

**SCHEDULE 23  
FORM OF LETTER OF CREDIT**

**[NTD 1: Letter of Credit to be issued by a Canadian chartered bank with offices in Vancouver, or any other bank or financial institution with offices in Vancouver acceptable to the Province, in any case having a credit rating not less than the rating specified in the definition of Letter of Credit in Schedule 1, and such Letter of Credit to be callable at the bank's counter in Vancouver, British Columbia.]**

**[NTD 2: This form of Letter of Credit shall be amended appropriately for use as:**

- (a) the Availability Demonstration Letter of Credit, which shall have a final Expiry Date 18 months after the Substantial Completion Date;**
- (b) the TIDS Demonstration Letter of Credit, which shall have a final Expiry Date 18 months after the Substantial Completion Date;**
- (c) the Warranty Holdback Letter of Credit, which shall have a final Expiry Date 26 months after the Substantial Completion Date;**
- (d) the Deficiency Letter of Credit, which shall have a final Expiry Date 6 months after the Substantial Completion Date.]**

**[NTD 3: This form of Letter of Credit has been prepared on the assumption that (other than for the Deficiency Letter of Credit) it will be issued for 12 months, with automatic annual extension except as provided herein and subject to the final Expiry Date.]**

**[Name and address of Issuing Bank in Vancouver, BC]**

**[Date]**

HER MAJESTY THE QUEEN  
IN RIGHT OF THE  
PROVINCE OF BRITISH COLUMBIA

**[Address]**

**[Attention]**

(the "**Beneficiary**")

Re: Design Build Finance Agreement dated [ ] among the Beneficiary, BC Transportation Financing Authority and [**Name of Primary Contractor**] (the "**Applicant**") in respect of the Evergreen Line Rapid Transit Project

By order of our client, the Applicant, we hereby issue our Irrevocable Standby Letter of Credit No. \_\_\_\_\_ (this "**Standby Letter of Credit**") in an amount not to exceed in the aggregate CAD\$[**30,000,000.00**] [**10,000,000.00**] [**1% of the Contract Price**] [**amount determined pursuant to Section 12.7(a)**] to the Beneficiary, effective immediately and expiring on \_\_\_\_\_ (the "**Expiry Date**").

We, (the "**Issuing Bank**"), at our offices shown above in Vancouver, British Columbia, Canada (the "**Offices**"), shall immediately pay to you under this Standby Letter of Credit any amount or amounts claimed, not to exceed in the aggregate CAD\$[**30,000,000.00**] [**10,000,000.00**] [**1% of the Contract Price**] [**amount determined pursuant to Section 12.7(a)**], upon presentation of a sight draft, appropriately completed, in the form of Annex 1 hereto (the "**Sight Draft**") being made upon us at our

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counter during normal business hours, and upon presentation of the original or certified copy of this Standby Letter of Credit and any amendments hereto.

Partial and multiple drawings are permitted.

If the Holder's Sight Draft, appropriately completed and the original or certified copy of this Standby Letter of Credit and any amendments hereto are received by us at the Offices on or before the Expiry Date, we will immediately notify the Applicant of the receipt of such Sight Draft without enquiring whether you have a legitimate claim between yourself and the Applicant.

After the Expiry Date has elapsed, no draw shall be honoured by us save to any Sight Draft presented by the Holder according to the requirements of this Standby Letter of Credit prior to the Expiry Date.

All banking charges are for the account of the Applicant.

