

PERMIT

October 01, 2019

_____, having an office at 201-648 Terminal Avenue, Nanaimo, British Columbia, V9R 5E2 (the "**Permitter**"), is the beneficial owner of, or has the right to use, those lands and roads shown outlined in bold black on Schedule A (collectively, the "**Permit Area**").

_____ (the "**Permittee**") wishes to enter onto the Permit Area for the purposes set out in section 2.

In consideration of the Permitter, as principal, by its duly authorized agent, **MOSAIC FOREST MANAGEMENT CORPORATION** ("**Mosaic**") granting this Permit and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Permittee), the parties hereby agree as follows:

1. **Permit:** The Permitter will permit the Permittee to enter the Permit Area subject to the Permittee's full compliance with the following terms and conditions, as well as the terms and conditions set forth in Schedule B, all of which the Permittee hereby acknowledges having read, understood and agreed to.
2. **Permitted Purposes:** The Permittee is authorized to use the Permit Area for the purpose of _____, and no other purpose whatsoever.
3. **Term:** This Permit will be for the period from and including _____, 2019 to and including _____, 2020 (the "**Term**"), unless earlier terminated by the Permitter in accordance with the terms of this Permit.
4. **Fee:** The Permittee shall pay to the Permitter the sum of \$500.00 (plus GST) (the "**Fee**") for its use and occupation of the Permit Area under this Permit.
5. **Representatives:** The Permitter's representative is the Access Coordinator, Legal and Real Estate, telephone: 250-_____, email: _____@mosaicforests.com (the "**Permitter's Representative**"). The Permittee's representative is _____, telephone: 250-_____, email: _____ (the "**Permittee's Representative**").
6. **Permittees Covenants:** The Permittee will:
 - (a) a minimum of two (2) business days prior to each intended period of access; advise the Permitter's Representative in writing of the exact time(s) that the Permitter intends to access the Permit Area, or any portion thereof;
 - (b) have a copy of this Permit on them at all times that they are within the Permit Area such that it may be presented upon the request of any representative of the Permitter or Mosaic;
 - (c) cause any participants intended to use the Permit Area to complete and execute release agreements (see section 14 of Schedule B and Schedule C); and
 - (d) prior to exercising its rights under the Permit:
 - (i) provide proof of insurance to the Permitter (see section 4 of Schedule B); and
 - (ii) if applicable, execute and deliver the gate key form to the Permitter (see section 16 of Schedule B and Schedule E).
7. **Acknowledgement:** The Permittee acknowledges and agrees that Mosaic is entering into this Permit solely in its capacity as agent for and on behalf of the Permitter, as principal, and that as a consequence all of the obligations and liabilities to the Permittee under this Permit are solely and exclusively those of the Permitter and will not in any circumstances be considered to be obligations or liabilities of Mosaic.

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_____, as principal, by its duly
authorized agent, MOSAIC FOREST
MANAGEMENT CORPORATION

