

TRACT No. _____

This Agreement for Grant of Easement and Right of Way is made the <@> day of <@> 201<@> (the "Agreement Date")

BETWEEN:

•
("Owner")

– and –

TRANS MOUNTAIN PIPELINE ULC
in its capacity as general partner of
TRANS MOUNTAIN PIPELINE LIMITED PARTNERSHIP
("Company")

BACKGROUND:

A. The Owner is the registered owner of an estate in fee simple in that land described in Schedule "A" (the "**Lands**");

B. The Owner has agreed to sell to the Company, and the Company to purchase from the Owner, certain easement rights and rights of way over the Lands, and for such purposes the parties have agreed to execute and deliver and be bound by the provisions of a registerable document in the form and having the contents of Schedule "B" (the "**ROW Document**"); and

C. Words and phrases that are defined in the ROW Document and not defined in this Agreement shall have the same meanings in this Agreement as in the ROW Document.

AGREEMENT:

The Owner and the Company agree as follows:

PART 1. KEY TERMS

1.1 Transaction: The Owner agrees to give and grant to the Company the rights and the interests in the Lands under the ROW Document (the "**Rights of Way**") and the Company agrees to take such grant. For such purposes the Owner and the Company agree to execute and deliver the ROW Document in accordance with this Agreement.

1.2 Initial Payment: The Owner shall be paid the sum of \$_____ (the "**Initial Payment**") on entry into this Agreement and delivery of copies of the ROW Document executed by the Owner in accordance with this Agreement. Such payment shall not form part of the compensation for the Rights of Way to be given and granted under this Agreement (the "**Compensation**").

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1.3 Compensation: The Compensation will be calculated in accordance with this Agreement based on a per acre payment of \$ <@> for that part of the Lands required for permanent pipeline right of way, and a per acre payment of \$<@> for that part of the Lands required for temporary work space.

The Compensation based on the per acre payments under this section 1.3 and the areas shown in the sketch plan found on page 3 of this Agreement (the “**Sketch Plan**”) shall be as follows:

Table Purchase Price based on Sketch Plan			
Area	Per Acre	Number of Acres	Payment
Permanent Pipeline Right of Way	\$ _____	_____ Area of “right of way” on Sketch Plan	\$ _____
Temporary Work Space	\$ _____	_____ Area of “workspace” on Sketch Plan	\$ _____
			\$ _____

In this Agreement, “Proposed ROW Area” means that area shown as “right of way” on the Sketch Plan.

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[<@>Insert Sketch Plan]

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PART 2. COMPENSATION PAYMENT OPTIONS

2.1 Owner to Choose: The Owner has the option of requiring Compensation to be paid in accordance with one of the following sections in this Part 2 and has selected Compensation being paid under the section shown as chosen below. **[Choose either 2.2 or 2.3]**

2.2 One Lump Sum Payment:

<input type="checkbox"/> Check if Owner chooses 2.2.	Initial here if Owner chooses 2.2.	INITIALS
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If the Owner selects payment under this section then the Owner shall be paid one lump sum equal to the total Compensation calculated under section 1.3 by delivery of a cheque in that amount to the Owner on or before the earlier of:

- (a) that day on which the construction and installation of the Permitted Pipeline within the Lands is commenced (the "Start Date"); and
- (b) December 31, 2015 (the "Cut Off Date").

The construction and installation of the Permitted Pipeline shall be conclusively deemed to have commenced upon the Company causing surveyors to enter onto Lands to mark the outer boundaries of the Proposed ROW Area and Temporary Work Space Area.

2.3 Periodic Payments:

<input type="checkbox"/> Check if Owner chooses 2.3.	Initial here if Owner chooses 2.3	INITIALS
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If the Owner selects payment under this section then the Owner will receive payment of annual or periodic payments in accordance with the following:

- (a) the aggregate amount of annual or periodic payments shall equal the total Compensation calculated under section 1.3;
- (b) the first payment shall be in the amount of \$<@> and the Company shall pay the first payment to the Owner on or before the earlier of the Start Date and the Cut Off Date; and
- (c) subsequent payments shall be in the amount of \$<@> and shall be paid by the Company to the Owner on or before <@>.

The Compensation payable by the Company under this section 2.3 shall be reviewed every five (5) years if the payment period extends beyond five (5) years or any subsequent five (5) year period.

