

LICENCE C016

Pursuant to:

The Integrated Solid Waste and Resource Management Plan for Metro Vancouver and the Greater Vancouver Sewerage and Drainage District Municipal Solid Waste and Recyclable Material Regulatory Bylaw No. 181, 1996 (as amended) and the BC Environmental Management Act, S.B.C. 2003, c.53

Issued to:

Enviro-Smart Organics Ltd. (the "Licensee")

To Authorize:

the operation of a Composting Facility

Located at:

4295 72nd Street, Delta, BC V4K 3N2 (the "Facility")

Effective Period:

The terms and conditions set out in the Licence apply to the existing or planned Facility as of July 01, 2016

All previous versions of this Solid Waste Licence are hereby rescinded and rendered null and void.

Issued: Amended: March 17, 2011 June 08, 2016 Rick Laird
Deputy Solid Waste Manager

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1. GENERAL

If any portion of this Licence is deemed *ultra vires*, illegal, invalid or unenforceable in any way in whole or in part by any court of competent jurisdiction, such decision shall not invalidate or void the remainder of this Licence, the parts so held to be *ultra vires*, illegal, invalid or unenforceable shall be deemed to have been stricken therefrom with the same force and effect as if such parts had never been included in this Licence or revised and reduced in scope so as to be valid and enforceable.

2. DEFINITIONS AND INTERPRETATION

In this Licence terms defined in the Bylaw shall have the same meaning for the purpose of this Licence unless otherwise defined in this Licence and,

"Bulk Liquids" means liquids such as, but not limited to, milk, fruit drinks, soft drinks, alcoholic beverages, energy drinks, and restaurant slurries in volumes greater than 50 Litres

"Co-composting" means the composting of Municipal Solid Waste with agricultural waste, industrial waste, and/or bulk liquids

"Compostable Material" means any organic material, substances, or objects that can be used for composting, and does not include Finished Compost

"Composting" means the biological decomposition of organic materials, substances or objects under controlled circumstances to a condition sufficiently stable for nuisance-free storage and safe use in land applications

"Finished Compost" Means compost that has biologically decomposed to a sufficient degree that the product has beneficial value to plant growth, and can be stored, handled and used without giving rise to odour or self-heating problems, even if it should become wet. "Finished Compost" must be highly stabilized indicated by the following:

- (1) the product will not reheat upon standing to greater than 20 degrees Celsius above ambient temperature, or
- (2) the product has shown a reduction of organic matter of greater than 60% by weight

"Fish Waste" means fish carcasses and parts from harvested wild stocks of aquatic animals, commercial aquaculture operations and fish processing facilities

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"Food Waste" means recyclable food for humans including meat, fish, fat, dairy products, bread, baking products, fruits, and vegetables, whether cooked or uncooked that has been diverted from residential, commercial and institutional sources but does not include liquids such as fruit drinks, milk, soft drinks, etc.

"GVS&DD" means Greater Vancouver Sewerage and Drainage District

"Hazardous Waste" shall have the same meaning as defined by the Environmental Management Act Hazardous Waste Regulation, B.C. Reg. 63/88

"Municipal Solid Waste" shall have the same meaning set out in section 23 of the Environmental Management Act

"Packaged Organic Waste" means organic waste and the associated packaging

"Packaging" means a product made from material such as paper, glass, plastic, aluminium and wood that is used for the containment, protection, handling, delivery and presentation of organic waste received

"Positive/Negative Aeration" means forcing (positive) or pulling (negative) air through a compost pile

"Quantity" (singular or plural) includes any gases, liquids, or solids intermingled with Municipal Solid Waste and Recyclable Material

"Recyclable Material" shall have the same meaning as defined in the Bylaw

"Residual Waste" means solid waste remaining after reduction, reuse, recycling, recovery, or other activities conducted at a Facility, for which disposal is required

"Soiled Paper" means manufactured thin sheets of wood pulp or other fibrous substances that may be converted into reusable materials such as newspapers and inserts, magazines, telephone directories, catalogues, office papers, envelopes, boxboard, paper bags, carbon paper, tissue paper, paper napkins or towels, gable top paper containers such as milk cartons and paper that is covered or infused with wax, that is soiled by or commingled with Food Waste. Soiled Paper does not include photographic paper, paper that is adhered to plastic or metal or composite paper products such as tetrapak containers

