

**MARINE STRUCTURE  
PRE-CONSTRUCTION AGREEMENT**

THIS AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

BETWEEN:

**BIG BARGE DOCK SYSTEMS INC.**

of PO Box 592, Sicamous

British Columbia, V0E 2V0

**(hereinafter called the "builder")**

- and -

\_\_\_\_\_  
(Name or Company Name)

\_\_\_\_\_  
(Representative)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Province, Postal code)

**(herein after called the "purchaser")**

**WHEREAS** the purchaser is the owner or is entitled to become the owner of the following lands and improvements thereon, municipally known as \_\_\_\_\_ and legally described as firstly, *Legal Lot description*: \_\_\_\_\_, excepting thereout all mines and minerals and the right to work the same (in this Agreement called the "lands");

**AND WHEREAS** the lands has waterfront access (in this Agreement called the "site"), on the water known as \_\_\_\_\_ (in this Agreement called the "lake");

**AND WHEREAS** the purchaser would like a marine structure built for the site on the lake, (in this Agreement called the "project"), the purchaser acknowledges that although the builder has experience in the construction of marine structures (docks and marinas), in order for the builder to provide an appropriate, long-lasting marine structure and an accurate full cost analysis of the project, it will need to conduct detailed pre-construction research first. This research may include, but not be limited to, an assessment and analysis of what the regulatory permitting agencies will allow to be constructed at the site, what review of the site shoreline and lake areas reveal, what a Wave Study relating to the site reveals, what a Breakwater Analysis Study reveals, what an engineering analysis to qualify the project reveals, and what a study of any other natural or manmade factors or construction materials and their availability that will affect the overall viability and cost of the project, or any part thereof, reveal;

**AND WHEREAS** the purchaser wants the builder to provide an estimated timeline plan for the pre-construction work, following completion of the pre-construction work also provide an accurate project quote, project configuration drawing, and a timeline plan for the construction and installation of the project;

**AND WHEREAS** the purchaser and builder acknowledge any significant changes to this Agreement, or any of the Schedules hereto, shall be documented by way of an addendum signed by both parties and attached to this Agreement;

**NOW THEREFORE** in consideration of payment terms and acknowledgements referred to herein, the builder and the purchaser agree to the conducting of pre-construction actions as follows:

**A. FEASIBILITY PHASE**

1. Initial meetings to determine the functional needs of the project, review the project site, and discuss the feasibility and viability of proposed project design configurations for the site, as well as construction and anchoring materials. Done.
2. Discuss all recommended or required pre-construction processes and studies and the risks of making errors or omissions therein.
3. Determine if the purchaser would like a Wave Study and Breakwater Analysis Study (in this Agreement called the "studies") conducted.
4. If the studies are to be conducted, the builder shall communicate with the studies consulting firm(s) in regard to this project and obtain an estimate of costs and provide the same to the purchaser.

The estimates of costs for the studies as obtained from the consulting firm(s) are:

|                                                |              |
|------------------------------------------------|--------------|
| <b>Wind and Wave Study estimate:</b>           | \$ _____     |
| Consulting Firm:                               | _____        |
| <br><b>Breakwater Analysis Study estimate:</b> | <br>\$ _____ |
| Consulting Firm: Marine Engineer               | _____        |
| Environmental Study:                           | \$ _____     |
| Consulting Firm: QEP                           | _____        |
| Engineering:                                   | \$ _____     |
| Consulting Firm: Marine Engineer               | _____        |

5. If the pre-construction studies are to be conducted:
  - a. The builder may commission these studies on behalf of the purchaser and shall be allowed to communicate with the consulting firm(s) in regard to the studies as the builder requires.
  - b. The purchaser acknowledges the builder will be required to complete and submit detailed preliminary construction and configuration drawings to the consulting firm(s) for the studies to be completed. The purchaser agrees to pay the builder a Preliminary Drawing Fee for this effort, *prior to the studies being commissioned* as follows:

**Preliminary Drawing Fee:** \$ \_\_\_\_\_

- c. The builder acknowledges the Preliminary Drawing Fee paid by the purchaser will be credited toward the signing deposit due of the purchaser when the actual Marine Structure Construction Agreement is entered into between the purchaser and the builder for this project.
  - d. The purchaser acknowledges that this fee does not entitle the purchaser to any intellectual information of the drawings until such time as the construction contract and deposit amount within that contract has been paid. Furthermore the purchaser acknowledges that the drawing fee is forfeited if the contract is awarded or built by any other builder.
  - e. The purchaser acknowledges it shall be solely responsible for full payment of the studies, and when paid for in full shall belong to the purchaser. Further, the purchaser acknowledges that the builder's confidential intellectual construction information and systems may be detailed on the preliminary drawings, as such these drawings as part of the studies shall remain the sole property of Big Barge Dock Systems Inc.