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PART 3. OTHER PAYMENT PROVISIONS

3.1 Extension of Cut Off Date: The Company may at its sole option extend the Cut Off Date to no later than December 31, 2016 by notice in writing to the Owner given no later than November 30, 2015 accompanied by payment of an extension fee equal to twice the Initial Payment. Such extension fee shall not form part of the Compensation.

3.2 Compensation Includes: The Owner acknowledges and agrees that the Compensation payable by the Company to the Owner for the Rights of Way under this Agreement shall be full compensation for:

- (a) all changes to that part of the Lands included in the Proposed ROW Area and final Temporary Work Space Area (as defined in sections 4.1 and 4.2) by virtue of the exercise of the Pipeline Rights;
- (b) any decrease in the value of the Lands as a result of the grant to the Company of the Rights of Way as modified by this Agreement; and
- (c) the restrictions on the Owner's use of the Lands or any part thereof under or by virtue of the ROW Document as modified by this Agreement,

in each case subject to the Company's obligations to restore and compensate under the ROW Document and this Agreement, but does not include compensation for above ground works as provided for in the ROW Document.

3.3 GST on Purchase Price: The monies payable to the Owner under this Agreement do not include goods and services tax ("**GST**"). The Company's GST number is 86066 3392 RT0001. Where applicable the Company will self-assess GST payable on such monies and remit it directly to Canada Revenue Agency.

3.4 Owner Resident of Canada: The Owner hereby represents and warrants that the Owner is not a non-resident of Canada for the purposes of the *Income Tax Act (Canada)*.

3.5 GST Registration: The Owner hereby represents and warrants that it is or is not [**chose one**] duly registered under Subdivision (d) of Division V of Part IX of the *Excise Tax Act (Canada)* with respect to GST and if so registered its GST registration number is: _____ . **If the Owner is an individual and is not registered with respect to GST under the *Excise Tax Act*, the Owner represents and warrants it is not required be registered with respect to GST under that Act.**

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PART 4. PIPELINE RIGHTS LIMITED BY SKETCH PLAN UNTIL PARTIAL DISCHARGE

4.1 Permanent Right of Way: Save as provided in section 4.2 hereof, and despite the provisions of the ROW Document (the “ROW Provisions”), until the Pipeline Rights are limited to that part of the Lands included in the ROW Plan under the ROW Provisions (the “**Partial Discharge**”) THE COMPANY SHALL NOT in any manner exercise the Pipeline Rights across, over, under, in, through and on any part of the Lands except the Proposed ROW Area.

4.2 Temporary Workspace: Until the Partial Discharge, but not thereafter, the Company shall also be at liberty to exercise the Pipeline Rights across, over, through and on that part of the Lands shown as workspace (the “**Temporary Work Space Area**”) on the Sketch Plan, PROVIDED HOWEVER that such exercise shall extend only to use required for the construction and installation of the Permitted Pipeline within the Proposed ROW Area, and shall not include the permanent construction or installation of the Permitted Pipeline or any other permanent works within the Proposed ROW Area. The Owner agrees that on request by the Company and with its approval in writing, not to be unreasonably refused, the boundaries of the Temporary Work Space Area shall be altered from those shown on the Sketch Plan to facilitate the construction and installation of the Permitted Pipeline within the Proposed ROW Area in accordance with the requirements of the Company, including to provide access over the Lands and to accommodate conditions within the Proposed ROW Area and Temporary Work Space Area, including topographical and/or soil conditions.

4.3 Payment on Adjustment: If any modification of the boundaries of the Temporary Work Space Area on the Sketch Plan is made under section 4.2 the Company shall make a payment to the Owner for additional Temporary Work Space Area equal to the product of the increase in the Temporary Work Space Area (in acres) times the per acre compensation for temporary work space under section 1.3. Payment in that amount shall be made by delivery of a cheque to the Owner if the Owner has selected payment under section 2.2 or shall be included in the periodic payments in proportion to the amounts of such payments specified in section 2.3 if the Owner has selected payment under section 2.3.

4.4 ROW Area until Partial Discharge: For, during and in respect of the period of time up to the Partial Discharge and anything done during that period, the rights and obligations of the parties concerning the ROW Area under the ROW Provisions shall be exercised, performed and observed only in respect of the Proposed ROW Area together with Temporary Work Space Area, and in accordance with this Agreement.

