

Community Benefits Agreement

This Community Benefits Agreement is made in duplicate on this 4th day of January, 2010

BETWEEN:

MANITOBA FLOODWAY AND EAST SIDE ROAD AUTHORITY
an agent of the Crown, created by
The Manitoba Floodway and East Side Road Authority Act

AND

BLOODVEIN FIRST NATION
a band as defined in the *Indian Act* as represented by its
CHIEF AND COUNCILLORS

PREAMBLE

WHEREAS:

- A. The East Side Road Authority ("**ESRA**"), a division of the Manitoba Floodway and East Side Road Authority continued pursuant to subsection 2(1) of *The Manitoba Floodway and East Side Road Authority Act* has been given the mandate by the Government of Manitoba to construct and maintain an all-weather road (the "**East Side Road**") along the east side of Lake Winnipeg (the "**Project**");
- B. As part of its mandate, ESRA wishes to increase the benefits of the Project for communities that will be impacted by the Project, which benefits include, but are not limited to, maximizing local procurement, employment and training opportunities;
- C. ESRA acknowledges that the degree of impact of the Project has not yet been determined and that the legal duty of the Government of Manitoba to consult and accommodate in respect of the Project is underway, and this Community Benefits Agreement is not intended to satisfy this duty;
- D. Bloodvein First Nation ("**Bloodvein**") is located in the area commonly known as the East Side of Lake Winnipeg ("**East Side**"), and is a community that will be impacted by the Project;
- E. ESRA and Bloodvein wish to enter into this community benefits agreement ("**Community Benefits Agreement**"), to set out their respective rights, obligations and commitments in relation to ESRA's mandate and this Project;

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1
Structure and Interpretation

1.1 **Articles and Section Headings.** The division of this Community Benefits Agreement into Articles, sections, subsections and clauses, the insertion of headings and the inclusion of a table of contents are for reference purposes only and shall not affect the interpretation of this Community Benefits Agreement.

1.2 **Schedules.** The following Schedules are attached to and form part of this Community Benefits Agreement:

Schedule "A"

Proposed Training Program

1.3 **Severability.** If any term or other provision of this Community Benefits Agreement is invalid, illegal or incapable of being enforced by any rule or law, or public policy, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party, all other conditions and provisions of this Community Benefits Agreement shall nevertheless remain in full force and effect, in which event the parties shall negotiate in good faith to modify this Community Benefits Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

1.4 **Entire Agreement.** This Community Benefits Agreement and the documents and agreements specifically referenced in this Community Benefits Agreement constitute the entire agreement between the parties with respect to the subject matter hereof, and supersede all prior agreements, understandings, negotiations and discussions between or among the parties, or any of them unless otherwise stated herein. Without limiting the generality of the foregoing, the MOU is deemed to be superseded and terminated upon the execution of this Community Benefits Agreement.

1.5 **Interpretation.** In this Community Benefits Agreement, words importing the singular number only shall include the plural and vice versa, as the context may require, and words importing gender shall include all genders. Words importing persons shall include firms, governments, First Nations, limited partnerships, corporations and trusts, as the context may require.

1.6 **Definitions.** For the purposes of this Community Benefits Agreement, the following terms, when the first letter is capitalized and the term is in bold, shall have the respective meanings set out below, and grammatical variations of such terms shall have corresponding meanings:

- (a) **"Business Day"** means a day other than a Saturday, Sunday or statutory or civic holiday in the Province of Manitoba;

