

FIRE FIGHTING RIVER WATER SUPPLY AGREEMENT

THIS AGREEMENT made in Montreal, Province of Quebec, as of October 31, 2005.

BETWEEN:

CANTERM CANADIAN TERMINALS INC., a corporation duly constituted under the *Canada Business Corporations Act*, having its head office and principal place of business at 2775 Georges V Avenue, Montreal, Quebec, H1L 6J7, herein represented by Romane P. Berthil, duly authorized to sign this Agreement, as he so declares,

(hereinafter called the "CanTerm")

OF THE FIRST PART

AND:

INTERQUISA CANADA L.P., a Quebec limited partnership, having its principal place of business at 10,200 Sherbrooke Street East, Montreal, Quebec, H1B 1B4, herein acting and represented by Interquisa Canada Inc., its general partner, a company constituted under the laws of the Province of Quebec, having its head office at 10,200 Sherbrooke Street East, Montreal, Quebec, H1B 1B4, itself represented by Salvador Garcia and René Girard, duly authorized to sign this Agreement, as they so declare,

(hereinafter called the "Interquisa")

OF THE SECOND PART

WITNESSETH THAT:

WHEREAS CanTerm owns Terminal facilities in Montreal-East, Province of Quebec;

AND WHEREAS CanTerm requires access to River Water for fire fighting purposes in the operation of its Terminal facilities;

AND WHEREAS Interquisa has a requirement of River Water in the operation of its Montreal-East petrochemical facilities;

AND WHEREAS CanTerm sold the River Water Pumphouse to Paul Pichette & Associées Inc. ("**Pichette**") pursuant to the terms of an Offer to Purchase dated October 1, 2001 between Pichette and CanTerm (the "**Offer to Purchase**");

AND WHEREAS Pichette has incorporated the River Water Pumphouse in a River Water pumping and distribution system and has sold same to Interquisa pursuant to the terms of an Offer to Sell dated September 27, 2001 between Pichette and Interquisa (the "**Offer to Sell**");

AND WHEREAS the Offer to Sell and the Offer to Purchase were conditional upon the entering into of an agreement concerning the supply of River Water to CanTerm in the case of an emergency;

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. INTERPRETATION

In this Agreement:

1.01 "**CanTerm Fire Fighting Components**" has the meaning ascribed to it in Section 5.01.

- 1.02 “**Government**” means Federal, Provincial or Municipal governments as applicable.
- 1.03 “**River Water Pumphouse**” means the River Water pumping facility located on the dock of section 95 of the Port of Montreal and supplying the Terminal fire fighting hydrant system.
- 1.04 “**River Water**” means untreated water pumped directly from the St-Lawrence River.
- 1.05 “**Terminal**” means the facilities owned and operated by CanTerm at section 95 of the Port of Montreal in Montreal-East as shown on Schedule “A”.

2. **TERM OF AGREEMENT**

- 2.01 This Agreement commenced at 00:01 hours on the 31st day of October 2005, and shall continue until 24:00 hours on the 31st day of March 2028 and from year to year thereafter.
- 2.02 However, CanTerm may terminate this Agreement upon a one (1) month prior written notice if, for whatever reason, CanTerm decides to cease its operations or sell its Terminal. Notwithstanding any such termination, CanTerm shall ensure, and hereby undertakes to ensure, that any successor in title or assignee of its rights to the Terminal or its operations shall provide Interquisa with the rights of access provided for in Section 5 hereof.
- 2.03 Emergency water supplied hereunder, shall be supplied at no cost to CanTerm.
- 2.04 If, at any time and from time to time, Interquisa ceases the operation of its Montreal-East petrochemical facilities or the River Water Pump House for any reason whatsoever on a permanent or semi-permanent basis, it shall so inform CanTerm in writing and shall transfer operational control of the River Water Pump House to CanTerm. Upon receipt of said notice, CanTerm shall assume operational control of the River Water Pump House and Interquisa shall have no further obligations under this Agreement.

