



TERMINAL RULES AND REGULATIONS

RIDLEY TERMINALS GENERAL TERMS

EFFECTIVE: OCTOBER 1, 2008

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GENERAL RULES AND REGULATIONS

1.0 USE OF TERMINAL

Use of the terminal facilities and services (sometimes called the “**Terminal**”) owned and operated by Ridley Terminals Inc. (sometimes called “**RTI**”) covered by these Terminal Rules and Regulations shall constitute evidence of an agreement on the part of all users of the Terminal (sometimes called “**Users**”) to be covered by and to abide by all the rules and regulations stated herein. Notwithstanding anything to the contrary herein, the rights of any User to utilize the Terminal shall be subject to the prior approval of RTI.

2.0 AMENDMENTS

Amendments to these Terminal Rules and Regulations may be issued by RTI from time to time to cover changes. These Terminal Rules and Regulations are subject to change without notice and a copy of these Terminal Rules and Regulations in effect at any time will be made available to any User on request of RTI.

3.0 INTERPRETATION

RTI shall be the sole judge as to the interpretation of these Terminal Rules and Regulations.

4.0 LOCAL AUTHORITY

4.1 The Terminal is within the jurisdiction of the Prince Rupert Port Authority (sometimes called “**PRPA**” or the “**Port**”) and Users of the Terminal are subject to the applicable rules and regulations prescribed by PRPA as well as by any other lawful authority.

5.0 SECURITY, EXCLUSION OF LIABILITY

5.1 Marine Security

All operations at the Terminal are conducted subject to and in accordance with the *Marine Transportation Security Act*, SC 1994, c. 40 and the regulations thereto, including the *Marine Transportation Security Regulations*, SOR/2004-144.

5.2 Exclusion of Liability

RTI will not be liable for any loss or damage attributable in whole or in part to compliance with *Marine Transportation Security Act*, SC 1994, c. 40 or the regulations thereto, including the *Marine Transportation Security Regulations*, SOR/2004-144 or with other security requirements required or said to be required by any lawful authority.

6.0 **HOURS OF OPERATION**

The Terminal operates 24 hours a day, every day throughout the year except for Holidays.

7.0 **SAFETY AND SECURITY**

7.1 All Vessels are to furnish, at all times while in Berth, safe ingress and egress.

7.2 When a Vessel is berthing and/or is berthed at any of the Terminal facilities, the Master shall be solely responsible for the safety of the Vessel and her crew. Any Vessel in Berth shall at all times maintain appropriate officers and crew aboard the Vessel in order to maintain an alert watch and respond to emergencies:

- (a) The engineering plant and Vessel trim must be maintained in a state of readiness to respond to emergency situations and to avoid delays in vacating the Berth;
- (b) Guards must be installed to prevent deballested water from contacting personnel, equipment or the dock;
- (c) All personnel shall wear life jackets, hard hats and all other generally accepted safety equipment or gear on docks at all times. Vessel crew members shall adhere to this requirement when on the dock and when transiting the conveyor walkway system to and from the docks. Hazardous materials, substances or wastes, and Cargoes which are of a highly inflammable, radioactive, explosive, noxious or dangerous nature, or reactive to personnel, will not be provided with any service of any kind except under advance arrangement with RTI accompanied by full disclosure of the hazardous characteristics, risks and special handling requirements of such Cargo and in such case negotiated rates and charges shall be applied. It is the responsibility of the shipper or other person tendering Cargo to the Terminal:
 - (i) to fully disclose in writing and in advance all of the Cargo's characteristics, risks and special requirements applicable to its safe Loading, Unloading, handling and storage in bulk;
 - (ii) to obtain all necessary special permits or permissions required by the Captain of the Port and/or other provincial or federal authorities in connection with the Loading, Unloading, handling and/or Storage at the Terminal; and

- (d) Simultaneous with the submission of the Berth Application in the form shown in Addendum V, Users of Terminal facilities shall provide RTI with Material Safety Data Sheets in the form shown in Addendum VI on all commodities handled for their account.

RTI has developed a Facility Security Plan (“FSP”). In accordance with the FSP, certain areas of the Terminal’s landside facilities and all of Terminal’s Berths and fleets are considered restricted areas. Any unauthorized entry into restricted areas is considered a “Breach of Security” and the proper authorities will be notified. Anyone or anything entering into the Terminal is subject to screening, inspection and/or search according to the FSP. Failure to consent will result in denial or revocation of authorization to enter.

8.0 COMPLIANCE WITH LAWS AND REGULATIONS

8.1 Prior to coming into the Berth, all Vessels shall have fully complied with all applicable Coast Guard regulations and all applicable local, provincial and federal laws and regulations in effect while the Vessel is in Berth at the Terminal.

8.2 Ship/Shore Safety Checklist

8.2.1 Immediately upon berthing, an Officer of the Vessel must accompany a representative of RTI and jointly conduct an inspection sufficient to accurately complete a “Ship/Shore Safety Checklist” in the form shown in Addendum III.

8.2.2 Loading of Cargo will not commence unless and until the inspection has been conducted and the Ship/Shore Safety Checklist has been completed to the satisfaction of RTI.

8.3 Gangway Safety

RTI provides the use of a gangway subject to and in accordance with the Gangway Safety Notice shown in Addendum IV.

8.4 Movement of Vessel’s Gear

None of the Vessel’s cranes, hatch covers or other gear may be moved without direct prior consent of RTI’s Operations Security Facility Officer (“OSFO”).

8.5 In no event shall Loading or Unloading of a Vessel, as the case may be, occur until such time as such Vessel has been cleared by the applicable Canadian agencies and authorities, including the Canada Border Services Agency, having jurisdiction over customs and

entry to Canada (“**Canada Customs**”). If any Vessel fails to comply with all applicable laws and regulations enforced by Canada Customs, RTI may order the Vessel to vacate the Berth. If the Vessel does not vacate the Berth when so ordered, the Vessel will be subject to, in addition to the liquidated damages provided for in Section 22, all costs (including, but not limited to solicitor’s fees determined on a solicitor and own client basis) and expenses in connection with the moving of the Vessel, which costs and expenses (and liquidated damages) shall be for the account of and the full risk of the Vessel and each Vessel Party.

9.0 **RESPONSIBILITY FOR VESSEL OR CARGO
DAMAGE, PERSONAL INJURY OR DEATH,
DEMURRAGE DELAYS OR LOSS OF DESPATCH, AND POLLUTION**

9.1 RTI shall not be responsible for marine loss or damage to Cargo or to the Vessels utilizing the Terminal facilities including, but not limited to, damage to:

- (a) Vessel gear, equipment or structures due to the Cargo being discharged; and
- (b) Vessel parts or Cargo arising by reason of concealed or inadequately protected fastenings, attachments, covers and Vessel parts projecting into the Cargo and/or due to Vessel configuration.

RTI will receive, load, unload, transfer, handle, store or deliver Cargo in accordance with these Terminal Rules and Regulations. In furnishing any services, or performing any acts hereunder, RTI shall not be responsible for any demurrage or other damages for delay or loss of despatch time or any other damages incurred by any Vessel or Vessel Party or their Cargo for any cause.

9.2 Each Vessel Party shall have the duty to be fully familiar with the environmental rules, regulations and laws in respect to the type and levels of all discharge allowed in Canada’s coastal waters and air and for fully abiding by all such rules, regulations and laws. RTI will report any observed act which is suspected to be a violation of any such obligation, rule, regulation or law to the appropriate governmental authority.

9.3 The Loading and/or Unloading of the Cargo shall be under the continuous direction and sole responsibility of the Master or authorized representative. The Loading/Unloading plan should be such that the Vessel is maintained in trim and the engine(s) is in a condition that the Vessel could leave the dock on short notice (less than 20 minutes).

9.4 All Vessels and Users of the Terminal hereby agree to indemnify, defend and hold harmless RTI and all persons, firms or other entities which may manage, own or control the operations of said Terminal, and their officers, directors, agents, insurers, and vessels (the “**Indemnitees**”) from and against any and all claims, actions, damages, liability or expense, including court costs and solicitor’s fees, in connection with the loss of life, or bodily injury, involving anyone, including Visitors or invitees, and damage, contamination or loss of property, including the User’s Cargo, incident to or resulting from their use of the Terminal facilities.

