

# CONTRACT FOR PURCHASE AND SALE OF LAND

## TERM SHEET

- 1      **Civic Address:** \_\_\_\_\_
- 2 a.   **Purchaser:** \_\_\_\_\_
- b.   **Authorized Contact:** \_\_\_\_\_
- c.   **Address:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- 3 a.   **Purchase Price:** \_\_\_\_\_
- b.   **Deposit:**            **Initial:   \$5,000.00**  
**Further:** \_\_\_\_\_
- 4 a.   **Purchaser's Solicitor:** \_\_\_\_\_
- b.   **Firm Name:** \_\_\_\_\_
- c.   **Address:** \_\_\_\_\_
- 5      **Purchaser's GST Number:** \_\_\_\_\_
- 6      **Additional Covenants:** \_\_\_\_\_
- 7      **Acceptance Date:** \_\_\_\_\_
- 8      **Completion Date:** \_\_\_\_\_

**THIS TERM SHEET IS INTENDED FOR SUMMARY PURPOSES ONLY. IT DOES NOT FORM PART OF THE ATTACHED OFFER TO PURCHASE OR THE CONTRACT OF PURCHASE AND SALE FORMED UPON ACCEPTANCE OF SUCH OFFER.**

**OFFER TO PURCHASE**

TO: CHEVRON CANADA LIMITED (REG. NO. A-58676)  
1500 - 1050 West Pender Street  
Vancouver, British Columbia  
V6E 3T4

(the "Vendor")

FROM: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(the "Purchaser")

**1. The Lands**

The Purchaser hereby offers to purchase from the Vendor the following lands and premises (the "Lands"):

Civic Address:

\_\_\_\_\_  
\_\_\_\_\_

Legal Description:

PID: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**2. Encumbrances**

The Lands shall be, on the Completion Date, free and clear of all liens, rights, charges, encumbrances, tenancies or the like except: (i) subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown; (ii) registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, (iii) registered or pending liens, rights, charges, encumbrances or the like to which the Lands are subject as set forth in Section 23 of the *Land Title Act*, (iv) registered or pending liens, charges, encumbrances, legal notations or tenancies as set forth on the copy of the Land Title Search attached hereto as Schedule "A", and (v) at the Vendor's sole option, a restrictive covenant, in a form satisfactory to the Vendor, to be registered against title to the Lands on or before the Completion Date, providing that the Lands or any present or future buildings thereon shall not be used for the purpose of selling gasoline or other motor fuels or petroleum products (collectively, the "Permitted Encumbrances").

3. **Purchase Price**

The purchase price shall be the sum of \$\_\_\_\_\_ in lawful money of Canada (the "Purchase Price").

4. **Deposit**

An initial deposit of \$5,000.00 shall be paid herewith by the Purchaser to the Vendor's solicitors, "Lawson Lundell LLP, In Trust" (Attention: Edward L. Wilson) or, if applicable, to the Vendor's real estate agent (the "Vendor's Representative"). The initial deposit shall be increased by the further sum of \$\_\_\_\_\_ (being 10% of the Purchase Price less the initial deposit) within two business days of the Purchaser's satisfaction or waiver of the Purchaser's condition(s) set forth in Schedule "B". If there are no Purchaser's conditions, the initial deposit payable herewith shall equal 10% of the Purchase Price. Such monies shall be placed in an interest-bearing account by the Vendor's Representative. All deposit monies shall be credited against the Purchase Price on completion.

In the event that the purchase and sale of the Lands is not completed due to the failure of the Purchaser to satisfy or waive the Purchaser's condition(s), the Purchaser shall be entitled to the return of the initial deposit together with any interest which has accrued thereon, less the sum of \$1,000.00 which shall be forfeited to the Vendor. The Vendor and the Purchaser hereby instruct the Vendor's Representative in such event to deliver the deposit monies together with interest to the Purchaser and the Vendor in accordance herewith.

In the event that the Purchaser fails to complete the purchase of the Lands after the satisfaction or waiver of the Purchaser's condition(s), except by reason of the Vendor's default hereunder, the Vendor may cancel this Agreement and, without in any way limiting any other remedy which may be available to the Vendor, the deposit monies together with any interest which has accrued thereon shall be forfeited to the Vendor. The Vendor and the Purchaser hereby instruct the Vendor's Representative in such event to deliver the deposit monies together with interest to the Vendor.

