



June 22, 2007

David L. Hahn President & CEO British Columbia Ferry Services Inc. 1112 Fort Street Victoria, BC V8V 4V2

Dear David:

RE: Terms and Conditions on Use of Vancouver 2010 Olympic and Paralympic Logos/Decals

This letter outlines the conditions associated with Vancouver 2010's (VANOC) authorization of British Columbia Ferry Services Inc. (BC Ferries) to utilize the official logo of the Vancouver 2010 Olympic and Paralympic Winter Games on the three new Super C vessels that are currently under construction in Germany.

On both sides of the hull, the Super C vessels must display the Vancouver 2010 Olympic and Paralympic logos and large photographic decals promoting the Olympic and Paralympic Games in British Columbia. All Olympic and Paralympic photos, logos and the location of their application must be approved by VANOC. The license to use Vancouver 2010 Olympic and Paralympic logos on these ships in accordance with this letter is for a period commencing now through to December 31, 2010. As soon as commercially feasible after December 31, 2010, BC Ferries will discontinue use of the logos on the ship wraps, provided however that in no event will the logos continue to appear on the ship wraps after March 31, 2011. Except for the use of the Vancouver 2010 Olympic and Paralympic logos on ship wraps as contemplated in this letter, BC Ferries fully understands further use of such logos or any other Olympic or VANOC marks and further association with the 2010 Winter Games is strictly prohibited.

As a requirement of the above authorization, BC Ferries must do the following:

Bear all costs for the design, supply and application of the photographic decals.

To touch the soul of the nation and inspire the world by creating and delivering an extraordinary Olympic and Paralympic experience with lasting legacies.

Exalter l'âme de la nation et inspirer le monde entier grâce à l'organisation et à la tenue de Jeux olympiques et paralympiques extraordinaires qui laisseront un héritage durable.

Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games (VANOC) Comité d'organisation des jeux olympiques et paralympiques d'hiver de 2010 à Vancouver (COVAN)

VANOC

3585 Graveley Street

Vancouver, BC Canada V5K 5J5

Vancouver Toll free / Sans frais Fax / Télécopieur

778 328 2010 1877 408 2010 778 328 2011

3585, rue Graveley Vancouver, C.-B. Canada VSK 5JS Vancouver2010.com





- Organize and pay for a major international media event to be held in Germany as part of the unveiling of each vessel at a combined "order of magnitude" cost of \$850,000. As this event will be covered by international media, the program must highlight Canadian athletes and the 2010 Winter Games in British Columbia.
- Work with VANOC to coordinate the use of the vessels as backdrops at a
  minimum of four Olympic media events to take place during the delivery of the
  vessels to British Columbia. While not responsible for the cost of these en-route
  media events, BC Ferries will bear any extra costs associated with the delivery
  of the vessels and will be responsible for their own attendance costs.

Should you have any questions, please do not hesitate to contact me at 778-328-4071.