- (b) **"Claim"** means any claim of any nature whatsoever, including, without limitation, any demand, dispute, liability, obligation, debt, action, cause of action, suit, proceeding, litigation, arbitration, judgment, order, award, assessment and reassessment;
- (c) **"Distribution(s)"** means all distributions made in cash or by transfer of property by Bloodvein's nominee to Bloodvein or to any of its members or representatives, including, without limitation, distributions by way of dividends, redemptions or repurchases of shares, repayment of loans, management fees, wages, salaries, bonuses, fees or honoraria, other than reasonable amounts paid to members or representatives employed or engaged by Bloodvein's nominee for services rendered to Bloodvein's nominee in connection with the performance by Bloodvein's nominee of the Pilot Project Contracts which amounts have been fully disclosed to ESRA and have been approved by ESRA in writing;
- (d) **"Financial Institution"** means the financial institution selected by Bloodvein to provide the credit facilities to BFNEC referred to in **Article 3** of this Community Benefits Agreement;
- (e) **"Future Contracts"** has the meaning described ascribed to such term in **Section 5.1** of this Community Benefits Agreement;
- (f) **"GAAP"** means the generally accepted accounting principles promulgated from time to time by the Canadian Institute of Chartered Accountants;
- (g) **"Pilot Project Contracts"** means the Proposed Alignment Agreement and, if entered into, the Potential Additional Pilot Project Contracts;
- (h) **"Project Contracts"** means the Pilot Project Contracts and the Future Contracts, if any;
- (i) **"Third Party Contracts"** has the meaning ascribed to such term in **Section 6.1**.

1.7 **Governing Law.** This Community Benefits Agreement shall be governed by and interpreted in accordance with the laws of the Province of Manitoba and the federal laws of Canada applicable therein.

ARTICLE 2 **Nominee of Bloodvein**

2.1 **Use of Nominee.** ESRA agrees to allow Bloodvein to use its nominee, BFN Eastside Construction Inc. ("BFNEC"), to enter into the Project Contracts, subject to Bloodvein at all times being the sole legal and beneficial owner of all of the shares of the separate company and providing ESRA evidence satisfactory to ESRA to that effect and subject to the terms, conditions and restrictions contained herein.

2.2 **Restrictions on BFNEC** Until such time as BFNEC has performed all of its obligations in respect of the Project Contracts, Bloodvein shall cause BFNEC to observe the following restrictions, terms and conditions:

- (a) employees and contractors of BFNEC will be paid in the following manner:
 - (i) industry standard wages, which shall be, at minimum, in accordance with The Construction Industry Wages Act;
 - (ii) industry standard lump sum rates or unit cost rates; or
 - (iii) in accordance with wages or rates set out in a Project Management Agreement ("PMA"), if a PMA is adopted for the Project;
- (b) all accounts and financial records of BFNEC related to the Project Contracts will be created and kept separate and apart from all other Bloodvein accounts and shall be made available to ESRA and its representatives for audit, at the cost of ESRA, at any time upon written request;
- (c) BFNEC will open a separate account at the Financial Institution providing credit facilities to BFNEC as hereinafter provided. All monies received by BFNEC from ESRA in relation to the Project Contracts will be deposited to such BFNEC account and only those expenses related to the Project Contracts shall be paid from such account;
- (d) No Distributions shall be made to Bloodvein or any of its members or representatives, unless:
 - (i) there are surplus funds available in the separate BFNEC account after all expenditures, including operating expenses and administrative expenses have been paid and sufficient reserves for working capital to meet future liabilities have been provided for and retained;
 - (ii) liabilities related to the acquisition of assets for the Project Contracts are not in default;
 - (iii) such Distribution shall not result in BFNEC being in breach of any applicable laws or any covenants contained herein or in any other agreement to which BFNEC is subject, including, without limitation, any agreements with the Financial Institution; and
 - (iv) ESRA shall have given its prior approval in writing to such Distribution being made;
- (e) A designated representative of ESRA shall be given signing authority in respect of the separate BFNEC account with the Financial Institution and all cheques written on the separate BFNEC account will be co-signed by that ESRA representative.

