

**ESCROW AGREEMENT**

**BETWEEN:**

**The Bloom Lake Iron Ore Mine Limited Partnership**

**- and -**

**Beumer Corporation**

**- and -**

**BMO Trust Company**

**June 28, 2013**

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**THIS ESCROW AGREEMENT** dated June 25, 2013,

BETWEEN:

**The Bloom Lake Iron Ore Mine Limited Partnership**, a limited partnership subsisting under the laws of the Province of Ontario, acting through its general partner, Bloom Lake General Partner Limited,

(“**BLLP**”)

AND:

**Beumer Corporation**, a body corporate subsisting under the laws of the State of Delaware,

(“**Beumer**”)

(BLLP and Beumer collectively referred to as the “**Parties**”)

AND:

**BMO Trust Company**, a trust company existing under the laws of Canada (hereinafter referred to as the “**Escrow Agent**”)

WHEREAS:

A. BLLP and Beumer desire to engage the services of the Escrow Agent to hold certain funds in escrow until the resolution of a certain contractual dispute between the Parties in the context of the sale of certain equipments to BLLP by Beumer pursuant to two Purchase Agreements dated as of October 1, 2011, and one Purchase Order, dated as of October 4, 2011, by and between the Parties (collectively the “**Purchase Agreements**”), and for which the Parties are currently in dispute (the “**Dispute**”); and

B. The Escrow Agent has agreed to act as escrow agent for the purpose of holding and disbursing the Escrowed Funds (defined below) pursuant to the terms of this Agreement.

NOW THEREFORE, in consideration of the respective covenants, agreements, representations, warranties and indemnities herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties and the Escrow Agent hereby covenant and agree as follows:

**ARTICLE 1**  
**DEFINITIONS AND PRINCIPLES OF INTERPRETATION**

**1.1 Defined Terms**

Whenever used in this Agreement or in the Schedules hereto, unless there is something in the subject matter or context inconsistent therewith, the following words and terms will have the indicated meanings and grammatical variations of such words and terms will have corresponding meanings:

- (a) **“Agreement”** means this Escrow Agreement entered into among BLLP, Beumer and the Escrow Agent.
- (b) **“Business Day”** means any day other than a day which is a Saturday, a Sunday or a day on which banks in Toronto, Ontario or Montréal, Québec are not generally open for business;
- (c) **“Escrowed Funds”** has the meaning attributed thereto in Section 2.2;
- (d) **“Initial Escrowed Funds”** has the meaning attributed thereto in Section 2.2;
- (e) **“Parties”** means, collectively, the parties to this Agreement and **“Party”** means any one of such Parties;

**1.2 Rules of Construction**

Interpretation of this Agreement shall be governed by the following rules of construction:

- (a) words in the singular shall be held to include the plural and vice versa, and words of one gender shall be held to include the other gender as the context requires;
- (b) references to the terms Article, Section, paragraph and Schedule are references to the Articles, Sections and paragraphs in, and Schedules to, this Agreement, unless otherwise specified;
- (c) references to “\$” or dollars shall mean US dollars;
- (d) the word “including” and words of similar import when used in this Agreement shall mean “including without limitation,” unless otherwise specified;
- (e) the word “or” shall not be exclusive;
- (f) the words “herein,” “hereof” or “hereunder”, and similar terms are deemed to refer to this Agreement as a whole and not to any specific Section;
- (g) the division of this Agreement into Sections and the use of headings and the provision of a table of contents in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement;

- (h) this Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted;
- (i) if a word or phrase is defined, the other grammatical forms of such word or phrase have a corresponding meaning;
- (j) references to any statute, listing rule, rule, standard, regulation or other law include a reference to (a) the corresponding rules and regulations and (b) each of them as amended, modified, supplemented, consolidated, replaced or rewritten from time to time;
- (k) references to any Section of any statute, listing rule, rule, standard, regulation or other law include any successor to such Section;
- (l) unless otherwise specified, references to time of day or date mean the local time or date in the city of Montreal, Québec; and
- (m) time shall be of the essence hereof.

## **ARTICLE 2**

### **APPOINTMENT OF ESCROW AGENT**

#### **2.1 Appointment of Escrow Agent**

The Parties appoint the Escrow Agent to act, and the Escrow Agent agrees to act, as escrow agent, in accordance with the terms and conditions of this Agreement.

