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Reply Attention of:	James H. Goulden
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Our File:	9323379
Date:	March 16, 2011

BY E-MAIL AND REGULAR MAIL

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

Dear Ms. Krause:

Re: Tides Canada Foundation (“Tides Canada”) – Your Publications

Thank you for your letter of March 11, 2011.

We are writing to provide additional factual information in response to your letter. Our client remains concerned that your misunderstandings, presented as facts, are not accurate, are unfair and misleading, and are damaging to our client’s reputation. Your repeated publishing of these inaccurate statements is defaming our client. We appreciate your stated desire to publish the truth, and assume that when provided the truth you will act accordingly and correct your mistakes. Our client has no issue in acknowledging that you disagree with the importance of our client’s charitable activities, but takes considerable issue with you publishing inaccurate information which you know to be false.

In order to ensure accuracy in relation to your writings concerning our client, it is necessary to respond to the points raised in your letter. We will use the numbering contained in your letter for our response.

1. There is nothing contained in the statement you quote from Organizing for Change (“OFC”), or the subject e-mail generally, that states or implies an intent “to get people to temporarily join the Liberal Party.” To be clear, a third party incorrectly making the above statement or coming to the above conclusion does not mean that you can report this completely unsubstantiated assertion, which is false, as a fact.
2. We are advised as follows. Tides Canada was founded by a group of individuals, not by Tides US. There is a limited working relationship between the organizations, but to state that Tides US is a “parent organization” mischaracterizes this relationship and is false. It is clear at law that Tides US is not a “parent organization” of Tides Canada. Once again, the fact that a



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third party may wrongly characterize the relationship between Tides US and Tides Canada as you have indicated, does not mean that you can report this error as fact.

3. In our previous letter, we did not state that Tides Canada has not supported the Dogwood Initiative. Rather, our issue was with the fact that your publications reference certain Dogwood work of which Tides Canada has no knowledge or involvement, unfairly inferring an overall involvement by Tides Canada that simply does not exist.

4. We are advised as follows. Tides Canada is fully compliant with all Canadian and US laws concerning transparency and reporting to public bodies. In addition, Tides Canada lists funders and grant recipients in its annual reports, which are widely distributed and available on the Tides Canada website. Your ongoing assertion that our client is attempting to hide or keep quiet its activities or funding is again false.

5. Tides Canada accepts donations for Media Democracy, which is a charitable project. Open Media also supports Media Democracy. We are advised that Open Media removed an inactive and inaccurate webpage last month when they were made aware that it remained available on the web. The operational link on their site has then and now correctly noted that people may donate to the charitable project, Media Democracy, at Tides Canada. Our client appreciates that you pointed out the availability of the inactive webpage. All of that said, none of the above in any way implies that Tides Canada is "behind" Open Media or funds Open Media. Your assertion to the contrary is false.

6. You have correctly reported elsewhere in your publications the truth about the \$27 million in grants to the Coast Conservation Endowment Fund Foundation as part of the Great Bear Rainforest initiative, but continue to incorrectly state that the funds were to two small First Nations. We can only assume that the list of beneficiary First Nations you cite was abbreviated in a US tax filing. We are advised as follows. All 26 participating First Nations benefitted from the grants, which you know from your research into the Coast Opportunities Funds. The grants were made in the year following the announcement once all funding conditions were met. Tides Canada's grants were part of a larger contribution of philanthropic and public funding to the project. The announcement of the contributions was widely circulated, and was picked up by major media outlets across Canada and around the world. The following are links to two of the many press announcements of the initiative:

<http://tidescanada.org/greatbear/news/120-million-financing-secured-for-great-bear-rainforest/>

<http://www.ec.gc.ca/default.asp?lang=En&n=714D9AAE-1&news=B629D4BB-B126-491B-847B-C3C42F5F1C69>



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Your repeated assertion that these grants were made to two small First Nations is false. Further, your assertion that these grants were kept quiet is false. As well, your speculation that these grants relate to tanker traffic is also entirely false.

7. Nothing in your explanation changes our position on behalf of Tides Canada requesting that you be truthful regarding Tides Canada's involvement in "oil" issues. Your publications (and links to purportedly corroborating information, also written by you) outline many funds and grant recipients with which Tides Canada has no involvement in or knowledge of whatsoever. Your continued intentional conflation of grants from Tides Canada and Tides US implies a far greater role for Tides Canada in "oil" issues than is accurate.

8. Most of the questions you cite in your "Ten Reasons" blog entry relate to the Endswell Foundation, and not to Tides Canada. By listing these questions in a publication about Tides Canada, you are clearly trying to infer that the questions contained therein are about Tides Canada or that Tides Canada has a role in or knowledge of matters internal to the Endswell Foundation, which is false.

9. Thank you for correcting the mistake in the Vancouver Sun online edition regarding Tides Canada's contracts.

Once again, we reiterate our request that you immediately remove all of the inaccurate statements and misrepresentations noted above from your publications, including your blog and website, and post an apology to our client, by Friday, March 18, 2011. We also encourage you to post this letter on your website.

Yours truly,

Bull, Housser & Tupper LLP

James H. Goulden

JHG/jvl/2824290