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Authorized Signatory

Authorized Signatory

EXAMPLE

**SCHEDULE A
PERMIT AREA**

EXAMPLE

**SCHEDULE B
TERMS AND CONDITIONS**

1. Applicable Laws and Permitter's Rules. In exercising its rights under this Permit, the Permittee will comply with all applicable federal and provincial statutes, regulations, rules and directives and all rules, regulations and directives given verbally or in writing by the Permitter's Representative.
2. Assumption of Risk. The Permittee acknowledges that the Permit Area is used for logging and forestry purposes and may present unusual hazards to the Permittee including, without limitation, oversized industrial traffic; lack of traffic controls; rough, unmaintained surfaces; natural hazards; primitive bridges and culverts; unstable surfaces and slopes; and poor alignment and visibility on the Permit Area. The Permittee will use the Permit Area at the Permittee's own risk. The Permitter will not be liable for and the Permittee hereby waives any claim, action, damage, liability, cost or expense which the Permittee, the Permittee's employees, agents, contractors, customers, permittees, invitees, licensees or any other persons for whom the Permittee is responsible at law may suffer, incur or be put to in connection with any occurrence on the Permit Area, or with the use and occupation of the Permit Area by the Permittee.
3. No Representations. The Permittee acknowledges that the Permitter has made no representation or warranty as to the state or condition of the Permit Area. The Permittee acknowledges that the Permitter has no obligation to repair, maintain or upgrade any roads situated on the Permit Area, and the Permittee's vehicles and equipment (including any vehicles and equipment of the Permittee's contractors and sub-contractors and the personnel operating such vehicles and equipment) are at the Permittee's risk and responsibility. The Permittee is accepting the Permit Area for use strictly on an "as is, where is" basis.
4. Insurance. The Permittee will take out and keep in full force and effect at all times during the Term:
 - (a) automobile liability insurance covering bodily injury (including passenger hazard) and property damage arising from the operation of owned and non-owned vehicles within the Permit Area, with inclusive limits of not less than \$2,000,000 for any one accident and, with respect to insurance on non-owned vehicles, the policy will provide coverage for liability assumed under this Permit;
 - (b) comprehensive general liability insurance ("**CGL Insurance**") with respect to the Permit Area in which the limit of liability will not be less than \$3,000,000 per person and \$3,000,000 per occurrence in respect of injury or death to one or more persons and in which property damage or loss liability occurring in connection with any exercise of the rights of the Permittee under this Permit by the Permittee, its successors or any of their respective employees, agents, contractors, customers, permittees, invitees, licensees or any other persons for whom the Permittee is responsible at law will not be less than \$3,000,000; and
 - (c) firefighting expenses liability insurance in which the limit of liability will not be less than \$1,000,000.

Such insurance will be with such insurers and on such terms and conditions (including deductibles) as are acceptable to the Permitter, acting reasonably. During the Term if the Permittee sponsors or otherwise conducts a competitive event or race on the Permit Area, the Permittee will specifically confirm its CGL Insurance is endorsed to provide "participant and spectator coverage" and provide proof of such endorsement to Permitter. The Permittee will ensure that such insurance includes the Permitter and Mosaic as additional insureds and contains a cross-liability and severability of interests endorsement so that such insurance will protect the Permitter, the Permittee and the other insureds as if each were alone insured under such insurance. The Permittee agrees to waive its and its insurer's rights of subrogation with respect to the additional insureds. The Permittee's insurance shall be primary non-contributing with any insurance which may be maintained by the Permitter. The Permittee will pay all premiums for such insurance and will provide a copy of the certificates evidencing such insurance to the Permitter on request. Notwithstanding the foregoing, the Permittee will be entitled, for itself and its employees and no others, to self-insure for liabilities described in paragraphs (b) and (c) above provided that the Permittee is and remains either Her Majesty the Queen in Right of British Columbia

or Her Majesty in Right of Canada, and further provided that this right shall not extend to any agent of the Permittee except the Permittee's employees.