9.5 Vessels shall not violate any air emission standards applicable in the vicinity of Terminal facilities.

9.6 Additionally, such obligation of Vessels and Users to indemnify, defend and hold harmless the Indemnitees shall include, but not be limited to, all losses, penalties, fines, clean-up costs, natural resource damages, remediation costs, removal costs, demurrage, administrative costs and any and all other costs and liabilities that arise directly or indirectly from pollution caused by:

- (a) a Vessel Party or the Master or any crew of the Vessel, whether in Loading or Unloading Cargo, or in the operation or management of the Vessel; or
- (b) a spill of the Cargo, fuel or any other pollutant of the Vessel or of any other party at any time while the Cargo, fuel, or pollutant is on board the Vessel or when the Cargo, fuel, or pollutant is within the care, custody or control of a Vessel Party or those for whom a Vessel Party is responsible except where such damages, losses, costs or liability are caused solely by the negligence of RTI. In the event of a pollution event arising directly or indirectly out of services being performed at the Terminal, each Vessel Party shall, and shall cause its representatives and insurers, to immediately:
 - (i) notify all local, provincial and federal authorities having jurisdiction over the pollution event;
 - (ii) notify RTI of all details of the pollution event;
 - (iii) take all steps to eliminate the cause and/or source of the pollution;
 - (iv) take all steps to clean up the pollution;

- (v) take all steps required by law to restore the environment;
- (vi) take all steps to mitigate damages of Vessel Party, RTI and any third parties;
- (vii) promptly pay, and pay for, all fines, damages and losses, to the extent required by law, and for all costs and expenses of cleanup;
- (viii) if necessary, advance or pay monies and funds required to be paid to the appropriate regulatory agencies;
- (ix) consult with RTI and keep RTI constantly informed of all steps taken and contemplated to comply with provisions of this section; and
- (x) cooperate with RTI in issuing statements to government authorities and media representatives.

9.7 Whether or not any Vessel Party has complied with the provisions of the foregoing, RTI may, but shall not be required to, take over and manage all prevention, cleanup and restoration activities, all without derogation or diminution of each Vessel Party's obligations under these Terminal Rules and Regulations, and with full reservation to RTI of all rights against the Vessel, each Vessel Party or its insurers for reimbursement of costs, expenses and solicitor's fees. In such event, each Vessel Party shall, and shall cause its insurers and any subcontractors, to make available to RTI all vessels, personnel and equipment used or planned to be used in such prevention, cleanup and restoration efforts, all at the sole expense of the Vessel Parties.

9.8 In the event RTI takes over and manages such prevention, cleanup and restoration efforts, such action shall not be deemed a waiver, or constitute an estoppel by RTI or an admission of fault or responsibility on the part of RTI. RTI may, but is not required to, utilize its own and contracted personnel, vessels and equipment in such prevention, cleanup and restoration efforts, and may, at its discretion, allocate such resources as it, in its sole discretion, deems appropriate.

10.0 **REMEDIES FOR ENFORCEMENT OF
TERMINAL RULES AND REGULATIONS**

RTI shall have all remedies available to it at law, including maritime law, or in equity to enforce these Terminal Rules and Regulations, including, but not limited to canceling a Vessel's filing or ordering a Vessel from Berth. A Notice to Vacate will be given in form

attached as Addendum I. RTI shall also have all remedies available at law, including maritime law, or in equity to collect liquidated damages including but not limited to a maritime lien against the Vessel for such charges. In the event of any legal proceedings to enforce any provision of these Terminal Rules and Regulations, RTI shall be entitled to recover its expenses incurred in such proceedings, including solicitor's fees on a solicitor and own client basis in any trial court and on any appeal.

11.0 **SAFE BERTH**

The Master of any Vessel shall be solely responsible for determining if the depth of water (at any tide) is sufficient for the Vessel, RTI having no responsibility therefor and RTI shall not be deemed to warrant the safety of public channels, fairways, approaches thereto, anchorages or other publicly-maintained areas either inside or outside the port area where any Vessel may operate. Furthermore, RTI shall not be deemed to warrant the safety of any of the Berth's docks or midstream facilities, including the Terminal's mooring buoys.

12.0 **ENTIRETY OF AGREEMENT**

In the event of a conflict between a provision of these Terminal Rules and Regulations and a provision of any other agreement concerning the Vessel or the Cargo, the provision of these Terminal Rules and Regulations shall control. In case any portion of any provision or any one or more of the provisions contained in these Terminal Rules and Regulations should be held or determined invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions or underlying rights and obligations referred to herein shall not in any way be affected, modified, or impaired thereby.

VESSEL FILING

13.0 **NOMINATION AND FILING**

13.1 **Nomination**

13.1.1 Nomination of the Vessel shall be furnished to RTI by email to central@rti.ca or by facsimile transmittal to (250) 624-4990, Attention: Dennis Blake between 7:30 a.m. and 4:00 p.m. Mondays through Fridays, exclusive of Holidays as defined herein and Saturdays and Sundays not earlier than 30 days and not later than 14 days prior to the estimated time of arrival (the "ETA") of the Vessel. The Vessel Nomination Form is attached as Addendum II.

13.1.2 Other relevant contact numbers for RTI and the Port are as follows:

MARINE SECURITY CONTACT LIST

Title	Name	Office Phone	Cell Phone
Operations Facility Security Officer (OFSO)	Pete Petersen	627-3549	624-1704
Company Facility Security Officer	Ken Lindenberger	627-3549	624-1718

**PRINCE RUPERT PORT AUTHORITY
SECURITY AND EMERGENCY CONTACT LIST**

Title	Name	Office Phone	Cell Phone
Port Security Officer		\	624-3637 (24/7)
Port Facility Security Officer	David Fisher	627-2504	624-1258
<i>Alternate #1</i> Facility Security Officer	Gary Paulson	627-2517	622-8729
Northland Security Station	Commissionaires	624-5484	VHF Ch 12
Prince Rupert Police/Fire/Emergency		911	
Transport Canada Security Regional Office			(604) 666-4765 (24/7)

* A “security incident” or “breach of security” should be reported to the **Ridley Terminals Inc. Company Facility Security Officer (CFSO)**. The CFSO will direct all other calls to the appropriate contact people on this list.

13.1.3 User is to provide RTI, in writing a 10 day laycan spread latest 30 days prior to the date of the first day of the 10 day laycan spread. No later than 14 days from the date of the first day of the original 10 day laycan spread, User is to identify in writing to RTI a 4 day load window within such original 10 day laycan spread. In each case mentioned above, the written approval of RTI shall be required relative to the 10 day laycan and the 4 day load window within the original 10 day laycan.

13.1.4 RTI is to receive a copy of any Charter Party Agreement applicable to a Vessel prior to acceptance of a nomination of the Vessel.

13.1.5 Acceptance by RTI of a Nomination of a Vessel shall be evidenced by RTI’s confirmation by facsimile or e-mail transmittal to the Vessel Party that provided the Nomination of Vessel.

13.2 Filing

13.2.1 All Vessels, and all Vessel Parties including owners, operators, charterers or agents, intending to utilize the facilities and services of the Terminal shall file by facsimile transmittal to RTI at (250) _____ with an executed original to follow by mail, a Berth Application for an ETA at the Terminal between 7:30 a.m. and 4:00 p.m. Mondays through Fridays, exclusive of Holidays, and Saturdays and Sundays, not later than 5 days prior to the ETA of the Vessel. All filings will be accompanied by Ship/Shore Safety Checklist attached to these Terminal Rules and Regulations as Addendum III.

13.2.2 Acceptance by RTI of a Berth Application shall be evidenced by RTI's issuance to the Vessel Party of a Berth Application Acceptance in the form shown in Addendum VII signed by two signatories on behalf of RTI, one of whom must be one of Messrs. Grogan, Dixon and Barnett. Any Vessel arriving and submitting a Notice of Readiness, as defined below, prior to the date booked will be worked at the discretion of RTI; otherwise, the Vessel shall wait for the period set forth in the Berth Application Acceptance. Vessels arriving or submitting a Notice of Readiness after the ETA set forth in the Berth Application Acceptance similarly will be worked at the discretion of RTI.

13.2.3 Vessel's Master will also submit the Gangway Safety Notice in the form shown in Addendum IV.

13.2.4 With respect to barges, the Vessel Party shall provide the following information no later than 7 days prior to the ETA of the barges, listing with respect to such barge the individual barge numbers, tonnage, Loading drafts, name of carrier, ETA and the type of Cargo carried or to be carried, which report shall be subsequently updated on the Monday of each week until such barges are received into the Terminal. All Users and their barges utilizing the facilities and services of the Terminal shall be subject to and shall abide by the terms and conditions of these Terminal Rules and Regulations.

