

BC HYDRO SITE C CLEAN ENERGY PROJECT

GENERATING STATION AND SPILLWAYS CIVIL WORKS CONTRACT

for the Site C Clean Energy Project

Schedule 2

General Conditions

GENERATING STATION AND SPILLWAYS CIVIL WORKS CONTRACT

SCHEDULE 2

GENERAL CONDITIONS

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GENERATING STATION AND SPILLWAYS CIVIL WORKS CONTRACT

SCHEDULE 2

GENERAL CONDITIONS

1 INTERPRETATION

1.1 Definitions

In this Schedule 2 [General Conditions], in addition to the definitions set out in Schedule 1 [Definitions and Interpretation]:

“Administrative Correspondence” has the meaning set out in Section 2.1(a)(ii) of this Schedule 2 [General Conditions];

“Apprentices Policy” has the meaning set out in Section 6.25 of this Schedule 2 [General Conditions];

“BC Hydro Confidential Information” has the meaning set out in Section 20.1 of this Schedule 2 [General Conditions];

“BC Hydro Contractor Standards for Ethical Conduct” means the BC Hydro policy published at <https://www.bchydro.com/content/dam/BCHydro/customer-portal/documents/corporate/accountability-reports/openness-accountability/bch-contract-standards-for-ethical-conduct.pdf>, as it may be amended from time to time;

“BC Hydro Delay” has the meaning set out in Section 12.1 of this Schedule 2 [General Conditions];

“BCH Indemnified Party” or **“BCH Indemnified Parties”** has the meaning set out in Section 23.1 of this Schedule 2 [General Conditions];

“Change in Law” means the coming into effect in Canada, after the date the Contractor submitted its “Financial Submission” under RFP #6374 to BC Hydro and before Total Completion, of:

- (a) any new Law; or
- (b) any modification (including repeal) of any Law existing on the date the Contractor submitted its “Financial Submission” under RFP #6374 to BC Hydro,

that is binding on BC Hydro or the Contractor and directly applicable to the design or the manner of the performance of the Work, but excluding in each such case:

- (c) any lawful requirements of any Governmental Authority (unless resulting from a Change in Law);
- (d) any change in the interpretation of any legislation, other than a judgment of a relevant Court which changes binding precedent in British Columbia; and
- (e) any new Law, or modification arising from or in any way connected to or having substantially the same effect as any Law, which as of the date the Contractor submitted its “Financial Submission” under RFP #6374 to BC Hydro, had been:
 - (i) introduced as a Bill in the Legislative Assembly of British Columbia or the Parliament of Canada or in a draft statutory instrument published or issued by a Governmental Authority; or

- (ii) published in the Canada Gazette or in a draft bill as part of a Governmental Authority discussion or consultation paper;

“Concurrent Delay” has the meaning set out in Section 12.7(c) of this Schedule 2 [General Conditions];

“Confidential Information” means BC Hydro Confidential Information or Contractor Confidential Information, as applicable;

“Consequential Damages” has the meaning set out in Section 24.2 of this Schedule 2 [General Conditions];

“Contract Records” has the meaning set out in Section 2.1(a) of this Schedule 2 [General Conditions];

“Contractor Confidential Information” has the meaning set out in Section 20.2 of this Schedule 2 [General Conditions];

“Contractor Delay” has the meaning set out in Section 12.2 of this Schedule 2 [General Conditions];

“Contractor Indemnified Party” or **“Contractor Indemnified Parties”** has the meaning set out in Section 23.2 of this Schedule 2 [General Conditions];

“Contractor Parties” has the meaning set out in Section 18.2 of this Schedule 2 [General Conditions];

“Contractor Personnel” means individual Contractor Persons, including workers engaged by, or working for, the Contractor, a Subcontractor or any other Contractor Person;

“Contractor’s Daily 72 Hour Confirmation” has the meaning set out in Section 7.6(b) of this Schedule 2 [General Conditions];

“Data Room” has the meaning set out in Section 8.1 of this Schedule 2 [General Conditions];

“Default Costs” has the meaning set out in Section 15.3(c) of this Schedule 2 [General Conditions];

“Delayed Unloading” has the meaning set out in Section 3.15(e) of this Schedule 2 [General Conditions];

“Disclosing Party” means BC Hydro, in the case of BC Hydro Confidential Information, or the Contractor, in the case of Contractor Confidential Information;

“Document” has the meaning set out in Section 2.1(b) of this Schedule 2 [General Conditions];

“Document Number” has the meaning set out in Section 2.1(c) of this Schedule 2 [General Conditions];

“Excusable Delay Event” has the meaning set out in Section 12.7(d) of this Schedule 2 [General Conditions];

“Final Notice of Delivery” has the meaning set out in Section 3.15(c) of this Schedule 2 [General Conditions];

“Foreign Worker” has the meaning set out in Section 6.19(b)(v) of this Schedule 2 [General Conditions];

“Guest” has the meaning set out in Section 7.5 of this Schedule 2 [General Conditions];

“Indemnified Party” has the meaning set out in Section 23.3 of this Schedule 2 [General Conditions];

“Indemnitor” has the meaning set out in Section 23.3 of this Schedule 2 [General Conditions];

“Intellectual Property” means discoveries, research, developments, designs, industrial designs, improvements, innovations, inventions, software, computer programs and code of all types, layouts, interfaces, applications, tools, databases, hardware, methods, concepts, processes, know-how, formulae, mask works, works subject to copyright, and other technologies, works and creations now existing or developed in the future, whether or not registered or registrable, patentable or non-patentable, or confidential or non-confidential;

“Intellectual Property Rights” means any and all intangible, intellectual, proprietary and industrial property rights of any nature and kind whatsoever, whether or not registered or registerable, including: (i) copyrights, moral rights, rights of authorship and attribution, neighbouring rights, and other rights in works of authorship; (ii) patents; (iii) database rights; (iv) rights in respect of industrial designs, integrated circuit topographies, and mask works; (v) rights in respect of trademarks, trade names, service marks, slogans, domain names, URLs or logos; (vi) rights protected by trade secrets and confidentiality obligations; and (vii) all applications and registrations (including renewals, extensions, continuations, divisions, reissues and restorations) relating to any of the rights provided for in subsections (i) to (vi) now or hereafter in force and effect throughout all or any part of the world;

“Issued for Construction Drawings” or **“IFC Drawings”** has the meaning set out in Section 3.18 of this Schedule 2 [General Conditions];

“Key Subcontractor” means the Contractor or the Subcontractor, identified in Appendix 2-5 [Proposal Extracts], as being primarily responsible for the performance of each of the following portions of the Work:

- (a) supply and installation of reinforcing steel (the **“Reinforcing Steel Contractor”**);
- (b) supply of the concrete formwork systems (the **“Formwork System Supplier”**);
- (c) installation and removal of formwork (the **“Formwork Contractor”**);
- (d) erection of structural steel (the **“Steel Erection Contractor”**);
- (e) supply of Penstock steel (the **“Penstock Steel Supplier”**);
- (f) fabrication and installation of Penstocks and Penstock Transitions (the **“Penstock Contractor”**);
- (g) supply of Cementing Material (the **“Cement Supplier”**);
- (h) supply of fly ash (the **“Fly Ash Supplier”**);
- (i) establishment and operation of the Independent Test Lab (the **“Independent Lab Contractor”**);
and
- (j) any other Subcontractor expressly named or identified in the Contract, including Appendix 2-5 [Proposal Extracts], as being primarily responsible for performance of a designated portion of the Work;

“Labour Disruption” has the meaning set out in Section 6.4(b) of this Schedule 2 [General Conditions];

“Notice of Delivery” means a Preliminary Notice of Delivery, Second Notice of Delivery or Final Notice of Delivery, as applicable;

“Notice of Receipt” has the meaning set out in Section 3.15(e) of this Schedule 2 [General Conditions];

“Other Contractor” means a contractor, other than the Contractor or another Contractor Person, engaged directly or indirectly by BC Hydro to perform work at the Site, including within the Contractor’s Work Area. For clarity, an Other Contractor does not include the Independent Environmental Monitor or the Independent Engineer;

“Permitting Plan” has the meaning set out in Section 4.2(b) of this Schedule 2 [General Conditions];

“Preliminary Notice of Delivery” has the meaning set out in Section 3.15(a) of this Schedule 2 [General Conditions];

“Project Delay” has the meaning set out in Section 12.4 of this Schedule 2 [General Conditions];

“Project Related Permits” has the meaning set out in Section 4.1 of this Schedule 2 [General Conditions];

“Reference Documents” has the meaning set out in Section 8.1 of this Schedule 2 [General Conditions];

“Second Notice of Delivery” has the meaning set out in Section 3.15(b) of this Schedule 2 [General Conditions];

“Security Plan” has the meaning set out in Section 19.4 of this Schedule 2 [General Conditions];

“Site C Contractor Drug and Alcohol Policy Requirements” means the Site C Contractor Drug and Alcohol Policy Requirements established by BC Hydro, a copy of which is available in the Data Room (Data Room ID# 1016.Z.06.001.PMO.00027.SAFE), as it may be amended from time to time;

“Site C Document Control” has the meaning set out in Section 2.1 of this Schedule 2 [General Conditions];

“Site C Project Site Wide Absolute Requirements: Worker Behaviour” or **“Site Absolutes”** means the document entitled “Site C Project Site Wide Absolute Requirements: Worker Behaviour”, a copy of which is available in the Data Room (Data Room ID# 1016.Z.06.001.CMO.00033.SAFE), as it may be amended from time to time;

“Subcontractor” has the meaning set out in Section 3.12 of this Schedule 2 [General Conditions];

“Transmittal” has the meaning set out in Section 2.1(d) of this Schedule 2 [General Conditions];

“Warranty Period” has the meaning set out in Section 25.3 of this Schedule 2 [General Conditions];

“Weather Conditions” has the meaning set out in Section 12.12 of this Schedule 2 [General Conditions];

“Worker Accommodation Area” has the meaning set out in Section 7.1 of this Schedule 2 [General Conditions];

“Worker Accommodation Facility” has the meaning set out in Section 7.1 of this Schedule 2 [General Conditions]; and

“Worker Accommodation Operator” has the meaning set out in Section 7.1 of this Schedule 2 [General Conditions].

2 CONTRACT ADMINISTRATION

2.1 Site C Document Control

BC Hydro has established an electronic system ("**Site C Document Control**") which it intends to use for the exchange of all Project records, and the following will apply:

(a) subject to Section 5 of the Agreement, the parties will deliver all documentation, information and data of any kind whatsoever that one party delivers to the other party under this Contract (collectively, the "**Contract Records**"), including all:

- (i) Submittals; and
- (ii) communications, including notices, general requests for information, copies of invoices, meeting minutes, general correspondence, letters and memos (collectively, "**Administrative Correspondence**"),

by way of the Site C Document Control, in accordance with Appendix 2-8 [SharePoint Technical Requirements for Contractors], unless the Contract Record is a physical object or is required to be submitted in hard copy format, in which case:

- (iii) the Contract Record will be delivered to the receiving party's Representative at the applicable address for notice in Section 4 of the Agreement; and
 - (iv) the associated Transmittal will be delivered to the receiving party's Representative by way of the Site C Document Control, in accordance with Appendix 2-8 [SharePoint Technical Requirements for Contractors];
- (b) a Contract Record may consist of one or more electronic or hard copy files (each, a "**Document**");
- (c) BC Hydro will assign a unique number (each a "**Document Number**") to each Document that is part of a Contract Record, as follows:
- (i) for a Document that is part of a Submittal that is set out in the Submittal Schedule, BC Hydro will assign a Document Number to that Document after the submission of the Submittal Schedule;
 - (ii) for a Document that is not assigned a Document Number pursuant to Section 2.1(c)(i) of this Schedule 2 [General Conditions]:
 - (A) the Contractor may, prior to delivering the Contract Record containing that Document in accordance with Section 2.1(a) of this Schedule 2 [General Conditions], request a Document Number for that Document; or
 - (B) the Contractor may submit the Contract Record containing that Document in accordance with Section 2.1(a) of this Schedule 2 [General Conditions], after which BC Hydro will assign a Document Number to that Document; and
- (d) a party that delivers a Contract Record in accordance with Section 2.1(a) of this Schedule 2 [General Conditions] will deliver with that Contract Record a cover sheet containing a summary of the Documents included in the Contract Record and, in the case of a Submittal, the other information set out in Section 2.3(f) of Schedule 5 [Submittals Procedure] (a "**Transmittal**").

2.2 Delivery of Electronic Communications

For the purposes of the delivery of a Contract Record electronically under Section 2.1 of this Schedule 2 [General Conditions], unless otherwise agreed in writing between Hydro's Representative and the Contractor's Representative, a Contract Record delivered by way of the Site C Document Control, is deemed to have been delivered when it:

- (a) enters the Site C Document Control information processing system; and
- (b) is in a form capable of being processed by that system,

provided that any Contract Record delivered under this Contract after 4:00 pm Vancouver time, will be deemed to have been delivered on the next Business Day.

A Contract Record delivered by way of the Site C Document Control is deemed to be delivered under this Section 2.2 even if no individual with the recipient is aware of its delivery.

2.3 Physical Delivery of Contract Records

For the purposes of the physical delivery of a Contract Record under Section 2.1 of this Schedule 2 [General Conditions], unless otherwise agreed in writing between Hydro's Representative and the Contractor's Representative, the Contract Record will be considered to have been delivered when it is delivered by registered mail or by hand to the address of the applicable party set out in Section 4 of the Agreement, provided that a Contract Record that is physically delivered under the Contract after 4:00 pm Vancouver time, will be deemed to have been delivered on the next Business Day.

