

PEMBINA INFRASTRUCTURE AND LOGISTICS LP

 NGL Business Unit
Pembina Prince Rupert LPG Export Terminal

RULES & NOTICE TO SHIPS

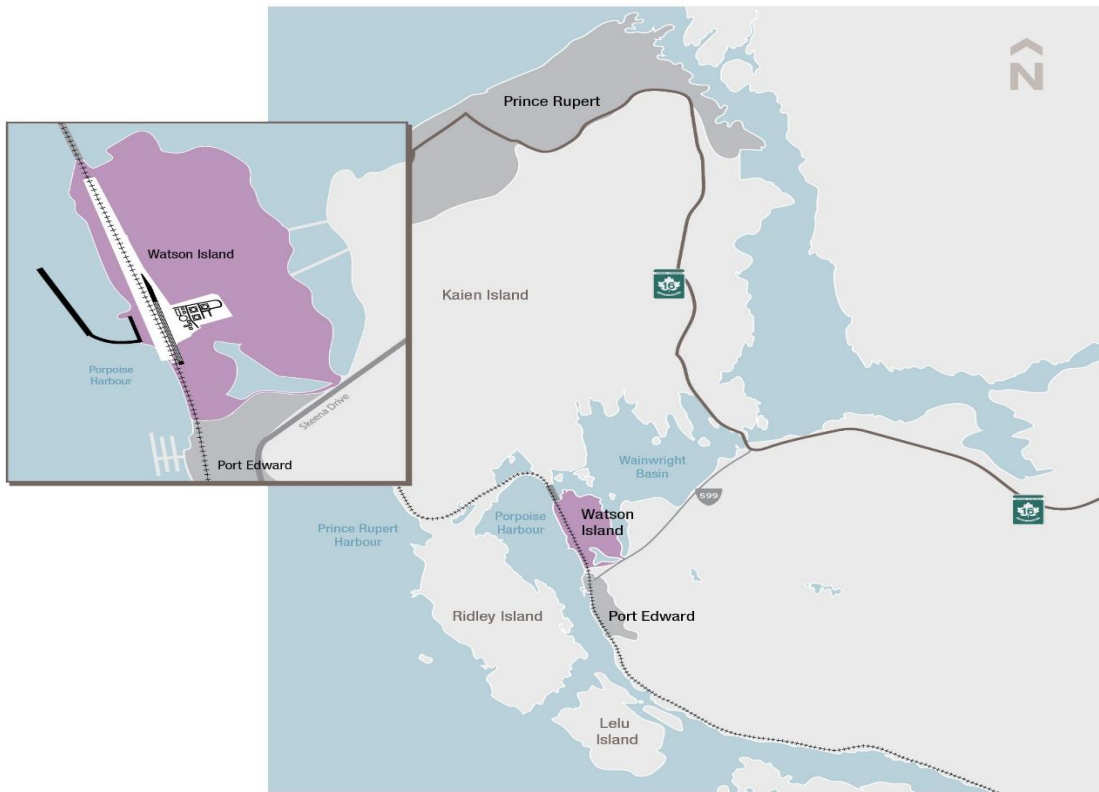


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1.0 DEFINITIONS

In addition to any terms defined in the main body of these Rules, the following words and terms shall have the following meanings in these Rules:

- (a) **“Applicable Law”** means the common law and the mandatorily applicable laws, statutes, directives, codes, ordinances, rules, regulations, municipal bylaws, judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, decisions, rulings or awards, consents, consent orders, consent decrees, approvals, exemptions, waivers, authorizations, permits, licences and policies of any Governmental Authority having jurisdiction over a person or party referenced in these Rules, the Vessel or the subject matter hereof.
- (b) **“Berth”** means the loading wharf operated by Seller at the Loading Terminal and located in the navigable water of Watson Island, Prince Rupert, British Columbia, Canada and used to load Propane onboard Buyer’s Vessel, the coordinates for which are specified in Appendix B.
- (c) **“Buyers”** means one or more buyers of Propane under the Propane Supply Agreement.
- (d) **“CBSA”** means Canada Border Services Agency.
- (e) **“Conditions of Use”** means the Conditions of Use attached to the Propane Supply Agreement, if applicable.
- (f) **“DWT”** means deadweight Tonnes.
- (g) **“ETA”** means the estimated time of arrival or departure, in the format described in Appendix C.
- (h) **“Free Pratique”** means the license granted by Transport Canada to a Vessel to enter Port.
- (i) **“Governmental Authority”** means any government, administrative or regulatory entity, authority (including the Prince Rupert Port Authority, the Port Edward Harbour Authority, Transport Canada, and the Pacific Pilotage Authority) including the Prince Rupert Port Authority, and the Pacific Pilotage Authority), commission, board, agency, instrumentality, bureau or political subdivision and any court, tribunal or judicial or arbitral body (whether international, national, provincial or local or, in the case of an arbitral body, whether governmental, public or private) having jurisdiction over a person or party referenced in these Rules, the Vessel or the subject matter hereof.
- (j) **“ISPS Code”** means International Ship and Port Facility Security Code.
- (k) **“Laycan”** the day or range of days in which the Buyer’s Vessel must tender NOR at the Loading Terminal.
- (l) **“Laytime”** has the meaning ascribed to it in the Propane Supply Agreement.
- (m) **“Loading”** means the loading of Propane onto Vessels.
- (n) **“MARSEC”** means MARine SECurity, the Maritime Security system with three (3) security levels which indicate the severity of any threat to security.
- (o) **“Master”** means the captain or other deck officer in command of the Vessel at the

time in question.

- (p) **“Notice of Readiness” or “NOR”** means the notice of readiness submitted by the Vessel’s master or its agent to Seller when the Vessel arrives at the Loading Terminal, confirming that: (i) the Vessel has arrived at the Loading Terminal, (ii) has completed all formalities, including the requirements specified in the Rules and required clearances, including as applicable, but not limited to, from the Coast Guard, Prince Rupert Port Authority, CBSA, and/or other authorized regulatory, governmental, or security agency or body as applicable (unless such procedures are customarily carried out only after the Vessel is All Fast alongside); and (iii) is in all ways ready, legally and operationally, to proceed to the berth and commence cargo operations. The Vessel will be considered to have arrived at the Loading Terminal when it is at the Berth, designated customary LPG anchorage in Prince Rupert Port, or Triple Island Pilot Station. If these conditions are not met, the NOR shall be considered invalid and the Vessel must re-tender NOR when the conditions for validity are met.
- (q) **“Pembina” or “Seller”** means Pembina Infrastructure and Logistics LP.
- (r) **“Port”** means the Port of Prince Rupert.
- (s) **“Port Regulations”** means any and all requirements, rules, conditions, policies and regulations of the PRPA or any other Governmental Authority having jurisdiction.
- (t) **“Propane”** means Propane being sold and purchased under the Propane Supply Agreement.
- (u) **“Propane Supply Agreement”** means the Propane Supply Agreement entered into between Pembina and the Buyer.
- (v) **“PRT” or “Loading Terminal”** means Seller’s Prince Rupert Terminal (PRT) located at Watson Island, Prince Rupert, British Columbia, Canada and includes the Berth and the facilities on site associated with the delivery of Propane to Buyer.
- (w) **“PRPA”** means the Prince Rupert Port Authority of Prince Rupert, British Columbia, Canada.
- (x) **“Rules”** means these Rules, as may be amended or restated from time to time in Pembina’s sole discretion.
- (y) **“Statutory Holidays”** means New Year’s Day (from noon on December 31 to 8:00 a.m. on January 2), Family Day (the third Monday in February), Good Friday, Easter Monday, Victoria Day (Monday before May 25), Canada Day (the first day of July), B.C. Day (the first Monday in August), Labour Day (the first Monday in September), Thanksgiving Day (the second Monday in October), Remembrance Day (November 11), Christmas Day (from noon on December 24 and including all of December 25), Boxing Day (December 26), and any other statutory holiday or holidays, which, notwithstanding Section 29 of the Interpretation Act, R.S.B.C. 1996, c. 238 will only include Sundays where the aforementioned Statutory Holidays fall on a Sunday, and which may be declared by the federal or provincial governments, and for greater certainty, means in respect of each such holiday the declared hours set out above or such other hours as Pembina may from time to time advise the Buyers

provided that the number of hours specified by Pembina in respect of any holiday will not exceed the number of hours for that same holiday as set out above.