#### **2.2 Deposit and Receipt of the Escrowed Funds**

The Parties agree that the sum of \$6,330,854 (the “**Initial Escrowed Funds**”) will, upon execution of this Agreement by the Parties and the Escrow Agent, be deposited by wire transfer by BLLP with the Escrow Agent (the Initial Escrowed Funds, plus any interest earned thereon, minus any amounts distributed by the Escrow Agent in accordance with the terms of this Agreement from time to time, is hereinafter referred to as the “**Escrowed Funds**”). Subject to receipt of the Initial Escrowed Funds, the Escrow Agent agrees to hold and deal with the Escrowed Funds in accordance with the terms and conditions of this Agreement.

#### **2.3 Basis and Effect of the Escrowed Funds.**

The Parties intend for the Initial Escrowed Funds to represent the final five percent (5%) payment specified in the Purchase Agreements, less 10% withholding on such amount, which equals to the amount of \$1,964,748, plus the aggregate ten percent (10%) withholding amount specified in the Purchase Agreements, equal to the amount of \$4,366,106. Nothing herein constitutes a representation, admission, or denial regarding the proper interpretation of the Purchase Agreements or existence or extent of liability under the Purchase Agreements or any modifications thereto.

**ARTICLE 3**  
**INVESTMENT OF THE ESCROWED FUNDS**

**3.1 Investment**

Upon receipt by the Escrow Agent of a joint written direction from the Parties, in the form attached as Schedule A, the Escrow Agent shall invest the Escrowed Funds in Authorized Investments (defined below) in its name in accordance with such direction. Any direction from the Parties to the Escrow Agent shall be in writing and shall be provided to the Escrow Agent no later than 9:00 a.m. (Toronto time) on the day on which the investment is to be made. Any such direction received by the Escrow Agent after 9:00 a.m. (Toronto time) or received on a non-Business Day, shall be deemed to have been given prior to 9:00 a.m. (Toronto time) on the next Business Day. For the purpose hereof, "Authorized Investments" means US dollars denominated:

- (a) direct obligations issued by, and/or unconditionally guaranteed by and backed by the full faith and credit of, the government of the United States, in each case maturing within one year from the date of acquisition, so long as the indebtedness of United States is rated at least A by Standard & Poor's or A2 by Moody's Investors Services, Inc. or carries an equivalent rating from Dominion Bond Rating Service Limited;
- (b) certificates of deposit, bankers' acceptances or term deposits (having original maturities of no more than 90 days), issued and/or guaranteed by and/or placed with, any bank, including Affiliates or related parties of the Escrow Agent, or trust companies, chartered or licensed under the laws of Canada or any province thereunder, provided that at the time of the investment or contractual commitment to invest therein, the short term debt rating of such bank or trust company, shall be not less than A as rated by Standard & Poor's or its equivalent by DBRS; or
- (c) any combination of the above.

In the event that the Escrow Agent does not receive a direction or only a partial direction, the Escrow Agent may hold cash balances constituting part or all of the Escrowed Funds and may, but need not, invest same in its deposit department, the deposit department of an Affiliate or the deposit department of a Canadian Chartered Bank, provided that such investments and the issuing bank satisfy the requirements of this section; but the Escrow Agent, its Affiliates or a Canadian Chartered Bank shall not be liable to account for any profit to any Parties or to any other person or entity other than at a rate, if any, established from time to time by the Escrow Agent or one of its Affiliates. For the purpose of this Section, "Affiliate" means affiliated companies within the meaning of the Canada Business Corporations Act ("CBCA"); and includes Bank of Montreal and each of its affiliates within the meaning of the CBCA.

**3.2 Reinvestment**

Upon maturity of an Authorized Investment, the Escrow Agent shall reinvest the Escrowed Funds and any interest thereon as jointly directed in writing by the Parties.

In the event that the Escrow Agent does not receive a direction or only a partial direction, the Escrow Agent may hold cash balances constituting part or all of the Escrowed Funds and may, but need not, invest same in its deposit department, the deposit department of an Affiliate or the deposit department of a Canadian Chartered Bank, provided that such investments and the issuing bank satisfy the requirements of Section 3.1 above; but the Escrow Agent, its Affiliates or a Canadian Chartered Bank shall not be liable to account for any profit to any Parties or to any other person or entity other than at a rate, if any, established from time to time by the Escrow Agent or one of its Affiliates. For the purpose of this Section, "Affiliate" means affiliated companies within the meaning of the *Canada Business Corporations Act* ("CBCA"); and includes Bank of Montreal and each of its affiliates within the meaning of the CBCA.