Yours very truly,

VANCOUVER ORGANIZING COMMITTEE FOR THE 2010 OLYMPIC AND PARALYMPIC WINTER GAMES

per:	
FOIPP s.22	
Dave Cobb	

**Executive Vice President** 

### *≈*BCFerries

Services Contract				
British Columbia Ferry Services Inc. ("BC FERRIES") 1112 Fort Street Victoria, British Columbia V8V 4V2	3M Canada Company The "CONTRACTOR" at the following address: 804 Carleton Court Anacis Island, New Westminster V3M 3M1			
Attention: Paul Madsen	Attention: FOIPP s.22			
Telephone: (250) 978-1305	Telephone:			
Facsimile: (250) 381-6282	Facsimile:			
Reference PO #				
BC FERRIES AND THE CONTRACTOR AGREE TO THE TERMS AI INCLUSIVE IN THIS AGREEMENT AND IN THE SCHEDULES OUT				
SCHEDULE "A" - SERVICES				
(a) Services: To supply full imaged graphics for application or Germany.	n three Super C Class ferries. Graphics are to be shipped FOB			
(b) Term: From S.21 to	s.21			
SCHEDULE "B" - CONTRACT PRICE (a) Maximum Contract Price: \$   per ferry, total Contract Price for three ferries is   S.21  (b) "Billing Date": Invoices and Confirmation of Services Rendered shall be submitted at the completion of Services (and no later than 15 calendar days after completion of the graphics application) detailing the Services completed and/or the number of hours/days devoted thereto.				
(b) Fee: \$ per for actual services rendered only. Not Applicable	(e) Payment Terms: Unless otherwise set out in an Addendum to Schedule "B", upon receipt of an invoice and Confirmation of Services Rendered detailing the Services performed, payment shall be			
(c) Approved expenses, not to exceed: §  Not applicable	made net 30 days after receipt and approval of the invoice.			
SCHEDULE "C" - APPROVED SUBCONTRACTOR(S) None.				
SCHEDULE "D" INSURANCE				
AS SET OUT IN ADDENDUM TO SCHEDULE "D" - IN	SURANCE			
SCHEDULE "E" - ADDITIONAL TERMS Graphics are subject to a four year warranty as outlined in the	attached Addendum to Schedule "E".			

### TERMS AND CONDITIONS

### THE CONTRACTOR

### 1. The Contractor will:

- (a) provide to BC Ferries the services listed in Schedule "A" hereto and all other services as are necessarily incidental thereto (the "Services"), during the Term, for the Contract Price established in Schedule "B" in accordance with the terms and conditions of this Agreement, including the Addendum to the Schedules (if any) attached, notwithstanding the date of the execution and delivery of this Agreement;
- (b) supply at its own expense all labour, materials and approvals necessary to perform the Services except as specifically set forth herein;
- (c) Intentionally deleted
- (d) comply with all applicable laws, regulations, and requirements of federal, provincial, municipal and other governing authorities;
- (e) comply with all statutory occupational health and safety requirements under or in connection with the Workers Compensation Act (British Columbia) in performance of the Services and the Contractor represents and warrants to BC Ferries that it is in compliance with all requirements of the Workers Compensation Act (British Columbia), including registration;
- (f) Intentionally deleted.
- (g) not assign this Agreement nor subcontract (other than as agreed to herein) any right, duty or obligations hereunder to any person, firm or corporation without the prior written consent of BC Ferries and any attempt to so assign or subcontract without such consent of BC Ferries shall be mull and void and of no effect;
- (h) at all times maintain the industry standard of care, skill and diligence in performance of the Services, warranting that the Services shall be performed to the standard of experienced professionals in the Contractor's field;
- (i) ensure that all persons employed or engaged by it to perform the Services have the qualifications, experience and capabilities necessary to perform the Services taking all reasonable steps to insure that such persons perform the Services to the industry standard of care, skill and diligence of experienced professionals in the Contractor's field;
- (j) establish and maintain records, as reasonably required by BC Ferries from time to time;
- (k) not advertise or otherwise publicize its working relationship under this Agreement without the prior written consent of BC Ferries;
- (1) indemnify BC Ferries, its directors, officers, employees, agents, servants and assigns from and against direct losses, claims, damages, actions, causes of action, costs and expenses that BC Ferries may sustain, incur, suffer or be put to at any time either before or after the expiration or termination of this Agreement, where the same or any of them are based upon, arise out of or occur, directly, by reason of any negligent act or omission of the Contractor or any of the Contractor's agents, employees, directors, officers, or subcontractors engaged in connection with the Services, including without limitation, any infringement of copyrights or licence rights by the Contractor, excepting always liability to the extent arising out of the independent wilful acts of BC Ferries. Neither party is liable for special, indirect, incidental or consequential damages arising out of this Agreement or the termination of this Agreement. This applies regardless of the legal theory asserted and even if the other party knows that these damages might occur. This section 1 (1) shall survive the expiry of the Term or the earlier termination of this Agreement;
- (m) during the Term of this Agreement, provide, maintain and pay for insurance in such form and amounts, with such deductibles, and according to the terms and conditions outlined in Schedule "D";
- (n) make application for, obtain and remit to BC Ferries any applicable refund or rebate of federal or provincial taxes or duties available with respect to any articles, materials, equipment or services used or provided under this Agreement; and
- (o) remedy deficiencies in the Services promptly in request by BC Ferries for a period of four years after the Term, at no charge to BC Ferries. This section 1 (o) shall survive the expiry of the Term of the earlier termination of this Agreement.
- The Contractor acknowledges and agrees that, at all times, BC Ferries has the right of control, review and prior approval with respect to the performance of the Services and may from time to time impose specific requirements and general procedures with which the Contractor must comply and without restricting the generality of the foregoing, BC Ferries may require that its approval of any particular stage of the Services be obtained before the Contractor continues to the next stage in the performance of the Services and such approval by BC Ferries shall not effect or diminish in any way the obligations and liabilities of the Contractor with respect to the Services set forth herein or otherwise arising, nor shall BC Ferries be deemed by virtue of this paragraph to be entitled to direct the Contractor as to the manner in which the Services are performed.
- 2A The Contractor shall provide guidance to Orca Maritime in the application of the graphics in Flensburg, Germany. Notwithstanding the foregoing, the parties acknowledge and agree that Orca Maritime in Flensburg, Germany shall be responsible for the application of the graphics pursuant to the terms of a separate contract between Orca Maritime and BC Ferries and that any problems, defective