14.0 **NOTICE OF READINESS**

In the case of a Vessel to be loaded, issuance of the Notice of Readiness in the form shown as Addendum VIII shall mean that the Vessel has obtained all requisite governmental approvals, inspections and clearances, including, but not limited to, those required by Canada Customs, and is located at the Berth or Closest Available Anchorage (as defined in Section 17 below), and is ready and suitable in all respects to receive the Cargo in all holds to be loaded and that the User has determined that the Cargo is in a condition satisfactory to the Vessel

Party and all regulatory authorities for shipment. User specifically acknowledges that varying temperatures, moisture and weight changes and spontaneous combustion constitute inherent problems associated with the handling of coal, petroleum coke and certain other types of Cargo. Prior to Loading or Unloading, User's surveyor shall determine that the temperature, moisture and condition of the Cargo is satisfactory.

15.0 **AGREEMENT TO BE BOUND**

The issuance by RTI of the Berth Application Acceptance, or the berthing of any Vessel at the Terminal if permitted by RTI, shall constitute a contract between RTI and the Vessel, her owners, operator(s), charterer(s) and agent(s) and any other Vessel Party (jointly and severally) to abide by the provisions of, and to be liable for the charges of whatsoever kind or nature in these Terminal Rules and Regulations.

16.0 **CERTIFICATION FOR FILING**

16.1 In the case of a Vessel, the following certificates and other documents must be presented to file for a Berth at the Terminal. Facsimile transmissions, alone, will not be accepted.

- (a) Original Berth Application signed by authorized representatives of the Vessel Party.
- (b) A copy of the Notice of Readiness executed by authorized representatives of the Vessel Party.
- (c) International tonnage certificate.
- (d) A proposed stowage plan which includes Cargo cubic capacity for any Vessel to be loaded and Loading sequence or the actual plan for Cargo to be unloaded including the Unloading sequence.
- (e) Additionally, should it be necessary for Vessel personnel ("**Vessel Personnel**") to leave the Vessel or Visitors, including Vessel's agent, to board the Vessel, 24 hours prior written notification to RTI must be provided and include: a list of the:
 - (i) name,
 - (ii) address,

- (iii) telephone number,
- (iv) reason for visit of each Visitor to the Vessel and Vessel Personnel leaving the Vessel. Each Visitor must have a form of identification acceptable to RTI. Each list shall be supplemented as needed and furnished in advance of the visit to the Terminal in writing between 9:00 a.m. and 4:00 p.m. Mondays through Fridays and between 9:00 a.m. and 12:00 noon Saturdays, all exclusive of Holidays, and Sundays (the “**Visitor List**”), and
- (v) Any Vessel Personnel leaving the ship shall be required to furnish RTI with an appropriate permit or other authorization issued by Canada Customs and a picture identification card.

17.0 **CLOSEST AVAILABLE ANCHORAGE**

17.1 Vessels filing a Berth Application to utilize the Terminal facilities may be required to anchor at the closest anchorage to the Port (“**Closest Available Anchorage**”).

17.2 Vessel Party acknowledges that any Vessel arriving at the Terminal with Cargo on its deck may constitute a hazardous and unsafe condition. Vessel Party agrees that if notified of such condition, it shall be the sole responsibility of Vessel Party to clean and remove any such product which renders the deck of any such Vessel hazardous to the safety of any person. Should Vessel Party fail to promptly clean and remove product from the deck of any such Vessel, RTI reserves the right, but not the obligation, to clean and remove the product from the Vessel’s deck, which service will be solely for the account of the Vessel Party.

17.3 Vessel Party shall coordinate and be solely responsible for all required inspections for cleanliness and compliance with all local, provincial and federal laws and regulations relative to the fitness of the Vessel.

17.4 Whenever a Notice of Readiness has been issued, the Vessel shall be prepared to come to Berth and commence Loading or Unloading operations, as the case may be, upon 3 hours’ notice. Upon assignment to a Berth, the Vessel shall remain prepared and be properly crewed to promptly carry out Cargo transfer operations within or between Terminal’s Berths, and undock and vacate the Berth on order of RTI 24 hours a day, 7 days a week with any crew

overtime being at the sole cost and expense of the Vessel. For purposes of these Terminal Rules and Regulations, “promptly” shall mean within 30 minutes of notice being tendered by RTI.

17.5 In the event that the Vessel fails to comply with these requirements and another Vessel, although filed later, is available for Loading or Unloading operations Terminal management may, in its sole discretion, and without liability to anyone, bypass the subject Vessel. If the Vessel is ordered to Berth and a delay in delivery of the Vessel to Berth occurs in excess of 3 hours from the time that the Vessel was ordered to Berth due to circumstances or conditions within the control or due to the fault of the Vessel, the Vessel Parties including its owner(s), operator(s), charterer(s) and agent(s) shall be responsible, jointly and severally, for a dead Berth charge of \$5,000 for each hour or fraction thereof until the Vessel is moored in Berth, regardless of intervening circumstances of any nature, which charge shall be assessed as liquidated damages.

18.0 **BERTH ASSIGNMENT**

Terminal operations may be scheduled at Terminal’s Berths and in any combination thereof. Prior to the issuance of the particular Berth assignment, the Vessel Party must provide, at the option of RTI, either the deposit referred to in Section 35.2 or a guarantee acceptable to RTI regarding payment of Dockage fees as provided for in Appendix “A”.

19.0 **REFILING**

If any Vessel, that has filed with RTI, is ordered to Berth by Terminal management and is unable or refuses to accept a Berth, due to any reason whatsoever, or otherwise fails to comply with these Terminal Rules and Regulations, the Terminal management may, at its sole discretion cancel its original filing. If filing is cancelled, the Vessel must refile and will be assigned a rotation in the Terminal lineup based on the new filing time.

LOADING AND UNLOADING

20.0 **BERTHING AND SAFETY EQUIPMENT**

Upon berthing, the Vessel shall immediately and at all times provide adequate lighting, equipment and appropriate officers and crew aboard to permit Loading or Unloading, as the case may be, of Cargo at any time of the day or night, including Saturdays, Sundays and Holidays. All Vessel officers and crews shall wear life jackets, safety glasses and hard hats

while on the Terminal docks and when transiting the conveyor walkway system to and from the docks.

21.0 **LINE HANDLING**

The master and crew of every Vessel will provide assistance in handling lines and operating deck machinery. An English-speaking deck officer must be available to ensure timely response to directions of any representatives of the Terminal relative to handling of lines. Terminal representatives will position lines on the shoreside. Line handling for docking and undocking of Vessels in Berth and at the buoys, shall be assessed at the rate provided in Appendix "A".

22.0 **VACATING BERTH**

22.1 Whenever a Vessel is unable or refuses to load or unload, or shift within or between anchorage sites, mid-stream transfer facilities, Berths or docks, the Terminal management may order the Vessel to vacate the Berth after notice to vacate is delivered to the Vessel's master or agent. If a Vessel refuses or fails to vacate the Berth when ordered to vacate, RTI shall be entitled to charge and recover from Vessel and each Vessel Party as liquidated damages the sum of \$5,000.00 per hour for each hour or fraction thereof of each calendar day from one hour after delivery of the Notice to Vacate Berth that the Vessel remains in Berth, regardless of any intervening circumstances of any nature.

22.2 Furthermore, RTI reserves the right to order, in its sole discretion and for any reason in addition to those specified in Section 22.1, any Vessel to vacate the Berth. Should the Vessel fail to vacate the Berth when so ordered, a charge of \$5,000 per hour, for each hour or fraction thereof that the Vessel remains in Berth, shall be assessed against the Vessel and Vessel Party as liquidated damages, which charge of \$5,000 per hour shall be assessed for each hour or fraction thereof of each calendar day from one hour after delivery of the Notice to Vacate Berth until the Vessel vacates the Berth, regardless of intervening circumstances. If the Vessel does not vacate the Berth when so ordered pursuant to this Section or Section 22.1, the Vessel will be subject to, in addition to the liquidated damages above, all costs, including but not limited to, solicitor's fees and expenses in connection with the moving of the Vessel, which costs and expenses (and liquidated damages) shall be for the account of and the full risk of the Vessel and each Vessel Party.

23.0 **VESSEL ROTATION**

The Terminal management may alter the turn of Vessels for Loading or Unloading, when, in its sole judgment, it is in the best interest of Terminal operations.