2.3 Affirmative Covenants of Bloodvein. Until such time as BFNEC has performed all of its obligations in respect of the Project Contracts, Bloodvein shall:

- (a) cause to be delivered to ESRA, as soon as available, and in any event not less than 90 days after the end of each fiscal year of BFNEC, the audited financial statements (including, at minimum, a balance sheet, income statement and statement of changes in financial position) of BFNEC for such fiscal year prepared in accordance with GAAP by a firm of chartered accountants approved by ESRA, acting reasonably;
- (b) cause to be delivered to ESRA, as soon as available, and in any event not less than 30 days after the end of each fiscal quarter of BFNEC (excluding the last fiscal quarter of a fiscal year), the unaudited financial statements (including, at minimum, a balance sheet, income statement and statement of changes in financial position) of BFNEC for such fiscal quarter prepared in accordance with GAAP;
- (c) promptly after the occurrence of an event of default with respect to this Community Benefits Agreement or any of the Project Contracts, deliver to ESRA a statement setting forth the details of the event of default and the action Bloodvein proposes to take or have taken with respect thereto;
- (d) promptly after the commencement thereof, give notice to ESRA of any Claim that has been commenced or is pending or threatened against BFNEC or against Bloodvein in relation to this Community Benefits Agreement or the Project Contracts;
- (e) preserve and maintain the corporate existence of BFNEC;
- (f) comply, and cause BFNEC to comply, in all material respects, with the requirements of all applicable laws;
- (g) pay, and cause BFNEC to pay, all applicable taxes, governmental charges, levies or fees;
- (h) pay, and cause BFNEC to pay, when due all debts and liabilities; and
- (i) cause BFNEC to duly perform all of its covenants and obligations under the Project Contracts.

2.4 Negative Covenants of Bloodvein. Until such time as BFNEC has performed all of its obligations in respect of the Project Contracts, Bloodvein shall not, without the prior written consent of ESRA, cause or permit BFNEC to:

- (a) create, incur, assume or suffer to exist any lien on the property or assets of BFNEC, other than any liens to the Financial Institution in relation to the credit facilities to be provided to BFNEC as contemplated herein;
- (b) allow any debt to be created, incurred, assumed or suffered to exist, directly or contingently or otherwise, other than:
 - (i) debt to ESRA or Bloodvein;

- (ii) unsecured current liabilities incurred and payable in the ordinary course of business of BFNEC in relation to the Project Contracts; or
 - (iii) debt to the Financial Institution in relation to the credit facilities to be provided to BFNEC for the Project Contracts as contemplated herein;
- (c) reorganize, amalgamate, merge, consolidate or otherwise enter into any form of business combination with any other person;
 - (d) change the registered or beneficial ownership of any of the capital stock of BFNEC from exclusively Bloodvein;
 - (e) change or amend the constating documents of BFNEC; or
 - (f) guarantee or indemnify or give financial assistance in respect of any contingent liability in respect of any debt or any other obligations or liabilities of any other person at any time.

2.5 **Project Management Agreement.** If a PMA is adopted for the Project, BFNEC shall be exempted from those PMA provisions relating to the hiring of its employees and contractors other than those restrictions referred to in **Subsection 2.2(a)** hereof.

ARTICLE 3 **Credit Facilities**

3.1 **Credit Facilities.** Bloodvein and ESRA will work with Bloodvein's Financial Institution to create a risk-management framework to provide for an appropriate credit facility (line of credit or otherwise) for BFNEC related to the Project Contracts.

ARTICLE 4 **Pilot Project Contracts with BFNEC**

Gravel Crushing

4.1 **Gravel Crushing Agreement.** ESRA will require significant aggregate material for the purposes of the Project (size and quantity to be determined) to be crushed and stockpiled. Bloodvein represents that, through BFNEC, it can provide sufficient quantities of such material. Subject to the terms and conditions of this Community Benefits Agreement, upon satisfaction of the conditions in **Article 9** hereof, ESRA shall enter into, and Bloodvein shall cause BFNEC to enter into, an agreement setting out the Gravel Crushing Agreement. The work will take place over three years and in accordance with an agreed-to work plan, at a total cost of \$5.5 million dollars. .

