



SIERRA YOYO DESAN ROAD

STANDARD ROAD USE AGREEMENT

**SYD ROAD LIMITED PARTNERSHIP
ROAD USE AGREEMENT**

Reference Number: _____

THIS AGREEMENT made this _____ day of _____, 20__

BETWEEN:

SYD Road Limited Partnership
(hereinafter referred to as "SYDLP")

-and-

(hereinafter referred to the "Road User")

Subject to the terms and conditions of this Agreement, the SYDLP, insofar as it has the right to do so, grants to the Road User, its successors, employees, agents, servants, contractors and sub-contractors, a non-exclusive license to use the Sierra Yoyo Desan Road and bridges, including, without limitation the bridge over the Fort Nelson River (the "Road") during restricted travel periods, as defined in, and for the purpose described in Schedule "A" – Purpose

In consideration of the mutual covenants and conditions contained in this Agreement, the parties agree as follows:

1.0 Terms & Conditions

1.1 This Agreement including any attached schedules (the "Schedules") and addendums (the "Addendums") which are attached hereto and made part hereof, shall be the terms and conditions as agreed to by the SYDLP and Road User for the use of the Road during such restricted period:

Schedules:

Schedule "A" – Purpose

Schedule "B" - Rates

Addendums:

2.0 Consideration

- 2.1 The Road User agrees to pay the SYDLP any sum as set forth under the heading Fee in Schedule "B" for the use of the Road. Fees shall be calculated effective from the date specified in each Addendum.

3.0 Fees

- 3.1 The Road User shall pay an administrative fee (see Schedule B) **plus** appropriate taxes **plus** 115% of all costs incurred for monitoring traffic, carrying out bridge assessments and analyzing conditions along the Road. The administrative fee covers all movement by the road user for a 72 hour period as described in Schedule "A". The said costs may include the costs of undertaking an independent analysis of the proposal by the SYDLP's consulting engineers.
- 3.2 All fees will be subject to H.S.T. at 12% (or whatever rate is posted by the Provincial/ Federal Government at the date of application)
- 3.3 The SYDLP shall be entitled to charge interest on any amounts that remain outstanding after thirty (30) days from the Road User's receipt of any invoice at the rate of two (2) percent per annum higher than the rate designated as the prevailing prime rate for Canadian commercial loans by the principal Canadian chartered bank used by the SYDLP, from the day that payment is due until the day it is paid compounded monthly including interest on interest.
- 3.4 In the event that the SYDLP is required to collect any taxes, assessments, fees or charges on behalf of any governmental authority including, without limitation, Federal Goods and Services Taxes, from the Road User with respect to any transaction occurring as a result of this Agreement, then the Road User shall pay the amount of such taxes, assessments, fees or charges to the SYDLP, and the SYDLP shall remit those amounts to the relevant taxing authority as required by law.

4.0 Road Restriction

- 4.1 The SYDLP reserves to itself the exclusive control and operation of the Road and the Road User shall observe all load limits, speed limits, road bans, closures and restrictions whether imposed by governmental authority or by the SYDLP if it reasonably deems the Road conditions warrant such restrictions. To be clear, SYDLP reserves the right to postpone or cancel the movement if conditions of the Road change.
- 4.2 The SYDLP shall not be held liable for any loss or damage occurring to the Road User as a result of the imposition of the said load limits, speed limits, road bans, closures and restrictions or of the failure to give reasonable notice thereof to the Road User.
- 4.3 The SYDLP, acting reasonably, will grant permission for travel during road bans, closures and restrictions for emergency travel.

- 4.4 The Road User shall not do any act or thing or omit to do any act or thing, when using the Road, which would in any way interfere with, interrupt or inconvenience SYDLP or its operations or, any other persons or corporation using the Road.
- 4.5 If SYDLP determines that undue damage or destruction of the Road has resulted from use of the Road by the Road User. SYDLP may:
- (a) require the Road User, at its sole risk, cost and expense, to immediately restore the Road to its previous condition; or
 - (b) restore the Road to its previous conditions and, immediately after receiving and invoice from SYDLP the Road User shall reimburse SYDLP for all direct and indirect cost incurred by SYDLP in so restoring the Road, plus and additional 15%.