- (z) **“Tonnes”** means metric tons.
- (aa) **“Turn Time”** has the meaning ascribed to that term in Section 3.8(c).
- (bb) **“User”** or **“Users”** includes each Vessel Party, each Buyer, each Master and all other individuals or business entities, including all Vessels, or other means of conveyance and/or equipment used by said individuals or business entities, which utilize Pembina services, PRT and/or the Port to access PRT.
- (cc) **“Vessel”** or **“Vessels”** means any Vessel that utilizes the services and facilities of Pembina for the Loading of Propane.
- (dd) **“Vessel Nomination”** means the nomination process described in the Propane Supply Agreement.
- (ee) **“Vessel Party”** or **“Vessel Parties”** means any party or parties owning any part of, nominating, hiring or contracting with the Vessel including, but not limited to, its agent(s), operator(s), beneficial or demise owner(s) and/or charterer(s).
- (ff) **“Vessel Operating Specifications”** means the specifications set forth and described in Appendix D.

2.0 GENERAL

- 2.1** These Rules are issued by Pembina for the purpose of ensuring safe operation of PRT, protecting life, property and the environment and ensuring compliance with all Applicable Laws. Compliance by Users with these Rules is mandatory and Pembina requires that all Vessels execute the Notice of Receipt and Acknowledgment (Appendix A). Pembina may refuse permission for any Vessel to call at the Loading Terminal due to refusal or failure of the Master or Owner of such Vessel to sign the Notice of Receipt and Acknowledgment. In the event the Notice of Receipt and Acknowledgment is not signed and the Vessel is permitted by Pembina to call and berth at the Loading Terminal, all Users are deemed to have accepted and agreed to abide by these Rules, without the necessity of such signature, when Users access, arrive at, berth at, load Propane from, or otherwise use PRT and any of Pembina’s facilities or services.
- 2.2** These Rules, including any attached Appendices, the Conditions of Use and applicable provisions of the Propane Supply Agreement, will constitute the full agreement in respect of the use of PRT and will supersede all previous oral or written commitments, warranties or representations regarding the same.
- 2.3** Should there be a conflict between or amongst provisions of the Propane Supply Agreement, the Conditions of Use and these Rules, such conflicts will be resolved in favour of those documents in that same order of precedence.

2.4 Pembina may, at any time and at its sole discretion, update or revise these Rules.

2.5 The Manager of PRT or any duly authorized representative has the right to board a Vessel at any time for the purpose of verifying compliance with these Rules, the Conditions of Use and the Propane Supply Agreement or to document and investigate any suspected non-compliance thereof. If, in the judgement of the Manager or its authorized representative, the actions of any User are not in compliance with these Rules, the Conditions of Use and the Propane Supply Agreement the Manager or its authorized representative may notify the Master of any violations and may order the shutdown of any loading or transfer operations until corrections and adjustments are made by the Master or other User to be in full compliance. Any delays caused by non-compliance by the Users shall be solely for the account of the Users and the Vessel Parties and any time lost shall not count as laytime or as time on demurrage.

3.0 VESSEL OPERATIONS OVERVIEW

3.1 PURPOSE

The purpose of this section is to communicate policies, procedures and information relevant to safe Vessel operations and ship-to-shore interface at Berth.

3.2 CONDITION OF VESSEL

- (a) A Vessel's use of PRT will constitute a warranty by the Vessel Party to Pembina that there are no latent defects in the Vessel and that the Vessel is capable of receiving the declared quantity of Propane to be Loaded by Pembina using the equipment normally employed by Pembina.
- (b) In no event will Pembina be responsible for the seaworthiness, maintenance, repair or service of Vessels coming into Berth at PRT, such responsibility being solely that of the Vessel Party. For greater certainty, if any Vessel berthed at PRT develops any leaks, cracks or other conditions which, in the sole judgment of Pembina, may result in injury to persons or damage to the environment and/or Vessel and/or the Propane and/or the Berth and/or PRT, Vessel Parties must take all necessary measures to protect the persons or PRT and/or the Berth and/or the Vessel and/or the Propane and/or the environment.
- (c) Except as may be provided in the Conditions of Use, Pembina will not be responsible for any loss or damage to loaded Propane (once the Propane passes the flange connection between the delivery hose and the permanent hose connection of the Vessel at the Loading Terminal) or to the Vessel utilizing PRT facilities including, but not limited to, damage to:
 - (i) Vessel gear, equipment, or structures as a result of Propane Loading; and
 - (ii) Vessel parts or loaded Propane
 - (A) arising by reason of concealed or inadequately protected Vessel fastenings, attachments, covers, or parts projecting into the Propane; and/or
 - (B) due to Vessel configuration.

(d) Pembina does not represent or warrant the safety of any port, harbour, channel, fairway, anchorage, berth, or dock, or any approach to the Loading Terminal, Berth or dock, and any and all such warranties, express or implied, are hereby expressly disclaimed. Pembina shall not be liable for any damage or loss caused by submerged objects in any port, harbour, channel, fairway, anchorage, or Loading Terminal or for any damage or loss caused by submerged objects in any approach to a berth, save to the extent caused by or arising from the gross negligence of Pembina.

(e) Pembina shall exercise due diligence to provide a safe berth(s) at which Vessels may load, unload, and lie safely afloat at the Loading Terminal. Pembina shall not be deemed to warrant the safety of any berth(s) and shall be under no liability in respect thereof. Pembina shall provide Vessel Parties with information on port and Berth restrictions on Vessel draft, length overall, beam, and other clearance applicable to the Loading Terminal, save to the extent caused by or arising from the gross negligence of Pembina. Vessel Parties shall bear all liability in the event the Vessel does not comply with Port and Berth restrictions.

(f) If the Vessel or any object, thing, article, substance, equipment or installation of the Vessel or on its board sinks, grounds or otherwise becomes or is likely to become, in the sole opinion of any Governmental Authority, an obstruction, threat, hazard or danger to navigation, operations, safety, health, security or environment in or adjacent to the Port or PRT, then the Master and/or the Owner shall upon receiving the Government Authority's or Pembina's request, proceed immediately and without delay to clear, remove or deal with the obstruction, threat, hazard or danger within the period specified in the written notice served by the Government Authority or Pembina.

3.3 VESSEL SECURITY RESPONSIBILITIES

(a) Pursuant to the Marine Transportation Security Act (the "MTSA"), a compliance security certificate has been issued for PRT. This certificate certifies that the compliance of PRT with the provisions of the *Marine Transportation Security Regulations* has been verified and that PRT operates in accordance with an approved port facility security plan. All Vessels that wish to berth at PRT shall comply (as verified in writing) with the provisions of the International Ship and Port Facility Security Code ("ISPS Code") and meet all security requirements as outlined in the MTSA and the *Marine Transportation Security Regulations*, these Rules, or required by any other lawful authority, including PRPA. To the extent that the ISPS Code and the MTSA conflict, the MTSA shall prevail.

(i) ACCESS CONTROL

All persons who wish to enter or depart PRT's restricted areas will be required to show a valid ID card (photo identification badge) to the Security Guard and advise of their business reason for access. Only persons with both a valid ID card and business requirements will be allowed access. PRT Operations are to be advised of all Vessel visits by chandlers, contractors, visitors, family members, delivery personnel, and others in advance of all such persons/services arriving at PRT. This notice is to be circulated through the Vessel Agent. Such personnel leaving the Vessel must also advise operations personnel prior to departing PRT. All visitors will be escorted while on PRT wharf areas. Pembina reserves the right, at its sole discretion, to refuse to admit and or to remove persons Pembina considers to be a risk to the safety or security of the Loading Terminal.