24.0 **CONTINUOUS READINESS**

Assignment of Berth under these Terminal Rules and Regulations is predicated upon Vessel's continuous readiness 24 hours a day, 7 days a week to receive or discharge Cargo at RTI's full normal rate, throughout the entire time in Berth and compliance with the directions of Terminal management, including shifting within or between anchorage sites or Berths. Any delay in Loading or Unloading by the Vessel or refusal to follow directions of Terminal management, including an order to vacate the Berth, shall subject the Vessel and each Vessel Party to the charge specified in Section 22.1 which shall be assessed as liquidated damages regardless of intervening circumstances of any nature.

25.0 **VACATING BERTH UPON COMPLETION OF LOADING/UNLOADING**

Vessel shall vacate the Berth within one hour of completion of Loading or Unloading. If an Vessel refuses or fails to vacate the Berth when ordered to vacate, Terminal shall be entitled to charge and recover as liquidated damages from the Vessel and each Vessel Party, the sum specified in Section 22.1 which shall be assessed as liquidated damages regardless of any intervening circumstances of any nature. If the Vessel does not timely vacate the Berth, the Vessel will be subject to, in addition to the liquidated damages above, to all costs (including but not limited to solicitor's fees) and expenses in connection with the moving of the Vessel, which costs and expenses (and liquidated damages) shall be for the account of and the full risk of the Vessel and each Vessel Party.

26.0 **WEATHER CONDITIONS**

When, in the Terminal management's opinion, weather conditions threaten the safety of any moored or fleeted Vessel and/or the structural integrity of the Terminal facilities, transfer operations will be suspended and any Vessel moored or fleeted at the Berth shall vacate the Berth immediately when requested by the Terminal management to do so and until such time as weather conditions permit it to return (irrespective of whether the order by RTI to vacate the Berth precedes any similar order to vacate issued by PRPA). If any Vessel does not leave the Berth within three (3) hours of being ordered to do so, all costs (including but not limited to solicitor's fees) and expenses in connection with the moving of the Vessel and mooring or fleeting of same, as the case may be, shall be for the account of and at the full risk of the Vessel and Vessel Party. In no event shall RTI have any responsibility for any Vessel, including but not

limited to the cost of moving a Vessel that is ordered to vacate the Berth for any reason provided in these Terminal Rules and Regulations. Any damage to the Terminal facilities or other equipment shall be the responsibility of the Vessel Party and Vessel. Any Vessel calling at the Terminal shall be subject to any written guidelines and procedures relative to high winds adopted by Terminal including the following:

RTI's wind speed – upper limitation

- 20 meters persecond
- 38.88 knots
- 44.75 Mph
- 72 Km

Downtime:

2008 – 2.75% (186 days)

2007 – 1.97% (365 days)

Seasonal affect (Late October through March).

27.0 **USE OF TUGS**

When a Vessel is entering or leaving the Berth, RTI shall provide tugs, the cost of which shall be at the sole expense of and for the account of the Vessel and the Vessel Party without refund or credit against any charges due and owing the Terminal. If, in the opinion of the Terminal management, the weather or other conditions so warrant, each Vessel upon entering and leaving or lying at Berth (including shifting within the Berth) may be required to make use of additional tugs, depending on the size of the Vessel, which additional tugs shall be at the sole risk and expense of the Vessel and the Vessel Party. A one hour waiting period from the call-out time is allowed. Any additional time will be invoiced at the current standby rate. If called out and not used, the current reporting fee will apply. Charges for towage services will be assessed to the Vessel by RTI.

28.0 **MOORING OF BARGES**

28.1 RTI operates a closed fleet. All Vessel Parties shall obtain the prior approval of RTI before their Vessels enter RTI's fleet/berth/docks/buoys. No less than 24 hours' advance notice of the foregoing shall be provided by Vessel Parties to RTI's Traffic Manager. If such approval by RTI is granted, all Vessels, Visitors, personnel and passengers are required to comply with RTI's prescribed safety rules and personal protective equipment requirements and follow RTI's Facility Security Plan. RTI reserves the right to levy a User fee. Any User

delivering barges to the Terminal shall be responsible for mooring the barges in accordance with these Terminal Rules and Regulations and any other regulations promulgated by PRPA, the Coast Guard and any other competent authority.

28.2 A barge moored to another barge, a mooring or spar barge, a Vessel, a wharf, or a pier, will be secured as near as practicable to each abutting corner of the barge being moored by:

- (a) Four part wire rope of at least 7/8" diameter with an eye at each end of the rope passed around the timberhead, cavel or button;
- (b) A mooring line of natural or synthetic fiber that has at least 75% of the breaking strength of four part 7/8" diameter wire rope; or
- (c) Fixed rigging that is equivalent to four part 7/8" diameter wire rope.

28.3 Any river barges arriving at the Terminal without lines, wire or stationary rigging meeting the requirements set forth above will not be accepted by RTI until such time as proper equipment is furnished. Upon arrival or departure from the Terminal, all Vessels are required to contact the Terminal harbour boats. The Terminal harbour boat operator in attendance shall have the right, although not the obligation, to determine if the river barges have been properly secured by the Vessel Party.

28.4 Vessel Party acknowledges that any barge arriving at the Terminal with Cargo on its deck may constitute a hazardous and unsafe condition. Vessel Party agrees that if notified of such condition, it shall be the sole responsibility of Vessel Party to clean and remove any such product which renders the deck of any such barge hazardous to the safety of any person. Should Vessel Party fail to promptly clean and remove product from the deck of any such barge, RTI reserves the right, but not the obligation, to clean and remove the product from the barge's deck, which service will be solely for the account of the Vessel Party.

28.5 Vessel Party shall coordinate and be solely responsible for all required inspections for cleanliness and compliance with all local, provincial and federal laws and regulations relative to the fitness of the barge.

29.0 **BARGE RELEASE**

Once Loading or Unloading of a barge has been completed, as determined by Terminal personnel, the Barge must be picked up within 72 hours of RTI's facsimile transmittal of notice to the Vessel Party that the barge must be removed. In the event that a barge is not removed within the time limit, Terminal management may, at its sole election, arrange either to have the barge shifted to a commercial barge fleet or fleeted at the Terminal, to the extent that fleeting space is available, at the sole risk and expense of the Vessel Party. If the Vessel Party has been instructed to pick up its barges and removal of the barges is not accomplished within 72 hours, an additional charge above the normal fleeting charge will be assessed. The fee will be assessed until the barges are removed in accordance with the fee provided in Appendix "A".

30.0 **STOWAGE**

30.1 The Vessel Party shall be solely responsible for the stowage of the Cargo. Cargo shall be stowed within the Vessel only in areas where grabs and equipment spouts can reach, subject to Vessel design capability. Dozer work shall be provided to the Vessel Party at an additional charge agreed upon by RTI and Vessel Party prior to the Vessel coming into Berth. In any event, the Loading sequence plan shall not exceed 2 pass Loadings and 2 hold trims. RTI will allow each Vessel 2 draft checks which are not to exceed a period of 30 minutes each. Any Vessel exceeding the allotted time for draft checks will also be assessed the detention fee of \$5,000 per hour.

30.2 Any Vessel which is required to shift/warp within the Berth will be responsible for any/all expenses pertaining to shifting/warping including, but not limited to, line handling, pilot, tug(s).

31.0 **SUITABILITY OF CARGO**

Users acknowledge that Terminal only provides transfer facilities and outside ground storage of the Cargo at the Terminal. RTI reserves the right, without any responsibility for any loss, damage, or demurrage that may arise, to refuse any Cargo because in the sole discretion of the Terminal, such Cargo is unmerchantable or in unfit condition for Loading, Unloading, storage, transfer or handling; or because of lack of space, facilities or equipment, or for any other reason based on the sole judgment of RTI. RTI shall not be responsible for any loss, damage or delay caused by varying temperatures, moisture and weight changes and/or spontaneous combustion of Cargo, frost, heating, flood, the elements, evaporation, natural shrinkage, wastage or decay or from insufficient notification, or from war, insurrection, Acts of God, or acts or failure to act of any Governmental entity, or for any consequences arising

therefrom, or from concealed damage, leakage, variation in weights, or for losses in weights whether occurring while Cargo is in storage or during Loading, Unloading or while otherwise being handled, or for failure to detect or remedy same.

32.0 **RAILCAR AND VESSEL SUITABILITY**

32.1

Description of Unit Trains loads and dimensions are not to exceed the following with prior permission from the Terminal:

Maximum gross weight per railcar	286,000 pounds
Maximum average gross weight per railcar in each Unit Train	284,000 pounds
Total length of train	Maximum 106 cars
Length over rotary couplings	18.1 metres
Overall maximum width	3.3 metres
Overall maximum height above rails (railcars)	4.15 metres
Overall maximum height above rails (locomotive)	4.9 metres
Couple type/railcar	AAR Type F Rotary One End AAR Type F Standard Other End

Unit Train end envelopes dimensions must at least comply with AAR Manual of Standards (AAR Plate C).

