club is further along in its process, there is no point in having those discussions with GBLT. Whether or not the CNF could be a source of funding will be determined at a later and more relevant time. The per acre payment that you have referenced is the amount which was generally discussed with GBLT a couple of years ago. Whether that remains an appropriate amount, we have not gone back to discuss with GBLT. The LSC has proceeded on the basis that the principal purpose of this is not to raise money for the Club – although we have assumed based on the earlier discussions that the amount will exceed any costs to be incurred by the Club. We have obtained a legal opinion from Peter Clark's law firm that any monies received by the Club as consideration for the Conservation Agreement would not jeopardize the Club's not-for-profit status. That is the one expense that has been incurred to date.*

Q18. Is there potential for future government to amend/cancel the Conservation Act? Could this result in an increase in taxes on Conservation Lands? Could they make private lands public?

A18. *Yes, the provincial government has the ability to amend or repeal any statute that it has enacted. The LSC is not in a position to speculate in order to answer these questions.*

Q19. Please provide examples of other Conservation Easements and the risks and benefits to the landowners, how much land, what and when the lands were transferred to a Conservation Easement and the reasons therefore and what jurisdictions and purpose for each example?

A19. *See the response to Question 14.*

Q20. Is there currently crown land shoreline property within or adjacent to the Go Home Bay area, and if so, what would prevent the Province from doing whatever it likes with that land, in terms of development?

A20. *Yes, there is some Crown land within or adjacent to the Go Home Community. If the Province were to release that land for development, that only makes our efforts to preserve the Open Lands from development more important.*

From its outset, the Go Home Bay community has valued: large lot sizes to permit privacy for cottagers and prevent crowding of the shoreline; open spaces owned by the community for the enjoyment of members and to enhance the feel of low density of development, and; respect for the natural environment and preservation of clean water. Maintaining and enhancing the protection against development of the Open Lands is consistent with these historic values.

Q21. Other Alternatives – were the following suggested alternatives for the Open Lands considered by the Board/Land Use Committee?

(a) Instead of a Conservation Easement consider changing the by-laws to require an 80%-90% site member vote to change the land use of any Open Lands?

(b) Endowment Trust Fund?

(c) Parcel off, to existing owners, the land behind their properties (open lands behind them) as additional lands to be owned by them. Given there is a minimum shoreline frontage required by the Municipal By-Laws in order to build, owners would be prevented from subdividing the property for development purposes unless the shoreline frontages were greater than that currently required (700 feet). If all mainland or other vacant land (Big Island) is owned by individual property owners, could an easement be granted to the Club for Club Members' Use and Enjoyment as per the rules of the MFTIP requirements?

A21. *The presentation outlines in detail the other considerations made by the LSC and the reasons for the recommendation that it has made.*

Q22. Property Taxes:

This is my understanding, please confirm as to the accuracy of this?

With Managed Forest Tax Incentive Program:

A. \$4,000: Open Lands (1600 acres), Pig & Caretaker site (currently receive MFTIP 75% discount on open lands) – if lose the tax incentive these taxes would increase to \$16,000)

B. \$12,000: Two open sites held for future sale \$12,000

C. \$16,000: Total Taxes (A+B)

Without Managed Forest Tax Incentive Program:

A. \$16,000: Open Lands (1600 acres), Pig & Caretaker site (currently receive MFTIP 75% discount on open lands) – if lose the tax incentive these taxes would increase to \$16,000)

B. \$12,000: Two open sites held for future sale \$12,000

C. \$28,000: Total Taxes (A+B)

Without the MFTIP, this would represent an increase of \$116 per site-holder member.

Under a Conservation Easement:

Please provide estimates of expected property taxes?