(ii) MARSEC LEVEL CO-ORDINATION

When notified of an increase in the MARSEC level, Pembina will ensure that the Vessel(s) interfacing with PRT are notified of the new MARSEC level and the declaration of security is updated accordingly.

- (b) Pembina will not be liable for any loss or damage attributable in whole or in part relating to the Vessel's compliance or non-compliance with the MTSA and the *Marine Transportation Security Regulations*, the ISPS Code, these Rules or required by any other lawful authority, including PRPA.

3.4 PEMBINA RIGHT OF REFUSAL

- (a) Pembina reserves the right to refuse services and load Propane on any Vessel that Pembina deems incompatible with Pembina's Vessel suitability requirements set forth in these Rules or that otherwise fails to comply with these Rules.
- (b) For greater certainty, but without limiting the generality of the foregoing, Pembina reserves the right to refuse to accept any Vessel at PRT or to load Propane that Pembina, in its sole discretion, deems unseaworthy due to damage, distribution of load, draft or lack of freeboard, lists, , or any such other reason for which Pembina deems the Vessel unsuitable for handling at PRT or receiving Propane. The Vessel Party, at all times, will remain responsible for the seaworthy condition of the Vessel.

3.5 VESSEL OPERATIONS STANDARDS

- (a) VESSEL SUITABILITY
 - (i) The standard Vessel acceptable for Loading at PRT is set out in Appendix D
 - (ii) The age of a suitable Vessel as specified in the applicable Propane Supply Agreement between the Buyer and the Seller, subject to vetting.

3.6 VESSEL NOMINATIONS

- (a) NOMINATION PROCESS
 - (i) REQUIRED INFORMATION

Pembina requires that Vessel nominations be submitted in accordance with the applicable Propane Supply Agreement between the Buyer and Seller with a completed form that will be used to identify preliminary suitability requirements in the Vessel vetting process that occurs pursuant to Section 3.7(b). The Buyer must include the following information when submitting Vessel nominations to Pembina:

 - (A) Vessel Name and IMO number;
 - (B) Assigned Laycan;
 - (C) Vessel's capacity to load Propane;
 - (D) Scheduled quantity of Propane to be loaded and Buyer's documentation instructions;

- (E) ETA of Vessel (Local time & GMT) to Prince Rupert Pilot Station (Triple Island);
- (F) Demurrage amount confirmed through submission of applicable Vessel Charter Party Agreement;
- (G) Completed and accurate Q88 or the information that would be required in a completed Q88; and
- (H) Any other information required by the Seller and/or independent vetting company.

3.7 VESSEL VETTING POLICY

(a) PURPOSE

Pembina's Vessel vetting process is used to evaluate, manage, and avoid potential risk. The vetting process involves sourcing and reviewing historical Vessel data in an effort to determine the inherent risk level associated with accepting a nominated Vessel.

(b) VETTING PROCESS

Pembina will vet Vessels nominated for interface with the Berth at PRT to load Propane. Pembina policy dictates that Vessels cannot be classed generically acceptable and all Vessels must be vetted for each proposed nomination. For greater certainty, recommendations are not transferrable between nominations.

(i) STAGE 1 – PRELIMINARY VETTING

Any Vessel nominated to interface with Berth must supply sufficient information to allow Pembina to conduct a preliminary investigation as to the subject Vessel's suitability. The information shall include, but not be limited to:

- (A) SIRE Package (SIRE VPQ and last inspection report)
- (B) Updated Q88
- (C) Last 3 PSC inspection reports
- (D) Updated Class status report (all pages along with memos and conditions)
- (E) Updated Crew Matrix
- (F) Status report of open incidents, if any.
- (G) Vessel's Form C

Proposed Vessel nominations, having been received in accordance with the above Section 3.6(a), will be subject to a review of the preliminary suitability parameters outlined in Sections 3.4 and 3.5.

The sole purpose of the preliminary review is to confirm that the Vessel subject to nomination meets the most basic Pembina suitability requirements. Upon confirmation of initial suitability, Pembina will then undertake the comprehensive vetting in Section 3.7(b)(ii).

(ii) STAGE 2 – COMPREHENSIVE VETTING PROCESS

Pembina will engage an independent third-party service provider to collect and review relevant information pertaining to the nominated Vessel's condition, performance,

integrity, history, safety record, ownership, management, and personnel and fleet performance.

(c) **VESSEL APPROVAL AND ACCEPTANCE**

Once a Vessel proposed for nomination has successfully gone through the Section 3.7(b) Vessel vetting process, acceptance of such Vessel proposed for nomination, if granted, will be evidenced by Pembina's confirmation via e-mail to the requesting Buyer.

(d) **LOADING TERMINAL REPORTING/RESTRICTED VESSELS**

Vessels approved by Pembina will be subject to performance reporting completed by PRT personnel. Such reports will be reviewed and followed up with the Vessel Party, independent third-party vetting service provider and the Buyer, as appropriate.

If, following review of the Vessel performance reports, in Pembina's sole discretion a Vessel is deemed "Unsuitable", the Vessel will be placed on the Pembina "Restricted Vessel List" and notification of the restriction will be sent to the Vessel Party.

Upon receipt of an unsatisfactory performance report, a Vessel Party will be provided with an opportunity to rectify performance gaps by way of corrective action and follow-up reports. If the Vessel Party satisfactorily addresses all performance concerns, the Vessel in question will be removed from Pembina's "Restricted Vessel List".

3.8 VESSEL PRE-ARRIVAL REQUIREMENTS

(a) **ESTIMATED TIME OF ARRIVAL**

Once a Vessel Nomination has been accepted by Pembina and such Vessel's Laycan has been confirmed, the Vessel ETA in local time & GMT must be communicated regularly to Pembina via emails addressed to PRTmarine@pembina.com & PRTcontrol@pembina.com with a "Read Receipt" requested. Although such ETAs will be recognized as estimates, the Buyer must ensure that they are as accurate as possible.

The Vessel ETA is an important part of determining the Vessel allocation. As such, the Buyer must provide Pembina with updates regarding Vessel ETA (in LT/GMT) at the following intervals prior to the Vessel's arrival at the Port entrance at Triple Island Pilot Station: 21 days, 14 days to 5 days, 96 hours, 72 hours, 48 hours, and 24 hours.

PRE-ARRIVAL DOCUMENTATION

Vessels wishing to call at the Berth must supply Pembina with pre-arrival documentation prior to arriving within Port limits. Any information missing from the pre-arrival documentation may result in PRT refusing to allow the Vessel to interface to Berth, with all costs for delays at the full expense of the Vessel and/or Vessel Party.

(i) **REQUIREMENTS**

The pre-arrival documentation provided by the Vessel to Pembina must include:

- (A) Vessel Attendance List with all expected Vessel visitors;
- (B) CBSA Crew List;

- (C) Vessel voyage memo listing all ports of call in the last two years and each such port's MARSEC level;
- (D) International Ship Security Certificate;
- (E) Vessel particulars document; and
- (F) Signed Notice of Receipt and Acknowledgement (Appendix A).

3.9 ARRIVAL TO PORT

(a) CONDITIONS OF READINESS

In no event will Pembina commence Loading a Vessel until such time as the Vessel has been cleared by all applicable Canadian agencies and authorities, including:

- (i) Transport Canada (Vessel safety and security);
- (ii) PRPA (authorization to enter the Port);
- (iii) CBSA (customs and entry to Canada).

If any Vessel or Vessel Party fails to comply with all Applicable Laws and regulations enforced by Transport Canada, PRPA, and CBSA, or attempts to enter the Port under false pretense, Pembina may order the Vessel to either vacate the Berth or wait at anchor until such deficiencies have been rectified, with all associated costs of such delay including, demurrage (laytime), shifting the Vessel being to the account of the Vessel Party.

(b) NOTICE OF READINESS

(i) ISSUANCE OF NOTICE OF READINESS (NOR)

NOR may be tendered during or outside of usual Operating Hours, and such Notice of Readiness will be accepted at any time of day or night, including Saturdays and Sundays, and Statutory Holidays as specified in the applicable Propane Supply Agreement between the Buyer and the Seller, provided the NOR conditions are met.