5. Indemnity. The Permittee will indemnify the Permitter, its partners, and its and their respective directors, officers, shareholders, employees and affiliates (including, without limitation, Mosaic) from and against any and all claims, actions, damages, liabilities and expenses (including, without limitation, all legal fees on a solicitor and own client basis and experts' fees and disbursements) in connection with loss of life, personal injury and/or damage to property or the environment arising from or out of any occurrence in or upon the Permit Area or other lands owned by the Permitter adjacent to or in the vicinity of the Permit Area in any way related to the exercising of the Permittee's rights under this Permit and any breach by the Permittee of any of the terms of this Permit.
6. Fires. The Permittee will:
 - (a) not start or permit or suffer any open fires or any fire menace on the Permit Area at any time, except as may be permitted by the Permitter and then only in strict compliance with all the requirements of the Ministry of Forests, Lands, Natural Resource Operations and Rural Development;
 - (b) take every reasonable precaution to prevent the escape of fire on or to the Permit Area or other lands or timber owned by the Permitter adjacent to or in the vicinity of the Permit Area;
 - (c) conform to and observe all applicable provisions of and regulations under the *Wildfire Act* (British Columbia) and any other statute that has been or may hereafter be made in respect to the prevention and suppression of fires; and
 - (d) will not smoke or permit smoking within the Permit Area.
7. Road Usage. The Permittee will comply with the safe driving procedures included as Schedule D (the "**Safe Road & Radio Use Procedures**") when using any roads situated on the Permit Area. The Permitter's vehicles and those of its contractors will have priority over all other users of any roads situated on the Permit Area.
8. No Refuse. The Permittee will ensure that all debris and garbage associated with the Permittee's use and occupation of the Permit Area pursuant to the Permit are removed from the Permit Area prior to the expiry of the Term.
9. No Works. The Permittee will not undertake any works that may alter the Permit Area in any way without obtaining the prior written consent of the Permitter.
10. No Nuisance. The Permittee will not engage in, carry on, commit or perform on the Permit Area any practice, act or activity that is or may become a nuisance or menace or that may in any way injure, disturb, adversely affect, annoy or otherwise interfere with the Permitter or any occupant or user of the Permit Area or any lands in the vicinity of the Permit Area including, without limitation, such party's interest, reputation or business, all as determined by the Permitter in its sole discretion.
11. No Disparagement. The Permittee will not make any statements, whether written or oral, or release or disseminate any information that may be contrary to the interests of the Permitter or adversely affect the reputation or business of the Permitter or its partners and affiliates.
12. Announcements. The Permittee will not make any public announcements or publish information concerning the Permittee's use of the Permit Area or activities to be conducted thereon, without: (a) providing to the Permitter a copy of such announcements or information for review and comment; and (b) obtaining the prior written consent of the Permitter.

13. Restrictions on Rights. The Permitter may at any time prohibit or restrict the exercise of any rights under this Permit for such periods of time as it determines, in its sole discretion. Without limiting the foregoing, the Permitter may regulate or stop any traffic or restrict activities within the Permit Area as required by weather conditions, fire hazard, logging activity or any other reason. The Permitter may deny access to the Permit Area to any person who do not possess identification satisfactory to the Permitter.
14. Release Agreements. If applicable, the Permittee will cause any participants intended to use the Permit Area to complete and execute release agreements in the form attached as Schedule C, and will forward the originally executed release agreements to the Permitter within seven (7) days after the expiry of the Term.
15. Third Party Compliance. The Permittee will cause its employees, contractors, sub-contractors, members and invitees and any other person on the Permit Area as a result of this Permit to comply with the terms and conditions of this Permit including, without limitation, the obligation to take out automobile liability insurance as set out in section 4(a) of this Schedule B.
16. Gates and Keys. If it is necessary to pass through gates to access the Permit Area, the Permitter will require the Permittee to enter into an agreement in the form attached as Schedule E for the necessary gate key(s) and comply with the terms and conditions of such agreement at all material times.
17. No Assignment. The Permittee may not assign this Permit and any purported assignment will be null and void. If the Permittee is a company, a change in control of that company will be deemed to be an assignment of this Permit.
18. Enurement. This Permit is binding on and will enure to the benefit of the Permittee and the successors and assigns of the Permitter.
19. Notice. Any notice required to be given under this Permit will be deemed to be given if sent by email to either the Permitter's Representative or the Permittee's Representative.
20. Termination. The Permitter may terminate this Permit at any time and for any reason without advance notice to the Permittee.
21. Survival. The Permittee's duties and obligations which by their nature are intended to be performed or complied with following the expiry of the Term or earlier termination of this Permit will survive the expiry of the Term or earlier termination of this Permit.

