

TERMS OF INSTRUMENT

**EQUITABLE CHARGE**

This Agreement is made

BETWEEN:

**MELCOR LAKESIDE INC.**

(Extra Provincial Registration No. A0065181)

#900 – 10310 Jasper Avenue, Edmonton, Alberta T5J 1Y8

(the “Transferor”)

AND:

**MELCOR DEVELOPMENTS LTD.**

(Extra Provincial Registration No. A0017861)

#900 – 10310 Jasper Avenue, Edmonton, Alberta T5J 1Y8

(the “Transferee”)

WHEREAS:

The Transferor is the registered owner, in fee simple, of all and singular those certain parcels or tracts of land situate, lying and being in the City of Kelowna, Province of British Columbia, which these terms are attached and forms a part (individually the “Lot”, or collectively the “Lands”).