



Fuel Supply Agreement

THIS AGREEMENT is made effective as of the 01 day of Nov, 2023 between:

IMPERIAL OIL ("Imperial"), a partnership, by its managing partner Imperial Oil Limited, having an office at 505 Quarry Park Blvd. SE, Calgary, Alberta, T2C 5N1

- and -

CANOE PROCUREMENT GROUP OF CANADA ("Customer"), a tradename of the Rural Municipalities of Alberta, a corporation incorporated pursuant to the laws of Alberta having an office at 2510 Sparrow DR, Nisku, AB, T9E 8N5

The parties agree as follows:

1. Imperial shall sell and Customer shall purchase, accept delivery of and pay for the petroleum products, as set forth in Schedule 2 (the "**Products**").
2. The term of this Agreement shall be from **01 Nov 2023 to 30 Nov 2027** (the "**Term**"), subject to the termination rights set out herein. The Agreement shall automatically renew on 01 Dec 2027 for an additional one (1) year period unless notice is given by either party thirty (60) days prior to the end of the Term that said party does not wish to renew.
3. Product prices are based on Imperial's posted prices and are set out in Schedule 2. Product prices exclude all Taxes (as defined in section 3 of Schedule 1), duties and levies. Freight charges may also apply.
4. The following attached Schedules also form part of this Agreement:

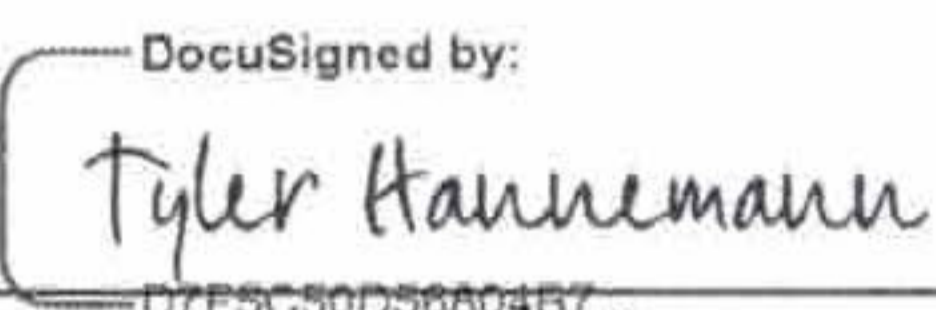
Schedule 1	General Terms and Conditions
Schedule 2	Product, Volume, Pricing and Payment Terms
Schedule 3	Product Specifications
Schedule 4	Special Provisions

5. In the event of a conflict between the provisions of the General Terms and Conditions (Schedule 1) and any other Schedule attached hereto, the provisions of the other Schedule will prevail.
6. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A party's facsimile, scanned or other electronic signature or image thereof serves as that party's legally binding signature to this Agreement or any amendment.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date first written above.

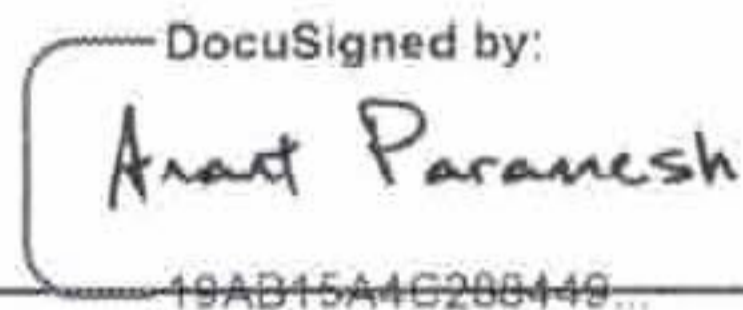
CANOE PROCUREMENT GROUP OF CANADA, A TRADENAME OF THE RURAL MUNICIPALITIES OF ALBERTA, A CORPORATION INCORPORATED PURSUANT TO THE LAWS OF ALBERTA

IMPERIAL OIL, by its managing partner Imperial Oil Limited

Per: 
D7F9C50D56604B7...

Name: Tyler Hannemann

Title: Manager of Supplier Relations

Per: 
19AB15A1C288449...