3 EXECUTION OF THE WORK

3.1 Control of Work

Except as expressly set out otherwise in the Contract, including Section 3.18 of this Schedule 2 [General Conditions], the Contractor will:

- (a) have complete control of the Work and will effectively direct and supervise the Work so that it conforms to the Contract; and
- (b) be solely responsible for construction means, methods, techniques, sequences and procedures and for coordinating the various parts of the Work.

3.2 Standard of Work

The Contractor will perform the Work in accordance with:

- (a) the Contract;
- (b) Laws and Permits; and
- (c) Good Industry Practice.

If more than one standard, including building codes, requirements of an authority having jurisdiction, work practices and procedures, and specifications, applies to the performance of the Work, then the strictest of such will apply.

3.3 Equivalents

The Contractor may, at any time, request that Hydro's Representative accept an Equivalent by submitting details of the proposed Equivalent, together with such supporting documentation and information as Hydro's Representative may require, for Consent. Acceptance of an Equivalent may in the discretion of Hydro's Representative be withheld.

3.4 Documents at Site

BC Hydro will provide the Contractor, without charge, one copy of the Contract. The Contractor will, at all times, keep and maintain one copy of a complete set of the current Contract, including all Issued for Construction Drawings, Accepted shop drawings, revised or supplementary Drawings or Specifications and other design details that have been issued by Hydro's Representative or, as applicable, by the Contractor, at the Site and at all other locations where the Work or components of the Work are being performed, fabricated or manufactured, in good order and available for review by Hydro's Representative.

3.5 Monuments and Controls

The Contractor will protect and preserve all survey monuments and control points, if any, installed by or on behalf of BC Hydro at the Site, and will, at no extra cost or expense to BC Hydro, replace or re-establish any such monument or control point as may be destroyed or disturbed by any Contractor Person. The provisions of this Section will not apply to such survey monuments and control points, if any, that are located in direct conflict with the permanent Work, or are located in areas where, because of the performance of the Work, they cannot reasonably be replaced or re-established.

3.6 Work by Other Contractors or BC Hydro

BC Hydro reserves the right to engage Other Contractors and to use BC Hydro's own forces to perform work at the Site during the time for the performance of the Work, including within the Contractor's Work Area. With respect to any work performed, or to be performed, at the Site by Other Contractors or BC Hydro's own forces:

- (a) the Contractor will coordinate the performance of the Work with the work of Other Contractors and BC Hydro's own forces, and perform the Work to connect to such other work as specified or shown in the Contract. If such coordination and connection directly interferes with the Contractor's performance of the Work and causes the Contractor to incur costs or delays or both that could not have been reasonably anticipated by the Contractor as of the date the Contractor submitted its "Financial Submission" under RFP #6374 to BC Hydro, then the Contractor will be entitled to claim a Change pursuant to the provisions of Section 4.1 of Schedule 12 [Changes], except that the Contractor's notice obligation under Section 4.1 of Schedule 12 [Changes] will be to submit a Change Report to Hydro's Representative promptly upon the Contractor becoming aware of such circumstances, or, in any event, promptly after the date when the Contractor should reasonably have become aware of such circumstances; and
- (b) if the Contractor discovers any defects or deficiencies in, or damage to, the work of an Other Contractor or BC Hydro's own forces that may affect the performance of the Work, then the Contractor will immediately, and before proceeding with such affected Work, report such defects, deficiencies or damage to Hydro's Representative and then confirm such report in writing if the initial report was not in writing.

BC Hydro has or will include in any major contract entered into after December 2015, in respect of the construction of the Project, a provision on substantially the same terms and conditions as this Section 3.6.

3.7 Temporary Structures Designed by the Contractor

The Contractor will have the sole responsibility for the design, erection, operation, use, maintenance and removal of temporary supports, structures, facilities, services and other temporary items required by the Contractor for the performance of the Work. Such temporary items will not include items that will become part of the permanent Work. The Contractor will, as part of the performance of the Work, engage and pay for Professional Engineers skilled and knowledgeable in the appropriate disciplines to provide professional engineering certification with respect to such temporary supports, structures, facilities, services and other temporary items where required by Law or by the Contract and, in any event, in all cases where such temporary supports, structures, facilities, services and other temporary items are of such a nature, including with respect to their method of construction, that safety or Good Industry Practice requires the skill and knowledge of a registered and qualified Professional Engineer.

3.8 Errors in Contract Documents

The Contractor will review the Contract and promptly report to Hydro's Representative any discovered error, inconsistency or omission. If the Contractor discovers any error, inconsistency or omission in the Contract, then the Contractor will not proceed with the performance of the Work affected by such error, inconsistency or omission without first receiving directions or clarifications from Hydro's Representative. If the Contractor proceeds with such affected Work after becoming aware of an error, inconsistency or omission, or, in any event, after the time when a qualified and experienced contractor should reasonably have become aware of the error, inconsistency or omission, without first receiving directions or clarifications from Hydro's Representative, then the Contractor will, at no extra cost or expense to BC Hydro, remove, replace or make good any such Work.

Where a direction or clarification provided by Hydro's Representative pursuant to this Section 3.8 constitutes a Change, the Contractor will be entitled to claim a Change pursuant to the provisions of Section 4.1 of Schedule 12 [Changes], except that the Contractor's notice obligation under Section 4.1 of Schedule 12 [Changes] will be to submit a Change Report to Hydro's Representative promptly following receipt of the applicable direction or clarification.

Subject to the above provisions of this Section 3.8, in conducting the review of the Contract, the Contractor will not be responsible or liable to BC Hydro to discover all errors, inconsistencies or omissions.

3.9 Quality Assurance and Quality Control

The Contractor will be responsible for Quality Assurance and Quality Control for the performance of the Work as described in Schedule 6 [Specifications and Drawings] and Schedule 8 [Quality Management], provided that compliance with the requirements in Schedule 6 [Specifications and Drawings] and Schedule 8 [Quality Management] will not relieve the Contractor of any of its duties, obligations or responsibilities under the Contract to perform the Work in accordance with all other requirements of the Contract.

3.10 Work Program and Schedule

The Contractor will comply with Schedule 4 [Work Program and Schedule].

3.11 Supervision

Without limiting any of the Contractor's other obligations, the Contractor will provide all necessary supervision on the Site and appoint a competent representative(s) with authority to supervise the performance of the Work, who will be in attendance on the Site at all times while Work is being performed. Such representative(s) may be the same as the Contractor's Representative.

3.12 Subcontractors

The following will apply with respect to all subcontractors (including Key Subcontractors), consultants, suppliers, manufacturers and vendors engaged by or through the Contractor to perform a portion of the Work (each, a “**Subcontractor**” and the term “Subcontractor” will be deemed to include all further subcontractors, consultants, suppliers, manufacturers and vendors engaged below a Subcontractor):

- (a) unless the Contract identifies a specific Subcontractor, the Contractor will not directly or indirectly engage or permit the engagement of a Subcontractor to perform:
 - (i) a significant or material amount of the Work, where the value of such subcontracted Work is \$50,000,000.00, or greater; or
 - (ii) components of the Work which for reasons such as safety, environmental impact or schedule control, Hydro’s Representative determines require specific expertise or experience,

without the prior written consent of Hydro’s Representative, which consent will not be unreasonably withheld;
- (b) the Contractor will:
 - (i) ensure that each Key Subcontractor will be available to perform the portion of the Work for which that Key Subcontractor has primary responsibility;
 - (ii) ensure that each Key Subcontractor will give the performance of the portion of the Work for which that Key Subcontractor has primary responsibility sufficient priority over other work to ensure performance of that portion of the Work in compliance with the Contract; and
 - (iii) not change any Key Subcontractor without the prior written consent of Hydro’s Representative, which consent may in the discretion of Hydro’s Representative be withheld;
- (c) notwithstanding any acceptance or consent given by Hydro’s Representative to the engagement of a Subcontractor, or other Contractor Person, including any acceptance given under the Consent procedure or Review procedure in Schedule 5 [Submittals Procedure], if any event occurs or circumstance arises in relation to a Subcontractor that would, if it occurred or arose with respect to the Contractor, entitle BC Hydro to terminate the Contract pursuant to the Contract, then Hydro’s Representative may, by written notice to the Contractor’s Representative, require the Contractor to discharge or cause to be discharged the Subcontractor and to cancel and terminate or cause to be cancelled and terminated the applicable agreement with the Subcontractor, all without liability to BC Hydro;
- (d) notwithstanding any other provision in the Contract, and in addition to BC Hydro’s rights described in Section 3.12(c) of this Schedule 2 [General Conditions], Hydro’s Representative may, by written notice to the Contractor’s Representative, object to any Subcontractor engaged to perform a portion of the Work for any reason. Upon receipt of any such notice, the Contractor will immediately cause such Subcontractor to be removed from the Site, if applicable, and the Project and promptly be replaced by a Subcontractor with suitable qualifications and experience. If Hydro’s Representative exercises its authority under this Section 3.12(d), the Contractor will be entitled to claim a Change pursuant to the provisions of Section 4.1 of Schedule 12 [Changes], except that the Contractor’s notice obligation under Section 4.1 of Schedule 12 [Changes] will be to submit a Change Report to Hydro’s Representative promptly upon the Contractor becoming

aware of the identity of the replacement Subcontractor. Notwithstanding any other provision in this Section 3.12, the Contractor will retain all authority and control over its Subcontractors;

(e) the Contractor will:

- (i) require all Subcontractors to perform their work in accordance with the Contract; and
- (ii) be fully responsible for the acts, omissions, errors and defaults of all Contractor Persons as if such acts, omissions, errors and defaults were those of the Contractor, and neither the engagement of a Contractor Person, by the Contractor nor the acceptance, approval, consent or rejection by Hydro's Representative of or to a Contractor Person, will in any way reduce or amend or otherwise alter the Contractor's responsibility for the performance of the Work as set out in the Contract; and

(f) nothing in the Contract will be construed as creating any contractual relationship between BC Hydro and any Subcontractor or any other Persons engaged by or through a Subcontractor.

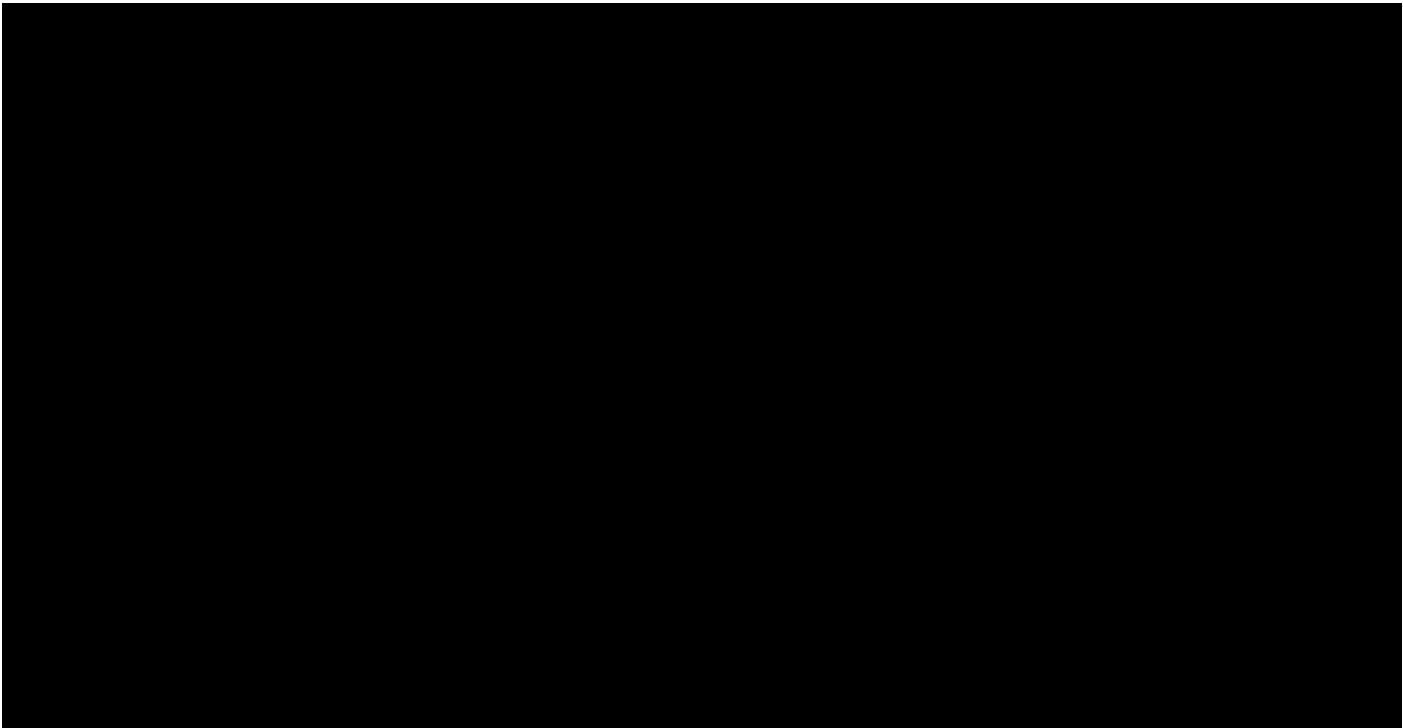
3.13 Key Individuals

The Contractor will comply with the requirements of Schedule 3 [Roles and Representatives].

3.14 Products and Materials

Except as expressly set out otherwise in the Contract, the Contractor will only provide products and materials that are new. If the Contract does not specify or describe the quality of a product or materials required for the Work, then the product or materials will be of a quality equivalent to the quality of the adjacent or connecting portions of the Work.