***I AGREE to the builder commissioning the pre-construction Wave and Breakwater Analysis studies for this project on my/our behalf. Further, I agree to make full payment for the studies and for the Preliminary Drawing Fee, as stated in this Agreement. I understand when all pre-construction studies are completed Big Barge Dock Systems Inc. will provide a ten (10) year materials and labour warranty on welding and steel products supplied, and a one (1) year labour only warranty in regard to all decking products installed by the builder.***

Per: \_\_\_\_\_  
(purchaser)

***I DECLINE having the builder commission pre-construction Wave and Breakwater Analysis studies for this project. Further, I acknowledge that by declining a) Big Barge Dock Systems Inc. will not warranty or guarantee the structural integrity (hinge and anchoring strength) of the project, in whole or in part, against wind or wave action, and b) Big Barge Dock Systems Inc.'s standard warranty of three (3) years on materials and labour for welding and steel products supplied, and one (1) year on labour only in regard to all decking products installed by the builder, will only apply.***

Per: \_\_\_\_\_  
(purchaser)

**B. PERMITTING PHASE**

1. There are two categories of Government permitting for marine projects, an informal category (work assessment process), and a formal category. The category of application is fully determined by the governing agencies and is in no way determined by the builder. Further, the purchaser acknowledges errors or omissions within the permitting application process could cause substantial delays in the project timelines.
2. The **informal category** involves obtaining a tenure (License of Occupation) for a permanent, private moorage, single floating dock for residential and recreational users of the adjacent land, where the dock will generally be less than 120 feet from the shore and where beach access, navigation, or environmental factors are not considered impeded or affected.
3. The **formal category** involves obtaining a tenure or lease for a private or commercial moorage facility that generally reaches more than 120 feet from the shore and has the potential to interfere with navigation or environmental factors.
4. The builder estimates the permitting category required for this project will be: \_\_\_\_\_.
5. The builder offers services to handle the permitting processes in regard to the project on behalf of the purchaser
  - a. For an **informal category permitting**, the builder's services include completion and/or submission of:
    - i. all permitting application forms
    - ii. informal drawings within the site plan (plan to be provided by the purchaser)
    - iii. all phone calls, faxing, mailing and copying in regard to the application processes
  - b. For a **formal category permitting**, the builder's services may include completion and/or submission of the following as required:
    - i. research for waterway, topographic and environmental information regarding the site;
    - ii. all application forms;
    - iii. formal drawings within the site plan (plan to be provided by the purchaser);
    - iv. information on construction materials and the construction process;
    - v. required advertising;
    - vi. assisting the purchaser in a public hearing, if required;
    - vii. commissioning a Canadian Environmental Assessment (CEA) as per the CEA Act, if required;
    - viii. one on-site meeting with regulatory agency representatives;
    - ix. all phone calls, faxing, mailing and copying in regard to application processes
6. If the builder's services to handle the project permitting process on behalf of the purchaser is agreed to:
  - a. The purchaser agrees to pay the builder a Project Permitting Fee, *prior to the process being initiated*, as follows:

**Project Permitting Fee:**                    \$ \_\_\_\_\_
  - b. **The purchaser acknowledges the builder would make all reasonable efforts to ensure that the purchaser receives all required permits from agencies controlling the building of the project in the site area, but that the builder cannot control or guarantee the success of this process and the builder's Permitting Process Fee would be payable by the purchaser whether or not all permits are granted in whole or in part, or not at all.**
  - c. The purchaser acknowledges any fees payable to external businesses or regulating agencies for items that may include but not be limited to reports, studies, applications, licensing, rent, advertising, additional meetings, tenures, or insurance will be paid by the purchaser and are not included in the builder's Permitting Process Fee.
  - d. The builder will only represent the purchaser on marine construction issues with governing or regulatory agencies. Upland permitting, infractions, and concession requirements will be the sole responsibility of the purchaser.