### **3.3 No Guaranteed Income**

The Escrow Agent makes no representation as to income, profit, yield or return available or to be earned on the Escrowed Funds, or as to the certainty of return of principal of amounts invested in accordance with the terms hereof. For greater certainty, the Escrow Agent shall not be held liable for any failure to achieve the maximum possible desired yield or return on the Escrowed Funds or for loss of principal as a result of investments made in accordance with the terms of this Agreement.

### **3.4 Monthly Statements**

The Escrow Agent shall provide the Parties a written monthly report indicating the balance and content (investment profile) of the escrow account.

## **ARTICLE 4 RELEASE OF ESCROWED FUNDS**

### **4.1 Release of Escrowed Funds**

The Escrow Agent shall disburse the Escrowed Funds or a portion thereof in accordance with and as soon as reasonably practicable following (and in no event any later than two Business Days thereafter), receipt of: (i) a written agreement executed by both Parties; (ii) a final non-appealable order of a court of competent jurisdiction directing delivery of the Escrowed Funds; or (iii) a final non-appealable arbitration decision directing delivery of the Escrowed Funds.

The Parties shall promptly negotiate and agree to a distribution of any portion of the Escrowed Funds no longer subject to a good faith dispute..

### **4.2 Escrow Agent not a Trustee**

The Parties acknowledge that the Escrow Agent is acting solely as depositary at their request and for their convenience and, notwithstanding anything to the contrary herein contained, no term or provision of this Agreement is intended to create, nor shall any such term or provision be deemed to have created, any principal, agency, trust, joint venture or partnership relationship between or among the Escrow Agent and the Parties. The Escrow Agent is acting under this



Agreement as an independent contractor only and shall be considered an independent contractor with respect to the other party.

**ARTICLE 5**  
**COMPLIANCE WITH JUDICIAL PROCEEDINGS**

**5.1 Compliance with Judicial Proceedings**

If any property held by the Escrow Agent hereunder shall be attached, garnished or levied upon under any order of a court, or the delivery thereof shall be stayed or enjoined by any order of a court, or any other order, judgment or decree shall be made or entered by any court affecting such property or any part thereof, or any act of the Escrow Agent, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders, judgments or decrees so entered or issued, whether with or without jurisdiction, and if the Escrow Agent obeys and complies with any such writ, order, judgment or decree, it shall not be liable to any of the other parties hereto, their successors or assigns or to any other person, firm or corporation, by reason of such compliance notwithstanding that such writ, order, judgment or decree is subsequently reversed, modified, annulled, set aside or vacated.

**ARTICLE 6**  
**DEALING WITH THE ESCROWED FUNDS ON DIRECTIONS**

**6.1 Dealing with the Escrowed Funds on Directions**

Notwithstanding any other provisions of this Agreement, the Escrow Agent shall deal with the Escrowed Funds, or any part thereof, at any time in accordance with any directions jointly given in writing by the Parties to the Escrow Agent, in the form of Schedule B, subject to any statutory obligations to withhold amounts on account of tax. The Parties agree to determine and direct the Escrow Agent as to the applicability and quantum of any withholding tax that may be payable in connection with any release out of the Escrowed Funds. Absent such direction, the Escrow Agent shall be entitled to assume that no withholding tax is applicable to such release.

**ARTICLE 7**  
**TAXES**

**7.1 Taxes**

For purposes of federal and other taxes based on income, each Party will be treated as the owners of that portion of the original Escrowed Funds and the earnings thereon which is equal to its respective proportional part of the original Escrowed Funds which each ultimately receives. The Parties are required to prepare and file any and all income or other tax returns applicable to the Escrowed Funds attributable to such Party in all years income is earned in any particular tax year on the Escrowed Funds.

Subject to the paragraph above, in the absence of distribution of the Escrowed Funds prior to the requirement to pay taxes on any interest, income, gains or accretions of the Escrowed Funds in any given year, such earnings shall be allocated to BLLP, and reported by the Escrow Agent, to

the extent required by applicable law, to the Canada Revenue Agency (“CRA”) and any other applicable Governmental Entity.