3.15 BC Hydro Property



- (g) Hydro's Representative will, within seven days of receiving the Notice of Receipt, provide the Contractor with a schedule of values showing the replacement value of the applicable BC Hydro Property.
- (h) The Contractor will have responsibility for proper storage of all BC Hydro Property, but BC Hydro will retain ownership of all BC Hydro Property.
- (i) The Contractor will, at all times, maintain, and make available to Hydro's Representative upon request, a current inventory of all BC Hydro Property and a description and the location of all BC Hydro Property, in sufficient detail to permit Hydro's Representative to readily identify and verify the location and condition of all BC Hydro Property.
- (j) The Contractor will use BC Hydro Property only for the purposes expressly set out in the Contract or for the purposes such BC Hydro Property is typically used.

3.16 Audits, Tests and Inspections

Hydro's Representative and Hydro's Representative's delegates will have: (i) access to all Work on the Site at all times; and (ii) access to all Work being performed at a location other than the Site at all reasonable times, in each case for the purpose of auditing, testing and inspecting the Work so as to remain familiar with the progress and quality of all aspects of the Work, and to be able to determine that the Work is proceeding in conformance with the requirements of the Contract. With respect to all such audits, tests and inspections:

- (a) the Contractor will incorporate or cause to be incorporated all such auditing, testing and inspection rights in all applicable agreements with Subcontractors, and will take all necessary steps to facilitate such auditing, testing and inspection, including maintaining easy access within the Contractor's Work Area;
- (b) Hydro's Representative will conduct, in a timely manner, any audits, tests or inspections of the Work, equipment and materials that the Contract requires Hydro's Representative to conduct;
- (c) if audits, tests or inspections of the Work, equipment or materials are required by the Contract to be conducted by Hydro's Representative or are required by Law to be conducted by a Governmental Authority, the Contractor will, in accordance with the then current Work Program and Schedule but, in any event, with no less than 14 days' notice, notify Hydro's Representative and the relevant Governmental Authority in writing of the date on and the place at which any such audits, tests or inspections can be conducted;

- (d) Hydro's Representative will be entitled to observe all quality audits, tests and inspections, and results and data pertaining to the Work, including factory or other tests performed at a location other than the Site, and the Contractor will give written notice to Hydro's Representative of such audits, tests and inspections, and results and data, in accordance with the applicable provisions of the Contract, including Section 5.3 of Schedule 8 [Quality Management];
- (e) the Contractor will submit to Hydro's Representative copies of all certificates, inspection reports, test reports and Quality Documentation (all in a format agreed by Hydro's Representative in writing) relating to the Work, promptly after receiving or preparing such certificates, reports and Quality Documentation;
- (f) Hydro's Representative has the authority to order audits, tests and inspections of the Work, equipment and materials not required or contemplated by the Contract, or at Law, if Hydro's Representative believes, acting reasonably, that any aspect of the Work does not conform to the requirements of the Contract;
- (g) Hydro's Representative has the authority to reject any Work that does not conform to the requirements of the Contract, and the Contractor will, at no extra cost or expense to BC Hydro, correct such non-compliant Work, subject to the Contractor's rights to dispute under Schedule 14 [Dispute Resolution Procedure];
- (h) Hydro's Representative has the authority to stop Work where such Work is not being performed in accordance with the Contract, or where there is a threat, whether or not imminent, to the safety of anyone or anything at the affected area or to the environment;
- (i) Hydro's Representative's authority to order audits, tests and inspections, or to reject or otherwise review the Work, will be for the benefit of BC Hydro, and such authority will not give rise to any duty or responsibility on Hydro's Representative or BC Hydro to any Contractor Persons performing any of the Work, to order audits, tests or inspections, or to reject or otherwise review the Work;
- (j) the Contractor will pay for the cost of making any audit, test or inspection, including the cost of samples, if the audit, test or inspection is required under the Contract to be performed by the Contractor (including under Section 3.16(f) of this Schedule 2 [General Conditions]) or is required by Law, except in circumstances where the audit, test or inspection has been ordered by Hydro's Representative under Section 3.16(f) of this Schedule 2 [General Conditions] and the results of such audit, test or inspection confirm that the Work is compliant with the requirements of the Contract, in which case:
 - (i) BC Hydro will pay the Direct Costs of the audit, test or inspection, and the Direct Costs to repair and/or re-instate any portion of the Work damaged or made unusable as a direct result of the audit, test or inspection; and
 - (ii) any delay in the completion of the Work resulting directly from such audit, test or inspection, including repairing and/or re-instating any portion of the Work damaged or made unusable as a direct result of the audit, test or inspection, will constitute a BC Hydro Delay, and the provisions of Section 12.1 of this Schedule 2 [General Conditions] will apply; and
- (k) if the Contractor covers or permits to be covered Work that has been designated in the Contract or by Law for audits, tests, inspections or approvals, before such audits, tests, inspections or approvals are made, given or completed, then Hydro's Representative may direct the Contractor to uncover such Work, as required, so that such audits, tests, inspections or approvals may be completed or given to the satisfaction of Hydro's Representative, acting reasonably. The

Contractor will, at no extra cost or expense to BC Hydro, uncover and make good such Work and any other removed or damaged property.

The Contractor will perform or cause to be performed all audits, tests and inspections as are called for or required under the Contract, including any audits, tests and inspections required by Law or ordered by Hydro's Representative, for the performance of the Work. The audits, tests and inspections required by the Contract or by Law or by Hydro's Representative are for BC Hydro's benefit and acceptable audit, test and inspection results will not constitute approval or acceptance of any Work, be considered a waiver by BC Hydro of any of the terms of the Contract or relieve the Contractor of any of its duties, obligations or responsibilities under the Contract to perform the Work and to correct defects, deficiencies and other Nonconformities in the Work, all in accordance with the requirements of the Contract.

3.17 Submittals

Submittals will be provided in accordance with Schedule 5 [Submittals Procedure].

3.18 Issued for Construction Drawings

Without limiting the Contractor's obligations under Schedule 5 [Submittals Procedure], to permit BC Hydro the opportunity to review all Submittals, the Contractor will perform Work which will form part of the permanent construction in accordance with the Drawings stamped "Issued for Construction" by the party (the Contractor, BC Hydro or a third party) primarily responsible for the design of such Work ("**Issued for Construction Drawings**" or "**IFC Drawings**").

If the Contractor proceeds with Work prior to receiving Issued for Construction Drawings for such Work and such construction and related Work is covered, then Hydro's Representative may direct the Contractor to uncover and make good such construction and related Work at no extra cost or expense to BC Hydro and the provisions of Section 3.16(k) of this Schedule 2 [General Conditions] will apply.

3.19 Data Room

BC Hydro may from time to time through the Data Room provide the Contractor with information relevant to the Project and the Work generally, which information: (i) will not be a Contract Record; and (ii) is subject to the terms of Section 8 of this Schedule 2 [General Conditions]. The Contractor will, as part of the Work, throughout the currency of the Contract, monitor the Data Room and be aware of such information.

3.20 Site Availability

Except as provided otherwise in the Contract, the Site will be available for the performance of the Work every day of the year (24 hours per day), including statutory holidays.

3.21 Meetings

Hydro's Representative may require the Contractor to prepare for and attend:

- (a) regular status and progress meetings to plan, review and evaluate the progress of the Work and other items relevant to the Work and the Site, and in respect of such meetings:
 - (i) the Contractor will submit to Hydro's Representative a schedule for such meetings; and
 - (ii) the Contractor will, if requested by Hydro's Representative, require any other Contractor Person to attend any such meeting;

- (b) monthly review meetings to review the most recent Monthly Progress Report submitted in accordance with Section 2.9 of Schedule 4 [Work Program and Schedule], and any other business that Hydro's Representative may consider appropriate; and
- (c) other meetings as may be required for the Work or under the Contract, or as Hydro's Representative may consider necessary, to discuss any aspect of the Work, including technical, interface management, health, safety, environmental, design, quality, verification, certification, documentation, engineering data, cost, accounting, scheduling, construction, progress and other issues, and except as may be expressly provided otherwise in the Contract, the Contractor will ensure that sufficient and appropriate qualified personnel are available to attend such meetings.

3.22 Agenda for Meeting

Except in the event of an emergency, Hydro's Representative will issue an agenda setting out the items for discussion at a meeting no later than two Business Days prior to a meeting, unless Hydro's Representative has required the Contractor to prepare and submit an agenda for that meeting, in which case the Contractor will submit the agenda to Hydro's Representative no later than two Business Days prior to that meeting. Except in an emergency, or with the consent of both parties' Representatives, the parties will not discuss during a meeting any topic that is not covered or related to the items set out in the agenda for that meeting.

Each party will be responsible for issuing any information relating to the agenda items for each meeting, including reports, reproducible documentation and forward planning information, prior to the meeting so as to allow adequate preparatory study and evaluation of such information. If the parties agree that such information requires more than two Business Days for adequate preparatory study and evaluation, discussion of the agenda item to which that information relates will be deferred to a subsequent meeting unless the parties otherwise agree or Hydro's Representative considers it appropriate to discuss that agenda item.

3.23 Meeting Minutes

Unless Hydro's Representative instructs the Contractor to do so, Hydro's Representative will record minutes of all meetings between BC Hydro and the Contractor, which minutes will be brief and will indicate:

- (a) with whom the responsibility for a particular action lies;
- (b) the date the action was assigned;
- (c) the date required for completion of the action; and
- (d) the status and results of actions assigned in previous meetings and the actual date of completion of those actions, and

will append:

- (e) any information relating to the agenda items for that meeting, including reports, reproducible documentation and forward planning information; and
- (f) any other information tabled at that meeting.

At the end of each meeting, representatives from each party in attendance at the meeting will review the minutes of that meeting and use commercially reasonable efforts to reach agreement on such minutes.

The party that prepared the minutes will, not later than three days following each meeting, distribute finalized minutes of the meeting to all attendees of that meeting and to such other persons as Hydro's Representative may designate.

3.24 Not Used

3.25 BC Hydro Contractor Standards for Ethical Conduct

The Contractor will comply with the BC Hydro Contractor Standards for Ethical Conduct. If a new version of the BC Hydro Contractor Standards for Ethical Conduct is published after the Effective Date, BC Hydro will notify the Contractor in writing and the Contractor will have 30 days from the date of such notice to comply with such requirements, which will be a Change to which the provisions of Schedule 12 [Changes] will apply.

For the avoidance of doubt, ordinary commercial and business contact with third parties will not be perceived as a violation of the requirements of the BC Hydro Contractor Standards for Ethical Conduct.

3.26 Aboriginal Participation and Reporting Requirements

The Contractor will, during the performance of its obligations under the Contract, comply with the terms and conditions set out in Schedule 16 [Aboriginal Participation and Reporting Requirements].

3.27 Upstream Generating Facilities

The Contractor acknowledges that BC Hydro's upstream generating facilities will continue to be in operation during the Work and the operational requirements of these facilities take precedence over the Work. Hydro's Representative may provide notice to the Contractor with respect to a Work stoppage in order to give precedence to such facilities.

Any Work stoppage directed by Hydro's Representative under this Section 3.27 will be a Change to which the provisions of Schedule 12 [Changes] will apply.

3.28 Not Used

4 PERMITS

4.1 Project Related Permits

BC Hydro has obtained, or will obtain, the Permits listed in Appendix 2-3 [Project Related Permits] (the "**Project Related Permits**"). Except as expressly set out otherwise in Appendix 2-3 [Project Related Permits], BC Hydro will maintain and renew, at BC Hydro's cost, the Project Related Permits as required for the performance of the Work.

The Contractor will, as part of the Work, provide all assistance reasonably requested by BC Hydro to obtain, maintain and renew Project Related Permits as required for the performance of the Work. Such assistance will be provided at no extra cost or expense to BC Hydro.

In general, the time and difficulty of obtaining changes to Project Related Permits is prohibitive to seeking such changes. However, if the Contractor wishes to request that BC Hydro seek changes to Project Related Permits, such will be at the Contractor's sole risk and cost, including all risk of delay or impact to the time for performance of the Work, unless it would be impossible for the Contractor to perform the Work in accordance with the Contract without the requested changes to the Project Related Permits, in which case such changes will be a Change to which the provisions of Schedule 12 [Changes] will apply. BC Hydro may refuse any request by the Contractor to seek changes to the Project Related Permits in its discretion.

Where BC Hydro agrees to seek changes to the Project Related Permits on behalf of the Contractor, the Contractor will pay to BC Hydro all third party costs incurred by BC Hydro, whether it is successful in obtaining the requested changes or not, unless the requested changes constitute a Change in accordance with the immediately preceding paragraph of this Section 4.1.

4.2 Contractor's Permits and Permitting Plan

The Contractor will, as part of the Work, obtain, maintain and renew all Permits, other than the Project Related Permits, required for the performance of the Work, and the following will apply:

- (a) except as expressly agreed to in writing by Hydro's Representative and except in respect of any Permits required to be issued in the name of the Contractor by the issuing authority, all Permits obtained by the Contractor will be in the name of BC Hydro and the applications will be submitted by BC Hydro to the issuing authority only after the application materials have been prepared and submitted to BC Hydro by the Contractor and returned by BC Hydro to the Contractor endorsed "Accepted"; and
- (b) the Contractor will, within 90 days of the Effective Date, submit a permitting plan (the "**Permitting Plan**") for Consent that will, at a minimum:
 - (i) list all Permits, other than Project Related Permits, the Contractor will require for the complete performance of the Work;
 - (ii) list the applicable statute or regulation and the issuing agency for each Permit;
 - (iii) describe the process and indicate the timing of the application and the anticipated date of issuance for each Permit;
 - (iv) describe any support or information required from BC Hydro or third parties for those applications;
 - (v) indicate the time for Review as described in Section 4.3 of this Schedule 2 [General Conditions] relating to each Permit; and
 - (vi) update the Permitting Plan from time-to-time, and no less frequently than quarterly, so that it remains current and descriptive of the Contractor's plans relating to all Permits to be obtained and maintained by the Contractor.