32.2 RTI reserves the right to refuse any Vessel considered unseaworthy due to damage, distribution of load, draft or lack of freeboard, lists or such other reason for which RTI deems the Vessel not suitable for handling at the Terminal. The Vessel Party, at all times, shall remain responsible for the seaworthy condition of the Vessel. The berthing of any Vessel or delivery of any barge to the Terminal shall constitute a warranty by the Vessel Party to RTI that there are no latent defects in the Vessel or barge and that same is capable of either being loaded with the Cargo to be loaded by RTI or to be unloaded by RTI using the equipment normally employed by RTI. In no event shall RTI be responsible for the seaworthiness, maintenance, repair or service of Vessels coming into Berth at the Terminal or barges delivered to the Terminal, such responsibility being that of the Vessel Party. Notwithstanding the foregoing, should any Vessel develop any leaks, cracks or other conditions which, in the sole judgment of RTI, may result in damage to the Vessel and/or its Cargo, Vessel Party agrees to take whatever steps are necessary to protect the Vessel and/or its Cargo. Furthermore, in the event that any barge develops any leaks, cracks, or other similar conditions, such barge, at the election of RTI, may remain in the Terminal Fleet subject to the agreement by the Vessel Party to provide a standby harbour tug for the duration of the barge's stay at the Terminal for the purpose of tending to the barge, the cost of which harbour tug shall be at the sole expense of the Vessel

Party. In the event that RTI assists any barge that is sinking or damaged as a result of any leaks, cracks or other similar conditions, the actual costs of such assistance shall be borne solely by the Vessel Party and RTI shall have no responsibility for loss or damage to a barge or Cargo occurring as a result of RTI providing such assistance. In no event shall RTI have any responsibility for inspecting any barge nor shall RTI have any liability if loss or damage to a barge or Cargo occurs as a result of RTI's failure to reject a barge that has leaks, cracks or similar conditions, whether or not such conditions are latent or patent.

32.3 Only Vessels engaged in private or contract carriage pursuant to private commercial arrangements will be accepted by RTI.

32.4 The standard self-trimming Vessel acceptable for Loading is a gearless, bulk carrier, 325 metres LOA, 50 metres beam which can ballast to achieve an air draft for Loading under traveling ship loader. The standard Vessel for Unloading has a maximum draft restriction of 20 metres. Requests for exceptions to the foregoing shall be made at the time of Vessel filing and shall be subject to the sole discretion of RTI.

32.5 Vessel in Berth shall supply all necessary lights for night Loading and will remove and replace hatch covers at the cost of the Vessel.

32.6 The dead weight tonnage of a Vessel shall be from 30,000 dwt to 250,000 dwt. The distance from the forward end of number one hatch to the aft end of the hatch furthest aft must not exceed 240 metres. Vessels not conforming to these specifications may be accepted from time to time, subject to the written consent of RTI.

32.7 No tween deck Vessels shall be used. Vessels must not have any samsom posts or timber stanchions. Derricks, cranes or other Loading structures along the hatch area of a Vessel shall not exceed a height of 27 metres above the high water level at the Terminal's Loading Berth.

ADDITIONAL SERVICES, RATES AND CHARGES

33.0 **CHARGES**

33.1 RTI shall invoice all customers on inbound tons, whenever the initial handling of the Cargo occurs, e.g. (1) Cargo Unloaded from a railcar or barge direct to (a) storage at the Terminal facilities, or (b) a Vessel, (2) Cargo Unloaded from a Vessel direct to (a) storage at the

Terminal facilities or (b) another Vessel including a barge, (3) Cargo Unloaded from a Vessel direct to another Vessel including a barge, etc. RTI shall render invoices for services provided hereunder upon completion of the services and the User agrees to pay the invoices within 30 days from date of invoice. Any invoice that remains unpaid in whole or in part after 30 days from date of invoice shall earn interest at the rate of 18% per annum, calculated and compounded monthly. Any pending or alleged claims against RTI will not be allowed as an offset against outstanding or accrued charges until such claims have been allowed or legally established.

33.2 The number of tons of Cargo to be invoiced by RTI shall be certified by a mutually agreed surveyor who shall perform a displacement survey to determine the tonnage transferred either by barge or Vessel. Such displacement survey shall be performed at the sole cost and expense of the User and it is agreed that copies of the certificate shall be concurrently submitted to the User and RTI.

34.0 **GROUND STORAGE OF CARGO**

34.1 RTI agrees to provide outside ground Storage at the rate provided for in Appendix "A" or, if no rate is provided, at the rate agreed between the User and RTI. RTI shall not be responsible for spontaneous combustion or other damage to any stored Cargo. Upon request by the User, tractor work to shape, compact or periodically rearrange any stockpile in which the User's Cargo is stored will be provided, subject to such terms and conditions as mutually agreed upon by the Terminal and User. User agrees that RTI may groom Cargo stored at the Terminal periodically to prevent spontaneous combustion. If a condition of spontaneous combustion or a significant rise in temperature should occur, User assumes full responsibility for all costs and damages thereby resulting; the responsibility of RTI being to promptly notify User of any such condition observed by RTI and User being responsible to promptly advise and direct RTI regarding the appropriate action necessary to extinguish any fires. If User fails to respond to such notice by RTI or fails to promptly advise and direct RTI, then RTI, at the sole cost and expense of User, may, but is not obligated, to take appropriate action to extinguish any fires caused thereby.

34.2 RTI shall not be responsible for loss or contamination or damage to, or destruction of any Cargo in its care, custody or control, whether in storage or elsewhere. Furthermore, RTI shall not be responsible for loss of calorific content or loss of weight of any Cargo transferred or stored at the Terminal. User specifically acknowledges that normal variance in the measurement of quantity and weight of Cargo shipped in bulk exists and that the

weights of Cargo determined by a mutually agreed surveyor on behalf of User shall be used only for invoice purposes by the Terminal.

34.3 In no event shall the use of the Terminal Storage facilities be construed as a lease or sublease agreement between RTI and User.

34.4 Unless otherwise agreed by the parties, Shipper will be entitled to space for Storage sufficient to handle 8% of the Guaranteed Minimum Volume Tonnage of Cargo to be shipped by Shipper through the Terminal.

35.0 **BERTHAGE**

35.1 Berthage fees calculated on the basis stated in Appendix “A” shall be assessed against any Vessel berthed at the Terminal or at any Terminal buoy system.

35.2 Prior to berthing, the Vessel Party will be required to deposit with RTI an amount sufficient to cover all estimated charges due, including dockage, tug assistance, line handling, crewboat services, facility security fee, facility User fees and any other supplemental fees levied by governmental agencies or, at the option of RTI, to provide to RTI a guarantee acceptable to RTI regarding payment of all such amounts. RTI reserves the right to postpone Cargo operations until the full requested deposit or guarantee has been received. Additional deposits may be required during the Loading in the event actual charges incurred exceed any deposit(s) received. Cessation of operations will occur if actual charges incurred exceed total deposit(s) received.

36.0 **LOADING RATE**

Unless amended by joint written agreement:

Size of Vessel (MT)	Loading Rate for Coal or Coke (MT/Day)	Loading Rate for Sulphur (MT/Day)
30,001 – 45,000 dwt	15,000	10,000
45,001 – 60,000 dwt	20,000	15,000
60,001 – 75,000 dwt	25,000	20,000
75,001 – 100,000 dwt	32,500	30,000
100,001 – 125,000 dwt	40,000	30,000
125,001 – 150,000 dwt	45,000	30,000
150,001 – 180,000 dwt	50,000	30,000
over 180,000 dwt	55,000	30,000

The rate of Loading for other types of Cargo will be as prescribed by RTI from time to time.

37.0 **COMBINED VESSELS**

A Vessel which arrives at the Terminal with all its compartments completely empty and which is to be fully loaded at the Terminal, such Loading to be with the User's Cargo into one or more of its compartments and with one or more types of other Cargo of the User and/or other parties into its other compartments, is herein referred to as a "**Combined Vessel**". The Terminal will from time to time accept Vessels for combined Loading on the conditions that the combined quantity of the User's Cargo to be loaded and the other intending User(s)' stockpile(s) at the Terminal facility are together adequate to fully load the Vessel, and that such combined Loading is acceptable to RTI. The average rate of Loading in case of combined Loading shall be determined on the basis of the dwt size of the Combined Vessel. If there is no established custom for determining laytime or paying demurrage or despatch money for combined Loading at the Terminal, these matters will be agreed by RTI and the User(s) and the buyer(s) of such Cargo prior to such Loading. The time taken for draught surveys for combined Loading shall not count as laytime.