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work, and damages associated with the application shall be governed by the agreement between Orca Maritime and BC Ferries and that Contractor shall not be responsible in any way for any claims, liabilities, costs, expenses, or damages resulting from the application of the graphics.

### THE CONTRACT PRICE

3. The amount payable to the Contractor in respect of the Services (for fees, expenses or otherwise) shall not exceed, in the aggregate, the Maximum Contract Price set out in Schedule "B", except if pre-authorized in writing by BC Ferries.

Where Schedule "B" provisions (b) and/or (c) apply, the Contractor shall be paid only for actual Services rendered, and, if

applicable, approved expenses incurred, up to the Maximum Contract Price pursuant to Schedule "B".

5. The Contractor will submit written statements of account in the form of an Invoice, referencing the PO number as noted herein, to BC Ferries commencing on the "Billing Date" and thereafter as specified in Schedule "B" and shall submit the original invoice directly to Accounts Payable located at 1112 Fort Street, Victoria BC, V8V 4V2. The Contractor will, in addition to the Invoice, submit written statements of account in the form of a Confirmation of Services Rendered referencing the PO number as noted herein and detailing the work performed, the amount invoiced including holdbacks (if applicable) and other information as may be reasonably required by BC Ferries. The Confirmation of Services Rendered is to be submitted to the BC Ferries Representative.

BC Ferries may, at its discretion, withhold from the Contract Price sufficient monies to indemnify BC Ferries completely against

any lien, claim or deficiency arising under this Agreement.

#### **BC FERRIES**

### 7. BC Ferries will:

(a) subject to the terms of this Agreement, on approval of an invoice and Confirmation of Services Rendered pay to the Contractor the Contract Price calculated per Schedule "B" and clauses 3 and 4 hereof, in full settlement for the Services and the Contractor will accept same as payment in full for the Services;

make available to the Contractor all available information considered by BC Ferries to be pertinent to the Services and

shall provide the Contractor with access to BC Ferries facilities and equipment as set out in Schedule "A".

### SUSPENSION OF WORK/TERMINATION

This Agreement shall automatically terminate upon expiration of the Term.

 Prior to the expiration of the Term, either party may, at its option, elect to terminate the Agreement, provided that the party electing to terminate provides the other with 30 days notice in writing, or payment in lieu of notice.

10. Either party may terminate this Agreement at any time, without notice or payment in lieu of notice, upon occurrence of any of the following:

(a) the other party fails to comply with any provision of this Agreement; or

(b) the other party becomes bankrupt or insolvent or subject to an assignment for the benefit of creditors of the Contractor.

11. Where either party fails to comply with the provisions of this Agreement, the other party may, in addition to terminating this

Agreement, pursue such other remedies as it deems necessary.

- 12. The parties expressly agree that upon termination of this Agreement at any time and for any reason, there shall be no monies owing or payable by BC Ferries to the Contractor other than monies already accrued and owing to the Contractor up to the date of termination.
- 13. BC Ferries may, at its option, suspend performance of the Services and payment of the Contract Price in the event of any problem or dispute arising between the Contractor and BC Ferries.