For certainty, the Contractor will be solely responsible for all risks and costs of obtaining, maintaining and renewing all Permits, other than the Project Related Permits.

4.3 BC Hydro's Review

Except as expressly agreed to in writing by Hydro's Representative, all Permit applications prepared by the Contractor in relation to Permits in the name of BC Hydro will be submitted to Hydro's Representative for Review prior to being submitted by BC Hydro to the issuing authority, including applications for Permits to be issued:

- (a) under the *Water Sustainability Act* (British Columbia);
- (b) by the British Columbia Ministry of Forests, Lands and Natural Resource Operations;
- (c) under the *Fisheries Act* (Canada); and

(d) under the *Navigation Protection Act* (Canada).

BC Hydro will not submit any Permit applications prepared by the Contractor to an issuing authority unless such Permit application has first been submitted to BC Hydro and been returned to the Contractor endorsed "Accepted".

4.4 No Municipal Building Permits

No municipal or local government building permits will be required with respect to any structures to be constructed on lands in which BC Hydro has a fee simple, leasehold or other interest. Any structure that is not on such lands constructed by the Contractor will be subject to local government regulation.

4.5 Leave to Commence – Water Sustainability Act Requirements

The Contractor will, as part of the Work, cooperate with Hydro's Representative and do all things reasonably necessary to assist BC Hydro to obtain the approvals required from a Governmental Authority under the *Water Sustainability Act* (British Columbia), including without limitation complying with the requirements in Appendix 2-7 [Leave to Commence] so as to avoid any delays to the performance of the Work.

The Contractor will work with Hydro's Representative to develop a plan for obtaining such approvals in accordance with the *Water Sustainability Act* (British Columbia) and Appendix 2-7 [Leave to Commence] and will include those details in the Permitting Plan submitted under Section 4.2 of this Schedule 2 [General Conditions].

5 SITE ACCESS, CONDITIONS AND SERVICES

5.1 Site Conditions

The Contractor is deemed to have examined the Data Room, the Site and the local conditions related to the performance of the Work to be performed at the Site and to be knowledgeable of the Site, including the Work Site and Contractor's Work Area, and of all such conditions as would be apparent to a qualified and experienced contractor upon review of the Contract and inspection of the Site, including, as applicable, geotechnical and subsurface conditions, utilities, drainage, access, local weather, availability of labour, equipment and materials and any other relevant matters. Except as provided by the immediately following paragraph, the Contractor will not be entitled to, nor will the Contractor make any claim for, an adjustment to the Contract Price or the time for the performance of the Work on the basis that the actual Site or actual local conditions related to the performance of the Work are different than anticipated by the Contractor.

Subject to the express provisions in the Contract, to the extent the actual Site or actual local conditions, or both, related to the performance of the Work differ from what would have been apparent to a qualified and experienced contractor upon review of the Contract and inspection of the Site as of the date the Contractor submitted its "Financial Submission" under RFP #6374 to BC Hydro, the Contractor will be entitled to claim a Change pursuant to the provisions of Section 4.1 of Schedule 12 [Changes], except that the Contractor's notice obligation under Section 4.1 of Schedule 12 [Changes] will be to give written notice to Hydro's Representative of:

- (a) the difference, within one day after the Contractor becomes aware, or should reasonably have become aware, of the difference, and in any event prior to further disturbing the applicable conditions;
- (b) any impact on the Contract Price or the time for the performance of the Work, promptly after the Contractor becomes able to provide a reasonable estimate of such; and

- (c) any supplemental information, promptly after the Contractor receives, creates or becomes aware of such,

with “promptly” being interpreted to mean, as soon as reasonably practicable after the earlier of the date of actual knowledge and the date that the Contractor should reasonably have obtained such knowledge.

5.2 Site Access, Conditions and Services

The Contractor will perform the Work taking account of and complying with the requirements of Appendix 2-4 [Site Access, Conditions and Services].

BC Hydro anticipates that a condition of access to the Site for any person will be the possession of a valid access card issued by an entity designated by BC Hydro. Applications for an access card will be in accordance with the process as established by BC Hydro, and BC Hydro will issue an access card within 72 hours of receipt of a complete application. The Contractor will require all workers to carry a valid access card in a visible location at all times while at the Site.

5.3 Interface Management

The Contractor will manage external interfaces with Other Contractors, BC Hydro and other entities associated with the Work and accordingly the Contractor will:

- (a) have primary responsibility for managing the interfaces and coordinating the Contractor’s performance of the Work with BC Hydro and third parties as required to effectively perform the Work;
- (b) identify interfaces early in the performance of the Work;
- (c) define the interface information needed for the Work, and cooperate with other interfacing entities (including originating and responding organizations) to identify and agree on roles, responsibilities and timing for providing agreed upon information or actions; and
- (d) with respect to interfaces, communicate in a clear, accurate, timely and consistent manner so that the Contractor and the other entities can complete the interface efficiently and without delay.

5.4 Interface Management Plan

The Contractor will:

- (a) within 180 days of the Effective Date, submit to Hydro’s Representative for Review, an interface management plan that:
 - (i) covers all Interfaces related to the Work, including the Interfaces described in Appendix 4-1 [BC Hydro Project Schedule] and describes the key activities associated with each Interface;
 - (ii) demonstrates how the Contractor will achieve each of the requirements set out in Appendix 4-1 [BC Hydro Project Schedule] on or before the applicable Interface Milestone Date; and
 - (iii) describes how the Contractor will coordinate with BC Hydro and Other Contractors in order to complete the Interfaces and the methodology to be employed to meet the Interface Milestone Dates.

- (b) include the key activities of all Interfaces in the Contractor's Work Program and Schedule;
- (c) schedule and participate in interface coordination meetings with Hydro's Representative and Other Contractors as required to properly manage interfaces. The Contractor will cause its Subcontractors to attend, and participate in, such interface coordination meetings upon the request of Hydro's Representative; and
- (d) include an update of the status of all Interfaces in each Monthly Progress Report.

6 LABOUR WORKFORCE

6.1 Inclusive Labour Approach

BC Hydro has implemented an approach for the Project that allows for participation from all labour groups and contractors regardless of union affiliation or union status.

6.2 Skilled Workers

The Contractor will employ or engage, and cause all Subcontractors to employ or engage, a sufficient number of skilled and qualified workers to perform the Work in accordance with the Contract, and in accordance and compliance with all applicable Law.

6.3 Cost of Recruiting Labour

The Contractor and its Subcontractors will be responsible for all costs of recruiting and retaining skilled and qualified labour.

6.4 Appropriate Agreements and Waivers

If the Contractor or another Contractor Person is or becomes a party to a collective agreement that is applicable to the Work at the Site with a union then the Contractor or other Contractor Person, as applicable, will have agreements with such union(s), and the Contractor will provide BC Hydro with a copy of such agreement(s), with respect to the performance of the Work as required to give effect to the following terms:

- (a) any collective agreement between the Contractor or another Contractor Person and a union representing workers performing any Work at the Site will be for a term that is equal to or longer than the currency of this Contract;
- (b) if strikes, lockouts, slowdowns or any other interference or interruption to the performance of labour productivity, including but not limited to work-to-rule action (each, a "**Labour Disruption**") occurs in the construction sector in British Columbia during the currency of this Contract, and originates off-Site, any Work performed at the Site will not be affected by such Labour Disruption;
- (c) any non-affiliation clause in a collective agreement between the Contractor or another Contractor Person and a union is waived by that union, and accordingly union members will not be precluded from working at the Site, or in proximity to the Site, alongside non-union workers or workers of other unions and the union will not interfere in any way with non-union workers or workers of other unions, and no union or worker will refuse to handle or install any material, equipment or components or to honour hot cargo edicts, or otherwise during the currency of this Contract;
- (d) the union, and any person acting on behalf of the union, will not initiate, pursue or endorse any activity for the purpose of recruitment or representation of employees, contractors or consultants represented by other trade unions, including changes in representation or raids, with respect to any employee, contractor or consultant working on the Project;

- (e) a representative of a union with whom the Contractor or another Contractor Person has a collective agreement will be able to attend at the Site as reasonably required for union business without interfering with the progress of the Work; and
- (f) if and to the extent the Contractor has commitments to engage Aboriginal persons there will be no objection to preferential hiring of such Aboriginal persons.

6.5 Change in Status

If the Contractor or another Contractor Person becomes a signatory to a collective agreement, or ceases to be a signatory to a collective agreement, it will notify BC Hydro in writing.

6.6 Notification of Labour Events

In the event of any labour dispute involving employees of the Contractor or a Subcontractor, whether at the Site or elsewhere, that will or may delay performance of the Work, the Contractor will provide:

- (a) notice to Hydro's Representative within eight hours after the commencement of such labour dispute;
- (b) a full report on such labour dispute including, to the extent known to the Contractor, the cause of the dispute, the employer and employees affected or involved, the actions being taken to end the dispute and the known or probable effect on the Work Program and Schedule, within two Business Days after the commencement of such labour dispute;
- (c) supplemental information with respect to such labour dispute promptly after the Contractor receives, creates or becomes aware of such; and
- (d) further reports at the request of Hydro's Representative.

The Contractor will, upon being aware, immediately advise Hydro's Representative of any current or pending labour negotiations or actual, pending or threatened labour disputes that could interfere with the progress of the Project. The Contractor will take all necessary steps and develop a course of action with Hydro's Representative to ensure that the continuity and timeliness of the Work will not be jeopardized, and advise and update Hydro's Representative on all developments in the negotiations or dispute.

6.7 Enjoining Labour Disruption

Without prejudice to the Contractor's rights under this Contract, the Contractor will at its cost take such steps before an authority with jurisdiction so as to seek to prevent or terminate any Labour Disruption at the Site involving any Contractor Person, and the Contractor will not be entitled to any payment or time extension on account of a Labour Disruption caused or contributed to by the Contractor or any other Contractor Person.

Failure to use commercially reasonable efforts to prevent any delay or terminate any Labour Disruption at the Site involving any Contractor Person will be deemed to be a failure to comply with the requirements of the Contract to a substantial degree to which the provisions of Section 15.1 of this Schedule 2 [General Conditions] will apply.

6.8 General Worker Conduct

The Contractor will be responsible for the behaviour of the Contractor Personnel generally on the Site, and with respect to the Site, and the Contractor will require the Contractor Personnel to comply with the then current, as they may be amended from time to time:

- (a) Lodge Shuttle Code of Conduct, as provided by the operator of the leisure shuttle bus from the Site to Fort St. John;
- (b) Worker Accommodation Facility Code of Conduct, as provided by the Worker Accommodation Operator; and
- (c) Site C Project Site Wide Absolute Requirements: Worker Behaviour, a copy of which is included in the Data Room (Data Room ID# 1016.Z.06.001.CMO.00033.SAFE).

6.9 Respectful Behaviour

The Contractor will not permit the Contractor Personnel at the Site to engage in any form of violence, harassment, intimidation, bullying, or any other disparaging or demeaning conduct directed by Contractor Personnel to any other person for any reason including based on any union affiliation or lack of union affiliation, including any verbal communications, written materials, or gestures. The Contractor will have a policy that prevents discrimination on the basis of prohibited grounds as outlined in applicable human rights legislation and the *Workers Compensation Act* (British Columbia).

6.10 Removal of Persons

Hydro's Representative may, by written notice to the Contractor's Representative, object to any person engaged by the Contractor or any Subcontractor for the performance of the Work who, as determined by Hydro's Representative in its discretion, has engaged in misconduct, is incompetent, does not have adequate working knowledge of the safety rules and procedures applicable to the Contractor's Work Area or otherwise fails to satisfy the applicable access requirements for the Site, including compliance with the Site Absolutes. Upon receipt of any such notice, the Contractor will, subject to Laws, immediately cause such person to be removed from the Site and the Project and promptly be replaced by a person(s) with suitable qualifications and experience, at no extra cost or expense to BC Hydro. Notwithstanding any other provision in this Section 6.10, the Contractor and the Subcontractors will retain all authority and control over their respective employees, agents and Subcontractors.

6.11 No Poaching

Unless the Contractor has the prior written agreement of the applicable contractor, the Contractor will not invite, hire or attempt in any way to hire workers who are working at the Site for another contractor, and the following will apply with respect to workers who cease working for another contractor:

- (a) if a worker voluntarily ceases employment with a contractor at the Site, then the Contractor will not employ that worker for a minimum of 30 days beginning from the time the worker ceases the previous employment; and
- (b) if a worker is terminated for cause, then the Contractor will not employ that worker for a minimum of 60 days beginning from the time the worker ceases the previous employment.

BC Hydro will include in any major contract in respect of the construction of the Project, a provision on substantially the same terms and conditions as the foregoing paragraph in this Section 6.11.

Unless BC Hydro has the prior written agreement of the Contractor or the applicable Subcontractor, as the case may be, BC Hydro will not invite, hire or attempt in any way to hire workers who are working at

the Site for the Contractor or a Subcontractor, and the following will apply with respect to workers who cease working for the Contractor or a Subcontractor:

- (c) if a worker voluntarily ceases employment with the Contractor or a Subcontractor at the Site, then BC Hydro will not employ that worker for a minimum of 30 days beginning from the time the worker ceases the previous employment; and
- (d) if a worker is terminated for cause, then BC Hydro will not employ that worker for a minimum of 60 days beginning from the time the worker ceases the previous employment.