**SCHEDULE C
RELEASE AGREEMENT**

THIS IS A LEGAL AGREEMENT. BY SIGNING THIS RELEASE AGREEMENT, YOU ARE INDICATING THAT YOU HAVE READ AND ACCEPT THIS CONTRACTUAL AGREEMENT AND THAT YOU UNDERSTAND YOU WILL WAIVE OR GIVE UP CERTAIN LEGAL RIGHTS INCLUDING THE RIGHT TO SUE OR CLAIM COMPENSATION (INCLUDING YOUR MINOR CHILD/WARD'S RIGHT TO SUE OR CLAIM COMPENSATION) FOLLOWING AN ACCIDENT.

PLEASE READ CAREFULLY!

TO: _____, (the "**Permitter**"), and their related companies, partners, directors, officers, employees, representatives, licensees, permittees, invitees, contractors, subcontractors, agents and affiliates (collectively, the "**Releasees**").

NAME OF PARTICIPANT: _____

ADDRESS: _____

DATE OF BIRTH: _____

TO: _____ (the "**Permitter**"), and their related companies, partners, directors, officers, employees, representatives, licensees, permittees, invitees, contractors, subcontractors, agents and affiliates (collectively, the "**Releasees**").

I am of the full age of 19 years or am the parent/legal guardian having full legal responsibility for decisions regarding my minor child/ward under the age of 19 and I HAVE READ AND UNDERSTOOD THIS RELEASE AGREEMENT PRIOR TO SIGNING IT, and I am aware that by signing this Release Agreement, I am irrevocably and forever waiving certain legal rights which I, my minor child/ward, and my or my minor child/ward's invitees, heirs, next-of-kin, executors, administrators, assigns and representatives (collectively, the "**Releasers**") may have against the Releasees.

I am aware that:

- the lands (the "**Lands**") used by the Permittee are owned by the Permitter and are accessed by private industrial road (the "**Road**") which the Permitter owns or has the right to use;
- the Lands and Road are used by the Permitter for logging and logging related activities;
- the Lands and Road are used by oversized loaded and unloaded logging trucks as well as other forest industry vehicles and equipment of every nature and kind ("**Industrial Vehicles**"); and
- the Industrial Vehicles have priority of use and right of way on the Lands and Road.

On behalf of myself and my minor child/ward, if applicable, I freely acknowledge, accept and fully assume the dangers and risks and the possibility of personal injury, death, property damage or loss resulting from me or my minor child/ward's participation in the Activities and use of the Lands and the Road.

MINOR PARTICIPANT

In consideration for allowing my minor child/ward to participate in the Activities, I hereby warrant and agree as follows:

1. I am familiar with and accept, on behalf of myself and my minor child/ward that there is the risk of serious injury and death in participation in the Activities and use of the Lands and the Road;
2. I have satisfied myself and believe that my minor child/ward is physically, emotionally and mentally able to participate in the Activities, and that her/his equipment, if applicable, is mechanically fit for her/his use;
3. I understand, and will instruct my minor child/ward, that all applicable rules for participation must be followed and that at all times sole responsibility for the personal safety of my minor child/ward remains with me;

4. I will advise my minor child/ward to immediately remove her/himself from participation, and notify the nearest person, if at any time she/he senses or observes any unusual hazard or unsafe condition or if she/he feels any deterioration in her/his physical, emotional or mental fitness for continued participation;
5. I authorize emergency medical treatment in accordance with the best interests of my minor child/ward, should I not be present at the relevant time to grant consent myself; and
6. I agree to hold harmless and indemnify the Releasees from any claims or demands that might be made against the Releasees by my minor child/ward if this Release Agreement is declared void or unenforceable against my minor child/ward in whole or in part for any reason.