### **GENERAL**

14. The Contractor shall not be the employee or agent of BC Ferries and accordingly shall not purport to enter into any contract or subcontract on behalf of BC Ferries or otherwise act on its behalf. The Contractor hereby acknowledges that BC Ferries shall not be required on behalf of the Contractor to make remittances or payments required by statute of employers and that the Contractor and its employees shall not be entitled to any benefits provided by BC Ferries to its employees.

15. This Agreement is made and shall be interpreted in accordance with the laws of the Province of British Columbia and the laws of

Canada applicable therein.

16. Time shall be of the essence of this Agreement.

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- 17. Any notice required to be given hereunder shall be written and may be faxed, delivered by hand or mailed by prepaid registered mail to the addresses on the first page of this Agreement (or at such other British Columbia address as either party may from time to time designate in writing to the other); and any such notice mailed will be deemed to be received on the third business day after mailing (weekends, statutory holidays and days on which there is postal service disruption excepted).
- 18. If any provision of this Agreement is unenforceable or invalid for any reason whatsoever, such unenforceability or invalidity shall not affect the enforceability or validity of the remaining provisions of this Agreement and such provisions shall be severable from the remainder of this Agreement.
- No waiver by either party of any breach of a provision of this Agreement shall be deemed to be a waiver of any other breach of this
  Agreement.
- 20. Notwithstanding anything herein to the contrary, neither party hereto shall be deemed in default with respect to the performance of the terms, covenants, and conditions of this Agreement if the same shall be due to any reason beyond the reasonable control of the party including due to any strike, lockout, civil commotion, sabotage, governmental regulations or controls or acts of God. Any party affected by an event of Force Majeure shall give notice of such event to the others as soon as it becomes aware of such event and shall take all reasonable steps to mitigate the effects of such event.
- 21. All material, documents, manuals, reports, plans, records, specifications, data, drawings, and information specifically prepared or produced by or at the discretion of the Contractor directly in connection with the Services (collectively the "Material") shall belong exclusively to BC Ferries which shall be solely entitled to all patents, copyright, trademark and other intellectual property rights in respect thereof; provided that the Contractor is hereby granted a non-exclusive licence during the Term to prepare and use the Material in performing the Services. Such licence shall terminate upon the termination of this Agreement. No copies extracts or any other reproduction of any Material shall be made by the Contractor without the express written permission of BC Ferries. The Contractor hereby irrevocably waives all moral rights and rights of authorship or attribution that the Contractor may have in the Materials. The Contractor represents, warrants and covenants that the Materials as provided to BC Ferries do not and will not infringe the intellectual property rights of any other party.
- 22. Each party acknowledges that in the course of performing under this Agreement it may be given access to information that is necessary to perform under this Agreement that the other party deems to be confidential or proprietary. Provided that the disclosing party identifies such information as being confidential or proprietary at the time it is delivered to receiving party (all such identified information to be deemed "Confidential Information"), the receiving party agrees to treat and hold Confidential Information in confidence using the same degree of care that the receiving party uses to protect its own confidential and proprietary information, but never less than a reasonable degree of care. Each party's obligations under this Section shall not apply to any information or data which is public information on the date this Agreement is executed or becomes public information subsequent to such date through acts not attributable to a party or its employees, agents, representatives or subcontractors, or information that is independently developed without resort to information provided by the disclosing party. Other than the information that is required for the receiving party to perform under this Agreement, the disclosing party shall not provide any other confidential or proprietary information to receiving party without the prior written consent of the receiving party. The parties' obligations with respect to Confidential Information set forth in this Section shall remain in effect during the Term of the Agreement and for a period of two (2) years thereafter.
- 23. Upon request of BC Ferries, the Contractor shall permit BC Ferries to inspect, review, retain and/or copy all Material and upon the request of BC Ferries during the Term of this Agreement, or upon termination of this Agreement, the Contractor shall immediately deliver to BC Ferries any or all Materials or BC Ferries' Confidential Information, together with all copies thereof and extracts therefrom, which may be in the possession or under the control of the Contractor or its agents, employees or subcontractors. Upon termination of this Agreement, BC Ferries shall immediately deliver to Contractor any or all Contractor's Confidential Information, together with all copies thereof and extracts therefrom, which may be in the possession or under the control of BC Ferries or its agents, employees or subcontractors.
- 24. All assets and property provided by BC Ferries to the Contractor or any of the Contractor's agents, employees or subcontractors will be and remain the exclusive property of BC Ferries and shall be delivered by the Contractor to BC Ferries immediately upon BC Ferries giving notice of such request to the Contractor and shall be returned to BC Ferries forthwith upon the completion of the Services or earlier termination of this Agreement, in the same or better condition than they were at the time of delivery to the Contractor or its agents, employees or subcontractors.
- 25. No alteration or amendment to this Agreement shall be effective unless the same is in writing and duly executed by the parties hereto in the same manner as this Agreement.
- 26. This Agreement and related local purchase order(s) and any amendment made pursuant to section 25, constitute the entire Agreement between the parties.
- 27. Contractor makes this Agreement and performs all Services as an independent contractor. Contractor is not a partner, joint venture or franchisee of BC Ferries and neither party shall state or imply the contrary to anyone. The employees of Contractor are not for any purposes the employees of BC Ferries and the employees of BC Ferries are not for any purposes the employees of
- 28. Any determination by BC Ferties as to its consent shall be in its absolute discretion.