4.2 **Quarry Permits or Licenses.** Bloodvein will be responsible for obtaining or causing BFNEC to obtain any quarry permits or licenses that may be required for the performance by BFNEC of its obligations under the Gravel Crushing Agreement. Provided that Bloodvein cooperates with ESRA's reasonable requests in relation thereto, ESRA shall reimburse Bloodvein for reasonable costs associated with Bloodvein's application for quarry permits or licenses.

Right of Way Clearing

4.3 **Right of Way Clearing Agreement.** ESRA will require the proposed alignment of the East Side Road to be cleared, from the Bloodvein River to Bloodvein First Nation. Bloodvein represents that, through BFNEC, it can supply the labour and equipment to clear the right of way for the proposed alignment. Subject to the terms and conditions of this Community Benefits Agreement, upon satisfaction of the conditions in **Article 9** hereof, ESRA shall enter into, and Bloodvein shall cause BFNEC to enter into, the Right of Way Clearing Agreement. The work will take place over two years and in accordance with an agreed-to work plan, at a total maximum cost of \$1.5 million dollars.

4.4 **Forestry Permits or Licenses.** Bloodvein will be responsible for obtaining or causing BFNEC to obtain any forestry permits or licenses, and any other related authorizations or approvals that may be required for the performance by BFNEC of its obligations under the Right of Way Clearing Agreement. Provided that Bloodvein cooperates with ESRA's reasonable requests in relation thereto, ESRA shall reimburse Bloodvein for reasonable costs associated with Bloodvein's application for the permits, licenses, authorizations or approvals.

ARTICLE 5 **Future Project Contracts**

5.1 **Future Contracts.** ESRA and Bloodvein acknowledge that, as the Project progresses, there will be opportunities for ESRA and Bloodvein to enter into additional contracts (the "**Future Contracts**") during the construction phase and post-construction phase of the Project. Subject to the rights of other First Nations and communities on the East Side impacted by the Project to participate in the benefits of the Project, the advice of ESRA's consultants regarding the Project, to the successful implementation of the Pilot Project Contracts and subject to ESRA's obligations to publicly tender contracts, ESRA will directly negotiate Future Contracts that are within the means and capacity of Bloodvein and BFNEC, and to negotiate in good faith and conclude such Future Contracts on a fair, equitable and commercially reasonable basis.

5.2 **Risk Management.** Bloodvein acknowledges that managing risks during construction and construction schedules are essential and obligatory for ESRA and that, consequently, any Future Contracts will be subject to ESRA being satisfied that Bloodvein or BFNEC, as applicable, has the ability to deliver goods or services to attain schedules and to achieve costs and quality acceptable to ESRA.

5.3 **Acknowledgement.** Bloodvein acknowledges that opportunities for Future Contracts are not exclusive to Bloodvein and that other First Nations and communities on the East Side will be offered opportunities to derive benefits from the Project by entering into contracts with ESRA for delivery of goods and services as ESRA shall determine from time to time.

5.4 **Tendered Contracts.** Nothing contained in this Community Benefits Agreement shall preclude Bloodvein or any of its members, or any entity owned by either, from submitting bids or proposals for additional work in relation to the Project that has not been set aside for direct negotiation pursuant to **Section 5.1**.

ARTICLE 6
Third Party Contracts

6.1 **Third Party Contracts.** ESRA and Bloodvein each agree that contracts with third parties ("**Third Party Contracts**") resulting from this Community Benefits Agreement, including the Pilot Project Contracts and any Future Contracts, whether entered into by Bloodvein or BFNEC, are and will be:

- (a) procured in a transparent manner;
- (b) made public, subject to access to information or protection of privacy laws;
- (c) whenever possible, tendered; and
- (d) written in a manner that provides for first preference in employment through the hiring of job-qualified members/enterprises of Bloodvein or persons residing in the East Side.