3. **SUPPLY OF RIVER WATER**

- 3.01 Interquisa will use reasonable commercial efforts to supply a minimum volume of River Water of 600 cubic meters per hour (supplied and measured at control valve “A”) whenever needed for fire fighting purposes, but does not guarantee same.
- 3.02 Interquisa will use reasonable commercial efforts to supply a minimum pressure of the River Water of 100 pounds per square inch (PSIG) (supplied and measured at control valve “A”), whenever needed for fire fighting purposes, but does not guarantee same.
- 3.03 The quality of the River Water shall be untreated water pumped directly from the St-Lawrence River, as is then available from the St-Lawrence River from time to time.
- 3.04 Interquisa’s obligations under this Section 3, are expressly conditional upon CanTerm’s faithful compliance with its obligations hereunder and, in particular, with the provisions of Section 4 hereof.

4. **OPERATIONAL AND SAFETY STANDARDS AND PROCEDURES**

- 4.01 The operation of the CanTerm Fire Fighting Components shall be conducted in accordance with the operational procedures set forth in Schedule “B” attached hereto.
- 4.02 CanTerm shall, at its own cost and expense, keep and maintain in good state of repair and in good condition the CanTerm Fire Fighting Components and use

same as a prudent administrator. At CanTerm's instigation, CanTerm and Interquisa shall test the River Water Pump System and CanTerm Fire Fighting Components on an annual regular basis to ensure that they are in good order and repair and functioning properly for the purposes of this Agreement and shall properly repair or replace any malfunctioning component.

4.03 CanTerm shall assume and shall pay all costs, expenses and taxes with respect to the use of and maintenance of CanTerm Fire Fighting Components.

5. ACCESS TO RIVER WATER PUMPHOUSE

5.01 CanTerm and its employees shall have access, without liability to Interquisa, to the River Water Pumphouse and its interior on an "as-needed" basis in order to maintain and operate the equipment and valves found therein (other than the pumps and connecting water lines which are the responsibility of Interquisa) and which are necessary for the operation of CanTerm fire fighting system, inclusive of the water line and control Valve "A" located inside the River Water Pumphouse shown in red on Schedule "C" (collectively, the "**CanTerm Fire Fighting Components**"). CanTerm acknowledges receipt of a key to the River Water Pumphouse and hereby undertakes to take all necessary and desirable precautions and to perform all necessary and desirable acts to ensure that its access and that of its employees to the River Water Pumphouse and the operations of CanTerm Fire Fighting Components in no way damage the River Water Pumphouse, its equipment, water lines, valves and pumps or cause any interruption or impairment of Interquisa's use and operation of the River Water Pumphouse unless absolutely necessary in the event of a fire emergency. Access is without cost to CanTerm.

5.02 Interquisa and its employees shall have access, without liability to CanTerm, to the River Water Pumphouse and the electrical sub-station servicing the River Water Pumphouse over the lands leased by CanTerm from the Administration Portuaire de Montréal and access to the motor control centre for the River Water Pumphouse on an on-going and regular basis in order to manage and operate the River Water Pumping Station on a day-to-day basis. Interquisa hereby undertakes to take all necessary and desirable precautions and to perform all necessary and desirable acts to ensure that its access and that of its employees to the River Water Pumphouse, the electrical sub-station and motor control centre in no way cause any interruption or impairment of CanTerm's use and operation of its terminal facilities. Access is without cost to Interquisa but is subject to certain operational restrictions as set forth in Schedule "B".

5.03 CanTerm acknowledges that Interquisa has the right to own and operate the River Water River Water Pumphouse and River Water pumping and distribution system for the purpose of Interquisa's operations and CanTerm agrees not to hinder same.