5.0 Liability & Indemnity

- 5.1 The SYDLP shall not be liable in any way for, and the Road User hereby releases SYDLP from liability for any loss, expense, or damage of any nature whatsoever, or injury or death suffered or sustained by the Road User, its affiliates its successors, employees, agents, servants, contractors and sub-contractors arising out of or by reason of their use of the Road including, without limiting the generality of the foregoing, any damage or injury that may arise as a result of SYDLP failure to maintain the Road, the condition or state of the Road.
- 5.2 The Road User shall use the Road entirely at his own risk and shall:
- (a) be liable to SYDLP for any loss, damage and legal and other expense of any nature whatsoever suffered, sustain or incur by the SYDLP its affiliates, successors, employees, agents, servants, contractors and sub-contractors; and
- by reason of any matter or thing arising, in contract or tort, out of or in any way directly attributable to the use of the Road, by the Road User and its servants, agents, employees, contractors and subcontractors or any of them, pursuant to this agreement, including without limitation any matter or thing resulting from environmental damage or breach of any environmental legislation except when the foregoing is a direct result of the gross negligence or willful or wanton misconduct of the SYDLP, its employees, agents, servants contractor or subcontractors. .

6.0 Arbitration

Where any controversy, dispute or disagreement between the Parties arising out of this Agreement, other than those that are a matter of law ("Dispute") cannot be resolved by discussions between the Parties, the Dispute will be submitted to arbitration if the Parties have not agreed to a resolution of such Dispute on or before the expiration of thirty (30) days from the date upon which SYDLP or the Road User has given notice to the other Party that a Dispute has occurred. The Commercial Arbitration Act of B.C. will apply to the arbitration of any Dispute except as modified by the following:

- (a) At the time notice of the Dispute is given in accordance with the immediately above, the Chair of the Road Users Group, or an agreed uninterested executive Road User Group member, as defined by The Sierra Yo-Yo Desan Road Amended and Restated Joint Management Agreement, executed December 3, 2004, holding office or an executive member at the time of the Dispute will be the arbitrator ("Arbitrator") to decide any Disputes. The Arbitrator may not be a servant, agent, employee, contractor or subcontractor to any Party involved in the Dispute, If the Chair of the Road Users Group is unable or unwilling to act as the Arbitrator and if the Parties cannot agree on the appointment of an uninterested executive Road User Group member within 10 days after the expiration of the 30 day period described immediately above, either party will be entitled to make application pursuant to the Commercial Arbitration Act of B.C. to appoint an Arbitrator.
- (b) The Arbitrator will determine all of the rules and procedures of the arbitration, after hearing presentations from the parties, keeping in mind that the parties are seeking a summary process for the resolution of Disputes in as short a period of time as is reasonable.
- (c) The Arbitrator will proceed immediately to hear and determine the question or questions in dispute. The decision of the Arbitrator will be made within forty-five (45) days after their appointment, subject to any reasonable delay due to unforeseen circumstances. The decisions of the Arbitrator will be made within forty-five (45) days of the date of the notice described in the first paragraph of this section 6.0, subject to any reasonable delay due to unforeseen circumstances.
- (d) The Arbitrator will have the power to make orders as to costs including actual reasonable legal fees.
- (e) The decision of the Arbitrator will be in writing and will be final and binding upon the Parties as to any question or questions so submitted to Arbitration, and the Parties will be bound by such decision and perform the terms and conditions thereof.

7.0 Traffic Control

- 7.1 The Road User shall have a traffic counter on the road ensuring all permitted vehicles are accounted for. Any overweight vehicles identified that are not included in the Road Users party should be reported to SYDLP (type of vehicle, description of load, license plate number, trucking company and any further information that can be collected).

8.0 Insurance

- 8.1 It shall be the responsibility of the Road User to maintain and keep in force during the term of this Agreement, for the benefit of the Road User, the following insurance:
 - a) Automobile Liability insurance covering bodily injury (including passenger hazard) and property damage arising from the operation of owned or non-owned vehicles

used on the Road in the course of the Road User's proposed operations, with inclusive limits of not less than two million (\$2,000,000) for any one incident.

- b) Comprehensive General Liability Insurance covering the liability of the Road User for bodily injury, death and property damage arising from the operations of the Road User in connection with this Agreement (other than the operation of vehicles). The limits of this insurance shall not be less than ten million (\$10,000,000) for any one occurrence. The insurance policy will indemnify the named insureds and the additional named insureds under the policy for any sum or sums which the insured may become liable to pay or shall pay for bodily injury, death or property damage or for loss of use thereof, arising out of or resulting from the operations of the Road User. In addition to the above limits, such liability insurance will also pay all costs, charges, and expenses in connection with any claims that may require to be contested by the insureds anywhere within Canada.
- 8.2 Upon demand by the SYDLP, The Road User shall provide the SYDLP a Certificate of Insurance as evidence of the insurance required by the preceding clause. Insurance policies referred to in para 9.1(b) above shall include a waiver of subrogation clause in favour of the SYDLP and its agents and employees.
- 8.3 The Road User shall ensure that any of its agent, contractors and subcontractors that are not covered by the insurance policies set forth in paras 9.1(a) and 9.1(b) possess insurance in accordance with the provisions of paras 9.1(a) and 9.1(b) during those agents, contractors and subcontractors use of the Road.
- 8.4 The insurance policies shall be endorsed to provide that in the event of any change that could affect the interests of the SYDLP, or in the event of their cancellation, the insurers shall notify the SYDLP thirty (30) days prior to the effective date of such change or cancellation.