The Vessel Party must tender the Notice of Readiness to Pembina in writing and provide Pembina with proof that Vessel has obtained CBSA clearance and is in Free Pratique as soon as possible following the tender of the Notice of Readiness. If the Vessel is ordered to await Berth at a place where Free Pratique is not normally granted, Notice of Readiness may be tendered by radio subject to Free Pratique being granted subsequently. If Free Pratique is not subsequently granted and/or provided to Pembina, the previous Notice of Readiness will be considered null and void and the Vessel will tender a new Notice of Readiness when it has received Customs clearance, has provided said clearance to Pembina and is ready in all respects to load Propane.

The tendering of a Notice of Readiness will constitute a written acknowledgement by the Master of the Vessel that, the Vessel, its Master, its owners, and its charterers are bound by the provisions of these Rules, regardless of whether the Master has signed a notice of receipt and acknowledgment or otherwise.

(ii) ACCEPTANCE OF NOTICE OF READINESS

Pembina's acceptance of the Notice of Readiness, on behalf of the Propane owner, will be as specified in the applicable Propane Supply Agreement between the Buyer and the Seller and evidenced by a duly authorized representative of Pembina providing confirmation of the date and time of acceptance and a signature. If not specified, Pembina's acceptance of the Notice of Readiness will be provided upon completion of the ship shore conference and for anchorage one (1) hour after arriving at anchor.

(c) **TURN TIME**

Turn Time (which is sometimes also referred to as "free time") means the time period that precedes the start of Laytime.

(d) **LAYTIME**

Laytime shall commence as specified in the applicable Propane Supply Agreement between the Buyer and the Seller.

(e) **VESSEL OUTSIDE OF LAYCAN**

For a Vessel that arrives at PRT and submits a Notice of Readiness prior to her confirmed Laycan or after her confirmed Laycan, the Laytime shall commence as specified in the applicable Propane Supply Agreement between the Buyer and the Seller.

(f) **BUYER'S CARGO OUTSIDE OF LAYCAN**

Subject to the provisions of the applicable Propane Supply Agreement, any Vessel that, due to a lack of available Propane required for Vessel's Loading at PRT, is forced to await Berth and falls outside of Vessel's assigned Laycan as a result of waiting for Propane, will be worked at the discretion of PRT at a time convenient to Pembina.

3.10 VESSEL ASSIGNMENTS

(a) **BERTHING**

Upon assignment to Berth, the Vessel must remain ready and be properly crewed, in accordance with Applicable Law, at all times so that, on order given by PRT in Pembina's sole discretion, such Vessel is able to promptly carry out Propane Loading operations while alongside Berth, as well as undock and vacate the Berth, 24 hours a day, 7 days a week, with any personnel overtime being at the sole cost and expense of the Vessel.

There is a minimum tug requirement of two dedicated, pull tugs. Tugs will be required to rendezvous with the Vessel off of the Berth face. The Vessel will be required to interface port side to Berth face and will require 12 lines minimum in a 2-2-2 arrangement (Appendix E).

(b) **COMMUNICATIONS**

While docking at Berth, the Master and Pilot will maintain communication with PRT via either of the below methods.

Primary – Radio	PRT control room	VHF Marine Channel 16
Secondary – Telephone	PRT control room	1. 250-622-2728
Email	PRT control room	PRTcontrol@pembina.com

3.11 VESSEL RESPONSIBILITIES AND REQUIREMENTS

(a) PRIOR TO BERTHING

Prior to a Vessel interfacing at the Berth, the following conditions must be met:

- (i) The Vessel has complied with all Federal regulations and Port Regulations, has obtained Free Pratique, and has verified both of the foregoing to PRT through its issuance of a valid Notice of Readiness;
- (ii) The Vessel will comply with the Porpoise Channel Transit Requirements set forth and described in Appendix F;
- (iii) The Vessel will ensure it arrives ballasted and trimmed in a condition ready to accept a continuous flow of cargo in accordance with the cargo loading plan approved by both the Vessel and PRT;
- (iv) The Vessel has a suitable support and location for gangway to be placed mid-ship on the Vessel deck once all lines are fast;
- (v) All mooring lines on winches have been flaked on deck and spooled correctly onto the drum, with the line tightly packed and correctly layered; and
- (vi) If wire ropes are to be used for mooring the lines company has been notified (via the agent) and fiber tails will be used.

(b) PREPARATIONS FOR BERTHING

The Vessel must meet the following requirements prior to berthing:

- (i) The Master of the Vessel is aware of typical mooring arrangements at the Berth, as set forth and described in Appendix E;
- (ii) The Vessel personnel is aware of how communication will occur with the shore mooring party;
- (iii) All head and stern lines on the Vessel have a 3-meter tail of light rope spliced into the eye; and
- (iv) When the Vessel is running lines ashore Vessel personnel will control how quickly the line is paid out and ensure that an excessive amount of line is not flaked on deck.

(c) ONCE ALONGSIDE BERTH

When a Vessel is berthing and/or is berthed at PRT, the Master will be solely responsible for the safety of the Vessel and its personnel. Any Vessel in Berth will at all times maintain appropriate officers and personnel aboard the Vessel in order to maintain an alert watch and respond to emergencies. In addition, the following requirements must be complied with while the Vessel is in Berth:

- (i) The Vessel will allow for safe access via gangway as soon as possible after all lines are fast. Gangways must be supplied by the vessel and must be rigged properly and safely with handrails. All gangways shall be fitted with a safety net that is compliant with the Marine Occupational Safety and Health Regulations and the *Canada Shipping Act, 2001*. The vessel will not be considered "docked" until a suitable gangway and safety net are provided. No one should leave or board the vessel except by way of the gangway.
- (ii) The Vessel power plant and trim are maintained in a state of readiness to respond to emergency situations and to avoid delays in vacating the Berth;
- (iii) All personnel on the Berth will wear personal protective equipment and such other safety equipment or gear as required by PRT at all times including if required for health and safety such as a pandemic. Vessel personnel will adhere to this requirement when on the dock and when transiting the walkway system to and from the docks.
- (iv) Master warrants that the Vessel has a policy on Drug and Alcohol Abuse ("**POLICY**") that is applicable to this vessel, and that it meets or exceeds the standard in the Oil Companies International Marine Forum Guidelines for the Control of Drugs and Alcohol Onboard Ship ("**OCIMF Guidelines**"). Master further warrants that this policy will remain in effect during the term of its berthing at PRT provided facilities. Master further warrants that he shall exercise due diligence to ensure compliance to the Policy. For the purpose of this clause and the OCIMF Guidelines, alcohol impairment shall be defined as a blood alcohol content of 40mg/100ml or greater; the appropriate seafarers to be tested shall be all vessel officers and the drug/alcohol testing and screening shall include random testing of the officers with a frequency to ensure that each officer is tested at least once a year.
- (v) Vessels must not violate any air emission standards applicable in the vicinity of PRT facilities covered under the *Canada Shipping Act, 2001* including smoke discharge from the Vessel funnel.
- (vi) Vessels must not clean their decks, nor discharge any oily waste or unclean water, in the vicinity of PRT facilities or while alongside in Berth, and must similarly prevent any other actions which would violate the *Canada Shipping Act, 2001*.

In addition to the foregoing, the Master of the Vessel must be aware that PRT personnel will board the Vessel as soon as it is safe to access the Vessel and meet a Vessel representative to complete all necessary arrival and pre-Loading documentation.

(d) **FAILURE TO COME TO BERTH**

If the Vessel is ordered to Berth and does not attempt to come to Berth at the specified time or shifts from anchorage to Berth at the time that the Vessel was ordered to Berth due to circumstances or conditions within the control of or due to the fault of the Vessel, the Vessel Parties, including its owner(s), operator(s), charterer(s) and agent(s) will be responsible, jointly and severally, to pay Pembina all costs (including, but not limited to solicitor's fees determined

on a solicitor and own client basis) and expenses incurred by Pembina and the laytime will cease until the vessel is all fast, loading arms connected, sampling and analysis completed, and the vessel is ready to load.