29. Where the Contractor is a limited company, the Contractor hereby represents and warrants to BC Ferries that the signatory has been duly authorized by the Commetor to enter into this Agreement without corporate scal on behalf of the said company. 30. The Contractor is required to ensure that all personal information is collected, used, disclosed, protected and retained in accordance with the Personal Information Protection Act (British Columbia), S.B.C. 2003, c. 63. This Agreement may be executed in counterparts, each of which when so executed shall be deemed to be an original and all of which taken together, shall constitute one and the same agreement. IN WITNESS WHEREOF the parties hereto have duly executed this Agreement the SIGNED AND DELIVERED on behalf of SIGNED AND DELIVERED on behalf British Culumbia Ferry Services Inc. by its of 3M Canada Company Authorized signatory by its authorized signatory. FOIPP s.22 FOIPP s.22 Per: Captain Trafford Taylor Name: Title: EVP New Vessel Construction & Industry Affairs

## ADDENDUM TO SCHEDULE "A" SERVICES

### (SECTION NOT APPLICABLE)

t.	Where the Contractor is a limited company, and a specific individual's expertise is required, the party designated to perform the services under this agreement is:				
		,			
	Description of Services: (if extra space is required from Page 1)				

### ADDENDUM TO SCHEDULE "B"

### CONTRACT PRICE

FEE DETAILS s.21	s.21	s.21
The price of for the Services is comprised of and insurance.	for materials and printing, plus	for freight
Terms are net 30 days		
APPROVED EXPENSES		
Other expenses may include taxes, and duties where applicable.		
Duty at 6.5% = S.21 VAT at 19% =		

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### ADDENDUM TO SCHEDULE "C"

APPROVED SUBCONTRACTORS

None.

### ADDENDUM TO SCHEDULE "D"

### **INSURANCE**

#### GENERAL:

- The Contractor shall, prior to commencement of the service and at his expense, obtain and maintain, until all
  conditions of the contract have been fully complied with, insurance coverage in wording and in amounts as
  hereafter specified unless altered by mutual agreement. Any additional coverage that the Contractor may deem
  necessary to fulfil his obligations under this contract shall be at the Contractor's own discretion and expense.
- 2. Payment of any deductible amount shall be the responsibility of the Contractor.
- General Conditions:
  - Insurance shall be placed with reliable insurers registered and licensed to issue insurance in Canada and acceptable to BC Ferries and shall be in a form acceptable to BC Ferries.
  - Before starting the work under this contract, the Contractor shall give BC Ferries proof of all specified insurance and when requested, within ten (10) working days thereafter, a certificate of insurance evidencing coverage.
  - Insurance shall run continuously from the start of the work to the expiry date, which shall not be less than ten (10) working days after completion of work.
  - The Contractor shall be responsible for all deductibles under policies and insurance provided by the Contractor.
- Loss or damage covered by an insurance policy shall not affect BC Ferries' or Contractor's rights and obligations
  under this contract. The Contractor's insurance shall be primary for any claims arising out of the Services under this
  agreement to the extent caused by the Contractor's and/or subcontractor's negligence or omissions.
  - If the Contractor fails to provide the specified insurance, BC Ferries may do so and deduct the costs from the Contract Price.
- 4. The Contractor shall provide an Insurance Certificate indicating that:
  - BC Ferries shall receive at least thirty (30) working days prior written notice of intended cancellation or material change.

