

SAND AND/OR GRAVEL AGREEMENT

BY AND BETWEEN:

**COUNTY OF ST. PAUL NO. 19
5015 - 49 Avenue
St. Paul, Alberta T0A 3A4
780-645-3006**

(hereinafter called the "Purchaser")

OF THE FIRST PART,

- and -

**NAME
ADDRESS
TOWN, Alberta Txx Xxx**

(hereinafter called the "Vendor")

OF THE SECOND PART.

WHEREAS the Vendor is the owner of those lands legally described as follows:

X Quarter of Section X (x), Township XX (xx) Range XX (xx), West of the Fourth Meridian (W4M).

(the "Lands")

NOW THEREFORE this Agreement witness that for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

- 1) The Vendor hereby grants and assigns unto the Purchaser, the rights to enter on to the Lands and to explore, prospect, dig, work, excavate, crush, stockpile and remove all sand and/or gravel situated on the Lands for a period of **five (5)** year (s) commencing the **X** date of **Month, Year** The Purchaser may terminate this Agreement at any time upon

sixty (60) days written notice to the Vendor subject only to an accounting and settlement of any payments due to the date of termination and the restoration of the Lands.

- 2) The rights granted by the Vendor to the Purchaser under this Agreement include:
 - a. the right to enter upon and occupy the Lands and explore for, strip, excavate, develop, crush, remove, dispose of and sell for its own account all the gravel and/or sand found within, upon or under the Lands that the Purchaser in its sole discretion deems to be fit and suitable for its purposes, which the Purchaser may remove from the lands;
 - b. the right to store and stockpile the gravel and/or sand upon the Lands or other Lands which are under the control and management of the Purchaser;
 - c. the right to strip, excavate, remove and dispose of all the overburden and all other materials from the Lands, the removal of which may be necessary to enable the Purchaser to recover the gravel and/or sand;
 - d. the right to store and stockpile the overburden and any other material on the Lands or other lands which are under the control and management of the Purchaser;
 - e. the right to place, remove and maintain all plants, machinery, equipment, buildings, and structures of every nature and description that the Purchaser in its sole discretion considers necessary or desirable for obtaining the benefits of the rights hereby granted;
 - f. the right to do all things that the Purchaser in its sole discretion considers necessary and expedient for the proper location, working, excavation, processing, stockpiling and removal of the gravel and/or sand, overburden and other materials lying upon, under or within the Lands or any portion thereof, and;
 - g. the free and uninterrupted right-of-way and right of ingress and egress per persons, vehicles and equipment throughout, along and over the Lands or other lands which are under the control and management of the Purchaser and to and from any portion thereof to the extent that the Purchaser in its sole
- 3) The Vendor warrants that he/she has good title to the Lands and the gravel and sand thereon and the full right and power to grant to the Purchaser the full and exclusive right to enter upon and occupy the Lands together with the rights and privileges as herein

provided and while not in default of its agreements on the Purchaser's part herein contained, the Purchaser may peaceably possess and enjoy the rights and privileges hereby granted during the term of this Agreement without any interruption or disturbance from or by the Vendor or any other persons.

- 4) The Purchaser shall pay to the Vendor **\$3.00** per cubic yard for all sand and/or gravel removed from the said land (excluding gravel currently stockpiled under previous agreements); payment to be made within thirty (30) days from the date of crushing. Any G.S.T. payable shall be the responsibility of the Purchaser and shall be included on all payments made to the Vendor. Calculation of amounts shall be based on the records and measurements of the Purchaser.
- 5) ~~The Vendor shall pay all taxes, rates and assessments against the Lands.~~ The Vendor acknowledges and agrees that during the term of this Agreement, ~~once gravel crushing has commenced on the Lands,~~ the area used for gravel excavation/stockpile will be ~~assessed by County assessors as Commercial and subject to the tax rate for that assessment classification~~ **exempt from taxation, under Section 362(1)(b) of the Municipal Government Act, the year following the final pit fee payment, as long as the disturbance is part of the lands.** This ~~classification~~ **exemption** will remain in place until the expiration of the Agreement, **recommencement of crushing operations,** ~~depletion of the gravel stockpile,~~ or reclamation of the ~~gravel pit~~ **disturbed area.**
- 6) Once gravel crushing has commenced, the Purchaser shall pay an annual storage fee to the Vendor in the amount of ~~\$100.00/acre~~ **\$200 per acre for disturbed lands until reclamation is complete.**

