



**Bull, Houser  
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Reply Attention of:	James H. Goulden
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E-mail:	jhg@bht.com
Our File:	9323379
Date:	December 2, 2010

**BY MAIL & E-MAIL**

Ms. Vivian Krause  
1046 – 1641 Lonsdale Avenue  
North Vancouver BC V7M 2J5

Dear Ms. Krause:

**Re: Your Publications**

We act on behalf of the Tides Canada Foundation (“Tides Canada”). We have been requested to review your publication of November 23, 2010 (the “Report”) as well as your website/blog (collectively the “Publications”). They include a number of inaccuracies and misunderstandings the most serious of which are as follows:

1. Tides Canada is a legally distinct entity from the Tides Foundation (“Tides US”) based in the United States. Tides Canada does not have any influence or involvement whatsoever in the making of grants by Tides US nor is it privy to any information with respect to grants made by Tides US, with the exception of grants made by it to Tides Canada. Tides Canada is not in any sense of the word an “affiliate” of Tides US.
2. Tides Canada is not a “registered charity” in the United States. It has equivalency status in the United States under the Canada/US Tax Treaty.
3. With respect to your comments regarding the “political” activities undertaken by Tides Canada, you misapprehend the meaning of this term in the context of registered charities and the restrictions placed upon charitable foundations by the *Income Tax Act* (the “ITA”). We suggest that you review sub-section 149.1(6.1) of the ITA which specifically provides that ancillary and incidental political activities cannot include “the direct or indirect support of or opposition to any political party or candidate for public office”.

No funds or support whatsoever have been given by Tides Canada to any political party or candidate for public office.



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4. In the Report section entitled "Issues that Pertain Specifically to Tides Canada Foundation", Tides Canada has no knowledge or information regarding any donations or grants purportedly made by US-based foundations to Tides US.

5. With respect to the Report section entitled "Expenditures", Tides Canada has no knowledge of or involvement in the grant making, executive compensation, contracts or strategies of the other organizations cited in this section, apart from the Tides Canada Initiatives Society.

6. Prior to September 2007, Ross McMillan was under contract to Tides Canada to facilitate the Great Bear Rainforest conservation financing initiative that was jointly announced in 2007 by Tides Canada, the Province of British Columbia, and the Government of Canada.

Mr. McMillan became a Tides Canada employee in September 2007. The Tides Canada tax filings for 2007 include a reference to only four months of salary for Mr. McMillan; in the 2008 and 2009 tax filings his salary was for the entire year.

7. Tides Canada is not involved with, has not received funding from and has not provided any funding whatsoever to "Rethink Alberta".

8. The Publications conflate grants made by Tides US and other US-based foundations with those made by Tides Canada. The substantial majority of the grants concerning oil sands development to which you refer have no connection to Tides Canada whatsoever. We require you to ensure in future that you are explicit with respect to grants made by Tides Canada and grants made by other organizations.

You are expected to take immediate steps to remove these inaccuracies and misunderstandings from the Publication and any other publications authored or co-authored by you which contain such inaccuracies and misunderstandings and not to repeat such

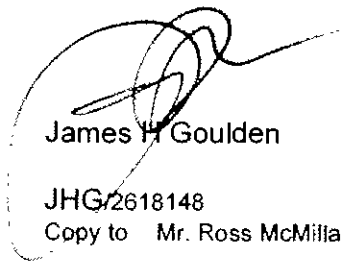


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inaccuracies and misunderstandings in any future publications authored or statements made by you. We anticipate your confirmation that you have done so by December 6, 2010.

Yours truly,

Bull, Housser & Tupper LLP



James H. Goulden  
JHG/2618148  
Copy to Mr. Ross McMillan