5. **Allocation**

The Purchaser and Vendor covenant and agree with each other that the whole of the Purchase Price is attributable to and shall be allocated towards "land", and further agree to prepare and file their respective tax returns in a manner consistent with such allocation and to make all necessary elections as may be required pursuant to the Income Tax Act (Canada) and applicable provincial legislation to reflect such allocation.

6. **Completion**

The completion of the purchase and sale of the Lands shall, unless otherwise agreed between the Vendor and the Purchaser, take place on \_\_\_\_\_, 20\_\_\_\_ (the "Completion Date").

The Purchaser agrees that should it fail to complete the purchase of the Lands on the Completion Date, without fault on the part of the Vendor, the Purchase Price shall bear interest at the rate of 2% per month (26.8% per annum) calculated from the Completion Date.

7. **Adjustments**

Adjustments for taxes, rents, utilities and other matters usually the subject of adjustment shall be made as of the Completion Date so that the Vendor shall bear and pay all expenses and receive all income related to the Lands prior to the Completion Date and the Purchaser shall bear and pay all expenses and receive all income related to the Lands from and including the Completion Date.

8. **Purchaser's Conditions**

The obligation of the Purchaser to complete the purchase of the Lands is subject to the fulfilment or waiver of the conditions set out in Schedule "B" attached hereto. The Purchaser may waive all or any of its conditions.

The Purchaser and Vendor agree:

- (a) that the Purchaser's conditions are not true conditions precedent or otherwise conditions to there being a binding agreement of purchase and sale constituted by the Vendor's acceptance;
- (b) that the agreement formed by the acceptance of this Offer (the "Agreement") shall constitute a binding agreement of purchase and sale and shall not be void, voidable, revocable or, except for default, otherwise capable of being terminated until the time limited for the fulfilment (or waiver) of all of the Purchaser's conditions has expired or as otherwise provided in Section 9(e) or Section 15;
- (c) that the Purchaser will give the Vendor written notice of the satisfaction or waiver of the Purchaser's condition(s) within the appropriate time limited in Schedule "B" (and failure to give a notice on time will be deemed to be a non-fulfilment); and
- (d) that each such notice to the Vendor shall be construed as the re-affirmation for valuable consideration of an agreement of purchase and sale in accordance with the provisions hereof, except the condition which has been satisfied or waived.

The Purchaser hereby pays the sum of \$10.00 to the Vendor (the receipt and sufficiency of which is hereby acknowledged by the Vendor), such monies not to be refundable to the Purchaser in any circumstances nor to be applicable to the Purchase Price, in consideration of the Vendor granting the Purchaser the right to satisfy or waive the Purchaser's condition(s) within the time limited in Schedule "B".

9. **Environmental Matters**

(a) Waiver of Site Profile

The Purchaser hereby waives any requirement for the Vendor to provide to the Purchaser a site profile for the Lands under the *Waste Management Act* (British Columbia) or any regulation in respect thereto.

(b) Environmental Closure Report

The Vendor shall, during its regular business hours, make available to the Purchaser or the Purchaser's environmental consultant for review, at the Vendor's offices in Vancouver, a copy of an environmental closure report (the "Environmental Report"), if any, prepared by the Vendor's environmental consultant with respect to environmental assessment and/or remediation of the Lands. The Vendor shall, at the Purchaser's request, provide a copy of such Environmental Report to the Purchaser, provided that the Purchaser reimburses the Vendor for the cost of duplicating same.

(c) Purchaser's Review

The Purchaser shall have a period of 30 days next following the date of acceptance of this Offer to conduct such environmental assessment of the Lands as it deems necessary and to consider the Environmental Report; provided that nothing in this clause authorizes or permits the Purchaser to request any governmental inspection of the Lands. The cost and risk of any such environmental assessment shall be at the sole expense of the Purchaser. The Purchaser shall provide the Vendor, at the Vendor's option, with parallel soil samples taken from the Lands and the Vendor shall have the right to have such samples independently analyzed. The Purchaser shall also provide the Vendor with the results of any inspections, surveys, tests or analyses made hereunder immediately upon receipt of same by Purchaser and, in any event, not later than the 30-day period referred to above.

(d) Confidentiality

The Purchaser shall keep the Environmental Report and any and all information the Purchaser obtains as a result of its access to the Lands strictly confidential and shall only use the same for the purposes of effectuating the transactions contemplated herein. If the transaction is not completed for any reason, the Purchaser shall deliver to the Vendor the Environmental Report (together with all copies which may be made) together with all results and reports relating to the Purchaser's assessment.