Name: Anant Paramesh

Title: Account Manager

Schedule 1: General Terms and Conditions

1. PRODUCT QUALITY

Imperial warrants that Products shall at the time of delivery meet or exceed the applicable specifications for the Product, as amended from time to time. Imperial makes no other warranties, offers, no other conditions and makes no other representations to Customer, other than those explicitly contained in this Agreement. In particular, no other warranties, conditions or representations are to be implied by statute, common law, equity or otherwise. The implied warranties of merchantability and fitness for purpose are expressly excluded and disclaimed.

Customer shall not assert a claim that the Product does not comply with the specifications unless Customer gives written notice to Imperial of such non-compliance within 48 hours after discovering such non-compliance. Imperial shall be given a reasonable opportunity to inspect and test the Product in question. Failure by Customer to notify Imperial of such claim within 48 hours shall operate as a waiver of any and all such claims by Customer.

If Imperial desires to deliver, or delivers, Product to Customer which does not fully meet the specifications, Imperial shall request from Customer a written authorization for the delivery of such product (a "Product Quality Waiver") and the issuance of such Product Quality Waiver shall constitute unconditional acceptance by Customer of the Product concerned. If Customer does not agree to a Product Quality Waiver or if it is established that any Product fails to meet the specifications, Customer's sole remedy shall be for Imperial, at Imperial's expense, to remove, replace or remedy, as Imperial shall determine in its discretion, the Product concerned.

Customer agrees to take reasonable measures to mitigate any loss and/or damage arising from Product non-compliance. Imperial shall not be responsible for Product non-compliance resulting from the commingling or contamination of the Product with any other product or material on board any means of delivery or storage employed by Customer.

2. TRANSPORTATION AND DELIVERY

Customer shall give Imperial timely notice of its current Product requirements. Products in an order that is placed by Customer and is accepted by Imperial will be delivered by Imperial within a reasonable time of Imperial's acceptance of the order.

Imperial's obligation to deliver Product under accepted orders shall be subject to Imperial being able to obtain any permit or certificate required for any conveyance or other means used to transport or deliver the Product. Imperial has the right to select the method of Product delivery transportation. If Imperial, at Customer's request, agrees to use a means of transportation other than as selected by Imperial, any additional cost incurred in using the means of transportation requested by Customer is for the account of Customer.

Customer agrees to strictly observe and comply (and be responsible for its employees, agents, contractors and other representatives compliance) with Imperial's operating, safety, health and environmental standards, processes, procedures and access requirements applicable to the delivery location and to any of Imperial's premises, facilities or equipment utilized by Customer. Customer will, at its own expense, be responsible for providing adequate personnel, equipment and facilities for receiving and unloading Products safely, expeditiously and in compliance with Imperial's delivery location requirements and good oil industry standards and practices. Customer shall promptly receive and unload Products and promptly release and return any conveyance or other means of transportation to the transportation company or to Imperial, in accordance with Imperial's instructions. Imperial shall have the right to refuse delivery at any delivery location and to refuse access to, or require immediate removal of any personnel or equipment from, any of Imperial's premises or facilities if in Imperial's opinion the facilities, personnel or equipment fail to comply with this section or are otherwise unsuitable for safely and expeditiously receiving the delivery.

Where a conveyance is detained by Customer beyond the time allowed, Customer will pay all demurrage or rental charges incurred by Imperial in respect thereof, and where the conveyance is owned or leased by Imperial, Customer will pay a reasonable fee in lieu of demurrage as determined by Imperial in accordance with industry practice.

3. PAYMENT AND CREDIT

Product prices, locations, and freight charges are subject to change by Imperial from time to time in accordance with Schedule 2. Customer shall pay for Products in accordance with the payment terms set out in the invoice from Imperial, without set-off, deduction or abatement. Payment shall be to an account at a financial institution and by such method as specified by Imperial from time to time, such that Imperial receives irrevocable same day valued funds on or before the due date.

Product prices exclude all Taxes, duties and levies. Freight charges may also apply. In this Agreement, "Taxes" means any and all international, federal, municipal, territorial, provincial or local sales, use, value added, goods and services, storage, consumption, environmental, transportation, fuel, harmonized sales, excise, carbon or withholding tax or any similar tax, surtax, levy, toll, import, duty, charge, fee, royalty, participation payment, imposition, revenue enhancement or assessment of any nature whatsoever assessed upon or due with respect to the supply of Products or services hereunder, except for items of tax based in whole or in part on the business income of a party.