6. INDEMNITY AND INSURANCE

6.01 Insurance

Interquisa and CanTerm shall provide evidence of coverage for comprehensive general liability for limits of not less than \$10,000,000 per incident (or such other minimum as may otherwise reasonable be required by CanTerm or Interquisa and available to Interquisa or CanTerm at a reasonable premium considering prevailing market conditions) per occurrence.

6.02 Limitation of Liability

6.02.1 It is understood and agreed that in carrying out its duties and obligations hereunder, Interquisa nor CanTerm nor its partners will be responsible for matters beyond their reasonable control and neither Interquisa nor CanTerm nor their respective partners shall be held responsible for the defaults of any third parties.

6.02.2 Neither Interquisa nor CanTerm nor their respective partners shall be liable under this Agreement for any direct, indirect or consequential damage other than personal injury or property damage resulting from the intentional or gross fault of Interquisa or CanTerm. Interquisa or CanTerm shall not be liable for performance of any of its obligations hereunder for so long as, and to the extent that, they are impossible or unsafe to perform as a result of Force Majeure or of the existence of any hazardous or potentially hazardous condition at or around the River Water Pumphouse (not being caused by Interquisa or its personnel), such as, by way of example only and not by way of limitation, (i) any physical impracticability or impossibility of Interquisa's ability to safely access, traverse upon, and make egress from the River Water Pumphouse or of the portion of the surrounding area where CanTerm operates its business, and (ii) any failure of the electrical infrastructure which creates or results in any hazardous or potentially hazardous condition at or around the River Water Pumphouse.

6.02.3 Notwithstanding the above, should an emergency occur at CanTerm's dock resulting from a spill or other major environmental incident, Interquisa will take all the necessary measures to mitigate damages to its property and upon notification by CanTerm, implement the emergency procedures adopted from time-to-time by CanTerm and the Canadian Coast Guard, failing which all operations conducted or work performed shall be carried out at Interquisa's own risk.

6.03 Indemnity

6.03.1 Subject to Section 4.02, Interquisa agrees to hold harmless and indemnify CanTerm, its employees, agents, mandataries, officers, directors and representatives and their respective administrators, successors and permitted assigns from any and all claims, actions, suits, proceedings, costs, expenses, damages, losses and liabilities whatsoever arising out of, connected with or resulting from the gross negligence or gross fault of Interquisa or of its employees and agents in the performance of Interquisa's obligations under this Agreement.

6.03.2 CanTerm agrees to hold harmless and indemnify Interquisa, its partners, employees, agents, mandataries, officers, directors and representatives and their respective administrators, successors and permitted assigns from any and all claims, actions, suits, proceedings, costs, expenses, damages, losses, and liabilities whatsoever arising out of, connected with or resulting from the performance of Interquisa's obligations under this Agreement and the supply of River Water to CanTerm pursuant to the provisions of this Agreement, save and except for such costs, expenses, damages and losses as are due to the gross negligence or gross fault of Interquisa or of its employees and agents.

6.03.3 CanTerm agrees to hold harmless and indemnify Interquisa, its partners, employees, agents, mandataries, officers, directors and representatives and their respective administrators, successors and permitted assigns from any and all claims, actions, suits, proceedings, costs, expenses, damages, losses, and liabilities whatsoever arising out of, connected with or resulting from the gross negligence or gross fault of CanTerm or of its employees and agents in the performance of CanTerm's obligations under this Agreement.

6.03.4 Each party agrees to hold harmless and indemnify the other party from any and all costs, expenses, damages, losses or liabilities, including reasonable attorneys' fees, that may be sustained by reason of the failure of such party or of its employees and agents to comply with or conform to any statutes, laws, legislation, ordinances, rules, regulations, codes, permits, licences, specifications, standards and official interpretations.