For certainty, the provisions of this Section 6.11 do not apply to workers who have been laid off.

6.12 No Gate Hires

The Contractor will not hire workers directly at the Site who have not applied for employment through the Contractor's established usual employment application procedures.

6.13 Employment Information and Job Fairs

The Contractor will post Project employment opportunities for Work at Site as may be directed by BC Hydro, acting reasonably, on:

- (a) the BC Hydro Site C website;
- (b) other websites of local employment agencies in the Peace River Region; and
- (c) other publications or websites.

The Contractor will, as requested by BC Hydro acting reasonably, participate in job fairs as may be requested by BC Hydro from time to time.

6.14 Diversity

BC Hydro is committed to developing an inclusive workplace and a diverse workforce that represents the communities BC Hydro serves within British Columbia. The Contractor will take into account this commitment in attracting and employing workers for the performance of the Work at the Site.

6.15 Site Training and Cultural Awareness

The Contractor will, as part of the Work, require all Contractor Personnel performing any of the Work at the Site to participate once in:

- (a) up to 30 minutes of Site training programs prior to commencing any Work at the Site; and
- (b) up to 30 minutes of a cultural awareness training program either prior to completing their Work at the Site or within 45 days of beginning their Work at the Site, whichever occurs first.

BC Hydro will provide each of the above programs, and may update the programs from time to time, in which case the Contractor will, as part of the Work, require all workers described above to participate in such updated training programs.

Notwithstanding the preceding paragraphs of this Section 6.15, Contractor Personnel who:

- (c) are present at the Site solely for purposes of making deliveries (maximum 1 delivery/week); or

- (d) will be present at the Site for less than 3 days in any 30 day period,

do not need to complete the training requirements of this Section 6.15, provided that such Contractor Personnel are escorted by qualified Contractor Personnel at all times while on the Site. Contractor Personnel providing an escort pursuant to this Section 6.15 must have completed the applicable Site and cultural awareness training.

6.16 Emergency Medical Coverage

The following minimum emergency medical coverage will be provided to all Contractor Personnel while present in British Columbia in order to work on the Project, and when travelling to and from the Site from outside British Columbia. The Contractor will, within 120 days of the Effective Date, submit to Hydro's Representative for Review an "Emergency Medical Services" manual describing how the Contractor will provide the following minimum emergency medical coverage:

- (a) emergency medical treatment for accidental injuries or illness requiring immediate medical care; and
- (b) emergency medical transportation and convalescence, including:
 - (i) medical transportation arrangements to transfer the worker to and from the nearest appropriate medical facility in the worker's home province or country of residence;
 - (ii) if medically necessary, round trip transportation for an attendant to accompany and care for the worker;
 - (iii) if the worker is unable to travel due to medical reasons after being discharged from a medical facility, expenses incurred for meals and accommodations until medical transport to the worker's place of permanent residence can take place up to a maximum of \$2,000; and
 - (iv) if a worker dies while travelling to or from the Site for work purposes from outside British Columbia or while living at or near the Site for work purposes, then:
 - (A) provide transportation for one family member of the worker's immediate family to identify the body prior to its release if necessary, including reasonable reimbursement for the cost of accommodation and meals for the family member; and
 - (B) obtain all necessary authorizations and make all necessary arrangements to transport the body to the worker's place of permanent residence, up to a maximum of \$7,000.

This coverage is in addition to WorkSafeBC regulations from employers regarding injuries or deaths in the workplace.

6.17 Employee Family Assistance Program

The Contractor will provide the following minimum level of services to all Contractor Personnel:

- (a) if the Contractor is the Prime Contractor, on-site trauma counselling in response to accidents or incidents on the Site, including suicide, death of a fellow worker, serious injury to a worker, mass casualty incidents, threats to safety and natural disasters; and

- (b) phone access to counselling for the following:
 - (i) trauma, including suicide, death of a fellow worker or family member, serious injury to a worker, mass casualty incidents, threats to safety and natural disasters;
 - (ii) substance abuse, including alcohol, drugs and smoking;
 - (iii) family problems, including parenting, child and adolescent;
 - (iv) marital and relationship problems, including separation and divorce; and
 - (v) emotional, physical and psychological problems, including anxiety, anger and depression.

The Contractor will provide current contact information for the counselling services referred to in Section 6.17(b) of this Schedule 2 [General Conditions] to the staff at the Clinic.

6.18 Information for Workers

The Contractor will make commercially reasonable efforts to assist BC Hydro in providing the Contractor Personnel with information about Project related notices and programs.

6.19 Work Force Reports

The Contractor will, within 15 days after the end of each month, submit a monthly report, in a form satisfactory to Hydro's Representative, acting reasonably, setting out the following information with respect to the preceding month, in respect of the performance of the Work:

- (a) the total number of workers in the Contractor's work force, broken down by the number of workers working:
 - (i) at the Site;
 - (ii) in British Columbia;
 - (iii) in Canada; and
 - (iv) outside Canada;
- (b) with respect to the Contractor's work force working in Canada, including a breakdown between those working at the Site and those working away from the Site but still in Canada:
 - (i) the median number of daily workers;
 - (ii) the mean number of daily workers;
 - (iii) the total number of workers who have a primary residence:
 - (A) in the Peace River Regional District;
 - (B) in British Columbia;
 - (C) in Canada; and

- (D) outside Canada;
- (iv) the total number of workers by job categories reported according to the National Occupation Code (NOC) 2011;
- (v) the total number of workers hired by the Contractor, or another Contractor Person, who are not citizens or permanent residents of Canada ("**Foreign Workers**") by job categories reported according to the National Occupation Code (NOC) 2011, country of origin, and worker name;
- (vi) for each Foreign Worker hired by the Contractor, or another Contractor Person, the program or admission stream under which the Foreign Worker has been admitted to Canada;
- (vii) the total number of trade apprentices by job categories reported according to the National Occupation Code (NOC) 2011;
- (viii) the total number of trade apprentices by job categories expected to be employed in the next six months reported according to the National Occupation Code (NOC) 2011;
- (ix) the highest number of workers in a single 24-hour period;
- (x) the lowest number of workers in a single 24-hour period; and
- (xi) the number of workers per shift (daily hours of work) and the workers' rotations (days of work and days off) as of the last Thursday of each month;
- (c) the names and office addresses of all businesses that the Contractor has, directly or indirectly, engaged to perform any of the Work that resource such subcontracted Work with workers whose normal place of residence is in Canada;
- (d) the number of charter flights used for workforce travel, and the total number of worker trips on charter flights, landing or taking off from the North Peace Regional Airport;
- (e) the job categories reported according to the National Occupation Code (NOC) 2011 and the estimated number of positions that the Contractor and other Contractor Persons were unable to fill by hiring from the local community. The Contractor will provide additional information as required, in sufficient detail to assist planning for training programs, on their attempts and difficulties, if any, to hire workers from the region;
- (f) to assist in achieving BC Hydro's Project diversity objective, including ameliorating the conditions of disadvantaged individuals or groups who are disadvantaged because of race, colour, ancestry, place of origin, physical or mental disability, or sex, the total number of workers broken down by:
 - (i) gender;
 - (ii) number of Aboriginal persons;
 - (iii) visible minorities; and
 - (iv) persons with disabilities;
- (g) a summary of any labour relations issues that may adversely affect labour stability on the Site; and

- (h) such other workforce reports and information as BC Hydro may require, acting reasonably.

The Contractor will include in its monthly reports the information as required under this Section 6.19 with respect to first tier Subcontractors. With respect to Subcontractors below the first tier, the Contractor will make commercially reasonable efforts to obtain from such Subcontractors the information as required under this Section 6.19, and include such received information in its monthly reports. All information provided with respect to Subcontractors will be broken down by Subcontractor.

The Contractor will submit an annual report, broken down by month, within 30 days after the end of each year, reporting the total number of hours worked by all Contractor Personnel that have worked on the Site, beginning on the date of mobilization to the Site. Furthermore, on an annual basis, within 30 days after the end of each year, the Contractor will submit to BC Hydro an updated resource loaded P6 schedule in xer format that includes an updated labour forecast showing the total number of estimated hours to be worked by all Contractor Personnel for the balance of the Work, broken down by on Site Contractor Personnel and off Site Contractor Personnel.

6.20 Foreign Worker Notification

The Contractor will provide a minimum of three month's prior written notice to Hydro's Representative of the Contractor's intended use of any Foreign Workers, including the numbers of and anticipated job categories reported according to the National Occupation Code (NOC) 2011 for such Foreign Workers, their country of origin, the worker name and the program or admission stream under which it is anticipated that the Foreign Worker will apply for admission to Canada. The notification period may be shortened due to extenuating circumstances with the prior written consent of Hydro's Representative.

6.21 Other Contractor Obligations

The Contractor:

- (a) will, once every six months, provide support to BC Hydro in administering a short housing survey of the Contractor Personnel, who are living outside the Worker Accommodation Facility;
- (b) may be required, on one year's prior written notice from BC Hydro, to cease renting private apartments, if any, for Contractor Personnel located in the City of Fort St. John and relocate to substitute temporary housing. Where BC Hydro requires the Contractor to cease renting private apartments for Contractor Personnel, BC Hydro will pay to the Contractor the reasonable moving expenses incurred by the Contractor to have the applicable Contractor Personnel relocate to substitute temporary housing;
- (c) will pre-book hotel and motel space if the Contractor requires more than 30 rooms for temporary accommodation to house the Contractor Personnel;
- (d) will provide at least 30 days advance notice to BC Hydro whenever the Contractor plans to house more than 30 Contractor Personnel in temporary accommodations in or near Fort St. John for a period of 30 consecutive days or more. The Contractor's notice must include an estimate of:
 - (i) the number of rooms required;
 - (ii) the number of Contractor Personnel to be housed in the temporary accommodations; and
 - (iii) the time period during which the Contractor plans to house such Contractor Personnel in the temporary accommodation;

- (e) if the Contractor provides housing for Contractor Personnel outside of the Worker Accommodation Facility, will ensure that such housing does not breach any applicable Laws;
- (f) will be responsible for arranging a shuttle service to transport Contractor Personnel between the Fort St. John Airport and the Worker Accommodation Facility. The Contractor will not be permitted to include the use of taxis as part of any scheduled shuttle transfer service between the Fort St. John Airport and the Worker Accommodation Facility; and
- (g) will, whenever more than five Contractor Personnel on the same shift are housed in the same or proximate temporary accommodations outside of the Worker Accommodation Facility, be responsible for arranging a shuttle service to transport such Contractor Personnel between their temporary accommodations and the Site. For the purpose of this Section 6.21(g), the threshold of more than five Contractor Personnel on the same shift does not include Contractor Personnel who drive company vehicles for Work purposes between the Site and their temporary accommodations.

6.22 Disclosure of Reports

The Contractor acknowledges and agrees that BC Hydro may disclose the reports, or the information contained in the reports, delivered to BC Hydro pursuant to the Contract in accordance with Schedule 17 [Privacy Protection].

6.23 Recover at Work Centre

- (a) WorkSafeBC has established and operates a “Recover at Work Centre” on the Site. The Recover at Work Centre is designed to reduce time off work for workers with sprain and strain injuries and to improve outcomes through provision of timely access to a physiotherapist for treatment and to provide recommendations with respect to modified work duties.
- (b) Without limiting, and in addition to, the Contractor’s obligations pursuant to applicable Laws or pursuant to the Contract, including Schedule 10 [Safety Obligations], the Contractor will:
 - (i) work with WorkSafeBC to ensure that injured Contractor Personnel are aware of, and have access to, the Recover at Work Centre; and
 - (ii) permit injured Contractor Personnel to participate in, and make use of, the Recover at Work Centre’s programs.

Contractor Personnel will not be obligated to participate in, or make use of, any Recover at Work Centre programs and the decision whether to participate in, or make use of, any Recover at Work Centre programs will be at the discretion of the individual injured Contractor Personnel.

6.24 Additional Provisions Relating to Workers

The Contractor will:

- (a) implement a drug and alcohol policy which, at a minimum, meets the Site C Contractor Drug and Alcohol Policy Requirements; and
- (b) be a member of and participate on a committee that includes representatives of other contractors who are working on the Project at the Site for the purpose of consulting, and, as appropriate, reaching agreements, on labour matters that may arise at the Site of interest to the Contractor and other contractors. The Contractor will adhere to the ‘Terms of Reference’ for the committee

as established by BC Hydro and which may be amended, supplemented or restated from time to time in BC Hydro's discretion.

6.25 Training and Skills Development

The Contractor acknowledges that the Government of British Columbia has introduced a policy with respect to apprentice engagement and reporting on certain large construction infrastructure projects, namely the "Apprentices on Public Projects in British Columbia, Policy & Procedure Guidelines" (the "**Apprentices Policy**"). A copy of the current Apprentices Policy can be found at <http://www2.gov.bc.ca/gov/content/industry/construction-industry/apprentices>. The Contractor further acknowledges that this Contract falls within the scope of the Apprentices Policy.