The Escrow Agent shall also deduct and withhold from any distribution of the Escrowed Funds that could be payable to Beumer, any taxes as it determines in its sole discretion may be required by any applicable law or regulation. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to Beumer, in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the applicable Governmental Entity. For the purpose of this Section “**Governmental Entity**” means any domestic or foreign governmental, legislative, judicial, administrative or regulatory authority, agency, commission, body, court, association or entity.

## **ARTICLE 8**

### **TERMINATION OF AGREEMENT**

#### **8.1 Termination of Agreement**

This Agreement shall terminate and cease to be of any further force and effect when the Escrow Agent shall have released all of the Escrowed Funds and interest thereon in accordance with the terms and conditions of this Agreement. Upon termination, the Escrow Agent shall be released from all obligations under the Agreement arising on and after such date.

The obligations contained in Section 10.6 and ARTICLE 11 shall survive the termination of this Agreement and the resignation, replacement or removal of the Escrow Agent.

## **ARTICLE 9**

### **RESIGNATION AND TERMINATION OF THE ESCROW AGENT**

#### **9.1 Resignation and Termination of Escrow Agent**

The Escrow Agent may resign its position and be discharged from all further duties under this Agreement on 30 days’ notice to the Parties or such shorter notice as they may accept as sufficient. The Parties shall have the right at any time, on 30 days’ prior written notice to the Escrow Agent, acting jointly, to remove the Escrow Agent and to appoint a successor escrow agent. In the event of the resignation or removal of the Escrow Agent, the Parties shall forthwith appoint a successor escrow agent acceptable to them and shall give notice of such appointment to the Escrow Agent. Upon receipt of such notice, the Escrow Agent shall transfer and deliver to the successor escrow agent the Escrowed Funds and other material in the possession of the Escrow Agent relating to the administration of this Agreement which would be necessary or useful to the successor escrow agent. Any new escrow agent appointed under any provision of this section shall be a corporation authorized to carry on the business of an escrow agent in the Province of Québec or Ontario or a trust company licensed to carry on business as a trustee in the Province of Québec or Ontario and shall be subject to removal as aforesaid. On any appointment of a successor escrow agent, the successor escrow agent shall, upon receipt by the Escrow Agent of all fees and expenses properly owing to it pursuant to this Agreement, be vested with the same powers, rights, duties and responsibilities and shall be subject to removal as escrow agent

hereunder as if it had been originally named herein as the Escrow Agent without any further assurance, conveyance, act or deed. The appointment of a successor escrow agent hereunder shall not be effective until such successor escrow agent delivers to the Parties an agreement in writing pursuant to which such escrow agent agrees to assume the responsibilities of the original Escrow Agent under this Agreement and be bound by the terms and conditions of this Agreement as if it was originally named herein as the Escrow Agent. Should the Parties fail to appoint a new escrow agent as outlined above, then the retiring Escrow Agent shall cease its functions at the expiration of the period of notice and may retain all and any property in its possession hereunder on a merely safekeeping basis, at a fee to be determined by the Escrow Agent, acting reasonably.

## **ARTICLE 10**

### **DUTIES AND LIABILITIES OF THE ESCROW AGENT**

#### **10.1 Duties Limited**

The Escrow Agent shall have no duties or responsibilities other than those expressly set forth in this Agreement, and no implied duties or obligations shall be read into this Agreement against the Escrow Agent. The Escrow Agent shall have no obligations, responsibilities or liability arising under any other agreement to which the Escrow Agent is not a party, even though reference to such other agreement may be made in this Agreement. The Escrow Agent shall never be required to use, advance or risk its own funds or otherwise incur financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder, other than as a result of its own negligence, bad faith, fraud or wilful misconduct. In the event that the Escrow Agent shall be uncertain as to its duties or rights hereunder or shall receive instructions with respect to the Escrowed Funds which, in its sole determination, are in conflict with any provision of this Agreement, it shall be entitled to hold the Escrowed Funds, or a portion thereof, pending the resolution of such uncertainty to the Escrow Agent's sole satisfaction.