4.5 Preparation of ROW Plan: The boundaries of the ROW Plan that is prepared and deposited in the LTO under the ROW Provisions (for the purpose of limiting the Pipeline Rights to the area of the Lands included in such plan) shall be located and determined by the Alberta Land Surveyor who carries out the survey represented by the ROW Plan, based on the boundaries of the Proposed ROW Area shown in the Sketch Plan. If the area of the ROW Area according to the ROW Plan is greater than the area of the Proposed ROW Area, the Company shall make an adjustment payment to the Owner in the amount equal to the product of the difference in the areas (in acres) times the per acre compensation for permanent pipeline right-of-way under section 1.3. Payment in that amount shall be made by delivery of a cheque to the Owner if the Owner has selected payment under section 2.2, or shall be included in the periodic

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payments in proportion to the amounts of such payments specified in section 2.3 if the Owner has selected payment under section 2.3.

4.6 Restoration of Temporary Workspace: Despite anything to the contrary in the ROW Provisions, following the Partial Discharge, as soon as weather and soil conditions permit, and to the extent it is practicable to do so, the Company shall, except as otherwise agreed to by the Owner, restore any part of the Temporary Work Space Area or anything on it disturbed under section 4.2 in accordance with the following, if and to the extent applicable:

- (a) cause all construction debris to be removed from that part of the Temporary Work Space Area;
- (b) replace all topsoil removed from and grade and contour that part of the Temporary Work Space Area so it is suitable for any prior use; and
- (c) restore pre-existing Improvements on that part of the Temporary Work Space Area and otherwise restore such part of the Temporary Work Space Area to a condition suitable for any prior use.

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PART 5. FAILURE TO PAY

If the Cut Off Date occurs before the Start Date and the payment due under this Agreement on or before the Cut Off Date has not been made, this Agreement and the Rights of Way shall terminate and the rights and obligations of the parties thereunder shall be of no further force or effect. Following such termination the Company shall forthwith execute and register such document as may be necessary to discharge the ROW Document from the title to the Lands. For certainty following termination the Owner shall have no obligation or liability to return or refund the Initial Payment or Extension Fee and the Company shall have no obligation or liability to make any payment of Compensation to the Owner under this Agreement. Termination shall not affect obligations arising as a result of anything done or not done under this Agreement prior to termination.

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PART 6. OF TRANSACTION

6.1 Execution of ROW Document: If execution and delivery of the ROW Document by the Owner and the Company is not completed concurrently with their execution of this Agreement, it shall be completed as follows:

- (a) immediately following this Agreement being entered into, the Owner will deliver to the Company all copies of the ROW Document provided to it by the Company executed in registrable form by the Owner; and
- (b) following that delivery by the Owner the Company shall execute such copies in registrable form and deliver one fully executed copy to the Owner.

If the Owner includes more than one person and the ROW document is executed by the Owner in counterparts then the two copies of each counterpart executed in registerable form by the Owner signing it shall be delivered to the Company and the Company shall execute all counterparts in registerable form and deliver one copy of each counterpart so executed by it to the Owner

6.2 Owner Shall not Grant Encumbrances: The Owner and the Company acknowledge and agree that the Lands are currently subject to the instruments and encumbrances as shown on the Certificate of Title attached hereto as Schedule "A" (the "**Permitted Encumbrances**") and that the Rights of Way shall be granted by the Owner to the Company and registered subject only to the Permitted Encumbrances. The Owner agrees that it shall not grant any charge or encumbrance over or on the Lands until the ROW Document has been registered against the title to the Lands subject only to the Permitted Encumbrances.

6.3 Registration: After the completion of the execution and delivery of the ROW Document the Company shall register the same at the LTO. If a title search of the Lands indicates that the ROW Document will not in the ordinary course of the operation of the LTO be registered against the title to the Lands subject only to the Permitted Encumbrances, or the ROW Document is not so registered in the ordinary course of the operation of the LTO, the Company shall be at liberty, at its option and discretion, to proceed to register the ROW Document regardless, or discharge the ROW Document from the title to the Lands. In the event that the Company chooses to discharge the ROW Document, or not to proceed to register the same, then this Agreement and the ROW Document shall terminate, and the rights and obligations of the parties hereunder shall be of no further force or effect, all to the same effect and intent as provided in relation to termination under Part 5.