6.2 **Sub-Contracts, Joint Ventures and Partnerships.** Bloodvein agrees that it will not, and it will not permit BFNEC to, enter into any non-tendered arrangement or sub-contract, joint venture or partnership related to their respective responsibilities or obligations as set out in this Community Benefits Agreement, the Pilot Project Contracts or any Future Contracts, without the prior written approval of ESRA. Any such contract must contain a covenant from the contractor, joint venturer or partner, as applicable, to provide a management plan satisfactory to ESRA containing measures to train Bloodvein members or BFNEC employees to assume management roles in the future.

ARTICLE 7
Project and Contract Administration – ESRA

7.1 **Objective.** Subject to Section 7.6, ESRA will provide, at its cost, project and contract administration services to Bloodvein and BFNEC for contracts contemplated by this Community Benefits Agreement, including the Pilot Project Contracts and, to the extent necessary, for any Future Contracts. The services will be provided by ESRA with the goal of mentoring members of Bloodvein and employees of BFNEC so that they can take over these roles for Future Contracts.

7.2 **Services.** Without limiting the generality of the foregoing, the project and contract administration services (the "**Project and Contract Administration Services**") to be provided by ESRA will include:

- (a) preparation of bi-weekly progress estimate documents;
- (b) direct payment of suppliers and/or subcontractors, if requested;
- (c) office and field supervision (payroll, quantity measurements, accounts payable);
- (d) assisting BFNEC in obtaining any required permits and approvals;

- (e) assisting BFNEC in tendering Third Party Contracts, as necessary;
- (f) expediting payment for approved progress estimates.

7.3 **Safety Certification.** ESRA will provide the required staff, supervision and resources required to assist BFNEC with achieving Certification of Recognition (COR) certification.

7.4 **Equipment Maintenance Program.** ESRA will provide the required supervision, infrastructure and resources required to assist BFNEC to establish an equipment maintenance program. As part of the equipment maintenance program, ESRA will undertake an initial assessment of the equipment to be used by BFNEC and may, at its discretion, undertake or assist with initial maintenance of the equipment.

7.5 **Resources.** The staff and resources made available to BFNEC for the purposes set forth in this **Article 7** shall be as determined by ESRA. Bloodvein and BFNEC shall cooperate and provide reasonable assistance to ESRA and its representatives in order to enable the services to be provided in an efficient and cost effective manner. Bloodvein shall cause BFNEC to make its employees available for the mentoring contemplated in this **Article 7**.

7.6 **Term of Services.** Unless the parties otherwise agree in writing to extend the term, ESRA will provide the services described in this Article 7 to Bloodvein and BFNEC during the initial term, excluding renewals, of the Pilot Project Contracts.

ARTICLE 8 **Training**

8.1 **Training Programs.** ESRA will provide the training programs described in Schedule "A" to members of Bloodvein.

8.2 **Target Training Positions.** Bloodvein acknowledges that the number of training positions to be provided by ESRA is a target only and that the actual number of positions will be dependent upon the number of Bloodvein members ready, willing and able to participate in the programs.

8.3 **Design and Cost of Training Programs.** ESRA shall be responsible for the design, delivery and implementation of the training programs. Where possible, the training will be held in or near Bloodvein. The cost of staff providing training shall be the responsibility of ESRA. ESRA will pay those cost of living charges for Bloodvein and BFNEC employees' participation in the training programs specified in Schedule "A". All other costs of Bloodvein and BFNEC employees' participation shall be the responsibility of Bloodvein or BFNEC, as applicable.

8.4 **Future Training.** If additional Pilot Project Contracts are entered into between Bloodvein and ESRA, ESRA will make available additional training programs related to those Pilot Projects. The details of those training programs will be set out in the additional Pilot Project Contracts.