(e) NOTICE TO VACATE BERTH

If the Vessel does not vacate the Berth when so ordered by PRT, the Vessel and the Vessel Party will be responsible to pay Pembina all costs (including, but not limited to solicitor's fees determined on a solicitor and own client basis) and expenses incurred by Pembina in connection with the moving of the Vessel.

(f) TUG SERVICES

When entering or leaving the Berth, Vessels must engage tug services as prescribed by this Section 3.11(f) of these Rules. The cost of tug operations will be at the sole expense of and for the account of the Vessel and the Vessel Party without refund or credit against any charges due and owing to Pembina. If, in the opinion of Pembina, the weather or other conditions so warrant, each Vessel upon entering and leaving or lying at Berth (including shifting within the Port) may be required to make use of additional tugs, depending on the size of the Vessel, which additional tugs will similarly be at the sole risk and expense of the Vessel and the Vessel Party.

Tug Services include the use of tugs to provide ship escort services, ship handling operations on and off the Berth, stand by duties and ancillary services, in each case which meet performance and operational requirements mandated by PRPA and other Governmental Authorities. In order to meet those requirements, the Terminal Interests have arranged for tug services to be provided by SAAM Towage Canada Inc. (which may be substituted from time to time) ("**SAAM**"). All such tug services shall be provided in accordance with the U.K. Standard Conditions for Towage and Other Services (Revised 1986) (with clause 9(a) being amended to Canadian law and courts). For the purposes thereof, the Buyer, the Vessel Parties and the Vessel are jointly deemed to be the "Hirer" of Tug Services even if same are arranged and paid through Pembina. If you do not agree with these terms, you must inform the local agent and Loading Terminal operator, and as a result, the Vessel will not have authorization to use the Loading Terminal.

3.12 MOORING

(a) MOORING OPERATIONS

All Vessels must furnish safe ingress and egress from the Vessel at all times while in Berth.

Upon berthing, the Vessel will immediately and at all times provide adequate lighting, equipment and appropriate officers and personnel aboard to permit Loading of Propane at any time of the day or night, including Saturdays, Sundays and Statutory Holidays.

(i) MASTERS RESPONSIBILITY FOR LINES

It is the Master of the Vessel's sole responsibility to ensure the safe mooring of the Vessel in accordance with industry standards, the *Canada Shipping Act, 2001*, the

mooring configuration set forth and described in Appendix E and such other specifications as may be indicated by PRT from time to time, including without limitation the following requirements:

- (A) Mooring lines must be kept taut and secure at all times. Regular inspections and adjustments must be performed as the Vessel's vertical height relative to the Berth varies as a result of Loading operations or tide height.
- (B) All mooring lines must be of a suitable type and in adequate condition.
- (C) Shipboard winches brake hold capacity must be set at a level that will ensure the Vessel remains secured along the Berth face yet allows for the winch to render before lines are snapped.
- (D) Mooring layout should be correct for prevailing conditions.

(ii) LINE HANDLING

The Master and qualified and certified personnel of every Vessel will provide assistance in handling lines and operating deck machinery. An English-speaking deck officer must be available to ensure timely response to directions given by any representatives of PRT relating to the handling of lines. PRT representatives will position lines on the shore side. At all times the Master of the Vessel will be responsible for monitoring lines and ensuring lines are tended and taut to keep Vessel in position along the Berth face.

(iii) VESSEL SHIFTING

Any Vessel which is required to shift/warp within the Berth will be responsible for any/all expenses pertaining to shifting/warping including, but not limited to, line handling, pilot, tug(s), cost and time (laytime will cease) and applicable Vessel delay charges.

3.13 LOADING OPERATIONS

(a) LOAD PLANS

Preliminary Load Plans may be submitted at any time following acceptance of Vessel nomination from Pembina. It will be the responsibility of the Master to ensure that Load Plans account for all Propane particulars

(i) REVIEW OF LOAD PLAN

The Vessel Party must submit a Final Load Plan for the Vessel at least 48 hours prior to Vessel berthing and Pembina must approve such Final Load Plan before the Vessel will be called to Berth.

Any changes to a Load Plan that has already been accepted must be agreed upon by Pembina and the Vessel Party requesting such changes. Any delays caused by a requested change to the Load Plan will be for the full account of the Vessel and/or Vessel Party.

(ii) LOAD PLAN REQUIREMENTS

The Load Plan must set out details of the Vessel's loading sequence, and ballasting/de-ballasting operations. When completing the Load Plan, the Master of the Vessel must take into account and provide details pertaining to the following:

- (A) Port and PRT ingress/egress requirements.
- (B) At no time should the Load Plan allow for the Vessel to become in a negative trim position (down at the head) at the completion
- (C) Load Plan must take into account de-ballasting time and be configured so as to eliminate stoppages resulting from de-ballasting operations.
- (D) Vessels that are Loading to summer draft or are voyaging to a draft restricted port must indicate such on the Load Plan.

(b) COMMUNICATIONS

Throughout the duration of Loading, the Vessel's Master or Office-in-Charge will maintain contact with PRT. PRT will supply the Vessel with a ship to shore radio to ensure lines of communication are maintained.

(c) VESSEL LOADING RESPONSIBILITY

The Load Plan is the sole responsibility of the Master or authorized Vessel Party representative and Pembina will be under the continuous direction of such party. The Load Plan must ensure that the Vessel is maintained in trim and the engine(s) in a condition that the Vessel could leave the Berth on short notice (i.e. less than 60 minutes). Pembina's sole obligation is to Load in accordance with the Load Plan and Pembina will have no obligation if such Load Plan is unsafe or deficient in any manner.

(d) DE-BALLASTING

Vessels shall arrive to Berth with minimum ballast so as not to delay Loading operations. The de-ballasting capacity of any Vessel calling at PRT must be of a volume such that, at a minimum, the Vessel can accommodate a continued Loading rate of 600M3 of Propane per hour for a Load Plan.

(e) COMPLETION OF LOADING

Direct the load master to supervise the drain down of vapor and pressure from the 10" load hose. Assist vessel with drain down.

The 10" loading hose will be evacuated back to shore utilizing the ships compressors

Disconnect the 10" load hose (load arm) from the vessels manifold and return the hose to hose dollies on the dock.

(i) FINAL QUANTITY & QUALITY SURVEY

The tonnages Loaded onto a Vessel will be determined by a marine surveyor designated by Pembina and approved by the Buyer. The Certificate of Quantity prepared by such marine surveyor will be conclusive of the final tonnage Loaded. The costs incurred in connection with hiring the marine surveyor will be 50% for the Buyer's account, 50% for Pembina's account and the Pembina will cause the marine surveyor to deliver a copy of the survey to the Buyer and Pembina immediately following the completion of the survey. Pembina may have a representative of its own choosing present at all times when the weights/volumes are being computed or calculated by the marine surveyor. In the event an accurate survey cannot be made for any reason, the tonnages Loaded will be measured by Pembina's flow meter.

(f) WEATHER

Where, in the opinion of either PRT or the Master, weather conditions make Loading perilous, PRT may suspend or terminate Loading operations and record the occurrences and durations of non-working periods.

Adverse weather and sea conditions may restrict Vessel movement within the Port area. Port entry and departure times may be changed at the discretion of Pembina should the need arise as a result of any such events.

Time lost due to actions taken by PRT or the Master as outlined above shall not count as laytime or as time on demurrage and the parties shall bear their own costs in respect thereof.

(g) DEPARTURE FROM BERTH

Vessel will vacate the Berth as soon as possible, subject to navigation restrictions. If any Vessel refuses or fails to vacate the Berth when ordered to vacate, Pembina will be entitled to charge and recover as liquidated damages from the Vessel and each Vessel party.

The Master or Officer-in-Charge of a vessel shall cooperate fully and promptly with any request to take on ballast or vacate the Berth when such action is deemed necessary for the safety of PRT and/or vessel by the PRT Manager or PRPA, after due regard for local hazards to navigation affecting vessel movement.