(e) Vendor's Right of Termination

Should the results of the Purchaser's review conducted in accordance with Section 9(c) reveal environmental contamination of a different type or of a

greater concentration than that set forth in the Environmental Report, or should the Vendor otherwise become aware of any such environmental contamination prior to the Completion Date, then, notwithstanding any other provision of the Agreement or any prior negotiations of the parties, the Vendor may, at its option, terminate the Agreement.

If the Vendor terminates the Agreement, it shall do so by delivering a notice of termination to the Purchaser and, in such event, the deposit monies with interest accrued, if any, shall be returned to the Purchaser without further obligation or liability of any party hereto, except the Purchaser's obligations under Section 9(d) and Section 10.

#### 10. **Purchaser's Right of Inspection**

During the 30 day period referred to in Section 9(c) of this Offer and upon 24 hours' advance written notice to the Vendor, the Purchaser, together with its employees, agents, consultants and advisors, shall be entitled to enter upon the Lands and carry out inspections and studies of the Lands for the purpose of carrying out environmental and other due diligence inquiries in respect of the Lands.

The Purchaser covenants to and with the Vendor that:

- (a) if the Purchaser's inspections cause any damage to the Lands and if the sale of the Lands is not completed pursuant hereto, the Purchaser shall restore, or cause to be restored, the Lands to the same condition thereof existing prior to any entry by the Purchaser; and
- (b) the Purchaser will indemnify and save harmless the Vendor from and against any and all damages, liabilities, losses, costs and expenses (including, without limitation, all legal and other professional fees and disbursements) whatsoever arising from, out of or in connection with any act or omission or misconduct of the Purchaser or any of its employees, agents, consultants, advisors or other invitees while on the Lands on or before the Completion Date.

#### 11. **Representations and Warranties**

##### (a) General

Except as otherwise expressly set forth in this Agreement, the Purchaser accepts the Lands "AS IS" and "WITH ALL FAULTS" AND WITHOUT ANY REPRESENTATIONS, WARRANTIES, GUARANTEES, PROMISES OR AGREEMENTS WHATSOEVER, EXPRESS OR IMPLIED ON THE PART OF THE VENDOR, OR ARISING BY OPERATION OF LAW INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE LANDS.

(b) Laws and Regulations

Without limiting the generality of the foregoing Section 11(a), the Vendor makes no representation or warranty whatsoever as to operative or proposed governmental laws and regulations (including, without limitation, zoning, environmental and land use laws and regulations) to which the Lands may be subject. The Purchaser acknowledges that it has made this Offer and is entering into the Agreement on the basis of its own review and investigations of the applicability and effect of such laws and regulations, and the Purchaser assumes the risk that adverse matters may not have been revealed by its investigations.

(c) Environmental Condition

Without limiting the generality of the foregoing Section 11(a), the Vendor makes no representation or warranty whatsoever regarding the environmental condition of the Lands. The Purchaser acknowledges and agrees that it is responsible to satisfy itself, and is relying on its own investigations to verify, that there are no environmental contaminants in, or migrating to or from the Lands and the environmental condition of the Lands is otherwise satisfactory (collectively the "Environmental Condition of the Lands"). The Vendor has provided a copy of the Environmental Report to the Purchaser as a courtesy only and the Vendor shall have no liability for any errors or inaccuracies in the Report. The Purchaser hereby assumes, effective on the closing and at its own cost, full and complete responsibility for the Environmental Condition of the Lands, including remediation work, if any, in respect thereof. The Purchaser hereby releases, and shall indemnify and save harmless, the Vendor and its shareholders, officers, directors, employees and agents, from any actions, liabilities, demands, claims, remediation cost recovery claims, losses, damages, orders, fines, penalties, costs and expenses (including, without limitation, legal costs on a solicitor-and-own-client basis) whenever occurring or caused which the Purchaser or any other person has, may have or will have arising from or in any way related to the Environmental Condition of the Lands. The provisions of this section shall not merge on, but shall survive, the Completion Date.

(d) Physical Condition

- (i) The Vendor hereby advises the Purchaser, and the Purchaser hereby acknowledges, that it is possible that remnants of the former buildings, structures or other improvements formerly situated on the Lands may remain on or under the surface of the Lands.
- (ii) Without limiting the generality of the foregoing Section 11(a), the Vendor makes no representation or warranty whatsoever regarding the physical condition of the Lands, including both the surface and the subsurface conditions. The Purchaser acknowledges and agrees that it is responsible to satisfy itself, and is relying on its own investigations to verify, that the physical condition of the Lands is satisfactory. The Purchaser hereby assumes, effective on the closing and at its own cost,

full and complete responsibility for the physical condition of the Lands. The Purchaser hereby releases, and shall indemnify and save harmless, the Vendor and its shareholders, officers, directors, employees and agents, from any actions, liabilities, demands, claims, losses, damages, orders, fines, penalties, costs and expenses (including, without limitation, legal costs on a solicitor-and-own-client basis) whenever occurring or caused which the Purchaser or any other person has, may have or will have arising from or in any way related to the Physical Condition of the Lands. The provisions of this section shall not merge on, but shall survive, the Completion Date.