"Waxed Corrugated Cardboard" means sheets of multilayered wood pulp or other fibrous substances that are covered or infused with wax

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"Yard Waste" means vegetative matter resulting from gardening, horticulture, landscaping or land clearing operations, including materials such as tree and shrub trimmings, plant remains, grass clippings, trees and stumps, but does not include demolition waste, contaminated organic matter or significant amounts of animal feces

3. MATERIAL BANS

Disposal of the following materials are banned or restricted. They are either recyclable or hazardous.

- Yard Waste
- Newspapers
- Corrugated Cardboard
- Office Paper
- Gypsum Waste
- Lead Acid Batteries
- Electronic Waste
- Paints Solvents and Flammable Liquids
- Clean Wood Waste

- Medications/Pharmaceuticals
- Blue Box Recyclable Material
- Beverage Containers (all except milk)
- Tires
- Oil Filters and Empty Oil Containers
- Pesticides, Solvents and other Household Hazardous Waste
- Mattresses
- > Food Waste

All reasonable efforts shall be made to recover Recyclable Material from all materials received at the Facility, for the purpose of recycling.

4. FACILITY

4.1. Location of Authorized Facility

The operation of the Facility to which this Licence applies shall be restricted to the land legally described as Parcel Identifier: 024-632-091, and legal address Lot 1, Plan LMP43954, District Lot 179 & 180, Group 2, New Westminster Land District.

4.2. Access

The Licensee shall provide locking gates on all entrances to prevent unauthorized access and ensure that they are locked at all times the Facility is unattended. Access routes to and through the Facility shall be constructed from suitable material satisfactory to the Solid Waste Manager and capable of providing all

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weather access for all emergency vehicles. The Licensee may be required by the Solid Waste Manager to provide fencing, trees, shrubbery, or natural features so as to limit access to the Facility.

4.3. Signage

The Licensee shall ensure that at all times the Facility has a sign posted at the entrance clearly identifying the name and address of the Facility, owner and operator, contact phone number, emergency phone number, hours of operation and information on acceptable and unacceptable materials. This sign shall be of a size and have print that is easily readable from the Facility entrance. Additional signs which clearly indicate the direction to the active receiving areas, tipping area, recycling and waste separation areas, etc. may be required by the Solid Waste Manager.

4.4. Communications

The Licensee shall ensure that at all times the Facility has telephone or other communication equipment to immediately summon fire, police or emergency service personnel in the event of an emergency.

4.S. Facility Works

The works pertaining to this Licence include, but are not limited to:

- a leachate collection system and aerated clay lined pond
- a weigh scale
- · existing treed earth berms along the north and east perimeters
- mechanical de-packaging equipment located in the partially enclosed receiving building
- mechanical windrow turner
- mechanically aerated, partially enclosed primary composting building (2).
- on-site weather station
- on-site windsock
- partially enclosed receiving building
- paved site graded to direct surface water to catch basins and leachate sump.
- static pile, mechanically aerated, partially enclosed primary composting building (1).

The Licensee shall ensure that all facility works are maintained in good working order at all times. The Solid Waste Manager may require the Licensee to repair, alter, remove, improve or add to works or construct new works.

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S. OPERATING REQUIREMENTS

5.1. Acceptable Material

The Facility may accept for Composting purposes the following types of Compostable Material which are considered Municipal Solid Waste:

- (1) Food Waste
- (2) Yard Waste
- (3) Soiled Paper
- (4) Packaged Organic Waste
- (5) Waxed Corrugated Cardboard
- (6) clean wood waste that has not been treated with anti-sapstain or other wood preserving chemicals
- (7) other materials specifically authorized in writing by the Solid Waste Manager and such authorization shall be deemed to form part of this Licence.

For Co-composting purposes, the Facility may accept the following types of Compostable Material which are not considered Municipal Solid Waste:

- industrial organic waste, other than that specifically excluded in Section 5.2
- (2) agricultural organic waste, other than that specifically excluded in Section 5.2
- (3) Bulk Liquids, and
- (4) other materials specifically authorized in writing by the Solid Waste Manager.