Except where appropriate evidence (i.e. exemption certificate) is provided by Customer, in which case Customer shall indemnify and hold Imperial harmless from any liability resulting from Customer's failure to pay such Taxes or comply with applicable reporting, filing or other procedural requirements with respect to their payment, including interest, penalties and other liabilities arising from non-payment of such Taxes, all applicable Taxes, duties and levies shall be paid by Customer. Any changes in the amount of applicable Taxes, duties and levies, or freight will be passed through to Customer immediately as of the effective date of such change.

Imperial, in the normal course of its business, periodically reviews the creditworthiness of all of its customers. Credit arrangements and terms (the "Conditions") will be set by Imperial from time to time and communicated to Customer in advance of any changes. If requested, Customer shall provide financial statements. In the event that Customer defaults in the payment of any obligation or indebtedness to Imperial or if Imperial has reasonable grounds to suspect that Customer does not have sufficient creditworthiness to satisfy its payment obligations under this Agreement or that Customer will exceed the Conditions, Imperial retains the right to suspend

Schedule 1: General Terms and Conditions

performance of any delivery, to require advance payment before delivery, or to require security or other adequate assurance to Imperial, in addition to any other remedies that Imperial has at law (including termination of this Agreement).

Imperial may charge Customer a late payment service charge on the overdue balance outstanding up to a rate of 1.5% per month, chargeable daily and compounded monthly, resulting in an effective annual rate of 19.6% and shall reimburse Imperial for costs and expenses reasonably incurred (including legal expenses on a solicitor and own client basis) to collect overdue accounts.

4. MEASUREMENT

Shipment quantity measurement and, if applicable, adjustment in volume owing to difference in temperature shall be made by Imperial in accordance with common industry standards and practices, as amended time to time. Measurement of quantity will be made by Imperial's designated representative on loading to, or discharge from, the carrier and shall be determined as follows: for asphalt, by weigh scale or tank car gauge; for fuels, by meter or tank gauge.

5. TITLE AND RISK

Title to all Products and all risk of loss and damage shall pass to Customer as set out in Schedule 2.

6. NON-PERFORMANCE

Neither party shall be deemed to be in default of nor shall be liable for the non-performance of any covenant, agreement or obligation in this Agreement, except Customer's obligation to pay for Products delivered, if such default or non-performance arises from any cause beyond the reasonable control of such party the effects of which could not reasonably have been avoided or overcome when acting in good faith and in a commercially reasonable manner in the ordinary course of business (a "force majeure event"). The following, without limitation, shall be deemed to be force majeure events: acts of God, fire, storm, flood, sabotage, blockade, explosion, accident, strike, lockout, labour disturbance, acts or threats of terrorism or sabotage, war, act of any governmental authority, diminishment or failure of power, telecommunications, data systems, or networks; expropriation of or breakdown of or injury to any facilities used in or for the production, transportation, manufacture, storage, handling or delivery of Products or the crude oil or other materials from which the Products are manufactured or derived.

If a force majeure event occurs, or if for any reason Imperial's access to or supply of Product available for sale or delivery is curtailed or cut off or is inadequate to meet Imperial's obligations to all of its customers, its own needs and those of its affiliated or subsidiary companies, or if Imperial has reasonable cause to believe such event may occur, Imperial may discontinue delivery of Product or reduce the quantity of Product to be delivered under this Agreement by allocating available supply in such manner as Imperial may in its sole and absolute discretion determine, and Imperial shall not be obligated to obtain or purchase other supplies of Product. Failure to deliver or accept delivery of Product which is excused by or results from the operation of any provision of this Agreement shall not extend the Term.

7. LIMITATION OF LIABILITY

Notwithstanding anything to the contrary contained in this Agreement, neither party shall be liable for any indirect, special, exemplary, punitive or consequential loss or damage, or loss of profits (whether direct or consequential) of the other party or any third party, howsoever arising in connection with this Agreement.