7. **FORCE MAJEURE**

- 7.01 Either Party hereto shall be relieved from liability hereunder for failure to perform any of the obligations herein imposed for the time and to the extent of such failure to perform, if occasioned by circumstances beyond the Party's control or by superior force, including but not limited to:
- 7.01.1 Compliance, voluntary or involuntary with any law, order, regulation, directive, petition or request by any governmental authority having jurisdiction herein;
 - 7.01.2 Expropriation, nationalization, confiscation by any governmental authority having jurisdiction herein, including confiscation of the materials, plants, pipelines or other facilities, which are the subject of this Agreement, water levels and restrictions on water;
 - 7.01.3 Reasonably unavoidable disruption, breakdown or other failure of facilities used in or for the pumping, handling or transfer of the River Water which is the subject of this Agreement;
 - 7.01.4 Strikes, lockouts, stoppages or restraints of labour;
 - 7.01.5 Acts of God, or enemies of state, including but not limited to fire, floods, storms, explosions, seismic tremors; and/or
 - 7.01.6 Wars, hostilities, sabotage, blockage or civil disturbance.
- Any such circumstances being hereinafter referred to as a “**Force Majeur**” whether similar to or dissimilar from the enumerated circumstances.
- 7.02 In the event of either party hereto being rendered unable by Force Majeure to carry out its obligations under this Agreement, such party shall give notice and particulars of the event to the reasonable satisfaction of the other party including the expected duration of such Force Majeure and the expected extent of impairment hereunder in writing or by telefax to the other party as soon as possible after the occurrence of the circumstances relied on, and, upon the giving of such notice, the obligations of the party giving such notice, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused, but for no longer period, and such cause shall be so far as possible remedied with all reasonable dispatch.
- 7.03 It is understood and agreed upon that the settlement of strikes or lockouts involving the parties hereto shall be entirely within the discretion of the party having the difficulty and that the above requirements that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of the employees involved, when such course is inadvisable in the discretion of the party having the difficulty.
- 7.04 In the event that the performance of either party has been delayed, hindered or prevented for more than ten (10) consecutive calendar days, by reason of an event of Force Majeure, the parties shall promptly meet to consider what action, if any, can be taken to resume performance pursuant to this Agreement. In the event that the parties are unable to mutually agree upon a manner of resolving the difficulties relating to the Force Majeure within a period of ten (10) days of such meeting, then either party may submit the matter to arbitration in accordance with Section 7.05 and nothing herein shall prevent the arbitrators from modifying the Agreement because it reduces the advantages of the Agreement to one party.
- 7.05 If the parties do not reach a solution under Section 7.04 within the second ten (10) day period referred to in Section 7.04, then upon written notice by one party to the other (the “**Arbitration Notice**”), the matter shall be finally and exclusively settled by binding arbitration in accordance with the rules of The Québec National and International Commercial Arbitration Centre (the “**QNICAC**”), which rules the parties hereto expressly state to be known to them and are herein incorporated

by reference by a single arbitrator appointed by the QNICAC who will be requested to provide the appropriate administrative services. The arbitrator's decision will be final and not subject to any appeal. The place of arbitration shall be Montreal, Canada. The English language shall be used throughout the arbitration proceedings. The arbitration will be governed by Quebec law. Notwithstanding the foregoing, the parties shall have the right to seek injunctions in any competent court.

8. **DEFAULT**

8.01 Should either party (hereinafter called the "**Defaulting Party**"):

8.01.1 commit a material (deemed very exceptional) breach in the prompt performance and observance of any of the terms or conditions of this Agreement, and should such material breach continue for one hundred and eighty (180) days after written notice thereof by CanTerm or Interquisa, as the case may be, to the Defaulting Party;

8.01.2 takes any action in respect of liquidation or winding up, or make an assignment for the benefit of creditors, or make any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable statute of any applicable jurisdiction, or if a bankruptcy petition is filed or presented by the Defaulting Party in respect of its properties or assets, or a judgment or order is entered by any court of competent jurisdiction approving any such petition or a petition seeking the reorganization, arrangement or composition of or in respect to the Defaulting Party or its debts or obligations, or if a custodian or receiver or receiver and manager or any other official with similar powers be appointed for the Defaulting Party or a substantial portion of its properties or assets and such appointment is not dismissed or discharged within 30 days thereof;