It is a condition of this Standby Letter of Credit that it shall be deemed automatically extended from year to year for successive one year periods from the Expiry Date (each anniversary of the Expiry Date thus becoming the new "**Expiry Date**"), but not beyond \_\_\_\_\_ **[See NTD 2 above]**, unless we notify the Holder in writing at least 60 days prior to the then applicable Expiry Date that we irrevocably elect not to consider this Standby Letter of Credit renewed for such further period. Such notice must be sent by registered mail or hand delivered, each with proof of delivery, to the Holder at the address set forth above or such other address designated by the Holder from time to time. **[NTD: Delete this paragraph for the Deficiency Letter of Credit.]**

IT IS A CONDITION OF THIS STANDBY LETTER OF CREDIT THAT IT IS TRANSFERABLE AND MAY BE TRANSFERRED IN ITS ENTIRETY, BUT NOT IN PART, AND MAY BE SUCCESSIVELY TRANSFERRED BY THE THEN CURRENT HOLDER TO A TRANSFEREE. TRANSFER OF THIS STANDBY LETTER OF CREDIT TO SUCH TRANSFEREE SHALL BE EFFECTED UPON PRESENTATION TO US AT THE OFFICES OF THE ORIGINAL OF THIS STANDBY LETTER OF CREDIT AND ANY AMENDMENTS HERETO ACCOMPANIED BY A REQUEST DESIGNATING THE TRANSFEREE IN THE FORM ATTACHED HERETO AS ANNEX 2 APPROPRIATELY COMPLETED. All future amendments under this Standby Letter of Credit are to be advised directly to the transferee without the consent of, or notice to, any prior Holder and all future correspondence and notifications in respect of this Standby Letter of Credit are to be sent to the transferee and not to any prior Holder.

In this Standby Letter of Credit, "**Holder**" means either (i) if no transfer has occurred, the Beneficiary or (ii) if a transfer has occurred, the last transferee under the above provision.

This Standby Letter of Credit is subject to and governed by the ISP98.

This Standby Letter of Credit shall be interpreted and governed by the laws of British Columbia and the federal laws of Canada applicable therein.

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Per: \_\_\_\_\_  
Authorized Signatory

Per: \_\_\_\_\_  
Authorized Signatory

**EVERGREEN LINE RAPID TRANSIT PROJECT  
PROJECT AGREEMENT  
SCHEDULE 23: FORM OF LETTER OF CREDIT**

**Execution**

**Annex 1**

**SIGHT DRAFT**

To: [Name of Issuing Bank]  
[Address of Offices]

Re: [τ-name of Issuing Bank] 's Standby Letter of Credit No. [τ] dated [τ] (the “**Standby Letter of Credit**”) issued in favour of [τ] on behalf of [τ] (the “**Applicant**”)

We refer to the Standby Letter of Credit. Terms defined in the Standby Letter of Credit have the same meaning when used in this Sight Draft.

We hereby request payment of CAD\$[τ] ([τ] Canadian Dollars).

Payment should be made to the following account:

Name: [τ]  
Account Number: [τ]  
Bank: [τ]

We hereby confirm that the undersigned is entitled to present the Standby Letter of Credit for payment in accordance with the terms and conditions of the Design Build Finance Agreement among the Beneficiary, BC Transportation Financing Authority and the Applicant in respect of the Evergreen Line Rapid Transit Project.

Yours truly,  
[τ**Name of Holder**]

By: \_\_\_\_\_  
Authorized Signatory

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**Annex 2**

**REQUEST DESIGNATING THE TRANSFEREE**

To: [Name of Issuing Bank]  
[Address of Offices]

Re: [τ name of Issuing Bank] 's Standby Letter of Credit No. [τ] dated [τ] (the “**Standby Letter of Credit**”) issued in favour of [τ] on behalf of [τ] (the “**Applicant**”)

We refer to the Standby Letter of Credit. Terms defined in the Standby Letter of Credit have the same meaning when used in this Request Designating the Transferee.

For value received, we request you to transfer the Standby Letter of Credit to the following transferee:

[τName of Transferee]  
[Full Address of Transferee]

We enclose herewith the original Standby Letter of Credit together with any amendments thereto.

Please forward the transfer amendment and all future amendments, correspondence and notifications under the Standby Letter of Credit to the transferee designated above to the attention of [τ].

[τ**Name of Holder**]

By: \_\_\_\_\_  
Authorized Signatory