8. INDEMNITY

Subject to section 7, each party (the "Indemnitor") shall defend, indemnify and hold the other party (the "Indemnitee") harmless against any loss, damage, expense or claim for death, personal injury or property damage caused by the Indemnitor or the Indemnitor's employees, agents, contractors or representatives in connection with:

- (1) the use of the other party's premises, facilities or equipment; or
- (2) the receipt, storage, loading, unloading or delivery of Product under this Agreement,

but excluding any loss, damage, expense or claim to the extent sustained, paid or incurred by reason of or otherwise attributable to the negligence or wilful acts or omissions of the Indemnitee, or the Indemnitee's employees, agents, contractors or representatives.

9. TERMINATION

Either party may terminate this Agreement immediately by giving advance written notice of termination to the other party in the event the other party is subject to the institution of any proceeding for relief under the *Bankruptcy and Insolvency Act (Canada)* or any other insolvency legislation, commits an act of bankruptcy, becomes insolvent within the meaning of the *Bankruptcy and Insolvency Act (Canada)*, makes any statement that suggests that it is or may become bankrupt or insolvent, makes any proposal or assignment to its creditors, has a receiver monitor or any third party appointed by a court or by any other means whatsoever to manage or direct its affairs.

Notwithstanding anything herein, either party may terminate this Agreement upon 60 days' prior written notice.

10. TRADE NAMES AND TRADE MARKS

Customer agrees not to use the name, trade names or trademarks of Imperial or its affiliates in any manner in the handling or resale or other disposal of Products purchased hereunder without the prior written consent of Imperial. Customer may not repackage Product.

Schedule 1: General Terms and Conditions

11. LAWS, SAFETY AND ENVIRONMENTAL

Each Party shall comply with all laws, regulations and orders, including those applicable to the handling, transportation, delivery, acceptance of delivery, storage and disposal of Product and shall operate its facilities and equipment in a manner that is safe and does not expose the other Party to unreasonable property, safety or environmental risks.

12. RELATIONSHIP / INDEPENDENT CONTRACTOR

Imperial and Customer are each independent and separate business entities, and nothing in the relationship shall create a joint venture, partnership, agency, fiduciary or franchise relationship between the parties. Customer is solely responsible for all matters relating to Customer's employees, agents, contractors and other representatives.

13. BUSINESS PRACTICES AND CONFLICT OF INTEREST

The parties, in performing their obligations under this Agreement, shall establish and maintain in effect appropriate business standards, procedures and controls to avoid any real or apparent impropriety including a conflict of interest situation with the other party. Such standards, procedures and controls shall include precautions to prevent the making, receiving, providing or offering of substantial gifts, entertainment, payments, loans or other considerations for the purpose of influencing individuals to act contrary to the other party's best interest. This obligation shall extend and apply to a party's employees, agents and contractors involved in the exercise of a party's rights under this Agreement.

14. GENERAL PROVISIONS

(1) **Entire Agreement:** This Agreement, including all attached schedules, exhibits and appendices, which are incorporated herein, constitutes the entire agreement between the parties. The parties agree that the purchase and sale of Products hereunder shall be governed solely by the provisions of this Agreement together with any amendments hereto that are made in writing among the parties, and not by the provisions of any purchase order or blanket purchase order Customer may give to Imperial whether or not such purchase order is or purports to be accepted by Imperial. There are no oral understandings, representations or warranties affecting this Agreement that are not fully set forth herein.

(2) **Notices:** All notices or other documents authorized or required to be given pursuant to this Agreement shall be in writing and be delivered by personal delivery or courier, addressed to the other party at the address set forth above or at such other address or at the email address as either party may designate to the other by notice in writing. Any such notice or other documents shall be deemed to have been given and received on the day of actual delivery.

(3) **Assignment:** Customer may assign its rights or obligations under this Agreement only with the prior written consent of Imperial. Imperial may assign its rights and obligations under this Agreement upon prior written notice to Customer.

(4) **Confidentiality:** Except with the prior written consent of the other party or as required by any applicable law, regulation or order, each party shall keep confidential all information or data, including pricing and contracting particulars, furnished by the other party or otherwise acquired through the performance of this Agreement. Notwithstanding the foregoing, either party may share confidential information with its employees, affiliates, contractors, representatives or agents; provided, however, that the recipient has agreed prior to such disclosure to maintain the information as confidential within its organization.