12. **Possession**

The Vendor shall give to the Purchaser, upon completion of the sale and purchase contemplated herein and subject to Permitted Encumbrances, vacant possession of the Lands at the time of completion on the Completion Date.

13. **Closing Transactions**

The closing transactions shall be carried out on the Completion Date in accordance with the usual practice of solicitors in the City of Vancouver on the exchange of undertakings and, failing agreement of the solicitors as to the form of such undertakings, on the basis of the CBA (Real Property Section) standard undertakings. The tender or payment of the Purchase Price by the Purchaser to the Vendor will be by solicitor's trust cheque (to be certified at the option of the Vendor). The terms and form of all documents, which shall be in accordance with the terms of the Agreement, shall be conclusively settled by the parties not less than seven days prior to the Completion Date. All documents shall be prepared by and at the expense of and registered at the expense of the Purchaser, shall be delivered in registrable form, where necessary, and shall be lodged for registration at the applicable Land Title Office on or before the Completion Date.

For greater certainty, if the Purchaser is relying upon a new mortgage to finance the Purchase Price, the Purchaser, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Vendor until after the Form A Transfer and the new mortgage documents have been lodged for registration in the Land Title Office, but only if the mortgagee is an institutional mortgagee approved by the Vendor, acting reasonably, and before such lodging, the Purchaser has:

- (a) made available for tender to the Vendor that portion of the Purchase Price not secured by the new mortgage; and
- (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration; and
- (c) made available to the Vendor a solicitor's undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds.

14. **Legal Fees and Other Costs**

Each of the Purchaser and the Vendor shall pay its own legal fees, but the Purchaser shall pay all property transfer tax and land registration fees in connection with the transfer of title to the Lands from the Vendor to the Purchaser.

15. **Goods and Services Tax/Harmonized Sales Tax**

Notwithstanding any of the provisions of the Agreement, the Purchaser shall be responsible for payment of any tax (the "Tax") which is exigible now or in the future, in respect of the purchase and sale of the Lands, pursuant to the *Excise Tax Act* (Canada) or any successor or similar sales or value-added tax legislation, and the Purchaser agrees to indemnify and save harmless the Vendor with respect to all liability for same, including any penalties and interest thereon which may arise as a result of the Purchaser failing to pay such Tax. The Purchaser agrees that on or prior to the Completion Date it will provide the Vendor with its registration number and a certificate of the Purchaser, in a form acceptable to the Vendor, acting reasonably, stating that the Purchaser will account for payment of the Tax in respect of this transaction directly with the Canada Customs and Revenue Agency. If the Purchaser fails to provide the foregoing materials the Purchaser agrees to pay to the Vendor on the Completion Date in addition to the balance due to the Vendor, an amount equal to the Tax payable with respect to this transaction, and the Vendor will account for such amount in accordance with the provisions of the said Act. If the Purchaser fails to provide the said materials or to pay the amount equal to the Tax payable, such failure shall be a breach of the Agreement entitling the Vendor, at its option, and without limiting any of its other remedies, to terminate the Agreement and to retain the deposit monies and accrued interest.

16. **Further Assurances**

The Vendor and the Purchaser shall each execute and deliver all such further documents and do such further acts and things as may be reasonably required from time to time to give effect to the terms hereof.

17. **Survival**

The representations, warranties, guarantees, promises and agreements contained in the Agreement shall survive the Completion Date, registration of the Form A Transfer and payment of the Purchase Price and shall not merge with any deeds or agreements delivered in connection with the completion of the purchase and sale of the Lands.

18. **Tender**

Any tender of documents or money may be made upon the parties hereto at their respective addresses set forth herein or upon their respective solicitors.

19. **Real Estate Commission**

The Vendor and the Purchaser agree that no real estate or other commission shall be payable by the Vendor with respect to this Offer or the Agreement or the sale to be completed on the Completion Date, except insofar as may be agreed between the Vendor and its agent, if any.

20. **Time of the Essence**

Time shall be of the essence of this Offer and of the Agreement.