#### **10.2 Employment of Agents**

The Escrow Agent may employ such counsel and advisers as it may reasonably require (at the expense of the Parties) for the purpose of determining and discharging its duties under this Agreement and the Escrow Agent may act and rely and shall be protected in acting and relying in good faith on the opinion or advice of or information obtained from any such counsel or adviser in relation to any matter arising in the administration of this Agreement.

#### **10.3 Reliance on Documents**

Any notice direction, consent, designation or other instrument to be given by the Parties pursuant to this Agreement shall be sufficient if given by one officer or director of each of the Parties. The Escrow Agent shall be protected in acting upon any written notice, request, waiver, consent, certificate, receipt, statutory declaration or other paper or document furnished to it, not only as to its due execution and the validity and the effectiveness of its provisions, but also as to the truth and acceptability of any information therein contained that it in good faith believes to be genuine and what it purports to be. The Escrow Agent shall have no responsibility to inquire

into the genuineness or validity of any documents delivered to it and reasonably believed by it to have been signed by the proper person or persons and shall be entitled to rely thereon and shall not be liable or responsible for any action taken or omitted in accordance with the provisions thereof. Each of the Parties shall furnish the Escrow Agent with a certificate of incumbency setting forth its authorized signatories for the purposes of this Agreement and their specimen signatures. Each the Parties may update their certificates of incumbency from time to time, provided that the Escrow Agent shall be entitled to rely upon the last certificate of incumbency for each party provided to the Escrow Agent.

#### **10.4 No Representations and Warranties**

Except with respect to the Escrow Agent's obligation to ensure that this Agreement has been duly authorized, executed and delivered by, and is enforceable in accordance with its terms against the Escrow Agent, the Escrow Agent shall be regarded as making no representations and having no responsibilities as to the validity, sufficiency, value or genuineness of this Agreement or any items deposited with the Escrow Agent hereunder.

#### **10.5 Legal Proceedings**

Except in the event that the Escrow Agent is a named party to the legal proceedings, the Escrow Agent shall not be required to exercise any remedies or institute or defend legal proceedings of any kind hereunder until fully funded and indemnified as to all costs and expenses, including reasonable attorneys' fees.

Notwithstanding any provision in this Agreement, the Escrow Agent may, in its sole discretion, seek an interpleader order to deposit the Escrowed Funds and interest earned thereon into court and upon such deposit, the Escrow Agent will be relieved and discharged from any and all obligations and liabilities hereunder.

#### **10.6 Indemnification of the Escrow Agent**

- (a) The Parties shall indemnify and hold harmless the Escrow Agent and its officers, directors, shareholders, employees and agents ("**Escrow Agent Indemnified Parties**") from and against, any and all losses, liabilities, claims, actions, taxes, costs, demands, damages and expenses, including reasonable attorneys' fees and disbursements, incurred or sustained by the Escrow Agent in respect of any matter or thing done by it under, pursuant to, or in connection with this Agreement or otherwise arising in connection with its office of Escrow Agent hereunder, including the legal costs and expenses of defending itself against any claim or liability in connection with its performance hereunder, except in so far as the same arose through (a) the bad faith, fraud, gross negligence or willful misconduct of an Escrow Agent Indemnified Party; or (b) the intentional breach by any Escrow Agent Indemnified Party of this Agreement. Without limiting the foregoing, the Escrow Agent shall in no event be liable in connection with its investment or reinvestment of any cash held by it hereunder in good faith, in accordance with the terms hereof, or as a result of any liquidation of any such investment prior to its maturity, including any liability for any delays (not

resulting from its gross negligence or wilful misconduct) in the investment or reinvestment of the Escrowed Funds, or any loss of interest incidental to any such delays or for the failure of the parties hereto to give the Escrow Agent any instructions to invest or reinvest the Escrowed Funds or interest thereon.

- (b) Except in the event of circumstances as provided for in paragraph 10.6 (a), the Escrow Agent shall not be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. This indemnity shall survive the termination or discharge of this Agreement or the resignation of the Escrow Agent.