***I AGREE to the builder handling the project permitting process on my/our behalf for the project \_\_\_\_\_ located at \_\_\_\_\_.***  
***Further, I agree to make payment for the Permitting Process Fee and any other fees or costs associated with this scope of work as stated in this Agreement.***

Per: \_\_\_\_\_  
(purchaser)

***I DECLINE having the builder handle the project permitting process on my/our behalf. Further, I acknowledge by declining this service by the builder, any delays in the project occasioned by the permitting process when coordinated by the purchaser shall mean any costs incurred to the builder due to the project delay will be charged to and paid by the purchaser. Further, the builder has the right to proceed with other business projects until such a time as the builder is able, within it's business schedule, to return to the purchaser's project and complete the work as required, without penalization to the builder, in any form, by the purchaser.***

Per: \_\_\_\_\_  
(purchaser)

### **C. FINAL DRAWING PHASE**

1. Assuming that the proposed project meets all of the requirements of the Feasibility Phase and is *tentatively* permitted to be built by the regulatory agencies, the builder will then commence the final drawing phase. During this phase, the results of the Feasibility Phase, and any input or requirements from the regulatory agencies are reviewed and the preliminary drawings revised as required and agreed upon.
2. If pre-construction studies were conducted, the builder will submit the preliminary drawings and feasibility phase studies to an engineering firm for qualification of the structural and anchoring integrity. Should significant modifications be required (modifications that requires the builder to make a fundamental change to the configuration or construction of the project) the builder will discuss the required changes with the purchaser and proceed as agreed. Consultation with regulatory agencies regarding the changes must be done to ensure continued *tentative* project approval. Following approval by the engineering firm, builder, purchaser, and continued *tentative* approval by the permitting agencies, the drawings will be considered final and qualified for permitting application submission and construction following acquisition of all permits required.
3. The purchaser acknowledges that the builder's confidential intellectual construction information and systems may be detailed on the final drawings, as such the final detailed drawings for this project, including all specs that have been provided herein and approved, shall remain the property of Big Barge Dock Systems Inc., until such time as the purchaser signs a Marine Structure Construction Agreement with Big Barge Dock Systems Inc. and the Marine Structure Construction Agreement has been fully completed and performed by both parties. At that time the purchaser will acquire full ownership of the final drawings. The builder agrees to provide configuration drawings not containing the intellectual information to the purchaser in the interim.

### **D. PROJECT COSTING PHASE**

1. Once final drawings have been completed and approved and all necessary materials can be priced in the current market, the builder will submit a formal detailed quote, complete with a Marine Structure Construction Agreement, configuration drawings, and tentative construction and installation schedule (if requested) to the purchaser.

### **E. MISCELLANEOUS**

1. The purchaser acknowledges that if it wishes to have the builder continue and order materials to construct the project, the builder's Marine Structure Construction Agreement, which will govern the actual construction and installation process, must be entered into and deposits given first.
2. The purchaser acknowledges that the design and cost of any project is influenced by a variety of factors that may include shore stability, plant growth, lake depths, desired moorage and usage, Government regulations, desired longevity of the project, maintenance costs, utilities access, results of pre-construction studies, and cost of materials.
3. **The purchaser acknowledges the formal quote submitted by the builder as part of this Agreement will be valid for a limited amount of time due to influencing factors. The purchaser understands it must enter into the builder's *Marine Structure Construction Agreement* within the quote's valid time period, or the project will need to be reassessed and requoted to reflect any changes in conditions or cost of materials.**
4. The purchaser acknowledges that the builder cannot warranty the project in whole or in part if it does not complete the full construction of the project.
5. All sums are in Canadian Dollars.
6. This Agreement shall enure to the benefit of and be binding upon the builder and the purchaser and their respective successors and assigns.
7. **The purchaser acknowledges that all drawings initiated by the builder contain confidential proprietary information belonging to Big Barge Dock Systems Inc. regarding their marine structure construction techniques and systems and the purchaser agrees not to divulge this information to any third party without the written permission of Big Barge Dock Systems Inc., and further acknowledges that disclosing any of the confidential proprietary information contained in the drawings of Big Barge Dock Systems Inc. would cause serious harm to Big Barge Dock Systems Inc. that could not be repaired by the payment of liquidated damages.**

**IN WITNESS WHEREOF** the builder and the purchaser have signed this Agreement on the date on page one (1) of this Agreement.

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"purchaser"

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**BIG BARGE DOCK SYSTEMS INC.** "builder"