

MASTER AGREEMENT AMENDING AGREEMENT

THIS AMENDING AGREEMENT dated for reference the 1st day of April 2003

BETWEEN

BC TRANSPORTATION FINANCING AUTHORITY, of 300 – 940 Blanshard Street, Victoria, British Columbia, V8W 3E6
(Fax No. 250.356.6970) (“**BCTFA**”);

AND

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by **LAND AND WATER BRITISH COLUMBIA INC.**, the authorized representative of the Minister responsible for the *Land Act*, of 5th Floor, 609 Broughton Street, Victoria, British Columbia, V8W 9W6
(Fax No. 250.387.2021) (“**LWBC**”);

AND

BRITISH COLUMBIA FERRY SERVICES INC. (formerly, BRITISH COLUMBIA FERRY CORPORATION), a body corporate, incorporated under the laws of the Province of British Columbia under Certificate of Incorporation No. 0667014, and having its registered office at 1112 Fort Street, Victoria, British Columbia V8V 4V2
(Fax No. 250.388.7481) (“**BC Ferries**”);

AND

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the **MINISTER OF TRANSPORTATION**, of 300 -940 Blanshard Street, Victoria, British Columbia, V8W 3E6
(Fax No. 250.356.6970) (“**MoT**”);

WHEREAS

- A. The BCTFA, LWBC, BC Ferries, and MoT entered into the agreement entitled the “Master Agreement” dated for reference April 1, 2003 and effective March 31, 2003 (the “Master Agreement”); and
- B. The BCTFA, LWBC, BC Ferries, and MoT wish to amend the Master Agreement on the terms and conditions set out in this Amending Agreement;

The parties agree as follows:

ARTICLE 1 – DEFINITIONS

- 1.01 In this Amending Agreement unless the context otherwise requires,
- (a) **“Master Agreement”** means the agreement made among the BCTFA, LWBC, BC Ferries, and MoT, entitled the “Master Agreement”, and dated for reference April 1, 2003 and effective March 31, 2003; and
 - (b) any other words having initial uppercase letters will have the meanings ascribed to them by the Master Agreement.

ARTICLE 2 – MASTER AGREEMENT

- 2.01 Section 1.1 of the Master Agreement is amended by adding the following definition:
“Province” in Article 8, means Her Majesty the Queen in Right of the Province of British Columbia;”.
- 2.02 Section 8.6 of the Master Agreement is deleted in its entirety and the following is substituted in its place:
“BC Ferries will within 15 calendar days of becoming aware of any claim in respect of a matter contemplated in Sections 8.1 or 8.2, provide written notice to the Province of such claim, along with full written particulars of any such claim, in accordance with Section 9.1 of this Agreement, to the address or fax number of the Province as represented by the Minister of Transportation as set out on the first page of this Agreement or at such other address or fax number as the Province may specify in writing.”.

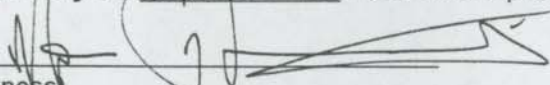
ARTICLE 3 - GENERAL

- 3.01 Time will be of the essence of this Amending Agreement and remain of the essence of the Master Agreement, as amended by this Amending Agreement.
- 3.02 The terms, representations and warranties of the Master Agreement, as amended by this Amending Agreement, are ratified and confirmed, and all other terms, representations and warranties of the Master Agreement are to remain in full force and effect.
- 3.03 If any term of this Amending Agreement or the application thereof to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Amending Agreement and the application of such provision to any other person or circumstance will not be affected or impaired thereby and will be valid and enforceable to the extent permitted by law.

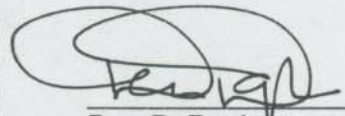
- 3.04 The captions and headings contained in this Amending Agreement are for convenience only and do not define or in any way limit the scope or intent of this Amending Agreement.
- 3.05 This Amending Agreement will be interpreted according to the laws of the Province of British Columbia.
- 3.06 This Amending Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Amending Agreement except as set out in this Amending Agreement and this Amending Agreement may not be modified except by subsequent agreement in writing between the parties.

IN WITNESS WHEREOF the parties have executed this Amending Agreement as follows:

SIGNED on behalf of the **BC Transportation Financing Authority** on September 5 2003 in the presence of:



 (Witness)

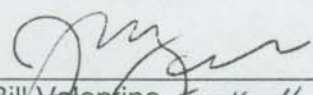


 Dan P. Doyle
 Chief Executive Officer

SIGNED on behalf of **Her Majesty the Queen in Right of the Province of British Columbia** by a duly authorized representative of **Land and Water British Columbia Inc.**, authorized representative of the Minister responsible for the *Land Act* on Aug 5 2003 in the presence of:

M. Leake

 (Witness)



 Bill Valentine *Sim Yardley*
Acting President and
 Chief Executive Officer

SIGNED on behalf of **British Columbia Ferry Services Inc.**, by its duly authorized signatories on July 10, 2003

David L. Hahn

 David L. Hahn
 President and Chief Executive Officer

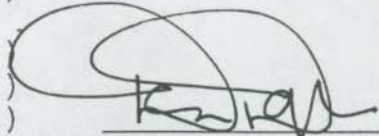
Rob Clarke

 Rob Clarke
 Executive Vice-President, Finance
 and Chief Financial Officer

SIGNED on behalf of **Her Majesty the Queen in Right of the Province of British Columbia** by a duly authorized representative of the Minister of Transportation on September 5 2003 in the presence of:



 (Witness)



 Dan P. Doyle,
 Deputy Minister, for the
 Minister of Transportation