The Facility shall not accept any materials authorized under 5.1 while the Facility's primary composting aeration system is non-functional.

5.2. Unacceptable Material

The Facility shall not accept:

- (1) any other waste not authorized in Section 5.1 of this Licence and specifically not:
- (2) Hazardous Waste
- (3) Biosolids, wastewater treatment plant sludge, grit, and screenings.
- (4) dead animals, abattoir waste, hatchery waste, Fish Waste and chicken manure
- (5) wood other than clean wood waste that has not been treated with anti-sapstain or other wood preserving chemicals

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Unacceptable Material entering the Facility or observed upon receipt at the Facility shall be refused and removed from the Facility by the hauler immediately. Unacceptable Material discovered at a later time, shall be segregated from other waste material and removed within 48 hours of its discovery, unless a separate legislative regime applies with respect to removal, such as that applicable to Hazardous Waste.

5.3. Quantities

The Quantity limits outlined in this Licence shall apply regardless of the state, condition, or form of the Municipal Solid Waste and Recyclable Material.

The Quantities that may be accepted at the facility shall not exceed:

(1) Compostable Material

1,298 metric tonnes per day

(2) Compostable Material

411 metric tonnes per day averaged annually

The Quantity of Compostable Material that may be at the Facility at any given time shall not exceed 124,670 cubic metres.

The Quantity of packaging that may be at the Facility at any given time shall not exceed 15 cubic metres.

The Solid Waste Manager may require the Licensee to retain a British Columbia Land Surveyor, or other qualified professional satisfactory to the Solid Waste Manager, to carry out a survey of the Quantity of Municipal Solid Waste and Recyclable Material at the Facility, and submit the results of the survey to the Solid Waste Manager. If the survey results indicate the Quantity of Municipal Solid Waste or Recyclable Material at the Facility exceeds the authorized volume in cubic metres, the Licensee shall refrain from accepting the specified Municipal Solid Waste or Recyclable Material until such time as the Quantity is less than the authorized volume in cubic metres.

5.4. Weigh Scale

The Licensee shall operate and maintain a weigh scale that records in 10 kg increments and is approved by Consumer and Corporate Affairs – Weights and Measures Section. All loads of Municipal Solid Waste and Recyclable Material received at the Facility and all loads of Recyclable Material and Residual Waste removed from the Facility shall be weighed and recorded.

5.5. Supervision and Load Inspection

An attendant employed by the Licensee shall be present at all times that the Facility is open for business or accepting material and shall inspect every load entering the Facility before and after unloading to ensure it complies with the requirements of this License before mixing with any other loads. A record

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shall be maintained of rejected loads including date, time, type of material, hauler's name, and vehicle licence number.

5.6. Material Handling and Storage

All incoming Municipal Solid Waste and Recyclable Material shall be weighed and recorded indicating the quantity of materials received at the Facility. After the weights of the materials are recorded, all materials are to be received and managed in the designated areas. All storage of materials to be used as feedstock, primary composting, secondary curing and storage of finished compost shall be contained within the partially enclosed buildings or on the paved surface area within the Facility.

Highly volatile or odourous organic wastes are to be mixed with high carbon content Compostable Materials within four hours and put onto mechanically aerated cells in the primary Composting buildings within 24 hours of receipt.

Between August 1 and September 30, loads with mixed Food Waste and Yard Waste are to be put onto aerated cells in one of the primary composting buildings within 4 days of receipt.

Between October 1 and July 31, loads with mixed Food Waste and Yard Waste are to be put onto aerated cells in one of the primary composting buildings within 7 days of receipt.

Any loads containing Food Waste that have not been put onto mechanically aerated cells in the primary composting buildings by the end of the business day shall be capped with a cover of cured compost, sawdust, chipped wood waste or other suitable organic matter.

Primary composting is to be carried out by an aerobic static pile aeration method in building one and by a positive/negative aeration with turning system in building two. After compostable material is received, prepared and blended it shall be placed in composting building 1, bays 1 through 5, or composting building 2 to complete the pathogen reduction process. The material in bays 1 through 5 shall then be moved to bays 6-10 to increase oxygen exposure. Optimum moisture, temperature and oxygen levels and porosity are to be maintained at all times.