A22. *The LSC analyzed realty taxes some time ago using the realty taxes paid in 2018. The LSC has not updated this analysis.*

The Club holds 15 properties which are currently zoned open space, of which 6 such properties do not qualify for MFTIP and of which 9 such properties qualify, in whole or in part, for MFTIP. The assessed value of the 6 properties which do not qualify for MFTIP was \$337,300 and the 2018 taxes paid in respect of these 6 properties was \$2,358.89. The assessed value of the properties which are subject to MFTIP, prior to reduction under MFTIP, was \$3,084,095. After application of MFTIP, the assessed value for tax purposes was \$1,527,500 and the 2018 taxes paid in respect of these 9 properties was \$4,424.53. One of those 9 properties is the property that includes the caretaker's house. That property is over 50 acres in size and benefits from MFTIP except for 2 acres comprising the caretaker house which is assessed as residential. The taxes for this property were \$2,886.85. Most of that amount will pertain to the residential assessment.

In summary, the total 2018 realty taxes expense in respect of the Open Lands was \$6,777. The other 2018 realty taxes relate to Pig Island (\$4,252.00), the potential development site behind the McMaster site (\$2,242.00) and the potential development site near the Sand Run (\$2,435). The total realty taxes paid in 2018 were \$15,714. For this question, we obtained an updated from Michael Stephens who indicates that the total realty taxes expense in 2019 was \$16,030, a difference of approximately \$300.

More than half of the total realty tax expense relates to properties not zoned as open space (Pig Island and the two development sites). The LSC understands that MPAC has recognized for assessment purposes lands which are subject to Conservation Agreements as a separate category but equivalent in value to open space property. There would be some benefit to the Club's property being subject to a Conservation Agreement from a tax perspective as it would lock into place a low assessment value for this property, which otherwise could change should the District or Township eliminate an open space zoning category or otherwise permit more development on lands zoned as open space.

Q23. Please confirm my understanding of the key points under a Conservation Easement, as provided below:

Bind subsequent owners of the property under the Conservation Land Act (not under Common Law) for 999 years

A Conservation Body (can be any of):

A. Crown – Canada, Ontario

B. Agency, Board, Commission of the Crown

C. A Band (Indian Act)

D. A Municipal Council

E. A Conservation Authority

F. A corporation registered as a Charity, Charitable Foundation and any Other Person prescribed by legislation (Sec 3(1))

The GBLT, if selected as the Conservation Body under (F) above, would be required to monitor the land, ensuring that landowner (the Club) complies with the requirements of the agreement. The agreement would be registered on title to ensure subsequent owners would be restricted from development. The GBLT could assign the agreement to another Conservation Body without the Club's consent, however, no changes could be made to the agreement without the consent of the Club and the Minister.

Not Absolutely Permanent:

Land owner with political support and acquiescence of Conservation Body can have easement amended

Ministry of Environment approval for the land owner (the Club) to amend the terms of the easement

Ministry approval required to release the easement

A23. The term of the Conservation Agreement need not be 999 years, although that appears to be the traditional term for most such agreements. The Minister is the Minister of Natural Resources and Forestry. The LSC has considered whether or not the Conservation Body should be other than a conservation body such as GBLT. The LSC concluded that a land trust organization was the most suitable conservation body assuming the Club decides to proceed. Your summary of the Act is accurate. Our presentation also referenced a useful summary of Conservation Agreements that was prepared by the Ontario Land Trust Association.

Q24. If legislation pertaining to Conservation Easements ("CE") were to change in the future, would that impact an existing CE?

A24. It is, of course, not possible to provide a definitive answer to a speculative question of this kind. However, the Conservation Land Act provides a mechanism that allows a conservation body and a landowner to enter into a Conservation Agreement which provides (i) certain restrictions on the development or use of a property (ii) a mechanism for those restrictions to be registered on title and binding on future owners of the property and (iii) allows the conservation body to enforce the restrictions even though it does not own any adjacent land. Once executed, the Conservation Agreement is governed by contract law and it is very difficult to conceive that the provincial government could effectively amend the Conservation Land Act in a manner that would retroactively amend the enforceability of an existing contract.

Q25. What term is being considered? 40 years, 999 years, perpetuity or some other length of time?