The Contractor will comply with the Apprentices Policy, as amended from time to time, including the following requirements:

- (a) **Capitalized Terms:** For the purposes of Section 6.25 of this Schedule 2 [General Conditions], the following capitalized terms will have the meanings attributed to them in the Apprentices Policy:
 - (i) "Form A";
 - (ii) "Form B";
 - (iii) "JTST";
 - (iv) "Registered Apprentice"; and
 - (v) "Specified Trades".
- (b) **Apprenticeship Engagement:** The Contractor will use, and will ensure that its applicable Subcontractors use, Registered Apprentice(s) in respect of all contracts for Specified Trades valued at \$500,000 or more. The Contractor will ensure that Registered Apprentices are used directly in the performance of the Work and over the course of any applicable contracts for Specified Trades.
- (c) **Initial Form A Submission:** The Contractor will submit a completed Form A to JTST, with a copy to Hydro's Representative, as soon as practicable after the Effective Date and no later than five days before the Work is scheduled to commence. The Contractor will not commence the Work (including any subcontracted Work) until JTST has confirmed to BC Hydro that JTST has received the Contractor's initial Form A. BC Hydro will not be liable for any delay-related or other costs that may result from delay in receipt of such confirmation from JTST.
- (d) **Supplementary Form A Submissions:** The Contractor will submit a completed supplementary Form A to JTST, with a copy to Hydro's Representative, before any additional applicable Subcontractors not referenced in the initial Form A perform any Work.
- (e) **Form B Submissions:** The Contractor will submit a completed Form B to JTST to report on the utilization of Registered Apprentices by the Contractor and its applicable Subcontractors under all contracts for Specified Trades (regardless of their value) as follows:
 - (i) within five Business Days after the end of each quarter (March 31, June 30, September 30, December 31), with a copy to Hydro's Representative as supporting documentation for the Contractor's next Progress Payment Estimate following that quarter; and
 - (ii) within 30 days of the completion of the Work, with a copy to Hydro's Representative.

BC Hydro will not issue final payment under the Contract until JTST has confirmed to BC Hydro that it has received the Contractor's final Form B as described in Section 6.25(e)(ii) of this Schedule 2 [General Conditions]. BC Hydro will not be liable for any delay in payment that may result from delay in receipt of such confirmation from JTST.

- (f) Requests for Information: The Contractor will comply, and will cause its Subcontractors to comply, with any request by JTST or BC Hydro for further information with respect to the Contractor's Form A and Form B submission(s) and the contents thereof, to verify the validity of the information provided and to demonstrate compliance with the Apprentices Policy.
- (g) Personal Information: The Contractor acknowledges that its completed Form A and Form B submissions, and any further information requested under Section 6.25(f) of this Schedule 2 [General Conditions], may contain Personal Information of Registered Apprentices. Without limiting the Contractor's obligations under Section 27.1 of this Schedule 2 [General Conditions], prior to the submission of any such information to JTST the Contractor will obtain, and will cause its Subcontractors to obtain, written authorization for the collection of such information by JTST from any affected individual.
- (h) Use of Information: The Contractor acknowledges that the information collected by JTST under the Apprentices Policy will be held by JTST and will be subject to FOIPPA. The Contractor agrees that JTST may use any aggregate data collected from Form A and Form B for the purposes of evaluating the Apprentices Policy and for public communications regarding apprenticeship training in British Columbia.
- (i) Direction to Delay Start of Work and Final Payment: Without limiting the other provisions of Section 6.25 of this Schedule 2 [General Conditions] or any other rights BC Hydro has under the Contract, BC Hydro may, at its discretion, direct that the commencement of the Work be delayed until BC Hydro has received confirmation that Registered Apprentices will be used in the performance of the Work as required under Section 6.25(b) of this Schedule 2 [General Conditions], and any such delay will be deemed to be a Contractor Delay. BC Hydro may also, at its discretion and without obligation to the Contractor, delay the issuance of final payment under the Contract to the Contractor until BC Hydro has verified that Registered Apprentices were used in the performance of the Work as required under Section 6.25(b) of this Schedule 2 [General Conditions].

In addition to complying with the requirements of the Apprentices Policy and the other requirements of this Section 6.25, the Contractor will use commercially reasonable efforts to achieve the following apprenticeship targets for the [REDACTED]

6.26 Training Required

Except as expressly set out otherwise in the Contract, the Contractor will not permit any workers to perform Work at the Site who have not completed the training required under the Contract, including such training as the Contractor may be required to implement under the Contract.

6.27 Application to First Tier Subcontractors

Whenever in Section 6 of this Schedule 2 [General Conditions] there is an obligation on the Contractor such obligation will be read to include the obligation on the Contractor to cause first tier Subcontractors to undertake the same obligation so as to permit the Contractor to comply with its obligations under Section 6 of this Schedule 2 [General Conditions]. In addition, concurrently with submission of each Monthly Progress Report, the Contractor will submit to Hydro's Representative, For Information Only, a monthly list of all first tier Subcontractors performing Work on the Site during the immediately preceding month.

7 WORKER ACCOMMODATION

7.1 Worker Accommodation Facility

BC Hydro has entered into an agreement with a third party (the “**Worker Accommodation Operator**”) for the design, construction and operation of a worker accommodation facility (the “**Worker Accommodation Facility**”) located in the area labelled “Worker Accommodations” on Drawing 1016-C01-00090 (the “**Worker Accommodation Area**”).

7.2 Temporary Worker Accommodations

If as permitted by the Contract, the Contractor provides accommodation to house workers at the Site outside of the Worker Accommodation Facility then the Contractor will use commercially reasonable efforts to give BC Hydro the same rights of inspection as it has at the Worker Accommodation Facility.

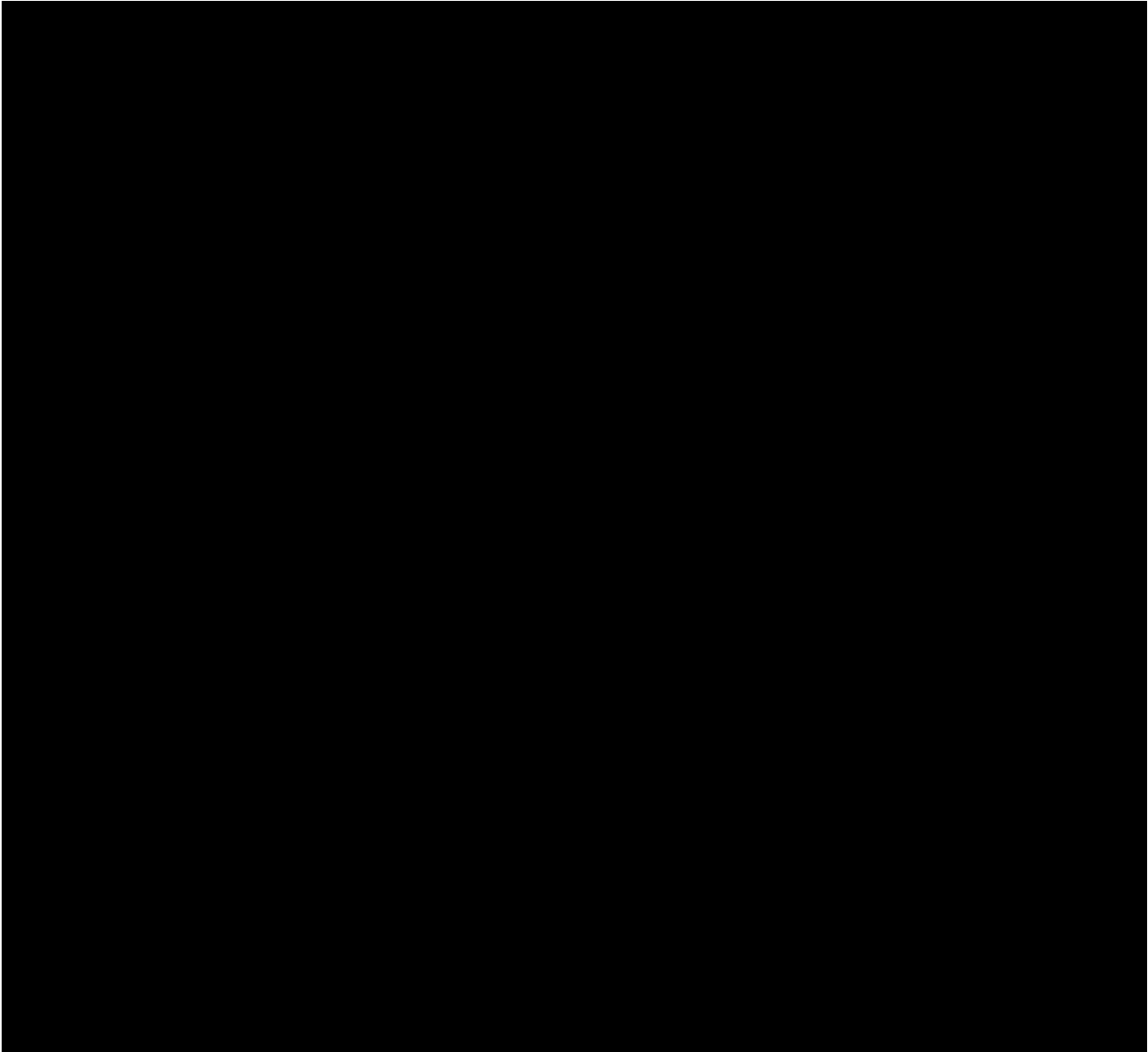
7.3 No Living-Out Allowance

BC Hydro intends that the Worker Accommodation Facility will provide the accommodation for the Contractor Personnel performing on-Site Work on the Project. The Contractor:

- (a) will not pay any compensation (such as a “living-out allowance”, “housing allowance” or “per diem”) to any worker if that worker elects not to live at the Worker Accommodation Facility; and
- (b) will not employ any worker that lives in temporary accommodation that is in competition with the Worker Accommodation Facility without the prior written consent of BC Hydro.

Notwithstanding the foregoing, the Contractor may pay a “living-out allowance”, “housing allowance” or “per diem” to supervisors or management staff whether or not such staff are living at the Worker Accommodation Facility.

Notwithstanding anything to the contrary contained in the Contract, the Contractor will not pay housing compensation (such as a “living-out allowance”, “housing allowance” or “per diem”) to any worker if such worker has been evicted from the Worker Accommodation Facility for failing to comply with the Worker Accommodation Code of Conduct.



7.5 BC Hydro's Agreement with the Worker Accommodation Operator

Under the agreement between BC Hydro and the Worker Accommodation Operator, BC Hydro may make arrangements for the Contractor Personnel performing on-Site Work on the Project and others (each a "Guest") to have a room and stay overnight at the Worker Accommodation Facility as follows:

- (a) 30 days prior to the commencement of each month BC Hydro will provide the Worker Accommodation Operator a forecast of the number of Guests to be accommodated at the Worker Accommodation Facility on each day in the month;
- (b) no later than 10 days prior to the commencement of each day, BC Hydro will provide the Worker Accommodation Operator an update of the forecast for that day as described in Section 7.5(a) of this Schedule 2 [General Conditions] of the number of Guests to be accommodated at the Worker

Accommodation Facility, provided that any increase in Guests over the forecast as described in Section 7.5(a) of this Schedule 2 [General Conditions] may not exceed 50; and

- (c) no later than 72 hours prior to the commencement of each day, BC Hydro will confirm with the Worker Accommodation Operator the number of Guests to be accommodated at the Worker Accommodation Facility on that day, provided that any increase in Guests over the updated forecast as described Section 7.5(b) of this Schedule 2 [General Conditions] may not exceed 10.

BC Hydro will be obligated to pay the Worker Accommodation Operator for the number of Guests confirmed in the 72 hour notice as described in Section 7.5(c) of this Schedule 2 [General Conditions] regardless of whether that number of Guests actually stays at the Worker Accommodation Facility on that day.

7.6 Reservations for Guests at the Worker Accommodation Facility

BC Hydro will aggregate demands for reservations for Guests to stay at the Worker Accommodation Facility from contractors at the Site on the same basis as described in Section 7.5 of this Schedule 2 [General Conditions], including the Contractor, and accordingly:

- (a) the Contractor will provide forecasts of its requirements for Guest accommodation at the Worker Accommodation Facility at least seven days in advance of the days described in Section 7.5 of this Schedule 2 [General Conditions]; and
- (b) BC Hydro will provide the Contractor with confirmation of the number of Guest reservations that the Worker Accommodation Operator has accepted with respect to each day for each of the 30 day forecast, 10 day forecast and 72 hour confirmation (the “**Contractor’s Daily 72 Hour Confirmation**”).

7.7 Contractor Responsibility For Employee/Agent Conduct at Worker Accommodation Area

The Contractor is responsible for the conduct of all Contractor Personnel at the Worker Accommodation Area and will be liable for any damage caused by such persons to the Worker Accommodation Area, including the Worker Accommodation Facility. The Contractor will pay to BC Hydro the cost of repair of any such damage upon receipt of an invoice from BC Hydro.

7.8 Accommodation for Distant Workers

Between April 1st and October 31st (summer), if a worker whose permanent residence is located more than 80 km from the Site, and if at that time the Contractor has not exceeded its Guest housing entitlement as described under Section 7.4 of this Schedule 2 [General Conditions] and the Worker Accommodation Facility has Guest nights available, then the Contractor will not refuse to permit that worker to stay in the Worker Accommodation Facility.

Between October 31st and April 1st (winter), if a worker whose permanent residence is located more than 60 km from the Site, and if at that time the Contractor has not exceeded its Guest housing entitlement as described under Section 7.4 of this Schedule 2 [General Conditions] and the Worker Accommodation Facility has Guest nights available, then the Contractor will not refuse to permit that worker to stay in the Worker Accommodation Facility.

For the purpose of this Section, on the basis of different road and travel conditions, City of Dawson Creek residents are considered to be less than 80km, and District of Hudson’s Hope residents are considered to be more than 80km.