38.0 **FORCE MAJEURE**

38.1 Neither party shall be liable to the other for any delay in or failure to perform its obligations hereunder (other than non-payment of money) if any such delay or failure is due to Force Majeure. Force Majeure is defined as: an act of God or the public enemy, acts or refusals to act of any government or governmental agency in either its sovereign or contractual capacity, governmental restrictions or control on imports, exports or foreign exchange, freight embargoes, non-availability or mechanical breakdown or destruction of equipment vital to the performance of a party's obligations under these Terminal Rules and Regulations or in connection therewith not caused by inadequate maintenance, fire, floods, tidal waves, earthquake, storm, slides, epidemics, quarantine restrictions, war declared or undeclared, revolution, riots, insurrections, hostilities, civil disturbances, strikes, walk-outs, work stoppages, lockouts, railroad obstructions or obstruction of ocean navigation, stoppages of labour, deliberate work slow downs, other labour difficulties, the taking of the Terminal facility by lawful expropriation, other lawful ouster of RTI from the Terminal facility or other lawful denial of rights of RTI in the Terminal facility or the premises upon which the facility is built, failure of a buyer to take delivery of the Cargo other than as a result of a default of the User, or any other cause beyond the reasonable control of a party, but Force Majeure shall not include a lack of funds.

38.2 Notice of Force Majeure

If either party becomes aware of an event of Force Majeure it shall promptly notify the other party by telephone and within 5 days (Saturdays, Sundays and Holidays excluded) of the occurrence of the event of Force Majeure shall give written notice thereof to the other party:

- (a) describing the Force Majeure event in reasonable detail and stating, to the extent reasonably practicable at such time, its estimate of the duration of the Force Majeure event;
- (b) setting out in reasonable detail the obligations under these Terminal Rules and Regulations which cannot be performed as a result of the occurrence of the Force Majeure event; and
- (c) containing particulars of the circumstances causing the party to be unable to perform its obligations under these Terminal Rules and Regulations as a direct result of the Force Majeure event.

38.3 Removal of Force Majeure

The party which is prevented from performing its obligations under these Terminal Rules and Regulations by a Force Majeure event shall:

- (a) use all reasonable commercial efforts to curtail, contain or remove the Force Majeure condition and to resume, with the least possible delay, compliance with its obligations under these Terminal Rules and Regulations; and
- (b) keep the other party informed on a timely basis of any progress made in curtailing, containing or removing the Force Majeure condition.

38.4 Labour Disputes

Each party shall have complete discretion in respect of the terms and conditions of labour contracts and in respect of settlement of labour disputes. In no way shall the exercise of its discretion prevent such party from being excused from performance by virtue of labour stoppage.

39.0 **WATER**

Water flow and access to water mains is limited. Arrangements for water shall be made with RTI in advance of berthing the Vessel. Water, when available, will be furnished at

the charge provided in Appendix "A". Prior approval and coordination by Terminal management shall be required. RTI will not be liable to any Vessel or to any Vessel Party or to anyone claiming through or under any of them, for any loss or damage to person or property attributable in whole or in part to any fresh water that may be provided by RTI or which may be taken on board while a Vessel is at the Terminal.

40.0 **BUNKERS**

Absent the prior approval of RTI, no bunkers, diesel fuel or oils may be received by Vessels in Berth. To the extent taking of bunkers hinders Terminal operations, the actual cost associated with any delay will be billed to the Vessel Party.

41.0 **REPAIRS**

Once the Notice of Readiness has been tendered, no repairs that would impede the movement of the Vessel or that would interfere with Cargo transfer operations or affect safety shall be undertaken.

42.0 **ADDITIONAL TERMS**

42.1 **Sampling**

Automatic mechanical sampling services are provided by an independent third party contractor and are available to the User at the Terminal at the sole cost and expense of the User.

42.2 **Calculation of Tonnes Loaded**

The tonnages loaded on a Vessel shall be determined by a survey of the Vessel's draught and utilizing vessel immersion scale weights to the nearest tonne by a marine surveyor designated by the User and satisfactory to RTI. The Certificate of Weight prepared by such marine surveyor shall be conclusive and shall constitute the basis for use in determining final settlement between the parties. Such weighing shall be for the User's account. RTI may have a representative of its own choosing present at all times when the weights are being computed or calculated. The User shall cause such surveyor to deliver a copy of such survey to the User and RTI forthwith following such survey.

42.3 **Liens**

All lawful charges made by or due to RTI shall constitute a lien in favor of RTI upon the Cargo and against any Vessel for such charges to the full extent permitted by law.

42.4 Confidentiality

User agrees that the provisions of these Terminal Rules and Regulations and RTI and User agree that any data or information exchanged between the parties pursuant to these Terminal Rules and Regulations shall be kept strictly confidential, except:

- (a) that the parties may disclose such information, on a strictly confidential basis, to:
 - (i) their respective officers, agents, employees, consultants, professional advisors and lenders and, with the consent of the other party, to other third parties, to the extent such disclosure is necessary to carry out the purpose and intent of these Terminal Rules and Regulations; and
 - (ii) in the case of RTI, to the Government of Canada and to the financial advisor appointed by Transport Canada from time to time and to any person having a bona fide interest in acquiring all or part of RTI's shares or assets provided that any potential acquirer's use shall be restricted solely to its evaluation of completing an acquisition transaction with or in respect of the Terminal;
- (b) to the extent required by law to be disclosed, provided that the party who is required to disclose shall provide prompt written notice to the other party of the required disclosure, or
- (c) to the extent the same is or may otherwise become public information (other than by a breach of this Section).

42.5 Severability

If any provision of these Terminal Rules and Regulations is illegal or unenforceable in any relevant jurisdiction then such provision shall be deemed severable from every other provision of these Terminal Rules and Regulations and these Terminal Rules and Regulations shall remain in full force and effect save for any such provisions.

42.6 Assignment

Either party may assign its rights under these Terminal Rules and Regulations to a party who acquires all or substantially all of the assets of such party, however the assigning party shall remain liable to the other party hereto for the assigning party's obligations under these Terminal Rules and Regulations, unless the assignee has executed an assumption agreement in favour of the other party, in form reasonably satisfactory to the other party, agreeing to assume

all of the obligations of the assigning party under these Terminal Rules and Regulations. Upon completion of an assignment and assumption in accordance with the foregoing, the assigning party shall have no further liability for any breach of any obligation to be performed by the assignee under these Terminal Rules and Regulations Agreement after the date of such assignment and assumption.

42.7 Applicable Law

These Terminal Rules and Regulations shall be governed by and construed in accordance with the laws of British Columbia.

42.8 Method of Notice

Any notice required or permitted to be given by one party to the other hereunder, other than Notices of Readiness and those pertaining to Unit Train or Vessel schedules or unless another specific method of providing notice is specified herein in respect of one or more specific matters, shall be in writing and shall be given by facsimile transmission or by delivering the same personally to a designated officer of the other party or by mailing the same by prepaid registered letter addressed to the addressee as follows:

If to the User:

In accordance with the written instructions provided by User to RTI prior to commencement of use of the Terminal and, failing provision of such instructions by User to RTI, as determined by RTI based on the information available to RTI concerning User at the relevant time.

If to the Terminal

Ridley Terminals Inc.
Bag 8000
Prince Rupert, B.C.
V8J 4H3
Attention: President and Chief Operating Officer
Fax No. (250) 624-2389

Notice sent by registered letter shall be deemed to have been received by the party to whom it was addressed when presented by the post for signature. Either party may give notice of a change of address as aforesaid for the purpose of giving notices hereunder.

42.9 Entire Agreement

These Terminal Rules and Regulations including the Appendices and Addendums attached hereto, shall constitute the entire understanding and agreement between the parties in respect of the subject matter and shall supersede all previous oral or written commitments,

warranties or representations relating to the subject matter, all previous negotiations being merged herein. These Terminal Rules and Regulations supersede and replace all Terminal Rules and Regulations issued by RTI bearing an earlier date.

42.10 Headings

The headings herein are for convenience of reference only and shall not be deemed to be part of these Terminal Rules and Regulations.

