

## ENVIRONMENTAL INDEMNITY

**THIS AGREEMENT** is made effective the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**BETWEEN:**

**«BORROWER»**

a corporation incorporated pursuant to the laws of \_\_\_\_\_  
(hereinafter called the "Borrower")

**OF THE FIRST PART**

- and -

**«LENDER»**

a corporation incorporated pursuant to the laws of \_\_\_\_\_  
(hereinafter called the "Lender")

**OF THE SECOND PART**

**WHEREAS** the Lender has agreed to provide the Borrower certain loan facilities pursuant to the Commitment Letter dated \_\_\_\_\_ and the Borrower has agreed to grant to the Lender certain security in support thereof (all security being collectively call the "Security");

**AND WHEREAS** the Lender requires as a condition of its loans, that the Borrower indemnify and hold the Lender harmless against and from certain obligations for which the Lender may incur liability (whether as holder of or assignee under the Security or in the enforcement or the realization of the Security) pertaining to the abandonment or reclamation of the property to which the Security applies (the "Property") or by reason of the threat or presence of any Contaminant, at or near the Property;

**AND THEREFORE**, in consideration of the premises set out herein and in the Security and for \_\_\_\_\_ Dollars (\$\_\_\_\_\_) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Borrower, the Borrower, intending to be legally bound, hereby agrees as follows:

**1. Recitals**

The foregoing recitals are incorporated into this Agreement by this reference.

**2. Defined Terms**

- (a) "Contaminant" includes, but is not limited to, any pollutants, noise, dangerous substances, liquid waste, industrial waste, hauled liquid waste, toxic substances, hazardous wastes, hazardous materials, hazardous substances and contaminants including any of the foregoing as defined in any Environmental Law now or hereafter in effect.
- (b) "Environmental Law" means any and all applicable international, federal, state/provincial, state, municipal or local laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives and all authorizations, relating to the environment, occupational health and safety, or any Environmental Activity.
- (c) "Environmental Activity" means any past, present or future activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing,

treatment, stabilization, disposition, handling or transportation, or its Release, escape, leaching, dispersal or migration into the natural environment, including the movement through or in the air, soil, surface water or ground water.

- (d) "Release" includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust which might occur in any manner whatsoever.