I HEREBY AGREE AS FOLLOWS:

1. **TO IRREVOCABLY AND FOREVER WAIVE ANY AND ALL CLAIMS** that I or any Releasor may have against the Releasees and to release the Releasees from any and all liability for any loss, damage, expense or injury, including death, that I or my minor child/ward may suffer or that my or my minor child/ward's next of kin may suffer, as a result of me or my child/ward's participation in the Activities or use of the Lands and the Road, due to any cause whatsoever, including negligence, breach of contract, or breach of any statutory or other duty of care, including any duty of care owed under the *Occupiers Liability Act*, on the part of the Permitter, and further including the failure on the part of the Permitter to safeguard or protect me or my child/ward from the risks, dangers and hazards of participating in the Activities and use of the Lands and the Road;

INITIAL HERE

2. **TO HOLD HARMLESS AND INDEMNIFY THE RELEASEES FROM ANY AND ALL LIABILITY** for any property damage or personal injury to any third party resulting from me or my minor child/ward's participation in the Activities and use of the Lands and the Road; and
3. **THAT** this Release Agreement will be effective and binding upon my and, if applicable, my minor child/ward's, heirs, next-of-kin, executors, administrators, assigns and representatives, in the event of me or my minor child/ward's death or incapacity.

 SIGNATURE OF PARTICIPANT

 DATE

 SIGNATURE OF WITNESS

 SIGNATURE OF GUARDIAN

(IF PARTICIPANT UNDER 19 YEARS).

SCHEDULE D SAFE ROAD & RADIO USE PROCEDURES

The following procedures apply to all Mosaic Forest Management Corporation (“**Mosaic**”) managed resource roads. All users must be familiar with these procedures to ensure safe traveling conditions. Any vehicles failing to follow the Mosaic Safe Road & Radio Use Procedures should be reported to the appropriate supervisor or Mosaic representative. Use of seatbelts is always mandatory.

Remember, roads are radio assisted – not radio controlled, drive accordingly, always expect the unexpected around every corner.

All vehicles:

- All road users must be fully licensed with correct endorsements, adequately insured for the vehicles intended use and follow all applicable driving legislation.
- All vehicles and drivers must comply with applicable rules, laws and regulations like WorkSafe, DOT, National Safety Code, *Motor Vehicle Act*, etc. This is to ensure proper driving, loading, securing, inspection and maintenance of all industrial road users.
- All vehicles must have Mosaic designated haul road frequencies for the operating area they are working or traveling in. Any cell phone use is not permitted on Mosaic resource radio roads, drivers need to pay attention to driving and listen to the radio traffic for safety.
- **All heavy industrial vehicles have the right-of-way at all times.**
- Heavy industrial vehicles have little opportunity to move off the center of the road grade, ensure you quickly find a turnout that enables adequate clearance for safe passage.
- Light vehicles must yield to heavy industrial traffic at all times. Light vehicles will always drive on the right side of the road and be ready to pull over as required.
- Observe and obey all posted signage. Do not proceed into an active area without proper clearance. No vehicles should be parked where they encroach or obstruct an active road.
- Check with the local Mosaic office to ensure you have contact information for the designated Prime Contractor if required. Road users must have a radio and know the current status of log hauling and other industrial use on the desired roads of travel.
- **Maximum vehicle speed is 65 Km/ hr** (unless otherwise posted). Road and weather conditions may warrant a slower speed, posted speed limits should never be exceeded. Ambulances and emergency vehicles will comply with speed limits.
- Drive by the road conditions, sight lines, dust or weather related visibility. Maintain safe distances when following other vehicles. Use caution when passing slower vehicles, never pass on a corner or until given clearance verbally or visually from logging trucks, low beds, graders, etc. Be aware that long loads of logs can sweep a vehicle off the road on corners.
- Vehicles must use headlights while travelling on logging roads year round.
- Report all road hazards immediately to the Prime Contractor or Mosaic representative.

Bridges:

- All bridges are one lane only. All heavy industrial vehicles will have the right of way over light vehicle traffic on bridges. Know where you are and pull over.
- Mosaic bridge inventory is managed to support industrial traffic. When in doubt ask.

Note: Notify Mosaic representative prior to walking (**point loading**) across structures with equipment 35 tonnes or greater to ensure structure can safely support the weight.