#### **10.7 Decision to Act or Not to Act**

The Escrow Agent shall retain the right not to act and shall not be held liable for refusing to act unless it has received clear documentation which complies with the terms of this Agreement. Such documentation must not require the exercise of any discretion or independent judgment. The Escrow Agent shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Escrow Agent, in its sole reasonable judgment, determines that such act might cause it to be in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline. Further, should the Escrow Agent, in its sole reasonable judgment, determine at any time that its acting under this Agreement has resulted in its being in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on 10 days written notice to the Parties, provided (i) that the Escrow Agent's written notice shall describe the circumstances of such non-compliance; and (ii) that if such circumstances are rectified to the Escrow Agent's satisfaction within such 10 day period, then such resignation shall not be effective.

#### **10.8 Declaration Re: Third Party Interest**

Each of the Parties hereby represent to the Escrow Agent that any account to be opened by, or interest to be held by the Escrow Agent in connection with this Agreement, for or to the credit of such party is not intended to be used by or on behalf of any third party.

#### **10.9 Liabilities**

In the event that any action is threatened or instituted against the Escrow Agent, it may seek an interpleader order to deposit the Escrow Fund into court and upon such deposit the Escrow Agent shall be relieved of and discharged from any and all obligations and liabilities hereunder.

**ARTICLE 11**  
**FEES AND EXPENSES**

**11.1 Fees and Expenses**

- (a) The Parties will share and pay the Escrow Agent's fees and expenses in reverse proportion to the portion of the Escrowed Fund each party receives including all applicable taxes (the "**Escrow Agent Fee**"), for its services under this Agreement in accordance with the fee schedule attached as Schedule C to this Agreement. In addition, the Escrow Agent is entitled to the reimbursement of out-of-pocket expenses, including legal and accounting fees, costs and disbursements, and all other charges and out-of-pocket expenses. This fee schedule is confidential and proprietary to BMO Trust Company. It may only be used for furthering the transaction for which it is submitted and may not be disclosed to Persons who are not parties to such transaction without BMO Trust Company's explicit written consent.
- (b) The Escrow Agent may invoice the annual Escrow Agent Fee any time before the anniversary date of the Escrow Agreement and upon termination of the Escrow Agreement. In the event that the Escrow Agent performs services for less than a full billing period, it shall be entitled to fees for the period during which it performed such services calculated on the basis of the fee schedule attached as Schedule C to this Agreement pro rated for the number of days during which it performed such services. In the event that the Escrow Agent at its sole discretion does not deduct interest from the Escrowed Funds in accordance with 11.1(c), then any amount due under this Agreement and unpaid thirty (30) days after request for such payment will bear interest from the expiration of such thirty (30) days at a rate per annum equal to the then current rate charged by the Escrow Agent from time to time, payable on demand.
- (c) The Escrow Agent shall deduct from the Escrowed Funds and interest thereon, any amounts payable to the Escrow Agent under this Agreement, including the Escrow Agent Fees. The Parties shall readjust amongst themselves payment of the Escrow Agent Fees in accordance with Section 11.1 (a) at the time the Escrowed Funds are fully released.
- (d) Without limiting any right to indemnification or reimbursement for damages, third party costs or expenses incurred by the Escrow Agent, if there is a claim against the Escrowed Funds and/or interest thereon, the Escrow Agent will be entitled to an hourly fee at its then current hourly rate, plus applicable Federal/Provincial taxes, for work carried out by the Escrow Agent in relation to such claim.

**ARTICLE 12**  
**GENERAL**

**12.1 Notices**

- (a) Any notice, designation, communication, request, demand or other document, required or permitted to be given or sent or delivered hereunder to any Party or the Escrow Agent hereto shall be in writing and shall be sufficiently given or sent or delivered if it is:
- (i) delivered personally to such party or to an officer or director of such party;
  - (ii) sent to the party entitled to receive it by registered mail, postage prepaid, mailed in Canada; or
  - (iii) sent by facsimile.
  - (iv) sent by email
- (b) Notices shall be sent to the following addresses, emails, or facsimile numbers:
- (i) in the case of BLLP, to:  
  
1155 University Street  
Suite 508  
Montreal, Quebec  
H3B 3A7  
  
Attention: Assistant Secretary and Senior Legal Counsel  
Facsimile: 514-393-9041  
Email: [annie.torkialagace@cliffsnr.com](mailto:annie.torkialagace@cliffsnr.com)
  - (ii) in the case of Beumer:  
  