8.01.3 a bankruptcy or similar petition with respect to the bankruptcy, or other enforced liquidation, of the Defaulting Party is presented or filed against it unless the same is dismissed or discharged within 30 days, during which grace period execution thereunder is effectively stayed; or

8.01.4 other than through the standard operation of the River Water Pumphouse, the River Water pumping and distribution system or the CanTerm Fire Fighting Components, create directly a material situation which threatens to result in the material modification, suspension, infringement, revocation, annulment or cancellation of the other party's applicable permits or contractual agreements and should such material situation continue for one hundred and eighty (180) days (or shorter if imposed by authorities having jurisdiction) after written notice thereof by CanTerm or Interquisa, as the case may be, to the Defaulting Party,

then the other party shall have the option to terminate this Agreement forthwith without prejudice to its right to seek damages but subject to the limitation of liability set forth herein.

9. **BINDING EFFECT, ASSIGNMENT AND TRANSFER**

This Agreement shall be binding upon and shall enure to the benefit of the respective successors and assigns of each of the parties hereto, but shall not be assigned or otherwise transferred by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld, except that either party may assign the Agreement without consent, in whole or in part to:

9.01 one or more of its affiliated companies as defined in the Canada Business Corporation Act (an "**Affiliate**"); or

9.02 a corporation which either party may merge or be consolidated with; or

9.03 one or more of Interquisa's partners or their Affiliates.

No assignment hereunder shall relieve either party of any of its obligations hereunder.

10. **WAIVER**

The waiver by either party or any breach of any provision herein shall not be deemed a waiver of any other breach of the same or any other provision.

11. **NOTICES**

Any notice, direction or other instrument required or permitted to be given hereunder shall be in writing and may be given by delivering the same or, provided that postal service throughout Canada is fully operative, by mailing the same by prepaid, registered mail or by faxing same, or by bailiff.

11.01 In the case of **CanTerm** to:

2775 Georges V Avenue
Montreal, Quebec
H1L 6J7

Attention: Terminal Manager

Telecopier: (514) 645-8048

11.02 In the case of **Interquisa** to:

10,200 Sherbrooke Street East
Montreal, Quebec
H1B 1B4

Attention: Mr. Salvador Garcia

Telecopier: (514) 645-9115

and shall be deemed to have been given or made on the next business day following the date on which it was delivered or transmitted by fax and bailiff or if mailed, shall be deemed to have been given or made on the fourth (4th) business day following the date on which it was mailed, except in the event of interruption of mail service after mailing, by reasons of labour disruption, strike or lock-out, in which event it shall be deemed to have been given or made when actually received. Any party hereto may change its address for delivery from time to time by notice in accordance with the foregoing.

12. **HEADINGS**

The headings of the Clauses of this Agreement have been inserted for convenience of reference only and are not to be considered a part of this Agreement and they shall in no way affect the interpretation of any of its provisions.

13. **GOVERNING LAW**

This Agreement is entered into under and shall be interpreted in accordance with the laws of the Province of Quebec. The parties submit to the jurisdiction of the courts of that province and of any Court of Appeal therefrom.

Notwithstanding this provision, the parties agree that in carrying out their respective obligations under this Agreement, the parties shall comply with and observe all laws and regulations enacted by any governmental authority having jurisdiction herein and the terms and conditions of this Agreement shall be amended in order to give effect thereto.

14. **SEVERABILITY**

If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

15. **LIMITED PARTNERSHIP**

The parties hereto acknowledge that Interquisa is a limited partnership formed under the laws of Quebec, consisting solely of Investissements Pétrochimie (2070) Inc. and 4200144 Canada, as trustee for the PTA Canada Commercial Trust, as Special Partners, and Interquisa Canada Inc., as General Partner. The parties hereto hereby agree that the obligations of Interquisa are not to be personally binding upon, nor shall resort be had to the property of any of the Special Partners of Interquisa, but shall only be binding upon and resort may only be had to the property of Interquisa or Interquisa Canada Inc., the General Partner of Interquisa.