RADIO USE PROCEDURES:**Known Hazards**

1. Losing track of your location	5. Unnecessary radio chatter
2. Losing track of other vehicles location	6. Using the wrong frequency
3. Meeting oncoming vehicles without a radio	7. "Walking over" other calls
4. Not following calling procedures	8. Being distracted (i.e. phones, music, passengers)

Minimum guidelines are stated below for all traffic, it is very noteworthy that some road headings require more communication, narrow winding roads that are busy may require users to call more frequently, be Safe and consistent when conditions change.

- Note the standard radio call sequence is: **road name => km => direction => vehicle type** as noted below other than logging trucks.
- **All heavy industrial vehicles must call when entering a new road heading**, and at a minimum frequency of **every 2 km's loaded or empty** or when resuming along a road after having been stopped for an extended period of time.
- **Heavy industrial vehicles** will use the terms "**loaded**" when km's are decreasing and "**empty**" when km's are increasing. For example: "**Buckley 6km loaded**".
- **Heavy industrial vehicles** other than log trucks will identify themselves. For example: "Buckley 4km loaded gravel truck" or "Chemainus 2km empty grader".
- **Low beds will identify themselves** when calling, for example when increasing km's with a machine on deck low beds will call "**Holt 6km empty Low bed, machine on**".
- **Heavy industrial vehicles**, in some rare cases log trucks may be loaded while increasing km's, in this event trucks will call for example "**Road name 6km empty trailer down**".
- **Light Vehicles must call when entering a new road heading**, and at a minimum frequency of every 5 km's or when resuming along a road after having been stopped for an extended period of time. As noted above this may need to increase on busy roads.
- **Light vehicle traffic** will use the terms "**down**" when km's are decreasing and "**up**" when kms are increasing. For example: "**Buckley 6km down**".
- **Some locations have Radio Control Points** (RCP's). RCP's will be established for high risk road sections and will be marked as RCP's on the signage, these are must call points.

**SCHEDULE E
GATE KEY FORM**

EXAMPLE

GATE KEY FORM



TimberWest Forest Company

Island Timberlands Limited Partnership

In consideration of the benefits derived by the Key Holder from the receipt of ___ key(s) (the "Key(s)"), the right to use the Key(s) for the Authorized Use, and other good and valuable consideration, the Key Holder hereby acknowledges and agrees to the following terms and conditions in favour of TimberWest Forest Company and Island Timberlands Limited Partnership (together, the "Company"):

- The Key Holder shall use the Key(s) only for the Authorized Use.
- The Key Holder shall leave any gate it passes through in the same state (open/closed and locked/unlocked) it finds it, and when passing through any closed and locked gate shall not allow any other person or vehicle through such gate.
- The Key Holder shall notify the company representative immediately of any emergency relating to the Company's lands, roads, gates or other property.
- The Key Holder shall notify the Company immediately if the Key(s) has/have been lost, stolen or misplaced.
- If the Key(s) is/are lost, stolen or misplaced, then the Key Holder shall pay the Company \$500.00 per key or, at Company's discretion, forfeit the key deposit held in trust or pay the costs incurred as a result of replacing the lock system.
- The Key Holder shall not permit third party use of the Key(s) without the Company's prior written approval.
- The Key Holder's rights hereunder will terminate on the earlier of (a) the Expiry Date, and (b) the date the Key Holder receives a notice from the Company requiring return of the Key(s), which the Company may deliver at any time and for any reason. The Key Holder shall return the Key(s) to the Company within 10 days of such termination, and its obligations hereunder will survive until the Key(s) has/have been so returned.

Date Issued: _____, 2019 **Expiry Date** _____, 2020 **Date Returned:** _____

Deposit Required (\$)500.00 **Deposit Not Required** **Deposit Returned:** _____

Key ID	Key Colour	Key Number
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Authorized Use:	ACCESS TO THE PROPERTY FOR THE PURPOSE OF:
Company Representative	

The **Key Holder:**

User Type	Third Party		
Company			
Address			
Signature x _____			