43.0 VISITORS AND DELIVERY OF VESSEL PROVISIONS

Absent the prior written consent of RTI, no Visitor or Visitors, including, but not limited to any User, crew members, shipper, river transportation operator, launch service operator, master, owner, charterer, operator or agent, shall be allowed access to any of the Terminal facilities, docks or buoys while any Vessel is moored or berthed at any such Terminal facility, dock or buoy. RTI reserves the right to deny access to any Visitor or Visitors if RTI, in its sole discretion, determines such access may result in injury, damage or loss to persons or property at the Terminal. Every person entering the Terminal facilities must sign in with the Terminal office before proceeding to any Vessel or Terminal building and shall furnish RTI with identification acceptable to RTI. Any person or vehicle that enters the Terminal facilities shall be subject to a search. Such Visitors, subject to the prior approval of RTI, may arrange for outside transportation for pickup and delivery at the Terminal. Approved Visitors may gain access to Vessels berthed at Berth no. 1 via Terminal's crewboat service. Such access, however, shall require that the Visitor furnish 24 hours' prior written notification to the Terminal office of same. All Visitors must wear protective equipment, including hard hats, safety glasses and life jackets. Delivery of provisions or stores to any Vessels berthed at the Terminal shall require the prior approval of RTI subject to a determination by RTI whether such activities will interfere with Cargo operations or Vessel arrivals, departures or shifting. The Vessel agent must be present when provisions are to be brought on to a Vessel. Any Visitor shall execute such releases and indemnity agreements as required by RTI as a condition to being allowed access to the Terminal facilities.

44.0 SPECIAL CONTRACTS

Charges for services or items not specifically provided for in these Terminal Rules and Regulations shall be assessed pursuant to a separate contract with RTI.

45.0 **DEMURRAGE**

Subject to Section 38 (concerning Force Majeure) and Section 13.1.4 (requiring provision of any Charter Party Agreement to RTI prior to acceptance of a nomination of a Vessel), if the Terminal shall fail to load a Vessel within the laytime allowed (calculated using the applicable rate of Loading specified in Section 36.0) other than because of buyer's or the Shipper's default hereunder, then demurrage shall be paid by RTI to the User for all time lost after expiration of allowable laytime at the demurrage rates provided for in the applicable Charter Party Agreement. Despatch shall be paid by the User to RTI for laytime saved at 50% of the demurrage rates provided for in the applicable Charter Party Agreement when the Vessel is sooner loaded than required hereunder. Upon request of the Terminal from time to time, the Shipper shall provide the Terminal with satisfactory evidence of the applicable demurrage and despatch rates along with a copy of each Charter Party Agreement covering shipments. If any demurrage and despatch rates set forth in a Charter Party Agreement are not fair market value rates then, for the purpose of this Section, each such rate will be adjusted to equal the fair market value rate.

46.0 **DEFINITIONS AND NOTES**

46.1 **Vessel**

The term "**Vessel**" or "**Vessels**" shall include any vessel, other than a barge, that utilizes the services and facilities of the Terminal for the Loading, Unloading, storage, handling or transfer of Cargo.

46.2 **Cargo**

The term "**Cargo**" shall include, but not be limited to, coal, petroleum coke, furnace coke, sulphur, grain, steel related scrap products and other dry cargo.

46.3 **Terminals**

The term "**Terminal**" means the Ridley Bulk Terminal at Ridley Island, Prince Rupert, British Columbia, Canada.

46.4 **Holidays**

The term "**Holiday**" or "**Holidays**" means all statutory holidays within the Province of British Columbia and any other days RTI may prescribe, by notice to Users, as being holidays recognized by RTI and unless expressly stated herein all guarantees or promises of RTI with respect to performance of services on or by or within certain times or dates are exclusive of Holidays.

46.5 Berth

The term “**Berth**” or “**Berths**” means RTI’s docks and mid-stream transfer facilities including RTI’s mooring buoys.

46.6 User or Users and Shipper or Shippers

The terms “**User**” or “**Users**” shall include each Vessel Party and each shipper and all other individuals or business entities, including all Vessels, rim barges, trucks, railroad cars or other means of conveyance and/or equipment used by said individuals or business entities, which utilize the services and/or facilities of the Terminal. The terms “**Shipper**” or “**Shippers**” shall include those Users who are shippers.

46.7 Vessel Party

The term “**Vessel Party**” or “**Vessel Parties**” means any party or parties either owning, nominating or contracting with the Vessel including, but not limited to, its agent(s), owner(s), operator(s) and/or charterer(s).

46.8 Storage

The term “**Storage**” shall mean the service of providing facilities for the outside storing of inbound or outbound Cargo.

46.9 Terminal Fleet

The term “**Terminal Fleet**” shall mean the Terminal barge fleet at the Terminal.

46.10 Loading and Unloading

The terms “**Loading**” and “**Unloading**” shall mean the service of loading or unloading Cargo, as the case may be, between any place at the Terminal and railroad cars, trucks, Vessels, barges or any other means of conveyance to or from the Terminal.

46.11 Visitors

The term “**Visitors**” or “**Visitor**” mean any individual or entity listed in the Visitor List maintained at the Terminal and any other individual or entity that seeks access to the Terminal facilities or any Vessel berthed there, including, but not limited to, any surveyor.

46.12 Currency

Unless expressly noted otherwise, all references to monetary amounts are in U.S. currency.

46.13 Goods and Services Tax

User will be responsible to pay to RTI Canadian Goods and Services Tax on all amounts payable by User to RTI hereunder.

46.14 Guaranteed Minimum Volume Tonnage

The term “**Guaranteed Minimum Volume Tonnage**” shall mean a volume of tons agreed by Terminal and Shipper by contract to be firm on an annual basis with an agreed fee per tonne on all tonnes not shipped.

APPENDIX “A”
SCHEDULE OF FEES

BERTHAGE:	The Berthage fee shall be calculated based upon \$5.80 per linear metre overall of the Vessel per 8 hour period. Time shall commence upon berthing (first line) and shall end at the Vessel’s departure from the Berth. Vessel Party shall indicate the linear metre overall (Lloyd’s) of the Vessel in the Berth Application.
LINE HANDLING SHALL BE CHARGED AS FOLLOWS:	
Main Docks or Buoys:	\$3,000.00 per call.
SECURITY FEES:	\$1,600.00 per Vessel for each day or part of a day.
BARGE SHIFTING:	\$325.00 per barge – each for Tug Service in charge and shift to dock
BARGE COVER HANDLING:	\$1,000.00 per barge each way stack/spread
GROUND STORAGE OF CARGO:	A rate to be mutually agreed upon in writing prior to transfer of the Cargo for Storage.
ADDITIONAL FLEETING CHARGE FOR FAILURE TO TIMELY REMOVE RIVER BARGES FROM TERMINAL FLEET:	\$105.00 per barge per day
WATER:	\$180.00 CDN. Dollars per metric ton

ASSIST TUGS:

Terminal may provide assist tugs for docking/undocking, shifting and holding operations. The cost of these services will be as follows:

- | | |
|-------------------------|--------------------------------------|
| 1) Docking/Undocking | \$2,700 per tug plus |
| Tonnage Charge | \$20 per 1,000 GRT plus |
| Fuel Surcharge* | 1% for every \$0.05 over \$3.00/gal. |
| 2) Shifting | \$2,000 per hour per tug |
| 3) Holding | \$2,000 per hour per tug |
| 4) Delays (Tug Standby) | \$800 per hour per tug |
| 5) Reporting of tugs | \$2,000 per tug |
| 6) Buoy Charge | \$500 per tug |

* The fuel surcharge will be based on the lowest quoted fuel price on the 1st and 15th of each month and will be adjusted on those dates.

APPENDIX “B”
RIDLEY TERMINAL CONTACT LIST

Title	Name	Office Phone	Cell Phone

ADDENDUM I

[INSERT RIDLEY TERMINAL LOGO]

**RIDLEY TERMINAL
NOTICE TO VACATE BERTH**

TO: Master or Agent - M/V _____ (the “Vessel”)

You are hereby instructed and ordered to vacate the Berth at which your Vessel presently is located, in accordance with the terms and conditions of the Terminal Rules and Regulations of which you are in receipt. The failure of the Vessel to vacate the Berth when so ordered shall subject the Vessel and her owner, operator, charterer and agent to a charge of \$5,000 per hour, as liquidated damages, for each hour or fraction thereof of each calendar day from one hour after delivery of this Notice to Vacate Berth, until the Vessel vacates the Berth, regardless of intervening circumstances. In addition to the liquidated damages above, all costs and expenses, including, but not limited to, legal fees and expenses in connection with the moving of the Vessel shall be for the account of and full risk of the Vessel and her owner, operator, charterer and agent.

RIDLEY TERMINALS INC.