(5) **Severability and Waiver:** Should any provision in this Agreement be finally determined to be inconsistent with or contrary to applicable law, such provision shall be deemed amended or omitted to conform therewith without affecting any other provision hereof or the validity of this Agreement. No waiver by a party of a right or default under this Agreement shall be effective unless in writing, and any waiver or partial waiver shall not be deemed a waiver of any subsequent right or default whether of a similar nature or otherwise. No delay or omission by a Party to exercise any right acquired through a default by another party shall impair that right nor effect a waiver of that right.

(6) **Set-Off:** In addition to any other right of set-off which Imperial may have under applicable law, in the event of a breach or default by Customer or its affiliates in respect of any obligation owing to Imperial or any affiliate of Imperial, Imperial and/or its affiliates shall be entitled to set off any amounts due and payable by it to Customer or Customer's affiliates under this Agreement or any other agreements between the parties or their affiliates, against any amounts that may be due and payable by Customer or its affiliates to Imperial or its affiliates under this Agreement or any other agreements between the parties or their affiliates. Imperial's affiliates are intended third-party beneficiaries of this section 14(6) who may each enforce this section in their own right, and Imperial holds the rights of its affiliates hereunder in trust for the benefit of such affiliates.

(7) **Express Consent:** Each party grants the other, and its respective affiliates, successors and assigns, the express consent to send electronic communications for the purpose of establishing, developing, continuing and/or managing this contractual relationship. Each party understands that it, or any of its individual employees, may withdraw or vary the consent granted hereunder at any time.

(8) **Headings:** The headings used in this Agreement are for purposes of convenient reference only and are not indicative of the content of this Agreement.

(9) **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the province in which title to the Products transfers to Customer and the laws of Canada applicable therein.

(10) **Binding Effect:** This Agreement shall be binding upon and enure to the benefit of the parties hereto, their respective successors and permitted assigns.

(11) **Remedies Cumulative:** The rights powers and remedies of Imperial in this Agreement are cumulative and in addition to and not in substitution for any right, power or remedy that may be available to Imperial at law or in equity.

Schedule 2: Product, Volume, Pricing and Payment Terms

DELIVERY LOCATION	PRODUCT NAME and GRADE (per Schedule 2)	PRICE (exclusive of Taxes)
Onsite Delivered Product – British Columbia, Alberta, Saskatchewan, Manitoba	Diesel	Imperial’s weekly posted rack price less [redacted] cents per litre discount plus Freight Charges. (Cost is specific to location)
Onsite Delivered Product – Ontario	Diesel	Imperial’s weekly posted rack price less [redacted] cents per litre discount plus Freight Charges. (Cost is specific to location)
Onsite Delivered Product – British Columbia, Alberta, Saskatchewan, Manitoba	Gasoline	Imperial’s weekly posted rack price less [redacted] cents per litre discount plus Freight Charges. (Cost is specific to location)
Onsite Delivered Product – Ontario	Gasoline	Imperial’s weekly posted rack price less [redacted] cents per litre discount plus Freight Charges. (Cost is specific to location)

A. Payment Terms:

Customer shall pay for Products within 30 days of invoice date without set-off, deduction or abatement.

B. Title/Risk of Loss

For any Product that Imperial sells under an arrangement where the Product is delivered by an authorized carrier of Imperial, title to the Product and all risk of loss or damage pass to Customer on delivery to Customer’s facility. If Imperial is to pay freight, selection of carrier and routing of shipments shall be determined by Imperial.

For any Product that Imperial sells as customer pickup, Product shall be delivered FOB Imperial’s designated terminal set forth in the table above. Delivery shall occur and risk and title to the Product shall pass from Imperial to Customer at the delivery location when the product passes Imperial’s truck/rail rack loading flange.