- 7) The Purchaser shall bear the full responsibility for reclamation of sites disturbed for the exploration, excavation, and removal of the sand and/or gravel to the extent that it is reasonably practicable. Reclamation of the site shall take place within a reasonable period from the date of site disruption.
- 8) The Purchaser shall bear full responsibility for any and all damages whatsoever incurred in the working and removal of the sand and/or gravel.
- 9) At any and all time during the terms of this Agreement, the Purchaser agrees to carry insurance of the types as follows:
 - a) Worker's Compensation Insurance in full compliance with all applicable Provincial Laws and Regulations,
 - b) Comprehensive General Liability Insurance for all damages in respect of bodily injury or death and in respect to damage to the property of thus,
 - c) Automotive Liability Insurance covering owned and non-owned vehicles for bodily injury to, or death of any person or damages to property.
- 8) The Purchaser agrees to indemnify and save harmless the Vendor of and from all loss and damage and all fines, costs, suits, claims, demands, and actions of any kind or nature for which the Purchaser shall or may become liable or incur or suffer by reason of any breach, violation or non-performance by the Purchaser of any warranty, covenant or agreement herein contained or by reason of any injury occasioned to or suffered by any person or damage to any property by reason of wrongful act, neglect or default on the part of the Purchaser or any of its employees, agents, or servants.
- 10) The Vendor agrees to indemnify and save harmless the Purchaser of and from all loss and damage and all fines, costs, suits, claims, demands and actions of any kind or nature for

which the Purchaser shall or may become liable or incur or suffer by reason of any breach, violation and non-performance by the Vendor of any warranty, covenant or agreement herein contained or by reason of any injury occasioned to or suffered by any person or damage to any property, by reason of any wrongful act, neglect or default on the part of the Vendor or any of his employees, agents or servants.

- 11) In case of disputes or differences arising under this Agreement, which are not settled within a reasonable time, the parties shall refer the disputes and differences to arbitration under the Arbitration Act of Alberta.
- 12) The Purchaser may not assign, pledge, mortgage, or otherwise encumber any of its rights under this Agreement without the prior written consent of the Vendor.
- 13) This Agreement, with respect to the subject matter contained therein:
 - a) sets forth the entire Agreement between the parties and any persons who have in the past, or who are now representing either of the parties,
 - b) supersedes all prior understandings and communications between the parties or any of the oral or written, and
 - c) constitutes the entire Agreement between the parties.
- 14) Each party acknowledges that this Agreement is entered into after full investigation and that no party is relying on any statement or presentation made by any other, which is not embodied in this Agreement. Each party acknowledges that it shall have no right to rely on any amendment, promise, modification, statement, or representation made or occurring subsequent to the execution of this Agreement unless it is in writing and executed by each of the parties.
- 15) Time shall be of the essence of this Agreement and of every part of it and no extension or

variation of this Agreement shall operate as a waiver of this provision.

- 16) This agreement may be renewed by written agreement of the parties. In the event that a stockpile of gravel remains on the Lands at the expiration of this agreement, and the parties do not agree to renew the agreement, the Purchaser shall have one year to remove the stockpile.
- 17) This Agreement shall ensure to the benefit of and be binding on the parties and their respective Heirs, Executors, Administrators, Successors, and Assigns.
- 18) If any provision becomes illegal or unenforceable, the provision will be deemed to be severed and the Agreement shall continue as amended.
- 19) The Purchaser may at any time during the term of this Agreement register a caveat, memorandum or other document against the title to the Lands.

IN WITNESS WHEREOF the Vendor has hereunto subscribed his/her name in the presence of the subscribing witness and the Purchaser has caused to be affixed its corporate seal duly executed as of the ____ day of _____, 20__.

COUNTY OF ST. PAUL NO. 19

Per:

OWNER

Witness

Per:

OWNER

Witness

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF ALBERTA
TO WIT:

) I, _____,
) of the _____ of _____,
) in the Province of Alberta,
) _____,
MAKE OATH AND SAY:

1. THAT I was personally present and did see **OWNER**, named in the within instrument, on the basis of the identification provided to me, duly sign and execute the same for the purpose named therein;
2. THAT the instrument was executed at _____, Alberta and that I am the subscribing witness thereto;
3. THAT I believe **OWNER** whose signature I witnessed, is at least eighteen (18) years of age.

Sworn before me at _____
in the Province of Alberta
this ____ day of _____, 20__

)
)
)
) _____

A Commissioner for Oaths in and for Alberta

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF ALBERTA
TO WIT:

) I, _____,
) of the _____ of _____,
) in the Province of Alberta,
) _____,
MAKE OATH AND SAY:

1. THAT I was personally present and did see **OWNER**, named in the within instrument, on the basis of the identification provided to me, duly sign and execute the same for the purpose named therein;
2. THAT the instrument was executed at _____, Alberta and that I am the subscribing witness thereto;
3. THAT I believe **OWNER** whose signature I witnessed, is at least eighteen (18) years of age.

Sworn before me at _____
in the Province of Alberta
this ____ day of _____, 20__

)
)
)
) _____

A Commissioner for Oaths in and for Alberta

2192871