21. **Assignment**

The Purchaser may not assign or transfer the Agreement or any interest of the Purchaser in the Lands hereby created without the prior written consent of the Vendor, which consent may be arbitrarily withheld by the Vendor.

22. **Governing Law**

This Offer and the Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia, and the parties hereto irrevocably attorn to the jurisdiction of the Courts of British Columbia and the appellate courts thereof.

23. **Amendment**

Any provision of the Agreement may be amended or waived only if such amendment or waiver is in writing and is executed by the Vendor and the Purchaser.

24. **Entire Agreement**

The Agreement (including, without limitation, the Schedules attached hereto which form part of the Agreement) embodies the entire agreement between the Purchaser and the Vendor in respect of the purchase and sale of the Lands and supersedes any prior agreements and understandings between such parties relating to the said subject matter hereof.

25. **Enurement**

The Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, legal personal representatives, successors and permitted assigns.

26. **Severability**

If any provision of the Agreement shall to any extent be held to be invalid or unenforceable, the remainder of the Agreement or the application of such provision to persons or circumstances other than as to which it is held invalid or unenforceable, shall

not be affected thereby and each provision of the Agreement shall be valid and enforced to the fullest extent permitted by law.

27. **Business Days**

In the event, pursuant to the terms of the Agreement, any matter is to be carried out on a day other than a business day in the City of Vancouver or, in the case of registrations to be carried out at a Land Title Office, in the city in which such Land Title Office is located, then the time within which such matter is to be carried out shall be extended to the first business day thereafter.

28. **Time for Acceptance**

The Purchaser agrees that this Offer shall be irrevocable by the Purchaser until 11:59 p.m. on the 21st day after the date referred to immediately after this Section 28, after which time, if not accepted by the Vendor, this Offer shall be null and void and the initial deposit shall be returned to the Purchaser. Acceptance of this Offer by the Vendor may be communicated by the Vendor to the Purchaser by telecopier or telephone to the Purchaser or to its solicitors (and later delivering to the Purchaser or its solicitors a duly executed counterpart of this Offer) or by delivering by courier an executed counterpart of this Offer to the Purchaser or to its solicitors.

29. **Conflicts of Interest**

Conflicts of interest relating to this Offer and the Agreement are strictly prohibited. Except as otherwise expressly provided herein, neither the Purchaser nor any director, employee or agent of the Purchaser shall give to or receive from any director, employee or agent of the Vendor any gift, entertainment or other favor of significant value, or any commission, fee or rebate. Likewise, neither the Purchaser nor any director, employee or agent of the Purchaser shall enter into any business relationship with any director, employee or agent of the Vendor (or of any affiliate of the Vendor), unless such person is acting for and on behalf of the Vendor, without prior written notification thereof to the Vendor. Any representative(s) authorized by the Vendor may audit any and all records of the Purchaser for the sole purpose of determining whether there has been compliance with this Section 29.

30. **No Processing of Personal Data**

The Vendor and the Purchaser agree that it is not anticipated that any personal data will be processed by the Purchaser on behalf of the Vendor under or as a result of this Offer or the Agreement (other than as contained within the terms of the Agreement). If the Purchaser begins to process personal data on behalf of the Vendor, the Purchaser will immediately notify the Vendor and the parties will incorporate appropriate data protection provisions into the Agreement.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**WHERE THE PURCHASER IS A CORPORATION:**

\_\_\_\_\_  
[Name of Company]

Per: \_\_\_\_\_  
Authorized Signatory  
Print Name:

**WHERE THE PURCHASER IS AN INDIVIDUAL:**

\_\_\_\_\_  
[Witness' Signature]

\_\_\_\_\_  
[Purchaser's Signature]

\_\_\_\_\_  
[Witness' Name]

\_\_\_\_\_  
[Purchaser's Name]

\_\_\_\_\_  
[Witness' Address]  
\_\_\_\_\_

**ACCEPTANCE OF OFFER**

In consideration of the sum paid by the Purchaser as a deposit in accordance with Section 4 and of the covenants and agreements of the Purchaser contained in this Offer, the Vendor hereby accepts this Offer and adopts the covenants, representations and warranties of the Vendor herein contained.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

CHEVRON CANADA LIMITED

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE "A"**

Land Title Search

## **SCHEDULE "B"**

### Purchaser's Conditions

1. The Purchaser obtaining an environmental site investigation of the Lands conducted by the Purchaser or its environmental consultant, which is satisfactory to the Purchaser, acting reasonably, on or before the date which is 30 days after the date of acceptance of this Offer by the Vendor.