Truck Rack- Customer shall be responsible for loading the Product into Customers collecting vehicle. All insurance, including loading and carriage insurance, shall be at Customer’s sole risk and expense and Imperial shall not be liable for any loss or damage in transit

Rail Rack- Imperial shall be responsible for loading the Product into Customers collecting vehicle. All insurance, including carriage insurance, shall be at Customer’s sole risk and expense and Imperial shall not be liable for any loss or damage in transit. Customer agrees that Customer shall be listed as the Consignor, as defined in the *Transportation of Dangerous Goods Regulation SOR/2001-286* (the “TDG Regulation”) on the Bill of Lading (“BOL”). Furthermore, Customer agrees to provide to Imperial the following information to be used on the BOL: a) a 24-hour number, pursuant to Subsection 3.5(1)(f) of the TDG Regulation; and b) the Customer’s Emergency Response Assistance Plan (“ERAP”) information pursuant to Subsection 3.6(1) and (2) of the TDG Regulation.

C. Freight Charges

Freight charges (“Haulage Rates”) will be adjusted semi-annually based on the Haulage Rate Adjustment Formula below.

Haulage Rate Adjustment Formula

$$HR = CR + \left\{ \frac{B - A}{A} * 35\% * CR \right\} + \left\{ CR * 65\% * \frac{(CPM - CPC)}{CPC} \right\}$$

Where:

A = Average of the daily posted Imperial rack price for the applicable Product type from second most recent six-month period (incl. taxes). For example, for a May 1 change date, A would equal the average of the daily posted Imperial rack prices from April 1 to September 30 of the previous calendar year.

Schedule 2: Product, Volume, Pricing and Payment Terms

B = Average of the daily posted Imperial rack for the applicable Product type from the most recent six-month period (incl. taxes). For example, for a May 1 change date, B would equal the average of the daily posted Imperial rack prices from October 1 of the previous calendar year to March 31 of the current calendar year.

CR = Current Haulage Rate.

HR = Adjusted Haulage Rate, effective May 1 or November 1, as applicable ("Adjustment Effective Date").

CPM = Consumer Price Index, monthly, not seasonally adjusted, private transportation excluding gasoline ("CPI") as released by Statistics Canada, as per the CPI Table below.**

CPI Table

For a May 1 change (Adjustment Effective Date May 1), February CPI released in mid-March will be used.

For a November 1 change (Adjustment Effective Date November 1), August CPI released mid-September will be used.

CPC = The CPM used for the prior adjustment calculation. For example, for a May 1 Haulage Rate Adjustment calculation the CPC would be the CPM used in the previous November 1 Haulage Rate Adjustment calculation.

** If the referenced Consumer Price Index ceases to be published on a timely basis, an alternative price index, will be selected by Imperial in its sole discretion.

D. Price Mechanism

Imperial Oil's Weekly Average Rack Price (WARP) – the supply sources and delivery location will be used to determine which posted rack location is used for each delivery location.

Schedule 3: Product Specifications

PRODUCT NAME AND GRADE with applicable Canadian General Standards Board (CAN/CGSB) specification	
GASOLINE	<i>Product Name (CAN/CGSB #/Material ID)</i>
Regular Unleaded	RUL 87 DCA (CAN/CGSB-3.5, Grade 1/105004)
Premium Unleaded	PUL 91 DCA (CAN/CGSB-3.5, Grade 1/105006)
DIESEL	<i>Product Name (CAN/CGSB #/Material ID)</i>
Low Sulphur	LS Bio (CAN/CGSB-3.520, Type B-ULS/106142) LS Bio Dyed (CAN/CGSB-3.520, Type B-ULS/106143) LS (CAN/CGSB-3.517, Type B-ULS/105022) LS Dyed (CAN/CGSB-3.517, Type B-ULS/105023)

Schedule 4: Special Provisions

Insurance

Imperial, and its contractors, shall maintain insurance as required by applicable laws, rules, and regulations and of such type and in such deductible and coverage amounts as is customary in the petroleum industry including:

- (1) workers' compensation, to the extent required in the jurisdiction in which the services are being performed and wherever Imperial's personnel contracts of employment are made or expressed to be made;
- (2) its normal and customary liability insurance coverage; including sudden & accidental pollution insurance coverage; and
- (3) its normal and customary automobile liability insurance.

Upon request, Imperial will provide a certificate of insurance to the Customer evidencing such insurance.