

FORBEARANCE CERTIFICATE

(the “Certificate”)

TO: His Majesty the King in Right of Alberta, as represented by the Minister of Energy (the “Province”)

AND TO: [Prime Contractor] (the “Prime Contractor”)

DATE: [date]

RE: Request for Waiver of Site Rehabilitation Program Payment Pre-Conditions

RECITALS:

- A. The Province administers the Site Rehabilitation Program (the “Program”), under which oilfield service companies may apply for grant funding to assist with the closure or reclamation of oilfield infrastructure in Alberta;
- B. The Prime Contractor has received approval for grant funding (the “Grant Funds”) under the Program for the completion of certain oilfield remediation work (the “Approved Work”);
- C. [Subcontractor] (the “Subcontractor”) is party to certain agreements with the Prime Contractor, where the Subcontractor has agreed to, in connection with the Approved Work, provide remediation services for all Program applications of the Prime Contractor described in Appendix A (the “Subcontract Work”);
- D. The Program’s invoicing and payment guidelines, as may be amended from time to time (the “Guidelines”), require the Prime Contractor to submit proof of full payment for all Subcontract Work completed in connection with the Program (the “Pre-Payment Requirement”). Disbursement of the Grant Funds will not occur until the Prime Contractor has satisfied the Pre-Payment Requirement;
- E. The Prime Contractor requires disbursement of the Grant Funds to pay the money owed to the Subcontractor for the Subcontract Work (the “Outstanding Balance”); and
- F. The Subcontractor requests that the Province waive the Pre-Payment Requirement to facilitate the immediate disbursement to the Prime Contractor of the Grant Funds in order to facilitate the Prime Contractor’s payment of the Outstanding Balance.

FORBEARANCE & REQUEST FOR WAIVER

Section 1. Request for Waiver. The Subcontractor requests that the Province waive the Pre-Payment Requirement in order to expedite disbursement of any Grant Funds owed to the Prime Contractor (the “PPR Waiver”).

Section 2. Acknowledgements. The Subcontractor states and acknowledges that:

- (a) this Certificate is given voluntarily by the Subcontractor in their own interest, without any undue influence, duress, coercion or otherwise from the Province or the Prime Contractor;
- (b) the PPR Waiver benefits the Subcontractor and facilitates expedited payment of the Outstanding Balance by the Prime Contractor;
- (c) the PPR Waiver increases the Subcontractor's risk of non-payment by the Prime Contractor, and the Subcontractor accepts this increased risk;
- (d) the Province does not guarantee, undertake, represent, warrant, promise or otherwise that the PPR Waiver will result in the payment of the Outstanding Balance by the Prime Contractor;
- (e) the Subcontractor has no contractual relation with the Province and any privity of contract under the Program exists exclusively between the Subcontractor and Prime Contractor;
- (f) the Province is not responsible for paying the Subcontractor for the Subcontract Work, and the Prime Contractor bears sole responsibility for the payment of the Outstanding Balance; and
- (g) the Subcontractor has no claim against the Province, under the common law, equity or otherwise, should the Prime Contractor fail to pay the Outstanding Balance following the PPR Waiver.

Section 3. Forbearance. The Subcontractor accepts all risks – legal, financial or otherwise – following the PPR Waiver, and hereby unconditionally agrees to not commence or join any claim or proceeding, derivative or otherwise, against the Province, including but not limited to: (i) a claim for arrears in connection with the Subcontract Work or the Program; or (ii) a claim of reliance or misrepresentation against the Province over the PPR Waiver. For greater certainty, the Subcontractor unconditionally agrees that no cause of action shall exist against the Province in connection with the Program following the PPR Waiver.

[Signature Page Follows]

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

[SUBCONTRACTOR]

Per: _____
Name:
Title:

[Signature Page – Forbearance Certificate [Subcontractor]]

APPENDIX A
Subcontract Work