

THIS AGREEMENT made as of the first day of March 2014

BETWEEN:

**HER MAJESTY THE QUEEN
IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA
represented by the
Minister of Transportation and Infrastructure

(the "Minister")**

AND:

**WESTERN FOREST PRODUCTS LIMITED, a
company duly incorporated under the laws of Canada
and registered extra-provincially in the Province
of British Columbia and having as its business address
Box 220 Gold River, BC V0P 1G0

(the "Company")**

WHEREAS:

- A. The *Commercial Transport Act* RSBC 1996 c. 58 (the "Act") and the Commercial Transport Regulations B.C. Reg. 30/78 as amended (the "Regulations") provide that the Minister may, when it is in the public interest, enter into agreements exempting in whole, or in part, commercial vehicles from the provisions of the *Act* or Regulations, or from the fees prescribed therein or herein, and may under the terms of agreement prescribe conditions for the operation of such commercial vehicles on designated highways.**
- B. The Minister deems it to be in the public interest to enter into this Agreement with the Company, whereby certain commercial vehicles, owned and/or operated on behalf of the Company and described in Schedule "A" of this Agreement, are granted authority to operate on public roads, defined and as and limited to the section of public highway lying west of the District Municipality of Gold River from the junction of Ucona**

Road to Muchalat Arm as shown on Plan No. 18871 and Gazetted Road Surveys 3407 (the "Road").

- C. The Company wishes to use the Road pursuant to the terms and conditions set out in this Agreement in preference to those set out in the *Act* and Regulations.
- D. The Minister and the Company (together, the "Parties") have, since 1989, agreed to exemptions under the *Act* in relation to use of the Road by the Company.
- E. Nothing in this Agreement will exempt the Company or anyone operating a commercial vehicle as its contractor, servant or agent from complying with the provisions of the *Motor Vehicle Act* or regulations made thereunder.

In consideration of the mutual promises and conditions contained herein, the Parties and agree to the following terms and conditions:

- 1. Commercial vehicles that are owned or operated on behalf of the Company, and are listed in Schedule "A", are exempt from the provisions of the *Act* and the Regulations while operating on the Road during the term of this Agreement so long as the conditions for such operation of those commercial vehicles are complied with by the Company, its contractors, servants and agents;
- 2. Trailers or semi-trailers that are listed in Schedule "A" are exempt from the provisions of the *Act* and the Regulations while being towed by power units listed in Schedule "A".
- 3. Upon payment to the Insurance Corporation of British Columbia ("ICBC"), or such other person as the Minister may designate under the *Act* to receive fees, of the fees provided for by this agreement, ICBC shall issue a distinctive number plate for the power units included in Schedule "A".
- 4. At the commencement of each licence year the Company will, and from time to time it may, file with ICBC and the Minister a list of amendments to Schedule "A" containing details of commercial vehicles which, for so long as they remain listed in Schedule "A", the Company wishes to be covered by this Agreement. This list or amendments must contain the make, model, serial number, maximum height, width, length, and weight with load of each vehicle listed.
- 5. The Company will include in the list of amendments only vehicles having a gross vehicle weight in excess of 9,100 kg, and will notify ICBC and the Minister in writing to delete or add a vehicle from

Schedule "A" whenever such vehicle ceases to be owned or operated on behalf of the Company or otherwise ceases to qualify for inclusion in Schedule "A". Neither the Minister nor ICBC will delete any vehicle from Schedule "A" unless they receive from the Company the number plate and licence of the vehicle.

6. The Company, or its contractors, servants or agents, will not operate vehicles or combinations of vehicles under the terms of this Agreement which exceed the following limits:
 - (i) maximum overall width of power unit, trailer or semi-trailer, 4.75 m;
 - (ii) maximum overall height of power unit, trailer or semi-trailer, 11.6 m while loaded with machinery or equipment; or to a maximum overall height of power unit, trailer or semi-trailer to 6.7 m while loaded with logs and 7.5 m while carrying empty trailers;
 - (iii) maximum overall length of a combination of vehicles consisting of power unit and pole trailer, 25m;
 - (iv) maximum overall length of a combination of vehicles consisting of a power unit, pole trailer and trailer, 41m;
 - (v) maximum overhang, that is the distance from the last axle to the end of the load, 8.2m;
 - (vi) maximum gross weight on any one axle, 27,500 kg except that on a 5 axle combination of vehicles any 2 adjacent axles may carry a gross weight of 32,000 kg per axle providing the remaining axles do not exceed 27,500 kg per axle; and
 - (vii) maximum gross weight on any one axle, 27,500 kg except that on a 5 axle combination of vehicles any 2 adjacent axles may carry a gross weight of 32,000 kg per axle providing the remaining axles do not exceed 27,500 kg per axle;
7. If the Company or any of its contractors, servants or agents,
 - (i) operates any vehicle identified in Schedule "A" in a manner that is contrary to the provisions of this Agreement, or
 - (ii) operates a vehicle identified in Schedule "A" on any public highway other than the Road, without complying with the Act and Regulations, including the payment of fees prescribed therein,

then the Minister may terminate this Agreement upon 30 days written notice being given to the company, such period of notice to include the date of termination.

8. A vehicle will become covered by the terms of this Agreement upon the inclusion of such vehicle being approved by ICBC following a filing by the Company as set out in paragraph 4 and a vehicle identified in Schedule "A" will cease to be covered by this Agreement upon notification in writing being given by the Company, pursuant to paragraph 5.
9. The annual fees payable for each power unit listed in Schedule "A" will be based on the applicable annual fee specified in the Commercial Transport Act Fee Regulation for a licensed gross vehicle weight up to 63,500 kg plus an additional fee for the gross vehicle weight exceeding 63,500 kg, in total per vehicle, of \$24 per 500 kg over 63,000 kg, and prorated where appropriate.
10. This Agreement will take effect on March 1, 2014.
11. Subject to paragraphs early termination in accordance with paragraph 7, this Agreement shall terminate on February 28, 2018.

**HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA**, by the Minister
of Transportation and Infrastructure or the
Minister's authorized representative



WESTERN FOREST PRODUCTS LIMITED

Per:

GSPye (for Mark Kenny)
Authorized signing officer

Schedule "A"

Unit #	Year	Make	Model	Serial #	Owner
2172	1992	Challenger		s.15	WFP
2173	1992	Challenger			WFP
2174	1981	Kenworth			WFP
2175	1981	Kenworth	850		WFP
2179	1982	Pacific	P612P		WFP
2182	1974	Hayes	HDX		WFP
2185	1993	Challenger			WFP
2186	1980	Pacific	P16		WFP
2187	1975	Hayes	HDX		WFP
2214	1972	Pacific	P16		WFP
2216	1972	Kenworth	850		WFP
9622	1973	Pacific	P12		WFP
BC06	1978	Pacific	P16		WFP

"WFP" = Western Forest Products

Date: February 27, 2014