### ADDENDUM TO SCHEDULE "D" cont.

### INSURANCE

	1.	Automobile insurance coverage shall be arranged with inclusive limits of not less than			
COMI	MER	CIAL GENERAL LIABILITY INSURANCE REQUIREMENT:			
	l.	Commercial General Liability coverage shall be arranged and shall include BC Ferries as an additional insured subject to the terms and conditions of the agreement and limited to the negligent acts or omissions of the Contractor and/or subcontractor.			
2.		Commercial General Liability coverage shall contain a separation of Insured and cross liability clauses.			
		Risks insured shall include personal injury, death and property damage including loss of use thereof. Minimum coverage is as follows:			
		• inclusive limits for bodily injury or property damage or both combined each occurrence, and			
		s.21			
		aggregate limits for products and completed operations, personal injury,			

# ADDENDUM TO SCHEDULE "E" ADDITIONAL TERMS

The full imaged graphics applied to the Super C class ferry are covered by warranty as attached hereto.

\_s.21



### 311

## **Commercial Graphics**

May 9, 2007

Program name:

**BC** Ferries

Subject:

Full imaged graphics applied to ship hull for Vancouver 2010

### Product information:

Film	3M™ Controltac Plus Film IJ180-10		
Ink.	3M™ Piezo Ink Jet Series 1500		
Printer	Vutek™ 150		
Overlaminate	3M™ Lustre Overlaminate 8519		
Edge Sealer	3M™ Edge Tape 8519 – 3" wide		
Substrate	BC Ferry painted metal with Epoxy paint and Clear Polyurethane Sealer  Integrity of paint layers on hull substrate is the responsibility of BC Ferries		
Warranty durability, vertical	FOIPP s.21		

(Version A Rev. 3)

### Special Notes and Recommendations:

- 1. The 3M™ MCS™ Warranty includes the following defects: excessive fading, discoloration, gloss changes and blistering. As graphics age, natural weathering occurs causing slight color changes. These changes are not evidence of product failure and are not covered by the warranty. If the 3M materials are defective under the warranty, 3M will refund the full purchase price of all 3M materials used to produce the graphics. Labor costs associated with the removal, remanufacture, and reapplication of the graphics are not included in this warranty.
- Graphics on a hull of a boat preferably should be greater than ten feet above the water line to avoid frequent
  water splashing. Graphics exposed to the bow waves when the boat is in motion are not covered by this
  warranty.
- The graphics must be fabricated and installed according to 3M recommendations. Because of variations in application surfaces, the installer is responsible to perform proper adhesion testing following 3M guidelines before applying graphics.
- 4. Edge Tape must be properly applied to all edges; including graphics overlap seams and cut edges. Graphics edges around the hull openings will have to be cut back 2" away from the leading edges and sealed with 3M™ 3" Edge Tape 8519 overlapping 1.5" on the substrates and 1.5" on the graphics.
- Reference 3M Instruction Bulletins 5.1 for surface preparation and 5.5 for recommended installation procedures and application of edge sealer/ edge tape. If there are any questions concerning substrate preparation and graphic installation, please contact 3M Technical Service at 1.800.265.1840 x 4599.

FOIPP s.22

Annyck Gervais; Senior Technical Service Cc: 3M - B. Parkinson, A. Sillin, M. McKerlie, D. Hastings





### Super C's Olympic Decaling

	Coastal Rennaissance	Coastal Inspiration	Coastal Celebration	Total	
3M FSG Orca Maritime Ampco Manufacturing Inc				·	_s.21
	411,411.37	374,419.48	393,803.51	1,179,634.36	