Once primary composting has been completed, composting materials are to be formed into windrows in the secondary curing area on the open, paved surfaces within the Facility. Secondary windrows are to be cured for a minimum of 21 days. Curing windrows are to be turned on a regular basis to ensure optimum oxygen and temperature levels in the piles. A cover of cured compost, sawdust, chipped wood waste or other sultable organic matter shall be used to cap curing windrows, depending on active stage, age and odour of the windrow.

All Compostable Materials and unfinished compost shall be stored on paved surfaces within the Composting Facility.

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All materials in the Facility shall be managed in a manner to minimize vector attraction. Compostable Material listed in Section 5.1 of this Licence that is not suitable for composting, sale, or use, must be segregated from the Composting Facility and removed immediately.

Customers discharging Municipal Solid Waste or Recyclable Material at the Facility, after the Facility is closed to the public, shall be pre-approved by the Facility Operator.

5.7. Operating Practices

Operating practices such as, but not limited to the following, shall be employed:

- in the receiving building; odourous feedstocks shall be covered with a layer of sawdust within 4 hours of receipt,
- (2) maintaining optimum C:N ratios in composting mixes,
- (3) maintaining appropriate oxygen, temperature, moisture and porosity in composting materials,
- (4) maintaining a cover of cured compost, sawdust, chipped wood waste or other suitable organic matter on piles of composting materials in primary composting building 1: bays 1-5,
- (5) limiting the turning of windrows to times when the winds are favourable,
- (6) in the secondary curing area, windrows shall be capped with cover of cured compost, sawdust, chipped wood waste or other suitable organic matter depending on the active stage of the windrow,
- on an as needed basis; clean sawdust, chipped wood waste or other suitable organic matter shall be used to soak up standing pools of leachate on the paved surfaces,
- (8) Leachate and storm water from the paved portion of the site is directed to catch basins and a leachate sump in the paved windrow area. All combined leachate and storm water is pumped into the aerated clay lined pond,
- (9) maintaining the leachate pond aeration system to ensure it remains functional, and
- (10) in the primary composting buildings; the programming of the air blower on/off cycles shall take into account critical times of the day and night.

De-packaging Practices

- (1) packaged organic materials shall be received in the receiving building, sorted manually to remove cardboard etc., then loaded into the mechanical separator, located in the building, to separate organics from the packaging material,
- (2) Separated organics shall be collected in the covered de-packaging area on the west side of the receiving building and managed in accordance with section 5.8,
- (3) non-organic residuals shall be delivered to appropriate authorized recycling facilities, if appropriate, non-recyclable Residual Waste shall be delivered to an appropriately authorized facility for disposal,

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(4) the receiving building shall be washed down at regular intervals with the run-off being discharged to the leachate pond.

Bulk Liquid Practices

- (1) Bulk Liquids shall be pumped directly from the tanker truck or tote in which it was received onto the recently ground mixed organics prior to being transferred from the mixing area to one of the primary composting buildings,
- (2) liquids obtained through the de-packaging process shall be removed from the de-packaging discharge area using a front loader and applied to recently ground organics prior to being transferred to one of the primary composting buildings,
- (3) liquids received in excess of those that can be applied directly to the mixed organics will be mixed with manures and wood residuals to be added into the initial mixing of organics prior to be placed in the primary composting buildings as required to ensure optimum composition,
- (4) the moisture content of the resulting mix will be tested by the hand-squeeze quick test method and the mix altered by the addition of further liquids, water or dry organics, as required, to obtain the optimum levels for composting.

The Licence does not authorize the discharge of air contaminants, including odourous substances, from the facility.

5.8. Drainage

The Licensee shall ensure that all storm water and other runoff from the composting operation and buildings and paved open surface areas of the windrow and finished compost storage areas are collected and directed to the on-site leachate collection system. Leachate generated in the receiving building shall be directed to the leachate collection system. Leachate generated in the primary composting buildings shall be collected in channels cast in place on the buildings floors and directed to the leachate sump. Storm water, runoff and leachate generated in the paved secondary curing area shall be directed to a collection system consisting of three catch basins and a leachate sump and then pumped into the mechanically aerated, clay lined leachate pond. The Licensee shall maintain all collection channels, catch basins and the sump area to ensure proper drainage. The sump pump shall be maintained in good working condition. The Licensee may be required by the Solid Waste Manager to provide groundwater and surface water monitoring information.