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PART 7. OTHER PROVISIONS

7.1 Additional Terms and Conditions: This Agreement is subject to any additional terms and conditions set out in Schedule "C" hereto. If there is any conflict between the provisions of Schedule "C" and the other provisions of this Agreement, the provisions of Schedule "C" shall govern.

7.2 Notices: Save as otherwise provided herein, any notice or other communication or delivery given under this Agreement may be:

- (a) delivered by hand, in which case it shall be deemed to have been received on delivery; or
- (b) sent by prepaid registered post mailed at a post office in Canada, in which case it shall be deemed to have been received on the third business day following the day of mailing;

PROVIDED THAT any notice delivered by hand that is delivered other than prior to 4:00 p.m. local time at the address of the addressee on a business day, shall be deemed to be received on the next following business day. The addresses of the Company and the Owner for such purpose shall be in accordance with the following contact information:

FOR THE OWNER:

Address: <@>

Attention: <@>

Phone Number: <@>

Email Address: <@>

Fax Number: <@>

FOR THE COMPANY:

Care of: c/o Progress Land Services Ltd.

Address: 12831-163rd Street NW, Edmonton, Alberta T5V 1M5

Attention: Trans Mountain Expansion Project

Phone Number: 780.454.4717 Toll Free 1.866.454.4717

Email Address: <@>

Fax Number: 780.454.6172

A party may from time to time notify the other party of a change of address to another address inside Canada. Notwithstanding anything contained herein to the contrary, if a strike, lockout or

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other labour disruption involving postal employees is in effect or generally known to be impending, every notice or other communication or delivery given under this provision must be given by personal delivery.

7.3 Acknowledgement of Section 87 Notice: The Owner acknowledges receipt of a notice given pursuant to section 87(1) of the NEB Act given prior to the entering into of this Agreement, setting out or accompanied by:

- (a) a description of the lands of the Owner required by the Company for a section or part of a pipeline;
- (b) details of the compensation offered by the Company for the lands required;
- (c) a detailed statement made by the Company of the value of the lands required in respect of which compensation was offered;
- (d) a description of the procedure for approval of the detailed route of the pipeline; and
- (e) a description of the procedure available for negotiation and arbitration under Part V of the NEB Act in the event that the Owner and the Company are unable to agree on any matter respecting the compensation payable.

7.4 Merger: None of the provisions of this Agreement shall merge on the closing of the transaction contemplated herein and the provisions of this Agreement shall be and remain in full force and effect despite any provision to the contrary contained in the ROW Provisions

7.5 Representations & Warranties: There are no representations, warranties, guarantees, promises or agreements concerning the subject matter of this Agreement other than those set out in this document.

7.6 Interpretation: Wherever the singular or masculine or neuter is used in this Agreement, it shall be construed as if the plural or feminine or neuter, as the case may be, had been used where the context so requires. If the Owner is comprised of more than one person the obligations and liabilities of the persons included in the Owner hereunder shall be joint and several.

7.7 Headings: The division of this Instrument into sections and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Agreement.

7.8 Binding Effect: This Agreement shall run with and bind the Owner's interest in the Lands. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective, heirs, executors, administrators, successors and assigns.

7.9 Counterparts: This Agreement may be executed in any number of counterparts with the same effect as if all parties had all signed the same document.

7.10 Governing Law: This Agreement shall be governed by and construed in accordance with the laws in force in the Province of Alberta and the laws of Canada applicable therein.

IN WITNESS WHEREOF the parties have executed this Agreement.

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**TRANS MOUNTAIN PIPELINE ULC
in its capacity as general partner of
TRANS MOUNTAIN PIPELINE LIMITED
PARTNERSHIP**

Per: _____

WITNESS:)
)
)
_____)
Name:)
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Address)
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Occupation)

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Per: _____
Name:

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Schedule "A"

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Schedule "B"
ROW Document

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Schedule "C"

Additional Terms and Conditions

The Owner and the Company agree to the following additional terms and conditions, which shall be read and construed along with the terms and conditions of that certain Agreement made between the Company and the Owner dated as of the _____ day of _____, 20___ to which this Schedule "C" is attached.

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