ARTICLE 9
Conditions

9.1 **Conditions.** The obligations and commitments of ESRA hereunder, including without restriction, execution of the Pilot Project Contracts, shall be subject to and contingent upon the fulfillment of the following conditions precedent to the satisfaction of ESRA, as certified or waived by ESRA:

- (a) Bloodvein shall have provided documentation satisfactory to ESRA that BFNEC is incorporated and organized and wholly owned by Bloodvein as provided in **Article 2**;
- (b) all documentation in connection with the Credit Facilities referred to in **Article 3** shall have been executed and delivered and funding shall be available thereunder from the Financial Institution;
- (c) there shall be no order or preliminary or permanent injunction entered in any action or proceeding in any court of competent jurisdiction or governmental authority making illegal or prohibiting the Project or the performance of the terms and conditions of this Community Benefits Agreement;
- (d) Bloodvein shall have delivered a Band Council Resolution in form satisfactory to ESRA evidencing approval of the execution and delivery of the Community Benefits Agreement and the performance of the terms and conditions thereof; and
- (e) ESRA shall have received approval of the Government of Manitoba to the execution and delivery of the Community Benefits Agreement and the performance by ESRA of the terms and conditions thereof.

9.2 **Actions to Satisfy Conditions.** Each of Bloodvein and ESRA agree to take all such actions as are within its power to control and to use best efforts to cause other actions to be taken which are not within its power to control so as to ensure compliance with any conditions set for the in this **Article 9**.

9.3 **Further Documents.** Bloodvein agrees to cause BFNEC to enter into such agreements and to execute and deliver, or cause to be done, made, executed or delivered, all such further acts, documents, directives, authorizations and things as may be reasonably necessary or desirable in connection with the matters referred to in this Community Benefits Agreement.

ARTICLE 10
Acknowledgements and Representations

10.1 **Acknowledgement of Bloodvein.** Bloodvein acknowledges and agrees that there is no representation or warranty by ESRA, either express or implied, that the Project, including any Project Contracts, will earn a specified rate of return or any return in the short or the long-term or that the arrangements described in this Community Benefits Agreement, including, without limitation, the investment by Bloodvein and BFNEC of time, effort and funds will result in the attainment of its goals. The actual

financial and other benefits could differ materially from the financial projections and projected financial return information prepared for information and due diligence purposes.

10.2 Representations and Warranties of Bloodvein. Bloodvein represents and warrants that throughout the negotiations leading to and including the execution and delivery of this Community Benefits Agreement:

- (a) it has been independently advised by advisors of its choice with respect to matters, including due diligence investigations, arising in connection with or dealt with in this Community Benefits Agreement;
- (b) it, either directly or through its advisors, has had the opportunity to ask questions of, and receive answers from ESRA, and the officers and employees of ESRA, and advisors and consultants to ESRA concerning the transactions contemplated by this Community Benefits Agreement and, to its knowledge, it has been provided, either directly or through its advisors, with all materials and information requested by it, including any information requested to verify any information furnished to it; and
- (c) it has made its advisors available to explain the nature and significance of this Community Benefits Agreement and the transactions contemplated by this Community Benefits Agreement to its members at community meetings open to all members and called for that purpose.

10.3 Consultation. ESRA and Bloodvein acknowledge and agree that this Community Benefits Agreement does not constitute the legal duty to consult and accommodate by the Government of Manitoba with respect to the Project.

10.4 Additional Information. ESRA acknowledges that additional information and studies are on-going and/or will be required with respect to the Project. ESRA represents and warrants that it will consider the additional information as it becomes available.

ARTICLE 11 **Dispute Resolution**

11.1 Request for Dispute Resolution. At the written request by one party to the other, the CEO of ESRA and the Chief of Bloodvein will meet with a view to amicably resolving any dispute or disagreement with respect to any matter described in this Agreement, the interpretation thereof or the performance of the parties. The CEO and Chief will meet as often as they consider necessary and will, subject to **Section 11.2**, exchange any information they consider necessary to discuss and resolve the dispute or disagreement.