3.14 REGULATORY AUTHORITIES AND SAFETY

(a) All Vessels calling into PRT will ensure that they are capable of operating in a safe, efficient and environmentally responsible manner, compliant with all Applicable Laws, including without limitation those outlined by:

- (i) PRPA's *Port Operating Regulations*;
- (ii) Transport Canada, in the *Canada Marine Act*, *Canada Shipping Act, 2001*, and *Marine Transportation and Security Regulations*; and
- (iii) International Maritime Organization, in the *Safety Of Life At Sea Convention* and supporting codes.

(b) PRINCE RUPERT PORT AUTHORITY

The PRPA is responsible for overseeing the waters within Port boundaries and the safe operation of all Vessels that call into these waters.

The Port Regulations and information may be found at <http://www.rupertport.com/>

(i) HARBOUR MASTER

The Harbour Master can be contacted 24 hours a day via the PRPA Port Security Operations Center (PSOC), at (250) 627-2522 or VHF Channel 68, for all emergencies, including collision, grounding, striking, pollution, fire on a Vessel, man overboard, and medical emergency. Once the emergency service has been called, the Master must immediately call PRT operations control room at (1) 250-622-2728 so that proper directions can be given to emergency vehicles arriving at PRT.

Any Vessel within PRPA harbour limits wishing to undertake repairs of any nature must first obtain express permission and consent from the Harbour Master's office, and if permission is granted, then all requirements stipulated by the Harbour Master must be followed. Personnel aboard a foreign Vessel are also restricted by the work they may perform without permission/work permit from HRSDC and/or subject to the *Coasting Trade Act* (should they be on a CTA licence). The Harbour Master may require a tug (or tugs) to be in attendance when a Vessel undertakes repairs to its main engines and/or other machinery affecting the seaworthiness of the Vessel.

The Vessels acknowledge that no hot work may be performed onboard any Vessel within Port without a "Hot Work" permit issued by the Harbour Master's office.

(c) TRANSPORT CANADA (MARINE SAFETY BRANCH)

Transport Canada oversees the safe and responsible operation of all Port Authorities within Canada. Vessels should be aware that there are Marine Communication and Traffic Services ("MCTS") systems in operation in the coastal waters of British Columbia. Traffic routing systems are set out on the appropriate charts. Details on MCTS procedures are available in the latest Canadian "Notice to Mariners" Annual Edition, or by contacting any MCTS Traffic Centre at (604) 666-6011.

(d) VESSEL SAFETY RESPONSIBILITIES

A three-digit telephone number (911) is the emergency number to contact fire, police, and ambulance. This number applies both at PRT and throughout the entire Port of Prince Rupert area.

When a Vessel is at PRT, it is expected that the Master will give priority to the safety of his Vessel and PRT in accordance with the normal practice of good seamanship and with Marine Personnel Regulations. The Master is responsible for safe mooring at the Berth, and all Propane handling operations on Vessel.

The following safety protocols are to be followed, with such representing both the generally accepted and practiced protocols in the marine transport industry together with additional protocols specific to Pembina:

- (A) The Vessel will have a sufficient number of personnel to attend moorings, conduct Propane Loading operations safely, and enable prompt Vessel departure from the Berth in an emergency.

- (B) Vessel mooring lines will be tended to keep Vessel in position and lines taut at all times.
- (C) Vessel gangways and access will be tended and kept safely rigged and illuminated.
- (D) No person will remove or interfere with any lifesaving gear or appliance except for the purpose of saving life.
- (E) No person will smoke or light matches or fires within PRT, except where expressly permitted.
- (F) Only intrinsically safe electronic equipment is allowed outside ship's accommodation and within PRT limits.
- (G) No person will discharge any firearm, or explode any detonator or other signal, except as a signal of distress, nor use any explosive on any Vessel or otherwise within PRT.
- (H) The Vessel's radar must not transmit during the vessel being alongside.
- (I) Radio and GMDSS antennas should be grounded while the vessel is alongside.
- (J) No one will leave a Vessel unless wearing a life jacket (personal flotation device), safety vest or suitable reflective clothing, safety boots and a hard hat. Entry to PRT area will be denied without this required protective clothing.

(e) VESSEL ENVIRONMENTAL RESPONSIBILITIES

- (i) In the event of a spill of petroleum products or other toxic materials, the Vessel at fault is responsible for clean up under the *Canada Shipping Act, 2001*. If the cleanup is not satisfactory, Harbour Master or the Canadian Coast Guard may initiate clean up at the expense of Vessel.
- (ii) The *Canada Shipping Act, 2001* requires all Vessels to have a shipboard oil pollution emergency plan, which must incorporate the name of Vessel's response authority and a designated response organization. Vessel's response authority is the person(s) designated to initiate the response plan with the response organization.
- (iii) In the event of any escape or discharge of Propane or oily residue or bunkers or other contaminants from the Vessel or from any hose or other discharging device connected to the Vessel, Pembina shall have the right to take any measures they deem fit to mitigate, clean up and remediate the pollution resulting from such escape or discharge and the Master, Vessel and the Owner shall be responsible for, indemnify and hold harmless the Terminal Interests from and against any claim, loss, damage, delay, cost, expense, penalty or liability associated with taking such measures.

(f) INSURANCE REQUIREMENTS

- (g) Throughout the time that the Vessel is in Canadian waters, the Vessel Parties shall keep the Vessel fully entered with a P&I Association which is a member of the International Group of P&I Associations and shall pay all calls, premiums, fees, dues and other charges of such P&I Association and comply with all of its rules, terms and warranties. The Vessel Parties will produce upon demand by Pembina a copy of such P&I Association's certificate of entry and the

Q88 form to demonstrate that the Vessel maintains Protection and Indemnity (“P&I”) insurance coverage for hull and machinery, including collision liability, wreck liability, and oil pollution cover with a limit of USD 1 Billion. If the Vessel cannot provide such documentation upon demand, Pembina shall be entitled to refuse entry by the Vessel into the Port without any consequences to Pembina. Any Notice of Readiness tendered by a Vessel will be void if the Vessel cannot evidence compliance with insurance requirements in this clause. All insurance policies maintained by any Vessel Parties in respect of the Vessel shall contain a waiver in favour and for the benefit of Pembina of all rights of subrogation by the Vessel Parties' insurers against Pembina to the extent that such rights of subrogation relate to rights of claim that are waived by the Vessel Parties in these Rules.

LIABILITY AND INDEMNIFICATION

- (i) Pembina makes no representation, guarantee or warranty (whether express or implied) with respect to the Port, PRT or any services provided to Vessels, including as to the quality, adequacy, suitability, fitness for purpose or safety of any of the foregoing, and, save to the extent any claims, losses, damages, delays, costs (including legal costs), expenses and liabilities are caused solely by the gross negligence of Pembina, any use thereof shall be at the sole risk of the Vessel Parties. Pembina shall not be responsible or liable for any loss or damage to the Vessel Parties, any cargo or any part thereof, or any loss, damage or injury suffered by the Master, officers or crew of the Vessel or any other Vessel Parties, which arises in connection with the Port, PRT or any services provided to the Vessel, in each case howsoever caused or arising and regardless of any act, omission, fault or negligence of the Pembina, or any fault or defect in the Port or PRT, except to the extent caused solely by any gross negligence of Pembina. Pembina shall not be responsible or liable to the Vessel Parties for the consequences of any war, riots, civil commotions, acts of terrorism or sabotage, strikes, lockouts, blockades, disputes, stoppages or labour disturbances, in each case howsoever caused or arising and regardless of any act, omission, fault or negligence of Pembina, except to the extent caused solely by the gross negligence of Pembina.
- (ii) The Vessel Parties shall be responsible for, indemnify and hold harmless Pembina from and against all claims, losses, damages, delays, costs (including legal costs), expenses and liabilities of every kind and nature arising out of or in connection with:
 - (A) any loss of or damage to any property of Pembina, including PRT and all associated and ancillary facilities, and any personal injury including fatal injury, illness or disease of or affecting any natural person comprised within the Pembina or PRT related to the Vessel's use of the Port or PRT;
 - (B) any loss of or damage to any property of the Vessel Parties including, the Vessel, and any personal injury including fatal injury, illness or disease of or affecting any natural person comprised within the Vessel Parties, in each case including consequential losses and all claims, damages and costs arising therefrom; and;
 - (C) any claims, losses, damages, delays, costs (including legal costs), expenses and liabilities of any third party, including any loss of or damage to any property of any third party and any personal injury including fatal injury, illness or disease of or affecting any third party, related to the Vessel's use of the Port or PRT;in each case howsoever caused or arising and regardless of any act, omission, fault or negligence by Pembina, except to the extent caused solely by the gross negligence of Pembina.
- (iii) Pembina, its directors, officers, employees and agents, shall in any event be entitled also to the same exceptions, exemptions, restrictions and limitations of liability provisions of

