

## DIRECTION TO PAY

(the “**Direction**”)

TO: [Prime Contractor’s Bank] (the “**Bank**”)  
AND TO: [Bank’s legal counsel, if applicable]  
DATE: [date]  
RE: Disbursement of Site Rehabilitation Program Grant Funding

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### RECITALS

- A. The Government of Alberta, Department of Energy (the “**Province**”) administers the Site Rehabilitation Program (the “**Program**”), pursuant to which oilfield service companies may apply for grant funding to assist with the closure or reclamation of oilfield infrastructure in Alberta;
- B. As described in Appendix A, the undersigned is entitled to a certain amount of Program funding (the “**Grant Funds**”), granted in connection with the Program application (the “**Application**”) and the agreement between the Province and the undersigned (the “**Grant Agreement**”);
- C. Under the Grant Agreement the undersigned has undertaken oilfield site rehabilitation work as a prime contractor (the “**Approved Work**”). The undersigned has entered into agreements with subcontractors (the “**Subcontractors**”), where the Subcontractors have, in connection with the Approved Work, agreed to provide certain rehabilitation and remediation services (the “**Subcontract Work**”);
- D. The Program’s invoicing and payment guidelines, as may be amended from time to time (the “**Guidelines**”), require the undersigned to submit proof of full payment for all Subcontract Work completed in connection with the Grant Agreement (the “**Pre-Payment Requirement**”). Disbursement of the Grant Funds will not occur until the undersigned has satisfied the Pre-Payment Requirement;
- E. The undersigned requires disbursement of the Grant Funds to facilitate payment of the amounts owed to the Subcontractors in respect of the Subcontract Work;
- F. The undersigned has acknowledged a Waiver and Release (the “**Waiver**”), dated on or about the date hereof, from the Province, where the Province has agreed to waive the Pre-Payment Requirement in exchange for, among other things, an undertaking by the undersigned to, in good faith, immediately distribute the Grant Funds to the Subcontractors in satisfaction of amounts owing for the Subcontract Work; and
- G. The undersigned agrees to direct the Bank to distribute the Grant Funds to the Subcontractors upon the terms and in accordance with this Direction.

**DIRECTION**

1. **Direction to Pay**: The undersigned irrevocably and unconditionally directs the Bank to, upon deposit of the Grant Funds in the account of the undersigned, immediately disburse the Grant Funds to the Subcontractors as follows:

| <b><u>Subcontractor</u></b> | <b><u>Outstanding<br/>Balance &amp; Invoice<br/>No.</u></b> | <b><u>Invoice Number</u></b> | <b><u>Financial<br/>Institution</u></b> | <b><u>Electronic<br/>Transfer<br/>Details</u></b> |
|-----------------------------|---|------------------------------|---|---|
|                             |   |                              |   |   |
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2. **Limitation**: This Direction is limited as written and relates solely to the Subcontract Work completed in connection with the Application and Grant Agreement described in Appendix A, and does not extend to any Subcontract Work completed in respect of another Program grant or application, and nothing in this Direction shall:
  - (a) constitute a waiver of any term, obligation or condition of the Waiver; or
  - (b) prejudice any right or remedy that the Province has, now or in the future, under and in connection with the Waiver.
3. **No Modifications**: Nothing in this Direction shall amend, supplement or modify the Waiver or otherwise affect the rights and obligations of any party thereto, all of which remain in full force and effect.
4. **Governing Law**: All matters arising out of or in relation to this Direction are governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
5. **Counterparts**: This Direction is executable in counterparts, each of which is deemed an original, but all of which together are deemed one and the same agreement. A signed copy of this Direction delivered by facsimile, email, PDF or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Direction.

*[Signature Page Follows]*

This Direction is executed as of the date first written above.

**[PRIME CONTRACTOR]**

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

This Direction is hereby received and acknowledged by the Bank, and the Bank shall disburse the Grant Amount in accordance with the terms of this Direction.

**[BANK]**

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

**Received and acknowledged this \_\_\_\_ day of  
\_\_\_\_\_, 20\_\_**

**APPENDIX A**

**Program Grant & Application Details**

*See Attached.*