Beumer Kansas City LLC  
4435 Main Street, Suite 600  
Kansas City, MO 64111  
  
Attention: F.J. Warmoth, President, Beumer Kansas City LLC  
Email: [frank.warmoth@beumergroup.com](mailto:frank.warmoth@beumergroup.com)  
cc: [james@warmothlaw.com](mailto:james@warmothlaw.com)

(iii) in the case of the Escrow Agent:

BMO Trust Company  
1250, René-Lévesque Blvd. West, suite 4600  
Montréal, Qc  
H3B 4W8

Attention: Vice-President, Trust Services  
Facsimile: 514-286-7226

or to such other address or facsimile number as the party entitled to or receiving such notice, designation, communication, request, demand or other document shall, by a notice given in accordance with this Section, have communicated to the party giving or sending or delivering such notice, designation, communication, request, demand or other document.

- (c) Any notice, designation, communication, request, demand or other document given or sent or delivered as aforesaid shall:
- (i) if delivered as aforesaid, be deemed to have been given, sent, delivered and received on the date of delivery;
  - (ii) if sent by mail as aforesaid, be deemed to have been given, sent, delivered and received on the fourth Business Day following the date of mailing, unless at any time between the date of mailing and the fourth Business Day thereafter there is a discontinuance or interruption of regular postal service, whether due to strike or lockout or work slowdown, affecting postal service at the point of dispatch or delivery or any intermediate point, in which case the same shall be deemed to have been given, sent, delivered and received in the ordinary course of the mails, allowing for such discontinuance or interruption of regular postal service; and
  - (iii) if sent by facsimile, be deemed to have been given, sent, delivered and received on the date the sender receives the confirmation of transmission.

## 12.2 Counterparts

This Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (“pdf”), shall be equally effective as delivery of a manually executed counterpart hereof. The Parties hereto acknowledge and agree that in any legal proceedings between them respecting or in any way relating to this Agreement, each



waives the right to raise any defence based on the execution hereof in counterparts or the delivery of such executed counterparts by electronic means.

### **12.3 Waiver**

The failure or delay by a Party or the Escrow Agent in enforcing or insisting upon strict performance of any of the provisions of this Agreement shall not be considered to be a waiver of such provision or in any way affect the validity of this Agreement or deprive a such party of the right, at any time or from time to time, to enforce or insist upon strict performance of that provision or any other provision of this Agreement.

### **12.4 Successors and Assigns**

This Agreement shall be binding upon and enure to the benefit of the Parties and the Escrow Agent and their respective successors and assigns. Nothing herein, express or implied, is intended to confer upon any Person, other than the Parties and the Escrow Agent and their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

### **12.5 Amendments**

No modification or amendment to this Agreement may be made unless agreed to by the Parties and the Escrow Agent in writing.

### **12.6 Severability**

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect such determination shall not impair or affect the validity, legality or unenforceability of the remaining provisions hereof, and each provision is hereby declared to be separate, severable and distinct.

### **12.7 Disputes**

In the event of any disagreement regarding the terms of this Agreement, the Escrow Agent shall be entitled, at its option, to refuse to comply with any and all demands pursuant to this Agreement whatsoever until the dispute is settled by agreement amongst the Parties.

### **12.8 Governing Law**

This Agreement shall be governed by the laws of the Province of Quebec and the laws of Canada applicable therein. This Agreement shall not void or modify the choice of law, venue, or other terms of the Purchase Agreements.

## **12.9 Language of the Agreement**

The Parties and the Escrow Agent have specifically requested and agreed that this Agreement be drafted in the English Language. *Les parties et l'agent d'écrou ont spécifiquement demandé que cette entente soit rédigée dans la langue anglaise.*

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first written above.

**The Bloom Lake Iron Ore Mine Limited Partnership, by its general partner Bloom Lake General Partner Limited**

Per: James D. Graham  
**James D. Graham, General Counsel-Secretary**

Per: Paul T. Lujan  
**ASSISTANT SECRETARY**

**Beumer Corporation**

Per: \_\_\_\_\_

Per: \_\_\_\_\_

**BMO Trust Company**

Per: \_\_\_\_\_

Per: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first written above.

**The Bloom Lake Iron Ore Mine Limited Partnership, by its general partner Bloom Lake General Partner Limited**

Per: James D. Graham  
James D. Graham; General Counsel-Secretary

Per: [Signature]  
ASSISTANT SECRETARY

**Beumer Corporation**

Per: [Signature]  
TONY BARR, CHIEF MARKETING OFFICER

Per: [Signature]  
RAYMOND HAZEN, CHIEF OPERATING OFFICER

**BMO Trust Company**

Per: \_\_\_\_\_

Per: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first written above.