all contracts of affreightment as are set out in the User's favour in any bill of lading or similar document relating to the Propane in question. User agrees that in no event shall Pembina have any liability in excess of that of the User respecting loss or damage of Propane and agrees to hold Pembina harmless from and indemnify it against any liability incurred by Pembina in excess of that of the User respecting loss or damage to Propane, save to the extent caused by or arising from the gross negligence of Pembina.

- (iv) In any legal or other proceeding in which destruction, damage, loss or disappearance of the Propane is in issue, the burden of proving the fact of such destruction, damage, loss or disappearance, the cause thereof, and the responsibility therefore, will lie always with the claimant; Pembina being at all times presumed to have exercised due care in the custody and handling of the Propane until the contrary is specifically proved by evidence.
- (v) The exclusions, exemptions and limitations of liability set forth and referred to above are cumulative and are in addition to and not in substitution for or in limitation of any other clauses excluding, exempting or limiting liability as set forth in these Rules or any other exclusions, exemptions or limitations of liability upon which Pembina may rely at law or in equity.
- (vi) With respect to this Section 3.14(g), the term Pembina means and includes all affiliates and subsidiaries and their respective directors, officers, employees, or agents, or by any persons acting with the authority of Pembina.

4.0 VESSEL PROVISIONING AND REPAIRS

4.1 BUNKERING

No bunkering or taking aboard of bulk lubricants by Vessels is permitted at PRT. The transfer of bunker/diesel fuel internally on-board Vessel while at PRT is strictly forbidden. No bunkering provisions exist at the Port of Prince Rupert.

4.2 POTABLE WATER

Vessels are responsible to make arrangements for delivery of potable water.

4.3 PROVISIONS TO VESSEL

Delivery of provisions or Vessel stores to any Vessel berthed at PRT will be the responsibility of the Vessel agent and require the prior written approval of Pembina. The granting of such approval will be subject to a determination by Pembina whether such activities will interfere with Loading operations, PRT maintenance and operations, or Vessel arrivals, departures, or shifting. The Vessel agent must be present when provisions are to be loaded on to a Vessel, or Pembina will not allow the provisioning to occur.

4.4 REPAIRS

Once the Notice of Readiness has been tendered, no repairs that would impede the movement of the Vessel or that would interfere with Propane Loading operations or affect safety or PRT

will be undertaken. No Vessel repairs of any kind will be permitted while the Vessel is alongside the Berth.

4.5 DAMAGES to PRT

Pembina may sue the Vessel and Vessel Party for damages in any court of competent jurisdiction for any injury, damage or loss caused by such Vessel to PRT, any harbour works or to any other works or property under the management or control, of Pembina, unless the Vessel Party, at the direction of Pembina, repairs and makes good to the reasonable satisfaction of Pembina any such injury, damage or loss.

5.0 CHOICE OF LAW AND DISPUTE RESOLUTION

5.1 CHOICE OF LAW

These Rules shall be construed, interpreted and applied in accordance with Canadian maritime law.

5.2 DISPUTE RESOLUTION

All disputes arising out of these Rules shall be referred to arbitration as follows:

- (a) The arbitral tribunal shall be composed of one or more arbitrators appointed in accordance with the ICC Rules;
- (b) The seat of the arbitration shall be Vancouver, Canada unless, at the option of Pembina, it is joined or consolidated with an arbitration under the Propane Supply Agreement in which case it shall be at that location;
- (c) The language to be used in the arbitral proceedings shall be English;
- (d) The arbitration shall be conducted under the Rules of Arbitration of the International Chamber of Commerce (the “**ICC Rules**”) in force as at the date of the commencement of the arbitration;
- (e) Notwithstanding any contrary provisions of any rules of arbitration, Pembina shall have the right, at its sole option and without requiring the consent of any other party, to require: (i) the joinder to any arbitration proceeding of any party to these Rules or the Propane Supply Agreement, (ii) the consolidation of arbitration proceedings under these Rules and the Propane Supply Agreement, and (iii) that any claims arising out of or in connection with these Rules and the Propane Supply Agreement be determined together in a single arbitration proceeding; and
- (f) Nothing prevents Pembina from bringing proceedings in rem or in personam in other jurisdictions to obtain the arrest of or other similar remedy against any Vessel or property owned by the other party hereto in any jurisdiction where such Vessel or property may be found.

Appendix A

**PEMBINA PRINCE RUPERT LIQUIFIED PROPANE GAS EXPORT TERMINAL
NOTICE OF RECEIPT AND ACKNOWLEDGMENT**

TO: PEMBINA INFRASTRUCTURE AND LOGISTICS LP (“PEMBINA”)

FROM: MASTER/CHIEF OFFICER/DESIGNEE OF LPG CARRIER _____ (THE “VESSEL”)

THE UNDERSIGNED HEREBY ACKNOWLEDGES RECEIPT OF, AND AGREES TO BE BOUND BY, THE RULES APPLICABLE TO MARINE VESSELS CALLING AT THE PEMBINA PRINCE RUPERT LIQUIFIED PROPANE GAS EXPORT TERMINAL LOCATED AT WATSON ISLAND, BRITISH COLUMBIA CANADA.

Per: _____

MASTER/CHIEF OFFICER/DESIGNEE

Name:

Date:

Time:

Appendix B

Berth coordinates: 54°14'08.4"N 130°18'10.5"W



Appendix C

ETA & Arrival/Departure Notice Format

15 days to 5 days ETA notice

- AA Vessel's name and IMO number.
- BB ETA (LT/GMT) and Arrival Draught.

96 hours ETA notice

- AA Vessel's name and IMO number.
- BB ETA (LT/GMT) and Arrival Draught.

(If this ETA changes by more than six hours after the 96 hours ETA notice have been sent, the Vessel Master shall promptly give notice of the corrected ETA.)

72 hours ETA notice

- AA Vessel's name and IMO number.
- BB ETA (LT/GMT) and Arrival Draught.

(If this ETA changes by more than three hours after the 72 hours ETA notice have been sent, the Vessel Master shall promptly give notice of the corrected ETA.)

48 hours ETA notice

- AA Vessel's name and IMO number.
- BB ETA (LT/GMT) and Arrival Draught.

(If this ETA changes by more than three hours after the 48 hours ETA notice have been sent, the Vessel Master shall promptly give notice of the corrected ETA.)

- CC Vessel's Security level.
- DD Security Pre-Arrival Form
- EE Declaration of Security
- FF Notice of Receipt and Acknowledgement (Appendix A)

24 hours ETA notice

- AA Vessel's name and IMO number.
- BB ETA (LT/GMT)
- CC Confirm ballast change has been carried out.
- DD Confirm the following have been tested and/or are fully operational:
 1. Navigation, mooring, anchoring, communications safety and engine systems.
 2. Cargo system and reliquification system
 3. Gas detection systems.
 4. ESD system, alarms and interlocks.
 5. Cargo tank high-level alarms.
 6. High- and Low-pressure alarms.

7. Remotely operated cargo valves (highlight time closure of the manifold valve).
8. Targeting system spools pieces fitted at Manifold.
9. Confirm that the PRT LPG Terminal Rules Booklet has been received by the Master and the vessel is able to comply.