A25. *A Conservation Agreement will have a term. The term will be negotiated with the conservation body. Given the mission statements of land trusts and other similar conservation bodies, a conservation body will not enter into a Conservation Agreement unless the landowner is intending to preserve the environment and natural habitat for a lengthy time which, in essence, would be considered to be “perpetual”. Many conservation agreements have a term of 999 years, but that is not a requirement. Virtually all will have a term in excess of a couple of hundred years. The LSC has not yet engaged in negotiations with any conservation body at this stage so the Committee does not have a specific term in mind. That would, of course, be one of many details that would be determined prior to members being asked to vote upon a proposal.*

Q26. Given CE agreements may be amended by the grantor and the grantee, is there a risk the a future MadClub board member could join the board of the grantee and the two boards could agree to nullify the CE agreement?

A26. *A Conservation Agreement may be amended if the landowner and the conservation body agree upon an amendment, subject to the approval of the Minister. Furthermore, with respect to your question, if an individual was a member of both the board of the Club and the board of the conservation body, that individual would have a conflict which would need to be declared when each board considered whether or not to approve the proposed amendment and that individual would be required to refrain from voting on the amendment proposal at both boards. The amendment proposal could only be approved by the members of each board who did not have such a conflict. Presumably, given the rigor and care that the board is taking in consideration of the current proposal, any decision on removing an agreement would also require consultation and input from the Community.*

Q27. Given the CE could be modified or terminated by the Minister of Environment (but only in the public interest. How is “public interest” defined?

A27. *Section 3 of the Conservation Land Act sets out the rules pertaining to Conservation Agreements and the covenants made in such agreements. It provides that the Minister is the Minister of Natural Resources (now the Minister of Natural Resources and Forestry), not the Minister of Environment. Section 3(4.2) provides that a landowner may not amend the covenants without the consent of the Minister. Section 3(4.3) provides that the conservation body shall not release a covenant without the consent of the Minister. Section 4(4.4) provides that no person shall commence a proceeding to amend or release a covenant without giving notice to the Minister. Nowhere in Section 3 is the Minister given the power to unilaterally amend or terminate a Conservation Agreement. Furthermore, all of the relevant provisions of Section 3 are directed to ensuring that covenants once agreed to by way of a Conservation Agreement may not be released or relaxed without the approval of the Minister. In other words, the Act is designed to ensure that the original arrangement is maintained. It appears to me that your question is based upon a provision in the Land Stewardship Act (Alberta) which I*

found and which has a provision that seems to be the genesis for your question. No such provision exists in the Ontario legislation.

Q28. Could (the following) be an issue in the future if the Municipal bylaws were to change, resulting in a conflict with the CE?

A28. Conservation easement may be modified or terminated by court order on proof that the modification will be beneficial to the persons principally interested in its enforcement, or under proof that the easement conflicts with a land use bylaw or statutory plan under Part 17 of the Municipal Government Act.

Again, it appears that you may have referenced Alberta legislation. There is no "Municipal Government Act" in Ontario. The applicable statute is the "Municipal Act" and Part XVII of the Municipal Act does not reference Conservation Agreements. I did note that Alberta's statute is the "Municipal Government Act" and that Part 17 of that Act seemed to be the genesis of your question.

Q29. What happens if the grantee were to go under (have no funds/staffing to continue to monitor the CE)?

A29. The Conservation Land Act provides that the Conservation Agreement will be assigned to a conservation body that is solvent and able to continue enforcement of the agreement. It is not unusual for a landowner to retain some control on the conservation body to whom the agreement may be assigned. In all likelihood, the Club would want the Conservation Agreement to be assigned to a land trust or similar body as opposed to other organizations that qualify as a conservation body. In our investigations regarding conservation agreements we understand that such a provision would be acceptable. Further, by example, at our last public meeting regarding this proposal, Bill Lougheed indicated that GBLT has agreed to this type of provision in several of the conservation agreements to which it is a party.

Q30. And, finally, in my opinion, the most important question: is there history or precedent that a government could take over the lands held through a CE (expropriate for their purposes), realizing, of course, that the Club owns the lands? I suppose the question should be, does a CE change this potential risk (i.e. make it greater or less than the existing risk of expropriation by government)?

A30. There is no basis for concluding that a Conservation Agreement would affect, positively or negatively, the risk of expropriation.