11.2 Sharing of Information. All reasonable requests for information regarding a dispute or disagreement, except confidential information or information that has no relevance to the dispute or disagreement in question, will be honoured in order that the parties may be fully advised of the other's position.

11.3 **No Delay.** Except where clearly prevented by a dispute or disagreement that arises under this Agreement, the parties will continue to perform their respective obligations and responsibilities under this Agreement while the dispute or disagreement is being resolved in accordance with this Article.

ARTICLE 12

General

12.1 **Acknowledgement.** ESRA and Bloodvein each agree that this Community Benefits Agreement and the Project Contracts, and information pertaining to the performance thereof, are and will be, subject to access to information or protection of privacy laws, public information. Subject to applicable privacy laws, ESRA reserves the right to make public information provided to, or made available to, ESRA by Bloodvein or BFNEC under the terms of this Community Benefits Agreement or any Project Contracts.

12.2 **Further Assurances.** Each of the parties, without further consideration, shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further agreements, acts, documents, directives, authorizations, and things as the other party hereto may reasonably require from time to time for the purpose of giving effect to this Community Benefits Agreement or more effectively completing any matter provided for in this Community Benefits Agreement and shall take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Community Benefits Agreement.

12.3 **Communications.** The parties agree to jointly arrange any public statements, announcements or official ceremonies related to this Community Benefits Agreement, including the Pilot Project Contracts and Future Contracts, if any.

12.4 **Notices.** All notices and other communication provided for in this Community Benefits Agreement shall be in writing, and shall be given by personal delivery or sent by registered mail or facsimile, charges pre-paid and confirmed by telephone, to the applicable addresses or facsimile numbers set out in this section, or to addresses or facsimile numbers which a party may from time to time designate to the other party in the manner provided in this section. Any such communication shall be deemed to have been validly and effectively given on the date of such delivery, if such date is a Business Day and such delivery has been made during the normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of delivery. The addresses for the parties are:

(a) To Bloodvein:

General Delivery
Bloodvein River, MB R0C 0J0

Facsimile: (204) 395-2349
Email: ecy0un@hotmail.com
Attention: Councillor Ellen Young

(b) To ESRA:

200 - 155 Carlton Street
Winnipeg, MB R3C 3H8

Facsimile: (204) 948-2462

Attention: Ernie Gilroy
Chief Executive Officer

12.5 No Assignment Without Consent. Subject to Section 12.6, neither party may assign its rights or obligations under this Community Benefits Agreement without the prior written consent of the other party, provided, however, that no assignment shall relieve the assigning party of its obligations under this Community Benefits Agreement unless such relief is expressly consented to by the other party. Any purported assignment made in contravention of this Community Benefits Agreement, whether by operation of law or otherwise, shall be null and void and have no legal effect.

12.6 Assignment to Manitoba Floodway and East Side Road Authority. Bloodvein acknowledges that between the signing of the Memorandum of Understanding between the parties and the signing of this CBA, *The Manitoba Floodway Authority Act* has been amended, and the East Side Road Authority Inc. has become part of the Crown agency known as the Manitoba Floodway and East Side Road Authority. Accordingly, the rights and responsibilities of the East Side Road Authority Inc. as set out in the Memorandum of Understanding have been transferred to the Crown agency, and no approval of Bloodvein is required in this regard.

12.7 Amendments. No amendment or change to or modification of this Community Benefits Agreement will be valid unless it is in writing and signed by ESRA and Bloodvein. The parties agree that, if requested in writing by the other party, they will meet to review the terms and conditions of this Community Benefits Agreement.

12.8 Enurement. This Community Benefits Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

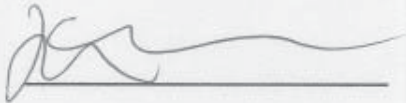
12.9 No Agency Created. Nothing in this Community Benefits Agreement is to be construed as one party acting as agent for the other party.

12.10 No Delay. ESRA and Bloodvein agree that they will each act reasonably and without delay with respect to any decisions or recommendations that they may have to make with respect to the matters set out in this Community Benefits Agreement.

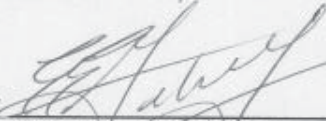
12.11 **No Derogation.** Nothing in this Community Benefits Agreement shall create, define, abrogate or derogate from any Aboriginal or Treaty rights to which Bloodvein or any of its members may be entitled.

This Community Benefits Agreement has been executed by the Manitoba Floodway and East Side Road Authority and by Bloodvein First Nation by their authorized officers on the dates noted below.

Witness



MANITOBA FLOODWAY AND EAST SIDE ROAD AUTHORITY

Per: 

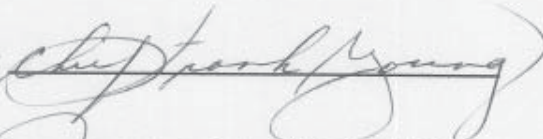
Chief Executive Officer

Date: January 5, 2010

Witness



BLOODVEIN FIRST NATION

Per: 

Date: January 4, 2010

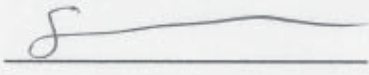
Witness



Per: 

Date: January 4, 2010

Witness



Per: 

Date: Jan - 4/10

Witness

Per: _____

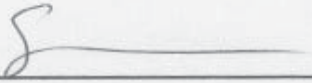
Date: _____

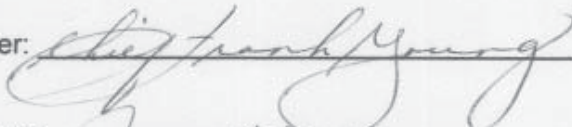
ACKNOWLEDGEMENT AND AGREEMENT OF BFNEC

The undersigned hereby covenants and agrees with the Manitoba Floodway and East Side Road Authority that it shall abide by all of the terms, conditions, restrictions and limitations contained in the foregoing Community Benefits Agreement between the Manitoba Floodway and East Side Road Authority and Bloodvein First Nation to the extent that such terms are applicable to the undersigned.

Witness

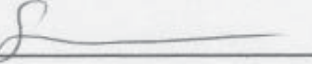
BFN Eastside Construction Inc.

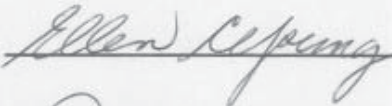


Per: 

Date: Jan 4/10

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SCHEDULE "A"

PROPOSED TRAINING PROGRAM

TRAINING PROGRAMS

2010 Training Programs. ESRA proposes the following training programs to take place in 2010 for members of Bloodvein:

- (a) 12-20 training positions (in total) for a two week Introduction to Construction course (on-site; winter 2010).

2010/2011 Training Programs. ESRA proposes the following training programs to take place in 2010 or 2011 for members of Bloodvein:

- (a) 8-12 training positions (in total) for a six week Labourer course (on-site);
- (b) 10-14 training positions (in total) for a six week Heavy Equipment Operator course (on-site, subject to availability of required equipment);
- (c) 12-20 training positions (in total) for a two week Introduction to Construction course (on-site).

COSTS AND ALLOWANCES

For training programs conducted off-site, ESRA will pay pre-approved travel and accommodation costs. Costs for meals will not be paid by ESRA.

Approved cost of living allowances equivalent to minimum wage for individuals attending the training programs will be paid by ESRA. For those individuals collecting employment insurance or other benefits, the amount payable by ESRA will be reviewed on a case-by-case basis to ensure an equitable minimum wage level of support.

In all cases, the amounts paid by ESRA will be consistent with Government of Manitoba guidelines and practices, as applicable.