Name: _____

Title: _____

Delivery to Master of Notice to Vacate Berth

DATE: _____

TIME: _____

Acknowledgment of receipt of Notice to Vacate Berth
on behalf of

M/V _____

Name: _____

Title: _____

ADDENDUM II
VESSEL NOMINATION FORM

Ridley Terminals Inc.
Prince Rupert, B.C.
(250) 627-3543
(250) 624-4990 fax

Vessel Nomination Form

Request From Charter

Date: _____ (mm/dd/yy)

From: _____

Previous Name (if any): _____

Laycan Period (max 10 days): _____ ETA (if known) _____

Cargo Volume (metric tonnes): _____ (+ or - 10%)

Vessel Particulars:

DWT: _____ (max 250,000) Beam: _____ (max 50 meters)

LOA: _____ (max 325 meters) Draft: _____ (max 20 meters)

Year Built: _____ (max 25 years)

Flag: _____ Port of Registry: _____

Call Sign: _____ IMO Number: _____

Expected Vessel Draft upon Arrival: _____ (max 8.5 meters)???

Expected Vessel Draft on Departure: _____ (max 12.2 meters)???

Last Three Cargo Types: _____

Cargo On-Board at Arrival (none / type, quantity): _____

The above named vessel must not have any Samson posts or timber stanchions. Also, no derricks, cranes or other loading structures along the hatch area of the vessel that exceed a height of twenty-seven (27) meters above the high water level at the RTI berth.

Number of Holds: _____ Number of Hatch Covers: _____

Vessel is Fitted with Sewage Treatment System? :(yes/no) _____ Bilge Water Separating System? :(yes/no) _____

Meets with all Provisions of the latest? :(yes/no) SOLAS _____ MARPOL 73/78 _____ ISPS Code _____

Name and Title of Ship Security Office (SSO) _____

Name of Company Security Officer (CSO) _____

Number of telephone of Company Security Officer (SCO): Office _____ Mobile _____

Security Level of Ship: Level/1 _____ Level/2 _____ Level/3 _____

Ridley Terminals Inc.

Vessel Nomination Form

Request From Charter

1 of 2

Prince Rupert, B.C.
(250) 627-3543
(250) 624-4990 fax

Important Requirements:

- 1) Vessels arriving at the Ridley Terminal must be in full compliance with all provisions of the Terminal's Rules and Regulations unless agreed to on this Nomination Form.
- 2). **Users** have the responsibility to ensure that Vessel Masters calling at the Terminal have received the Terminal Rules and Regulations prior to their Vessel's arrival in the area of Terminal operations.
- 3). RTI will not supply fresh water for vessels docked at the Terminal and is not responsible for backflow protection.
- 4). Time used for hatch changes or any other delays resulting from gearing will not count as laytime.

Approved: _____ (Print Name)

Rejected: _____ (Print Name)

Reason(s) for Rejection:

ADDENDUM III

SHIP/SHORE SAFETY CHECKLIST

Ship/Shore Safety Checklist

For Loading or Unloading Dry Bulk Cargo Carriers

Date _____
 Port of **Prince Rupert**
 Loading _____
 Terminal/Quay **Ridley Terminals Inc.**
 Available Depth of water in berth **22.8 meters**
 Minimum air draught* **27 meters**
 Ship's Name _____

Arrival draught (read/calculated) _____
 Air draught _____
 Calculated departure draught _____
 Air draught _____

The Master is responsible at all times for the safe loading and unloading of the ship, details of which should be confirmed to the terminal in the form of a loading or unloading plan (see example loading/unloading plans on back cover). In addition the Master should ensure that the checklist is completed in consultation with the terminal before loading or unloading is commenced.

The Master and terminal manager, or their representatives, should complete the checklist jointly. Advice on points to be considered is given in the accompanying guidelines. The safety of operations requires that all questions should be answered affirmatively and the boxes ticked. If this is not possible, the reason should be given, and agreement reached upon precautions to be taken between ship and terminal. If a question is considered to be not applicable write 'N/A', explaining why if appropriate.

1. Is the depth of water at the berth, and the air draught, adequate for the cargo operations to be completed? SHIP TERMINAL

*The term air draught should be construed carefully; if the ship is in a river or an estuary, it usually refers to maximum mast height for passing under bridges, while on the berth it usually refers to the height available or required under the loader or unloaders.

2. Are mooring arrangements adequate for all local effects of tide, current, weather, traffic and craft alongside?

3. In emergency, is the ship able to leave the berth at any time?

4. Is there safe access between the ship and the wharf?
 Tended by Ship/Terminal (delete as appropriate)

5. Is the agreed ship/terminal communications system operative?
 Communication method **Radio/Telephone/Verbal**
 Language **English**
 Radio channel no. **1** Phone number: _____

6. Are the liaison contact persons during operations positively identified?
 Ship contact persons _____

Shore contact person(s) **Loading foreman**

Location _____

7. Are adequate crew on board, and adequate staff in the terminal, for emergency?

8. Have any bunkering operations been advised and agreed?

9. Have any intended repairs to wharf of ship whilst alongside been advised and agreed? SHIP TERMINAL

10. Has a procedure for reporting and recording damage from cargo operations been agreed?

11. Has the ship been provided with copies of port and terminal regulations, including safety and pollution requirements and details of emergency services?

12. Has the shipper provided the Master with the properties of the cargo in accordance with the requirements of Chapter VI of SOLAS?

13. Is the atmosphere safe in holds and enclosed spaces to which access may be required, have fumigated cargoes been identified, and has the need for monitoring of atmosphere been agreed by ship and terminal?

14. Have the cargo handling capacity and any limits of travel for each loader/unloader been passed to the ship/terminal?

Loader No. **400** Rate _____ tonnes/hr

Loader No. **401** Rate _____ tonnes/hr

15. Has a cargo loading/unloading plan been calculated for all stages of loading/deblasting or unloading/ballasting?

Copy lodged with _____

16. Have the holds to be worked been clearly identified in the loading or unloading plan, showing the sequence of work, and the grade and tonnage or cargo to be transferred each time the hold is worked?

17. Has the need for trimming of cargo in the holds been discussed, and the method and extent been agreed?

18. Do both ship and terminal understand and accept that if the ballast programme becomes out of step with the cargo operation, it will be necessary to suspend cargo operation until the ballast operation has caught up?

19. Have the intended procedures for removing cargo residues lodged in the holds while unloading, been explained to the ship and accepted?

20. Have the procedures to adjust the final trim of the loading ship been decided and agreed?

Tonnage held by the terminal conveyor system **150 metric tonnes**

21. Has the terminal been advised of the time required for the ship to prepare for sea, on completion of cargo work?

THE ABOVE HAS BEEN AGREED:

Time _____ Date _____

For Ship _____ For Terminal _____

Rank _____ Position/Title _____

ADDENDUM III
GANGWAY SAFETY NOTICE

RIDLEY TERMINALS

Post Office Bag 8000
Prince Rupert, B. C., Canada V8J 4H3

Tel.: (250) 624-9511
Fax.: (250) 624-4990
<http://www.rti.ca>



GANGWAY SAFETY

Master of: M/V TRITON EAGLE

IMPORTANT

Captain:

Please advise your officers and crew to pay particular attention to the gangway, which we have provided as a means of access, and egress, to your vessel.

A flashing red light and an audible alarm will be automatically activated if our gangway exceeds its safe limit of travel due to movement of the vessel. For safety sake, please instruct the members of your crew not to enter gangway when these alarms are activated

We have had occasions where we have had damage to our gangway due to slack lines or springs, testing of engines prior to removal of gangway, etc. and other unseaman like practices.

We do not need to remind you that at most berths in the world, the ship provides the gangway. However, because of the difficulties of providing a amidships gangway on large gearless ships, RTI has decided to provide a shore supported system. However, the responsibility for damage to the gangway by action caused by the ship will be charged to the ship.

We hope the efficiency of your crew will be such that no such charges are necessary.

RIDLEY TERMINALS INC.

OPERATIONS DEPARTMENT

SHIP'S MASTER

Presented to the Master of M/V TRITON EAGLE

For RTI by _____

Date _____

A Federal Crown Corporation

ADDENDUM V
BERTH APPLICATION

[Obtain original clean form from client]

ADDENDUM VI
MATERIAL SAFETY DATA SHEETS

[Obtain original clean form from client]

ADDENDUM VII
BERTH APPLICATION ACCEPTANCE

[Obtain original clean form from client]

ADDENDUM VIII
NOTICE OF READINESS

[Obtain original clean form from client]