(If the ETA changes by more than 1 hour after sending the 24 hours ETA notice, then the Loading Terminal must be advised of the revised ETA)

Notice of Readiness/Arrival

The notice of readiness is issued by the Master of the Vessel on behalf of the Shipper, when the Vessel has arrived at the Arrival Point, has received all necessary Port Clearances and is ready in all respect to proceed to the berth for loading operations.

- AA Vessel's name and IMO number.
- BB Date and time.
- CC All pieces of equipment are in good order.
- DD Vessel is ready to load.

Alongside and All-Fast Notice

The notice of all fast is issued by the Master of the Vessel when the Vessel is all fast at the berth and is ready for loading.

- AA Vessel's name and IMO number.
- BB Date and time.
- CC Confirmation vessel is safely moored and ready to load.
- DD ETD

Departure Notice

- AA Vessel's name and IMO number
- BB Loading port name and cargo number
- CC Departure from Berth
- DD Tug release
- EE Pilot disembark
- FF Departure date and time FAOP.
- GG Name / ETA discharge port

Appendix D

Vessel Operating Specifications

- Onboard crane with min SWL 5 Tons will be utilized to lift and suspend loading hose. Maximum weight for hose when full = 3312kg (full hose) + 499kg (valve assembly)] = 3811kg
- The loading connection to the ship manifold is done via one(1) 273.1mm (10”) SS braided unreeled hose. Vessels will have the correct reducers onboard to connect the Loading Terminal’s 10”SS braided unreeled hose
- Loading is to be suspended and loading hose disconnected at sustained winds of 30 knots
- Prior to loading operations the Ship to shore safety link is to be connected via 5 pin connector and tested for all safety shut down parameters
- Vessel to hot gas loading line liquid content to shore tanks upon loading completion with onboard C3 vapour compressors.
- Manifold connection is to be leak checked with N2 at the manifold
- Expected max. load rate = 600 M3/hr

Loading Terminal/Dock data

- Loading Terminal Latitude and Longitude: 54 14’ 099”N/ 130 18’145”W
- The controlling depth at the berth is 10m (10m to seabed at LLLW)
- Dock length is 263.3m
- Range of Dock Water Density - 1.013 – 1.025 BW in channel
- Ballast / Slop Reception Facilities Available? - No
- Are Fuel Oil Bunkers Available? - No
- Are Diesel Oil Bunkers Available? - No
- Is Fresh Water Available? - No
- Are garbage reception facilities available? - No
- Vapour Recovery System Fitted - No
- Max vessel draft at the Berth (at high water slack tide) is 9.8m

Appendix E

Mooring Configuration

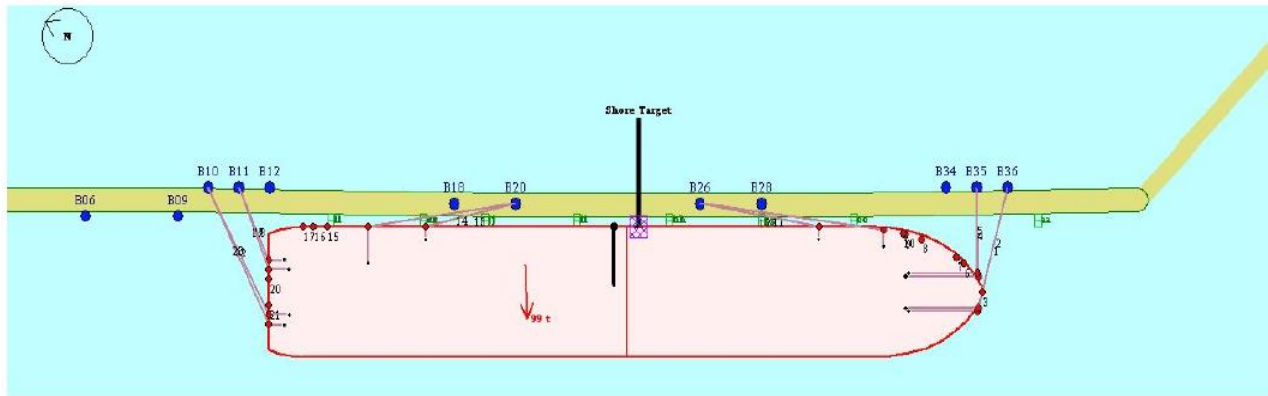


FIGURE 4-2 OPTION 1A – 12-LINE BERTH / MOORING STORM LEVEL 1 ARRANGEMENT WITH VESSEL PORTSIDE TO BERTH

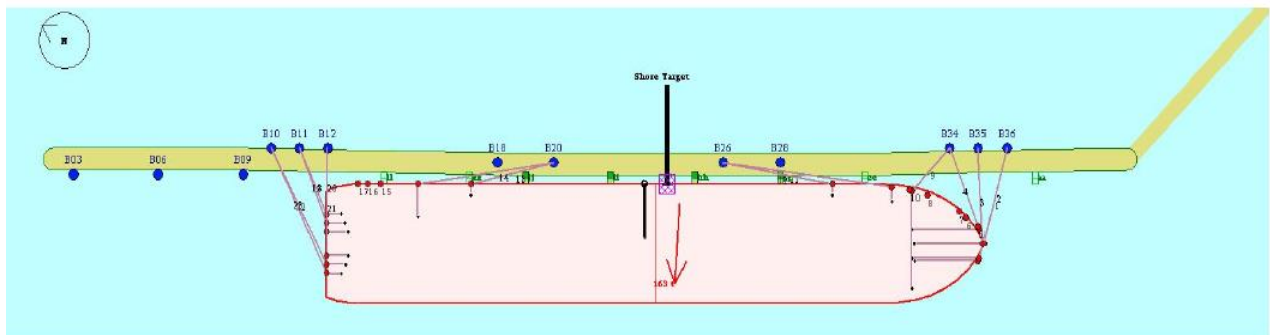


FIGURE 4-3 OPTION 1B – 15-LINE BERTH / MOORING STORM LEVEL 2 ARRANGEMENT WITH VESSEL PORTSIDE TO BERTH

Fig 4-2 is the minimum mooring configuration.

Actual mooring configuration will be confirmed by the Loading Terminal before the arrival.

Appendix F

Porpoise Channel Transit Requirements

- Transiting of Vessels through Porpoise Harbour or Porpoise Channel outside of the daylight period between dawn and dusk is not permitted. For greater certainty, dawn and dusk refer to morning and evening civil twilight, respectively.
- Transiting of Vessels through Porpoise Harbour or Porpoise Channel when visibility is less than 2 nautical miles is not permitted.
- The arrival and departure maneuvers shall only be conducted when the height of tide is sufficient to provide Vessels with a minimum clearance of 10-25% of navigational draught for the entire transit.
- Vessel arrival maneuvers are conducted within a period of 60 minutes either side of low water or high water (slack tide). The departure maneuvers are conducted within a period of 60 minutes either side of high-water slack tide.
- Transiting of Vessels through Porpoise Harbour or Porpoise Channel when the sustained winds or forecasted sustained winds exceed 25 knots as measured at Holland Rock or other location(s) as may be prescribed by PRPA is not permitted.
- Employ an escort vessel approved by PRPA for all Vessels transiting between Watson Island and Agnew Bank.
- Ensure that Vessels have a single stern tethered escort tug when transiting out of Prince Rupert Harbour until past Buoy D24 and such tug has the capability as set out below.
- Ensure all Vessels utilize a dual tug escort while transiting between Agnew Bank and Watson Island and the following criteria is met:
 - both tugs are capable of producing a minimum of 40 tonnes of line force at a speed of 6.0 knots and working a tethered line in wave heights up to 2.0 meters
 - the tugs are employed in accordance with simulated, proven Pacific Pilotage Association or British Columbia Coastal Pilots approved configurations; and
 - When Vessels are inbound to the Loading Terminal, both tugs shall be tethered to the Vessel prior to arrival at Buoy D24 and when outbound remain tethered to the vessel until past Buoy D24.