9.0 Notices

9.1 Notices and invoices to be given under this Agreement shall be in writing and will be personal delivered, mailed or transmitted facsimile, addressed to the parties as follows:

SYDLP SYD Road Limited Partnership
 1200-1067 W. Cordova Street
 Vancouver, BC V6C 1C7

 Bus#: (604) 699-2928
 Fax#: (866) 795 0182
 Attention: Gerry Anderson

ROAD USER: _____

 Bus#: _____
 Fax#: _____
 Attention: _____

9.2 Either party may from time to time, change its address for service by giving notice to the other party.

9.3 Any notice, invoice or other communication shall be deemed to be received by the addressee, if delivered personally, or transmitted by facsimile, on the first business day following delivery or transmission, or if delivered by overland mail service, on the fourth day following the day it was mailed.

9.4 In the case of a postal disruption or an anticipated postal disruption, all notices or other communications to be issued under this Agreement shall be either electronically transmitted or delivered by hand.

10.0 Assignment

10.1 This Agreement is not assignable either in whole or in part.

11.0 Termination

11.1 Notwithstanding any provision to the contrary herein contained, this Agreement may be terminated upon one (1) day written notice given by either party to the other. Upon termination of this Agreement, all applicable rights and obligations as between the SYDLP and Road User shall terminate except for those rights acquired prior to the commencement of the Agreement or those obligations incurred prior to the effective date of termination.

11.2 The SYDLP shall inspect the Road prior to the termination of this Agreement and shall notify the Road User of any damage or destruction to the Road, excluding reasonable wear and tear, which shall be repaired in compliance with Clause 5.2.

12.0 Miscellaneous

12.1 No waiver of any breach of a covenant or provision of this Agreement shall take effect or be binding upon a party unless it is in writing. A waiver by a party of any breach shall not limit or affect that party's rights with respect to any other future breach.

12.2 This Agreement as amended from time to time by agreement in writing of the parties, shall be the entire agreement between the SYDLP and the Road User as to the matters herein and all previous promises, representations or agreements between the parties whether oral or written shall be deemed to have been replaced by this Agreement.

12.3 If any provision of this agreement or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect any other provisions or applications of this agreement which can be given effect without the invalid provision or application, and to this end the provisions of this agreement are severable. In lieu thereof there shall be added a provision as similar in terms to such illegal, invalid and unenforceable provision as may be possible and be legal, valid and enforceable.

13.0 Choice of Law

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of British Columbia and laws of applicable therein. Each party irrevocably submits to the exclusive jurisdiction of the courts of British Columbia

The parties have executed this Agreement as of the day and year first above written:

Road User Signature

SYD Road Limited Partnership
by its general partner Ledcor SYD Ltd.
Executed by Gerry Anderson,
the general partner's authorized agent

Date:

Date:

FIELD CONTACTS

Road Users shall comply with any reasonable conditions imposed by SYDLP's field staff.

Shipper Contact

Name: _____

Phone: _____

Fax: _____

Email: _____

Ledcor Contact

Name: _____ Barry Nims

Office : _____ 250-774-7174

Cell : _____ 250-321-1100

Fax: _____ 250 774-7175

Email: _____ barry.nims@ledcor.com

Road User Signature

SYD Road Limited Partnership
by its general partner Ledcor SYD Ltd.
Executed by Gerry Anderson,
the general partner's authorized agent

Date:

Date:

SCHEDULE "B"

RATES

FEES: (Subject to GST)

Administrative fee for **overweight*** vehicles = \$1000 + GST

Administration fee for **oversize#** vehicles = \$500 + GST

Bridge Assessments = cost + 15%

Road monitoring services = cost + 15%

Road repair or reinstatement = cost + 15%

SYDLP's GST Number: 860300672RT0001

* - Overweight vehicles requiring bridge checks

- Oversize are any vehicles requiring a permit but not requiring bridge checks

Road User Signature

SYD Road Limited Partnership
by its general partner Ledcor SYD Ltd.
Executed by Gerry Anderson,
the general partner's authorized agent

Date:

Date: