

LETTER OF UNDERSTANDING

In respect of the Selkirk Mountain Project

This **LETTER OF UNDERSTANDING** is entered into with effect as of the 17th day of July, 2024

BETWEEN:

BC INFRASTRUCTURE BENEFITS INC.

AND:

**ALLIED INFRASTRUCTURE AND RELATED CONSTRUCTION
COUNCIL OF BRITISH COLUMBIA**

WHEREAS:

- A. The parties entered into a Community Benefits Agreement dated the 17th day of July, 2018, as amended and restated on March 1, 2022, as may be further amended, supplemented or restated from time to time (the “**Community Benefits Agreement**”) which governs the terms and conditions of employment for Employees in respect of the Projects;
- B. Article 24 – Enabling Clause of the Community Benefits Agreement contemplates that the terms and conditions of the Community Benefits Agreement may be modified on agreement between the parties;
- C. The Selkirk Mountain Project (as part of the larger Trans Canada Highway #1 – Kamloops to Alberta Border 4-Laning Project) is to be delivered under the terms of the Community Benefits Agreement; and
- D. The parties wish to modify the terms of “Sub-Appendix – Selkirk Mountain Project” (which appears as part of the “Project Definition: Trans Canada Highway #1 – Kamloops to Alberta Border 4-Laning Project”) on the terms and conditions of this Letter of Understanding.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged by each party, the parties agree as follows:

1. MODIFICATIONS TO COMMUNITY BENEFITS AGREEMENT

- 1.1 With effect as of September 21, 2023 and in respect only of the Selkirk Mountain Project, the “Sub-Appendix – Selkirk Mountain Project” (which appears as part of the “Project Definition: Trans Canada Highway #1 – Kamloops to Alberta Border 4-Laning Project”) is deleted in its entirety and replaced with the document attached as Schedule 1 to this Letter of Understanding.

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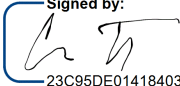
2. GENERAL

- 2.1 *Capitalized Terms.* All capitalized terms used in this Letter of Understanding but not defined in this Letter of Understanding have the meanings given to those terms in the Community Benefits Agreement.
- 2.2 *No Other Changes.* Except as expressly amended by this Letter of Understanding, the Community Benefits Agreement remains in full force and effect, unamended.
- 2.3 *Applicable Law.* This Letter of Understanding shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in British Columbia.
- 2.4 *Counterparts.* This Letter of Understanding may be executed by counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery by email in portable document format (PDF) of an executed counterpart of this Letter of Understanding is as effective as delivery of an originally executed counterpart of this Letter of Understanding.

IN WITNESS WHEREOF the parties have executed this Letter of Understanding as of the day and year first above written.

BC INFRASTRUCTURE BENEFITS INC.

**ALLIED INFRASTRUCTURE AND
RELATED CONSTRUCTION
COUNCIL OF BRITISH COLUMBIA**

Per:  Signed by:
23C95DE01418403...
Name: sveto plavsic
Title: vp operations and COO

Per: 
Name: Nav Malhotra
Title: President

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SCHEDULE 1
SUB-APPENDIX – SELKIRK MOUNTAIN PROJECT

(see attached)

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COMMUNITY BENEFITS AGREEMENT
PROJECT DEFINITION: TRANS CANADA HIGHWAY #1 – KAMLOOPS TO ALBERTA BORDER 4-LANING
PROJECT**

**SUB-APPENDIX
SELKIRK MOUNTAIN PROJECT⁹**

Project and Site Location: The Selkirk Mountain Project (for the purposes of this Project Definition sub-Appendix, this “Project”) is a widening of approximately 3.9km of highway to four-lanes through Selkirk Mountain, approximately 40 km west of Golden, as displayed in Figure 1-1 below. This Project is an extension of the Quartz Creek Bridge Project, currently under construction, and part of the Trans-Canada Highway Four-Laning Program between Revelstoke and Golden.

This Project ties in with the east limit of Quartz Creek Bridge Project and encompasses the existing Redgrave Rest Areas and continues eastward for approximately 3.9km. This Project’s limits are from Segment 1818, LKI KM 16.1 to KM 20.0 (see Figure 1-2 below).

Project Description: This Project will upgrade an approximately 3.9km stretch of Trans-Canada Highway through the Selkirk Mountain area. This Project will upgrade the highway to a 100 km/h design with modern geometrics, including 4 lane cross section with median barrier.

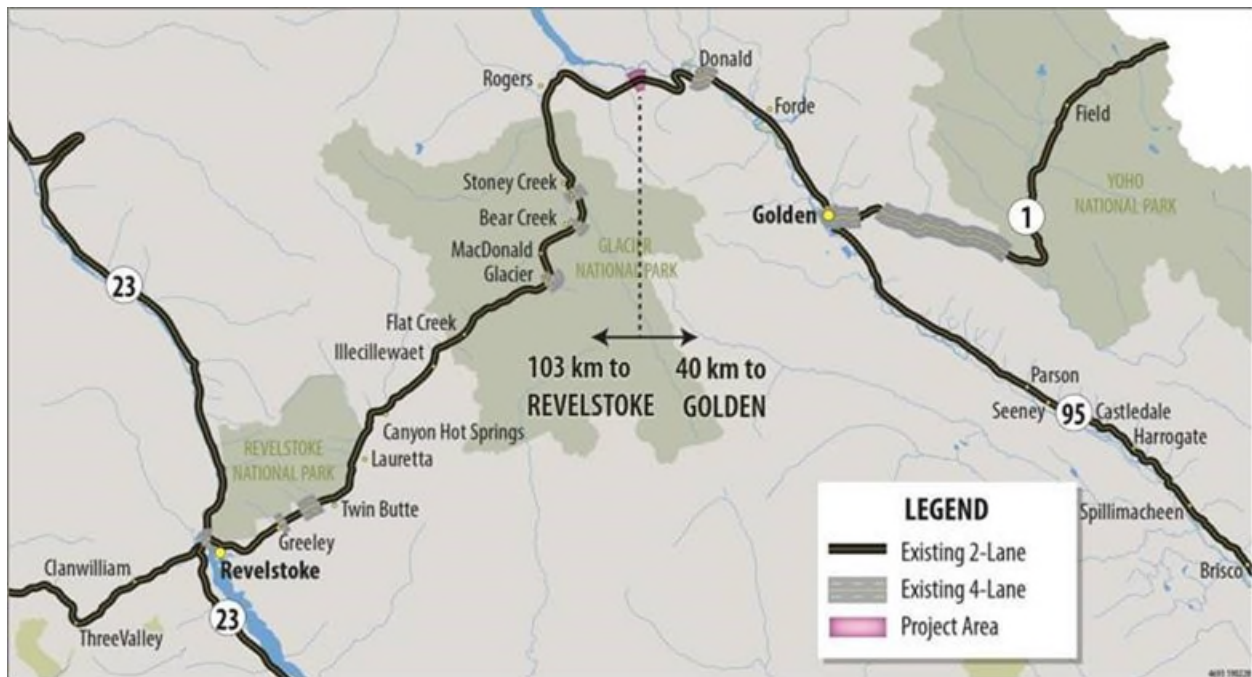


Figure 1-1: H1 Selkirk Mountain Four-Laning Overview Map

⁹ Selkirk Mountain Project is a “Capital Project” referenced in the Scope of Work within the main Appendix to the Community Benefits Agreement applicable to the Trans Canada Highway #1 – Kamloops to Alberta Border 4-Laning Project

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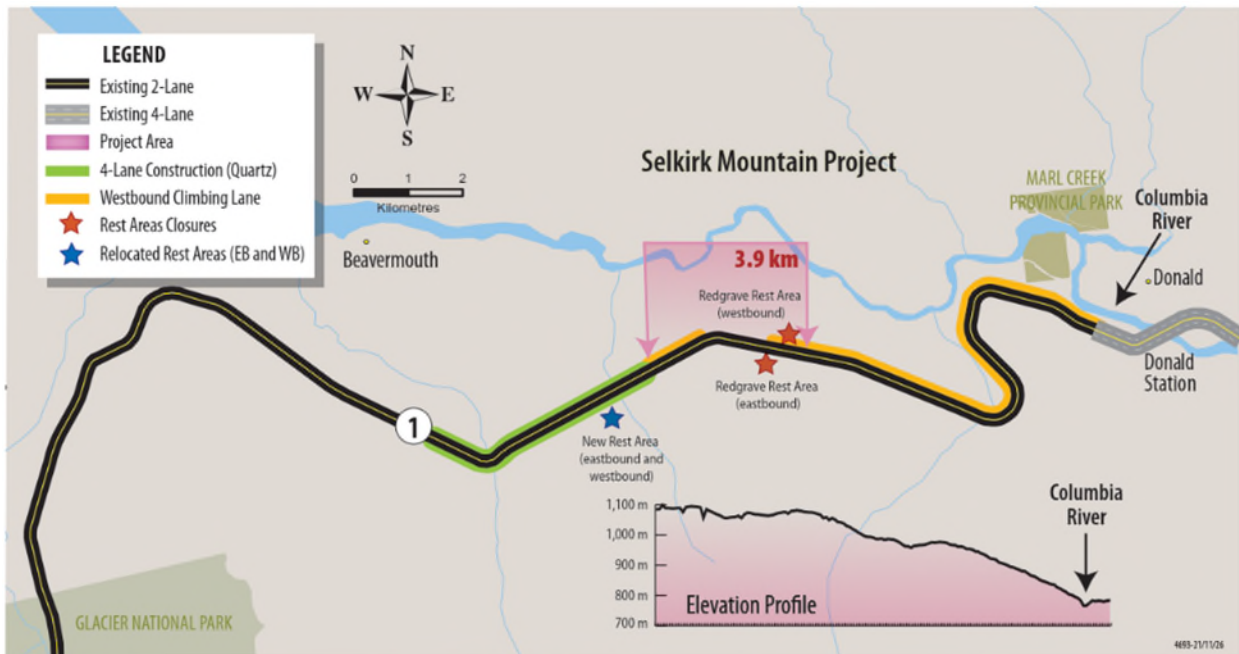


Figure 1-2: H1 Selkirk Mountain Four-Laning Overview Map

Scope of Work: The scope of this Project includes:

- (a) 3.9km of highway four-laning, including the installation of median barrier;
- (b) Exclusion fencing to protect wildlife and two wildlife crossings;
- (c) Reconstruction of the road subgrade to resolve the ongoing frost heave issues; and
- (d) Relocation of the eastbound and westbound Redgrave Rest Areas to Quartz Creek Forest Service Road with enhanced facilities and improved access.

Applicable Project Trade Section Wage Scales: The following wage tables are applicable to work performed on this Project. Where noted, different wage tables may be applicable to different components of the work. (Subject to Articles 13.102 and 13.303 of the Community Benefits Agreement and any other agreements entered into between the Parties to adjust wage and/or benefit rates, in the event of any conflict between the wage tables (and the contents thereof) noted below and any other provision, express or implied, in the remainder of the Agreement, including in any applicable Addenda, the wage tables (and the contents thereof) noted below shall take precedence.)

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AFFILIATED UNION	TRADE SECTION – WAGES Applicable Wage Table
British Columbia Regional Council of Carpenters	CA-CI-TCH
Construction Maintenance and Allied Workers (Carpenters)	CA-CI-TCH
International Association of Bridge, Structural, Ornamental and Reinforcing Ironworkers Local Union 97	IR-97-IND (for bridges*) IR-97-CI(for all other work)
International Association of Heat & Frost Insulators & Asbestos Workers Local Union 118	IN-118-CI
International Association of Sheet Metal, Air, Rail and Transportation Workers Local Union 280, Local Union 276	SH-280-CI, SHR-280-CI
International Brotherhood of Boilermakers, Iron Shipbuilders, Blacksmiths, Forgers and Helpers Lodge 359	BM-359-IND
International Brotherhood of Electrical Workers Local Union 213, Local Union 993, Local Union 1003, and Local Union 230	EW-993-CI
International Brotherhood of Teamsters Local Union 213	TE-213-RB-TCH_INT
International Union of Bricklayers & Allied Craftworkers Local Union No. 2	BR-2-CI
International Union of Operating Engineers Local Union 115	OP-115-RB-TCH_INT
International Union of Painters & Allied Trades District Council 38 Painters 138, Glaziers 1527, and Drywall Finishers 2009	PA-38-138-IND (for bridges*) PA-38-138-CI, GL-38-1527-CI, DR-38-2009-CI (for all other work)
Labourers International Union of North America Construction and Specialized Workers Union Local 1611	LA-1611-RB-TCH_INT
Move Up - A Movement of United Professionals	OF-378-CI
Operative Plasterers' and Cement Masons' International Association of the United States and Canada Local Union 919	PLA-919-CI, CE-919-CI-TCH

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AFFILIATED UNION	TRADE SECTION – WAGES Applicable Wage Table
United Association of Journeymen and Apprentices of the Plumbing & Pipefitting Industry of the United States and Canada Local Union 170, Local Union 516, Local 324	PL-170-CI, RE-516-CI
United Brotherhood of Carpenters and Joiners of America Floorlayers Local Union 1541	FL-1541-CI
United Brotherhood of Carpenters and Joiners of America Millwrights, Machine Erectors & Maintenance	MW-2736-IND
United Brotherhood of Carpenters and Joiners of America Piledrivers Local Union 2404	PI-2404-IND
UNITE-HERE Local 40	CU-40-CI

*identified as a bridge in engineering drawings.

Modifications to Community Benefits Agreement for this Project: The following modifications are made to the Community Benefits Agreement only for and only in respect of this Project:

- (a) Articles 2.315(a)(i) and 2.315(a)(ii) of the Community Benefits Agreement are modified to read as follows:
 - “(i) within one hundred (100) Road Kilometres of the applicable Site for a period of six (6) months prior to the commencement of construction work on the Site; or
 - (ii) who had a residence in a local community (being a community whose jurisdictional boundaries lay, at least in part, within one hundred (100) kilometres driving distance (excluding distances travelled by ferries) of the applicable Site (the shortest route using well-maintained all-weather roads will be used in the calculation)) for one year prior to the date of hire after the commencement of construction. The Employer will designate and advise the Council of the “commencement of construction” date at the beginning of each Project.”

- (b) The first paragraph of Article 17.100 of the Community Benefits Agreement is modified to read as follows:
 - “17.100 Room and board or Living Out Allowance shall be provided by the Contractor to all Employees who are not Local Residents at no cost to such Employees and shall be paid in accordance with the following.”

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(c) The first paragraph of Article 17.100 of the Community Benefits Agreement as it appears in the Interior Road Building Addendum is modified to read as follows:

“17.100 Room and board or Living Out Allowance shall be provided by the Contractor to all Employees who are not Local Residents at no cost to such Employees and shall be paid in accordance with the following.”

In the event of any conflict between the above provisions and any other provision, express or implied, in the remainder of the Agreement, the above provisions shall take precedence.

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