This Licence does not authorize the discharge of liquid waste from the Facility to the sanitary sewer, storm sewer or the environment.

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5.9. Hours of Operation

Subject to municipal bylaws, zoning requirements, or the notification provided for below, the Facility shall only operate or allow access to vehicles transporting Municipal Solid Waste or Recyclable Material to the Facility as follows:

Operating Hours:

Monday to Sunday

24 hours

Receiving Hours:

Monday to Friday Saturday

7:00 AM to 6:00 PM 7:00 AM to 5:00 PM

Operating hours apply to operator and deliveries.

Receiving hours apply to the public.

The Licensee shall notify the Solid Waste Manager (facsimile number: 604-436-6707) in writing during regular business hours at least 24 hours in advance of operating outside of these specified times. Notices received outside of regular business hours will be deemed to have arrived at the beginning of the next business day. This notice shall include the specific date and times that the activity will occur outside of these hours. The Licensee shall also notify the municipality in which the facility is located of any changes to these specified times.

S.10. Monitoring and Assessments

The Licensee may be required by the Solid Waste Manager to undertake or provide the following monitoring or assessment requirements, including, but not limited to:

- (1) an environmental impact assessment,
- a survey of waste Quantities,
- (3) groundwater, surface water, run-off, or leachate monitoring, and
- (4) any other investigations, tests, or other actions in accordance with methods and procedures approved by the Solid Waste Manager.

Any assessments, investigations, tests, surveys and other actions may be required by the Solid Waste Manager to be undertaken by an independent third party acceptable to the Solid Waste Manager.

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5.11. Area Maintenance, Vector and Nuisance Controls

- (1) The Licensee shall maintain public and private roadways within 100 metres of the Facility free from litter, mud or debris which may be directly attributed to the Facility, its customers, or its suppliers.
- (2) The Licensee shall control litter by way of litter control fences or barriers, litter pickup, or any other measures deemed necessary by the Solid Waste Manager.
- (3) The Licensee shall maintain the Facility in a sanitary condition, minimize the number of vectors on site. A competent pest control firm shall be engaged to monitor, provide traps, and regularly bait traps to acceptably manage insects and rodents. Birds at the Facility are controlled under Migratory Bird Damage or Danger Permit No. BC-DA-0087-15.
- (4) The Licensee shall prevent nuisance occurrences by way of best operating practices, control works or any other measure deemed necessary by the Solid Waste Manger.

This Licence does not authorize the discharge of air contaminants, including dust and odourous substances, from the Facility.

5.12. Burning Prohibited

Burning of any material at the Facility is prohibited.

5.13. Fire Protection

The Licensee shall provide and maintain an adequate water supply or equivalent on site for extinguishing any fires, should they occur.

In the event of a fire the Licensee shall:

- (1) immediately notify the local fire department and the Solid Waste Manager (telephone number: 7:30 AM 11:30 PM 604-436-6777, 11:30 PM 7:30 AM 604-643-8488, facsimile number: 604-436-6707, email: regulationenforcement@metrovancouver.org), and
- (2) take all measures necessary to extinguish the fire.

5.14. Emergency Conditions

In the event of an emergency or condition beyond the control of the Licensee which prevents the effective operation of the Facility or works the Licensee shall:

(1) immediately notify the Solid Waste Manager (telephone number: 7:30 AM - 11:30 PM 604-436-6777, 11:30 PM - 7:30 AM 604-643-8488, facsimile number: 604-436-6707, email: regulationenforcement@metrovancouver.org), and

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(2) take all necessary action to resolve the emergency or condition to return the Facility to effective operation.

Notwithstanding 1 and 2 above, the Solid Waste Manager may specify contingency actions to be implemented while the works and/or standard operating procedures are being restored.