16. **PARTNERSHIP, JOINT VENTURE, AGENCY**

No partnership nor joint venture nor other legal relationship other than set forth herein shall be deemed to be created hereby, it being understood that the covenant shall not be construed as constituting either of the parties the agent of the other in any way.

17. **ENTIRETY OF AGREEMENT**

This Agreement constitutes the whole and entire agreement between the parties relating to the supply of fire fighting River Water, and revokes, and cancels and supersedes all other agreements, written or verbal, express or implied in respect thereof. No modification thereof shall be of any force or effect unless reduced to writing and signed by the party claimed to be bound thereby.

18. **SURVIVAL**

All terms and provisions of this Agreement which should by their nature survive the expiration or termination of the Agreement shall so survive, regardless of the method or manner in which it is terminated, until the Parties mutually agree to the release of such obligations. Without limiting the generality of the foregoing, Sections 5 and 6 shall so survive.

19. **APPENDICES AND SCHEDULES**

The appendices and schedules attaches hereto are incorporated herein and form an integral part of this Agreement.

20. LANGUAGE

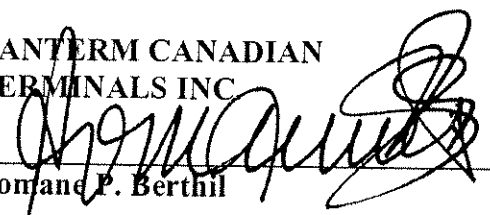
The parties hereto have requested that this Agreement be drawn up in English. Les parties aux présentes ont exigé que ce Contrat soit rédigé en anglais.

IN WITNESS WHEREOF the parties hereto executed this Agreement at the place and as of the date first above written.

Witness

**CANTERM CANADIAN
TERMINALS INC**

Per:




Romane P. Berthil

Witness

**INTERQUISA CANADA L.P., acting
and represented by Interquisa Canada
Inc., its general partner,**

Per:



Salvador Garcia

Witness

and Per:



René Girard

SCHEDULE "B"

1. The water line and control valve "A" located inside the River Water Pumphouse and shown in red on the attached drawing are the property and sole responsibility of CanTerm.
2. Control valve "A" is motorized and can be remotely operated from an "open / closed" switch located inside a locked box mounted at the outside North-West corner of the River Water Pumphouse building.
3. In the event of a fire at the Terminal facilities, CanTerm's operator will unlock the box and activate the "open / closed" switch opening the control valve "A" and providing River Water to the Terminal fire fighting hydrant system.
4. Should the control valve "A" fail to open, CanTerm's operator will unlock the River Water Pumphouse door with a key provided by Interquisa and will operate the valve manually.
5. In the event of a fire at the Terminal facilities concurrent with a power failure and in the absence of Interquisa's personnel, CanTerm's operator will unlock the River Water Pumphouse door with a key provided by Interquisa, start the diesel pump and operate the control valve "A" manually.
6. Access to CanTerm's dock by Interquisa and its employees as provided for in section 5.02 will be granted by CanTerm on an on-going and regular basis, upon notification to CanTerm's operator when entering and leaving the site, stating the purpose and expected length of the visit, as well as the number of people involved.
7. Any type of work to be performed - electrical, mechanical or other - either at the pump house or the electrical station by Interquisa, its employees or representatives shall be authorized by CanTerm's Safety Department upon notification by Interquisa.
8. Besides authorization issued by CanTerm, any work performed for Interquisa by outside contractors will require a permit from the Fire Department of the Port of Montreal. Work to be performed within 300' of CanTerm's dock during vessel loading or unloading operations will not be allowed by CanTerm until completion.