**The Bloom Lake Iron Ore Mine Limited Partnership, by its general partner Bloom Lake General Partner Limited**

Per: James D. Graham  
James D. Graham; General Counsel-Secretary

Per: [Signature]  
ASSISTANT SECRETARY

**Beumer Corporation**

Per: \_\_\_\_\_

Per: \_\_\_\_\_

**BMO Trust Company**

Per: [Signature] Joel Carrier, VP Trust & Estate  
Per: [Signature] Michael Murphy, VP Sales

**SCHEDULE A  
ESCROW RELEASE NOTICE**

**To: BMO Trust Company**

**Re: Escrow Agreement among The Bloom Lake Iron Ore Mine Limited Partnership, Beumer Corporation (the "Parties") and BMO Trust Company (the "Escrow Agent") (the "Agreement")**

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[The Parties hereby authorize and direct you forthwith upon receipt of this notice, to release [\$\_\_\_\_\_ ] of the Escrowed Funds.]

**OR**

[the Escrowed Funds, together with any interest earned and paid on such amount to the date of payment being the sum of \$\_\_\_\_\_, [less fees in the sum of \$\_\_\_\_\_ payable to the Escrow Agent]. *[Note to Draft: Include if applicable]* thereon as follows:

*[Note to Draft: insert direction]*

The foregoing direction is irrevocable and shall constitute your good and sufficient authority for making such payments as directed above.

All capitalized terms undefined herein have the meanings given to them in the Agreement.

DATED this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**The Bloom Lake Iron Ore Mine Limited  
Partnership, by its manager Cliffs Quebec  
Iron Mining Limited**

Per: \_\_\_\_\_

Per: \_\_\_\_\_

**Beumer Corporation**

Per: \_\_\_\_\_

Per: \_\_\_\_\_

**SCHEDULE B  
WRITTEN DIRECTION**

**To: BMO Trust Company**

**Re: Escrow Agreement among The Bloom Lake Iron Ore Mine Limited Partnership, Beumer Corporation (the "Parties") and BMO Trust Company (the "Escrow Agent") (the "Agreement")**

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The Parties hereby irrevocably authorize and direct you, in accordance with Section [•] to invest \$\_\_\_\_\_ of the Escrowed Funds, together with any interest earned and paid on such amount to the date of payment being the sum of \$\_\_\_\_\_, less fees in the sum of \$\_\_\_\_\_ payable to the Escrow Agent thereon as follows:

**[Note to Draft: insert investment direction]**

The foregoing direction is irrevocable and shall constitute your good and sufficient authority for making such investments as directed above.

All capitalized terms undefined herein have the meanings given to them in the Agreement.

**DATED** this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**The Bloom Lake Iron Ore Mine Limited Partnership, by its manager Cliffs Quebec Iron Mining Limited**

Per: \_\_\_\_\_

Per: \_\_\_\_\_



**Beumer Corporation**

Per: \_\_\_\_\_

Per: \_\_\_\_\_

**SCHEDULE C**

**ESCROW AGENT FEES**

**Escrow Fees**

Fixed per annum fee calculated as follows: (plus applicable Federal/Provincial taxes)

The parties agree that the compensation which shall be paid to BMO Trust Company for its services performed in the capacity as Escrow Agent:

**Annual Administration Fee**

The Escrow Agent shall receive a fee for its services hereunder, payable by the parties Representative in the amount of \$15,000.00 (plus applicable taxes) for the first year of the Agreement payable on the date hereof and \$10,000 (plus applicable taxes) for each year thereafter payable on each anniversary of the date hereof.

**Out-of-Pocket Expenses**

BMO Trust Company will, in addition to compensation for its services, be reimbursed by the Parties for all legal and accounting fees, costs and disbursements, and all other charges and out-of-pocket expenses including without limitation stock or bond settlement charges and income tax preparation fees incurred in the establishment, management, administration, settlement, distribution, tax reporting and termination of the Agency account, in each case incurred after the date hereof. Wire transfers out from the Escrow account will be subject to the prevailing wire transfer charges applicable at the time of transfer