5.15. Closure Plan

The Licensee shall notify the Solid Waste Manager of plans and dates regarding the closure of the Facility. This notification is to occur at least 30 days prior to the closure of the Facility. The Licensee shall provide all haulers 30 days notice to find alternative Municipal Solid Waste and Recyclable Material facilities, prior to closure of the Facility. In the event of permanent closure, all equipment shall be dismantled and removed from the Facility, materials ready for market shall be shipped, and any Municipal Solid Waste shall be disposed of at an authorized facility.

6. INSPECTIONS

6.1. Inspections

The Licensee shall conduct daily inspections of the Facility. These inspections shall include building, machinery, Facility Works, equipment, site drainage, security features, nuisance control works, vector abatement systems and litter controls. The Licensee shall ensure all are maintained in good working condition. The results of the inspections are to be recorded. Any defective conditions shall be corrected or repaired promptly. In addition, routine maintenance on machinery and equipment shall be conducted as specified by the manufacturers and recorded. Inspection reports and routine maintenance records shall be retained for a minimum of three (3) years and made available for examination if required by the Solid Waste Manager or an Officer.

7. REPORTING

7.1. Quarterly Reporting of Quantities

The Licensee shall record the Quantity and type of Compostable Material received at the Facility, the Quantity of Finished Compost and Residual Waste for disposal, shipped from the Facility each day. Records of monthly Quantities of Compostable Material received, Finished Compost shipped and Residual Waste disposed from the Facility shall be suitably tabulated and submitted to the Solid Waste Manager on a quarterly basis by the end of January, April, July and October of each year for the preceding calendar quarter of operation.

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The reports shall be submitted electronically using the supplied password-enabled web based application.

7.2. Record Keeping

The Licensee shall retain, for the previous three (3) years of operation, the following at 4295 72nd Street, Delta and shall produce the same for examination if required by the Solid Waste Manager or an Officer:

- (1) a copy of this Licence
- (2) copies in electronic or hard-copy form of records and other evidence for the previous year of operation relating to the quantity and type of
 - (a) Compostable Material received at the Facility
 - (b) residues or rejected material from the composting Facility delivered to a disposal Facility
 - (c) Finished Compost shipped from the Facility
- (3) records of inspections of the Facility, building, machinery, equipment, Facility Works, site drainage, security features, nuisance control works vector abatement systems and litter controls
- (4) records of rejected loads including date, time, type of material, hauler's name, and vehicle licence number for the previous year of operation
- (5) any other records required by the Solid Waste Manager

8. TERMS

8.1. Notification of Change of Ownership or Control of the Licence

The Licensee shall notify the Solid Waste Manager of a change in the ownership, or control of the Facility, or any change in control of the Licensee. This notification shall be provided at least one month prior to the change. A transfer or assignment of a Licence is without effect without the prior written approval of the Solid Waste Manager.

8.2. Notice

Any notice required to be delivered to the Licensee under this Licence shall be delivered or deemed to have been delivered if such notice is:

(1) mailed by registered mail to the registered or records office of the Licensee or to the address the Licensee is authorized to operate,

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- (2) delivered to the registered or records office of the Licensee.
- (3) delivered to an adult individual at the Facility who appears to be an employee of the Licensee or appears to be in control of the Facility,
- (4) delivered to a director, officer, liquidator, trustee in bankruptcy or receiver manager of the Licensee, or
- (5) posted on the door or gate of the Facility, where no one is present at the Facility or the Facility appears to be abandoned.

8.3. Suspension and Cancellation

This Licence may be suspended or cancelled in accordance with the Bylaw.

9. SECURITY AND PERFORMANCE

As a condition of this Licence, the Licensee shall provide and maintain security as described in this Section 9. The security shall remain in place until the Licensee has completed the Facility closure to the satisfaction of the Solid Waste Manager.

9.1. Purpose of Security

The purpose of the security is as follows:

- (1) to indemnify the GVS&DD for any expenses arising out of default by the Licensee under this Licence,
- (2) to remove, process, treat, or utilize Municipal Solid Waste or Recyclable Material at the Facility,
- (3) to control or stop the escape of leachate or contaminated run-off from the Facility,
- (4) to remediate the site following a fire at the Facility,
- (5) to cover expenses, including legal expenses, incurred by the GVS&DD in
 - (a) carrying out the activities described in this section 9, and
 - (b) enforcing or complying with any laws or enactments of the GVS&DD as they relate to the administration of this Licence,
- (6) to pay outstanding fees required under the Bylaw,
- (7) to complete Facility closure, and
- (8) to conduct remedial work that may be necessary to rectify a continuing default by the Licensee under this Licence.

To the extent that remedial work is required, the Licensee agrees to permit and grant access to the GVS&DD, its employees, agents and contractors, on and to the site of the Facility to carry out such remedial work as may be necessary.

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9.2. Nature of Security

The security shall be in the amount of \$163,713.00 or adjusted pursuant to Section 9.3, and shall be provided and maintained as follows:

- (1) The first \$5,000.00 shall be provided in the form of cash or an irrevocable Letter of Credit provided by a Canadian Chartered Bank. The Letter of Credit shall be irrevocable and may be drawn upon by written demand of the Solid Waste Manager. The Letter of Credit shall be issued in favour of the Greater Vancouver Sewerage and Drainage District and shall be in a form satisfactory to the Solid Waste Manager, and
- (2) The balance of the security shall be provided and maintained in any of the following forms:
 - (a) cash,
 - (b) an increase in the value of any Letter of Credit provided under subsection (1) to the full amount of the security,
 - (c) a trust fund,
 - (d) a surety bond, and
 - (e) any other form satisfactory to the Solid Waste Manager.

The instrument referred to in (b), (c), and (d) shall be provided in a form satisfactory to the Solid Waste Manager.

9.3. Review of Security

The amount of security required under this Licence may be reviewed and adjusted periodically at the sole discretion of the Solid Waste Manager at any time during the term of this Licence.

9.4. Conditions for Drawing on Security

If the Licensee defaults under or fails to comply with any provision of this Licence and does not cure the default or failure within the time specified by the Solid Waste Manager, in a written notice delivered to the Licensee informing the Licensee of such default or failure, the security may be drawn upon and used at the discretion of the Solid Waste Manager, acting reasonably, for the following purposes set out in Section 9.1.

Nothing in this Licence shall obligate the GVS&DD to draw on any security provided under this Licence or undertake any action to cure any default or failure of the Licensee. The exercise by the GVS&DD of any power to cure any default or failure by the Licensee under this Licence shall not create any obligation or liability on the GVS&DD to complete the curing of any default or failure or to complete the Facility closure.

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If all or any portion of the security is drawn upon, the Solid Waste Manager may require the Licensee to replenish or adjust the security as outlined in Sections 9.2 and 9.3.

9.5. Conditions for Returning Security

The security, or any balance remaining after it may have been drawn upon in accordance with the terms of this Licence, will be returned to the Licensee upon the Licensee completing the Facility closure to the satisfaction of the Solid Waste Manager.

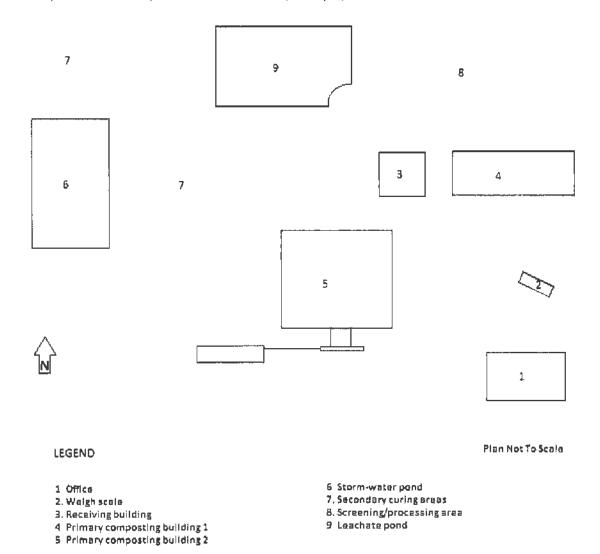
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10.SITE PLAN(S)

Lot 1, Plan LMP43954, District Lot 179 & 180, Group 2, New Westminster Land District



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