7.9 No Long-Term Residency

With respect to housing Guests in the Worker Accommodation Facility:

- (a) the Contractor will only direct or permit a worker to be housed as a Guest at the Worker Accommodation Facility if such worker is engaged in the performance of the Work at the time of the overnight stay, and for certainty a worker may not remain at the Worker Accommodation Facility on a “turn around” or other shift change, except with the prior written consent of Hydro’s Representative, acting reasonably, and for certainty Hydro’s Representative may consider the tax consequences in making such decision;
- (b) during the first year of the Contract less than 10% of the Guests the Contractor houses in the Worker Accommodation Facility will be permitted to stay in the Worker Accommodation Facility continuously for an uninterrupted period exceeding 28 days; and
- (c) for every year of the Contract following the first year, no more than 5% of the Guests the Contractor houses in the Worker Accommodation Facility will be permitted to stay in the Worker Accommodation Facility continuously for an uninterrupted period exceeding 28 days.

8 REFERENCE DOCUMENTS

8.1 Data Room

- (a) BC Hydro has established a secure web site (the “**Data Room**”) for the purposes of the Project which contains numerous documents (collectively, the “**Reference Documents**”). None of the Reference Documents are incorporated into the Contract, or will form part of the Contract, for any reason whatsoever, or will be referred to in any way in the interpretation of the Contract, except as expressly set out otherwise in Section 8.2.
- (b) BC Hydro does not make any representation as to the relevance, accuracy or completeness of any of the Reference Documents, except as may be expressly set out in Section 8.2 with respect to a specific Reference Document. The Contractor has the full responsibility to form its own judgment as to the use of and reliance on any Reference Documents and to take all steps it considers necessary to satisfy itself as to the accuracy, completeness, sufficiency and applicability of any Reference Documents upon which it places reliance, except to the extent that the Contract expressly requires the Contractor to perform Work in conformity with, or with reference to, a specific Reference Document.
- (c) For certainty, without limiting Section 3 of Schedule 1 [Definitions and Interpretation], if there is any inconsistency or conflict between the terms of this Section 8 and the Specifications, then the terms of this Section 8 will govern.

8.2 No Reliance

Notwithstanding any other provision in the Contract, the Contractor will not for any purpose rely on any Reference Documents, or any information referred to in such Reference Documents, except to the extent and for the purposes expressly set out in this Section 8.2. The Contractor will take notice of and may rely on each of the following:

- (a) Insurance Documents - the Contractor will take notice of and may rely upon the “Wrap-up” Liability and Course of Construction insurance policies included in the Data Room (Data Room ID# 1016.REF.00940 and 1016.REF.00939), with the exception of anything in those policies regarding the term or expiry of the policies. BC Hydro will only be obligated to maintain the “Wrap-up” Liability and Course of Construction insurance policies for the term set out in Section 3 of Schedule 13 [Insurance];

- (b) Geotechnical Data Report - the Contractor will take notice of and may rely on the following information contained in the *Geotechnical Data Report* included in the Data Room (Data Room ID# 1016.REF.00661-01.9), for the sole purpose of assisting the Contractor to perform the Work:
- (i) the location of the investigations, including drill holes, test pits and seismic lines;
 - (ii) the depth of test pits and drill holes, including depth to rock where shown;
 - (iii) the locations and depths from which samples were taken for laboratory testing; and
 - (iv) data from laboratory and field tests, but only as being representative of the soil or rock at the location and depth from which the sample was taken.

For clarity, the Contractor will not for any purpose rely on any other information contained in the *Geotechnical Data Report*, including the following:

- (v) any information contained in any documents referenced in the *Geotechnical Data Report*, including documents listed in any tables or in Appendix A of the *Geotechnical Data Report*, except to the extent that the Contract expressly requires the Contractor to take account of any such referenced information, except that in no event may the Contractor rely on descriptions of materials or horizons on drill hole and test pit logs and horizons (layers) and material types inferred from geophysical surveys (such as surface seismic refraction surveys and downhole geophysics);
 - (vi) if the *Geotechnical Data Report* describes any limitations with respect to data or information contained in the *Geotechnical Data Report*, any data or information beyond such limitations;
 - (vii) survey data for the drill holes and the test pits that BC Hydro has identified as questionable in Section 3.4 [Surveying of Investigations] of the *Geotechnical Data Report*; and
 - (viii) the geological model described in the *Geotechnical Data Report*, except with respect to factual information regarding bedding plane locations, rock units and rock levels;
- (c) Reservoir Filling Plan – the Contractor will take notice of and may rely on the information contained in the *Reservoir Filling Plan* (Data Room ID# 1016.REF.00427), for the sole purpose of assisting the Contractor to perform the Work, except the Contractor will not for any purpose rely on any information contained in any documents referenced in the *Reservoir Filling Plan*.
- (d) Earthquake Time Histories – the Contractor will take notice of and may rely on the information contained in the *Earthquake Time Histories* (Data Room ID# 1016.REF.00587), for the sole purpose of assisting the Contractor to perform the Work;
- (e) Hazard Log Template – the Contractor will take notice of and may rely on the information contained in the *Hazard Log Template* (Data Room ID# 1016.REF.00669), for the sole purpose of assisting the Contractor to prepare and maintain a Hazard Log in accordance with Clause 5.1.4 of Appendix 6-1 [Scope of Work];
- (f) BC Hydro Drafting Requirements – the Contractor will take notice of and may rely on the information contained in the *BC Hydro Drafting Requirements* (Data Room ID# 1016.REF.00670), for the sole purpose of preparing Drawings showing permanent works;

- (g) Material Sources Data Report – the Contractor will take notice of and may rely on the following information contained in the *Material Sources Data Report* (Data Room ID# 1016.REF.00660-01.24), for the sole purpose of assisting the Contractor to perform the Work:
- (i) the location of the investigations, including drill holes, test pits and seismic lines;
 - (ii) the depth of test pits and drill holes, including depth to rock where shown;
 - (iii) the locations and depths from which samples were taken for laboratory testing;
 - (iv) data from laboratory and field tests, but only as being representative of the soil or rock at the location and depth from which the sample was taken; and
 - (v) the information in the *Material Sources Data Report*, to the extent that it applies to Section 03 40 00 of Appendix 6-2 [Technical Specifications].

For clarity, the Contractor will not for any purpose rely on any other information contained in the *Material Sources Data Report*, including the following:

- (vi) any information contained in any documents referenced in the *Material Sources Data Report*, including documents listed in any tables or in Appendix A of the *Material Sources Data Report*, except to the extent that the Contract expressly requires the Contractor to take account of any such referenced information;
 - (vii) if the *Material Sources Data Report* describes any limitations with respect to data or information contained in the *Material Sources Data Report*, any data or information beyond such limitations;
 - (viii) survey data for the drill holes and the test pits that BC Hydro has identified as questionable in Section 3.5 [Surveying of Investigations] of the *Material Sources Data Report*;
- (h) Aggregate Sampling and Testing – the Contractor will take notice of and may rely on the following information contained in: (i) *Aggregate Sampling and Testing* (Data Room ID# 1016.REF.00304); (ii) *Addendum to Report of March 30, 2012* (Data Room ID# 1016.Ref.00325); (iii) *Aggregate Sampling and Testing, Addendum to Reports of March 30, 2012 and March 5, 2013* (Data Room ID# 1016.REF.00370); (iv) *Aggregate Sampling and Testing Addendum to Reports of March 30, 2012, March 5, 2013 and February 12, 2014* (Data Room ID# 1016.REF.00656); (v) *Aggregate Sampling and Testing, Errata* (Data Room ID# 1016.REF.00656-01); and (vi) *Alkali Aggregate Reactivity of Area A Aggregate, 2013 Concrete Prism Expansion Tests – Final Results* (Data Room ID# 1016.REF.00719), for the sole purpose of assisting the Contractor to perform the Work:
- (i) the location of the investigations, including drill holes, test pits and seismic lines;
 - (ii) the depth of test pits and drill holes, including depth to rock where shown;
 - (iii) the locations and depths from which samples were taken for laboratory testing;
 - (iv) data from laboratory and field tests, but only as being representative of the soil or rock at the location and depth from which the sample was taken; and

- (v) the information in the aggregate sampling and testing documents listed in this Section 8.2(h), to the extent that they apply to Section 03 40 00 of Appendix 6-2 [Technical Specifications].

For clarity, the Contractor will not for any purpose rely on any other information contained in the aggregate sampling and testing documents listed in this Section 8.2(h), including the following:

- (vi) descriptions of materials or horizons on drill hole and test pit logs; and
 - (vii) horizons (layers) and material types inferred from geophysical surveys (such as surface seismic refraction surveys and downhole geophysics);
- (i) NOT USED
 - (j) Hydromechanical Drawings - the Contractor will take notice of and may rely on the information contained in each of the following hydromechanical drawings, for the sole purpose of assisting the Contractor to perform the Work:
 - (i) Spillway Gates 1st Stage Anchors (Data Room ID# 1016-M21-04020, 1016-M21-04021, 1016-M21-04040, 1016-M21-04041 and 1016-M21-04090)
 - (ii) Low Level Outlet Gates 1st Stage Anchors (Data Room ID# 1016-M21-04060, 1016-M21-04061, 1016-M21-04080 and 1016-M21-04081);
 - (iii) Intake Gates 1st Stage Anchors (Data Room ID# 1016-M19-04020, 1016-M21-04021, 1016-M21-04050, 1016-M21-04051 and 1016-M21-04080);
 - (iv) Draft Tube Maintenance Gate 1st Stage Anchors (Data Room ID# 1016-M04-04010 and 1016-M21-04011);
 - (v) Spillway Gates and Hoists (SPOG and SPSL) (Data Room ID# 1016-M21-04001, 1016-M21-04002, 1016-M21-04003 and 1016-M21-04030);
 - (vi) Spillway Gates 2nd Stage Embedded Parts (Data Room ID# 1016-M21-04022 and 1016-M21-04042);
 - (vii) Low Level Outlet Gates, Hoists and Hydraulic Piping (LLOG and LLMG) (Data Room ID# 1016-M21-04050 to 1016-M21-04053 and 1016-M21-04070 to 1016-M21-04072);
 - (viii) Low Level Outlet Gates 2nd Stage Embedded Parts (Data Room ID# 1016-M21-04062 and 1016-M21-04082);
 - (ix) Intake Gates, Hoists and Hydraulic Piping (INOG and INMG) (Data Room ID# 1016-M19-04001 to 1016-M19-04004, 1016-M19-04030 and 1016-M19-04031);
 - (x) Intake Gates 2nd Stage Embedded Parts (Data Room ID# 1016-M19-04030 and 1016-M19-04052);
 - (xi) Headworks and Tailrace Gantry Cranes (Data Room ID# 1016-M04-05001, M04-05002, 1016-M19-05001 and 1016-M19-05002);
 - (xii) Draft Tube Maintenance Gates (DTMG) (Data Room ID# 1016-M04-04001 and 1016-M04-04002); and

- (xiii) Draft Tube Maintenance Gate 2nd Stage Embedded Parts (Data Room ID# 1016-M04-04012);
- (k) RCC Buttress Drawings – the Contractor will take notice of and may rely on the information contained in each of the following RCC buttress drawings:
- (i) concrete typical details, concrete outlines for powerhouse buttress, spillway buttress, dam buttress and tailrace wall, drainage gallery details, reinforcement, miscellaneous metal tailrace wall drawings (Data Room ID# 1020-C02-01000 to 1020-C02-01024, 1020-C02-01035 to 1020-C02-01050, 1020-C02-01051 to 1020-C02-01069 and 1020-C02-02003);
 - (ii) RCC buttress grounding drawings (Data Room ID# 1020-E02-01000 to 1020-E02-01011); and
 - (iii) excavation and fill east of the spillway (Data Room ID# 1020-C02-00430, 1020-C02-00431, 1020-C02-00432 and 1020-C02-00435),

but only to the extent applicable to the condition and geometry of RCC buttress, for the sole purpose of assisting the Contractor with performance of construction on top of, or adjacent to, the RCC buttress;

- (l) Dam and Cofferdam Drawings – the Contractor will take notice of and may rely on the information contained in the *Fill Plan and Sections Drawings* (Data Room ID# 1020-C02-00800 to 1020-C02-00804, 1020-C02-00808, 1020-C02-00815 and 1020-C02-00816), for the sole purpose of assisting the Contractor to perform the Work, but only to the extent applicable to the extent of backfill surrounding the Main Service Bay in respect of the dam and the cofferdams;
- (m) Earthworks Drawings – the Contractor will take notice of and may rely on the information contained in each of the following earthworks drawings, for the sole purpose of assisting the Contractor to perform the Work:
- (i) *Auxiliary Spillway Channel Excavation and Fill Drawings* (Data Room ID# 1020-C17-00442, 1020-C17-00443 and 1020-C17-00452);
 - (ii) *Grouting Plinth Sections and Details* (Data Room ID# 1020-C17-00449 and 1020-C17-00450);
 - (iii) *RSEM Area R6 Drawings* (Data Room ID# 1020-C11-00501 and 1020-C11-00519);
 - (iv) *Area A, Substation and Laydown Areas Drawings* (Data Room ID# 1020-C11-00400 and 1020-C11-00401); and
 - (v) *General Foundation Preparation Drawings* (Data Room ID# 1020-C02-00600 and 1020-C02-00601),

but only to the extent applicable to the condition, foundation preparation and geometry of the surface under the Auxiliary Spillway Overflow Channel in RSEM R6, Area A and Laydown Areas and plinth in the Approach Channel;

- (n) Turbine and Generator Drawings - the Contractor will take notice of and may rely on the information contained in each of the following turbine and generator drawings, for the sole purpose of assisting the Contractor to perform the Work:

- (i) Turbine Upper Foundation Layout - 2TFV06-0136-01885164 Sheet 001 of 005 (Data Room ID# 2TFV06-0136-01885164-1);
- (ii) Turbine Upper Foundation Layout - 2TFV06-0136-01885164 Sheet 002 of 005 (Data Room ID# 2TFV06-0136-01885164-2);
- (iii) Turbine Upper Foundation Layout - 2TFV06-0136-01885164 Sheet 003 of 005 (Data Room ID# 2TFV06-0136-01885164-3);
- (iv) Turbine Upper Foundation Layout - 2TFV06-0136-01885164 Sheet 004 of 005 (Data Room ID# 2TFV06-0136-01885164-4);
- (v) Generator Foundation Layout - 2GSV05-5900-01884686 Sheet 001 of 003 (Data Room ID# 2GSV05-5900-01884686-1);
- (vi) Generator Foundation Layout - 2GSV05-5900-01884686 Sheet 002 of 003 (Data Room ID# 2GSV05-5900-01884686-2);
- (vii) Generator Foundation Layout - 2GSV05-5900-01884686 Sheet 003 of 003 (Data Room ID# 2GSV05-5900-01884686-3);
- (viii) Turbine Lower Foundation Layout - 2TFV06-0136-01885167 Sheet 001 of 002 (Data Room ID# 2TFV06-0136-01885167-1);
- (ix) Turbine Lower Foundation Layout - 2TFV06-0136-01885167 Sheet 002 of 002 (Data Room ID# 2TFV06-0136-01885167-2);
- (x) Pier Nose Liner Assembly drawings (Data Room ID# 1020-M04-61271, 1020-M04-61272, 1020-M04-61273-001, 1020-M04-61273-002, 1020-M04-61273-003);
- (xi) Draft Tube Tailrace Measuring Piping Embedded Piping Layout - 2TFV06-0378-01885174 Sheet 001 of 002 (Data Room ID# 2TFV06-0378-01885174-1);
- (xii) Draft Tube Tailrace Measuring Piping Embedded Piping Layout - 2TFV06-0378-01885174 Sheet 002 of 002 (Data Room ID# 2TFV06-0378-01885174-2);
- (xiii) Draft Tube Elbow Measuring Piping Embedded Piping Layout - 2TFV06-0378-01885172 Sheet 001 of 001 (Data Room ID# 2TFV06-0378-01885172-1);
- (xiv) Tailrace Measuring Embedded Piping Layout - 2TFV06-0378-J0004322 Sheet 001 of 002 (Data Room ID# 2TFV06-0378-J0004322-1);
- (xv) Tailrace Measuring Embedded Piping Layout - 2TFV06-0378-J0004322 Sheet 002 of 002 (Data Room ID# 2TFV06-0378-J0004322-2);
- (xvi) Area 24 Turbine and Generator Laydown (Data Room ID# 1020-C09-06150), but only for the purpose of defining the portions of Area 24 that will be occupied by Other Contractors; and
- (xvii) Embedded Supports for Electrical and Piping - 2GSV05-6700-02067161 Sheets 001 to 012 (Data Room ID# 2GSV05-6700-02067161);

- (o) Peace River Construction Bridge Drawing - the Contractor will take notice of and may rely on the design specifications and design loads for the Peace River Construction Bridge contained in the *General Notes* on Drawing 1016-C09-06351 (Data Room ID# 1016-C09-06351), for the sole purpose of assisting the Contractor to perform the Work;
- (p) Septimus Siding - the Contractor will take notice of and may rely on the information contained in each of the Septimus Siding drawings (Data Room ID# 20112845-02-200 to 20112845-02-218), for the sole purpose of assisting the Contractor to perform the Work; and
- (q) Other Drawings – the Contractor will take notice of and may rely on the information contained in the GSS Civil Works Access Restrictions drawing (Data Room ID# 1016-C14-07398), for the sole purpose of assisting the Contractor to perform the Work, but only to the extent of defining the portions of the Site and other areas that are not accessible to contractors, including the Contractor.

9 PROCUREMENT AND THE SUPPLY OF EQUIPMENT AND MATERIALS

9.1 General

The Contractor will maintain supply and procurement records of all materials that are required in significant volumes in the performance of the Work, and all mechanical equipment that will be incorporated into the permanent Work.

9.2 Inspection

Without limiting Section 3.16 of this Schedule 2 [General Conditions], Hydro's Representative will have the right to carry out periodic inspections of:

- (a) all of the Contractor's storage and inventory control records of materials and equipment required for the Work; and
- (b) all materials and equipment held in storage for the Work.

The Contractor will deliver to Hydro's Representative all inspection reports of materials or equipment, prepared by the Contractor or third party inspectors, accompanied by all relevant inspection documents.

9.3 Shipping

The Contractor will:

- (a) be responsible for shipment of all materials and equipment to the Site;
- (b) establish and issue to all Subcontractors proper packaging, shipping and marking instructions including necessary addresses, pro-forma invoices, bills of lading and customs releases applicable to different methods of transport, border crossings and receiving location(s); and
- (c) provide seven days written notice prior to arrival on-Site of any deliveries that may require coordination with Other Contractors or BC Hydro. Required Submittals will be submitted no later than 28 days prior to delivery of materials and equipment.

9.4 Tracing and Expediting

The Contractor will:

- (a) be responsible for tracing and expediting all shipments and for obtaining all clearances;
- (b) establish and maintain an inventory management system for on-Site work;
- (c) notify itself of all delivery of equipment, materials and parts to Site; and
- (d) provide a copy of all shipping notices and slips to BC Hydro.

10 **PRICES AND PAYMENT**

10.1 Payments

Each of the Contractor and BC Hydro will comply with the requirements of Schedule 11 [Prices and Payment].

11 **CHANGES**

11.1 Changes

BC Hydro may, without invalidating the Contract, make changes to the Work in accordance with Schedule 12 [Changes].

12 **DELAYS AND ACCELERATION**

12.1 BC Hydro Delay

If the Contractor is delayed in the performance of the Work by an act or omission of a BC Hydro Person or an Other Contractor, contrary to the provisions of the Contract ("**BC Hydro Delay**"), then, on written notice as required by Section 12.8 of this Schedule 2 [General Conditions] and subject to the Contractor's duties to mitigate under Section 30.2 of this Schedule 2 [General Conditions], the Contractor will be entitled to:

- (a) an extension of the time for the completion of the Work, or the impacted Interface Milestone(s), equal to the impact of the BC Hydro Delay; and
- (b) payment from BC Hydro for the Direct Costs incurred as a direct result of the BC Hydro Delay.

12.2 Contractor Delay

If the Contractor is delayed in the performance of the Work by an act, error or omission of a Contractor Person, or by an event for which the Contractor is not expressly given relief under the Contract ("**Contractor Delay**"), then the Contractor will not be entitled to, nor will the Contractor make any claim for an adjustment of the Contract Price, reimbursement or payment from BC Hydro for any costs incurred by the Contractor or an extension of the time for the performance of the Work, in either case, as a result of a Contractor Delay.

12.3 Labour Disputes

Any work stoppage, strike, lock-out, picket or other labour dispute by any BC Hydro Person or any Other Contractor will be deemed to be a BC Hydro Delay under Section 12.1 of this Schedule 2 [General Conditions].

Any work stoppage, strike, lock-out, picket or other labour dispute by any personnel engaged by the Contractor or any other Contractor Person, including any financial and jurisdictional disputes involving unionized and non-unionized workers, will be deemed to be a Contractor Delay under Section 12.2 of this Schedule 2 [General Conditions].

12.4 Project Delay

If the Contractor is delayed in the completion of the Work as a result of a direction from a Governmental Authority given for the purpose of suspending the Project as a whole ("**Project Delay**"), including an order from a court pursuant to an application from:

- (a) any Person to suspend the Project as a whole; or
- (b) any Person asserting infringement of treaty and Aboriginal rights, including Aboriginal title,

such delay will be deemed to be a suspension by BC Hydro under Section 17.1 of this Schedule 2 [General Conditions].

12.5 Force Majeure

If an event of Force Majeure prevents, delays or interrupts either the Contractor's or BC Hydro's performance of any of their obligations under the Contract, then the party claiming the delay will be excused from performance of such obligations to the extent, and for so long as, that party's performance is so prevented, delayed or interrupted, provided that party gives written notice in accordance with Section 12.8 of this Schedule 2 [General Conditions], and mitigates the effect of the event of Force Majeure in accordance with Section 30.2 or 30.3 of this Schedule 2 [General Conditions], as applicable. The party whose performance is prevented, delayed or interrupted by an event of Force Majeure will be entitled to an extension of the time for the performance of the affected obligations equal to the impact of the delay caused by the event of Force Majeure, but will not be entitled to, nor will such party make any claim for, reimbursement or payment for any costs incurred by that party as a result of the event of Force Majeure.

If an event of Force Majeure causes delay for a period greater than 180 days then, for the period of delay commencing on day 181, the delay will be deemed to be a suspension by BC Hydro under Section 17.1 of this Schedule 2 [General Conditions].

12.6 Public Protest at Site

Notwithstanding Section 12.5 of this Schedule 2 [General Conditions], a public protest, including a protest by a special interest group, occurring at the Site targeted at the Project that causes delay to the completion of the Work is not an event of Force Majeure and will be considered a suspension by BC Hydro under Section 17.1 of this Schedule 2 [General Conditions].

12.7 Concurrent Delay

Where a Concurrent Delay occurs and (i) at least one, but not all, of the events comprising the Concurrent Delay would, absent the other events, be a Contractor Delay; and (ii) each of the other

event(s) comprising the Concurrent Delay would, absent the other events, be Excusable Delay Event(s), then, subject to the Contractor's duty to mitigate, the Contractor will be entitled to

- (a) an extension of the time for completion of the Work or the impacted Interface Milestone(s) equal to 50 percent of the impact of the Concurrent Delay on the then current critical path for completion of the Work or the applicable Interface Milestone(s).

By way of example, if the progress of the Work is delayed for 6 days due to a Concurrent Delay comprised of one Contractor Delay event and one BC Hydro Delay event and the critical path impact of such Concurrent Delay is 10 days, the Contractor would be entitled to an extension of the time for completion of the Work equal to 5 days.

- (b) where, at least one of the Excusable Delay Event(s) is a BC Hydro Delay, payment from BC Hydro for the portion of the Direct Costs incurred as a direct result of the Concurrent Delay that can be: (i) segregated from the Direct Costs incurred as a result of the Contractor Delay and any other Excusable Delay Events(s); and (ii) demonstrated to have been incurred by the Contractor solely as a result of such BC Hydro Delay(s).

The Contractor will not be entitled to, nor will the Contractor make any claim for an adjustment of the Contract Price, reimbursement, payment or other compensation from BC Hydro in relation to any extension of time under Section 12.7(a), or any other costs or expenses incurred by the Contractor as a result of any other events causing or contributing to such Concurrent Delay.

For the purpose of this Section 12.7:

- (c) a "**Concurrent Delay**" means a delay caused by the occurrence of more than one unrelated event, each of which, independent of the other event(s), causes a delay to the then current critical path for completion of the Work or an Interface Milestone, without regard for which event occurred first in time, but only to the extent that the events overlap in time; and
- (d) an "**Excusable Delay Event**" means a BC Hydro Delay, a Project Delay, a public protest (as described in Section 12.6 of this Schedule 2 [General Conditions]) or an event of Force Majeure that in each case: (i) causes a delay to the then current critical path for completion of the Work or an Interface Milestone; and (ii) occurs contemporaneously with a Contractor Delay that also causes a delay to the then current critical path for completion of the Work or an Interface Milestone.

12.8 Notice of Delay

With respect to any event of delay:

- (a) regardless of the cause of a delay, if the Contractor considers itself to be entitled to an extension of time or additional compensation due to an event of delay, the Contractor will promptly after the commencement of the event of delay give written notice of the delay to Hydro's Representative, with sufficient detail to permit Hydro's Representative to be able to understand the nature of the event of delay as well as the anticipated impact on the Contract Price, if any, and the time for completion of the Work and the applicable Interface Milestones, if any. The written notice will include, and be accompanied by, the following information:
- (i) details of the event of delay and its cause, including a statement of relevant facts;
- (ii) details of the provisions of the Contract upon which the Contractor's Claim is based;

- (iii) details of the estimated impact of the event of delay on the time for completion of the Work, if any, and any impacted Interface Milestones;
- (iv) details of the estimated impact of the event of delay on the Contract Price, if any;
- (v) details of all mitigation measures to be implemented, including any suggested “pacing” of the progress of the Work and any time recovery strategies, together with details of the impacted systems, equipment and personnel, anticipated cost savings or expenditures and the impact of the mitigation measures on the time for completion of the Work; and
- (vi) details of the event(s) or circumstance(s) that will end the event of delay and the date on which such event(s) or circumstance(s) is estimated to occur,

with “promptly” being interpreted to mean, as soon as reasonably practicable after the earlier of the date of actual knowledge and the date that the party should reasonably have obtained such knowledge;

- (b) the Contractor will:
 - (i) continue to provide supplemental information with respect to a Claim for delay to Hydro’s Representative promptly after the Contractor receives, creates or becomes aware of such information; and
 - (ii) promptly, and in any event within seven days, following the end of the event of delay, provide the following information:
 - (A) a written Claim for an extension of time, expressed in number of days, that includes details of the impact of the event of delay on the time for completion of the Work, or the impacted Interface Milestone(s), as applicable; and
 - (B) a critical path schedule update and delay impact assessment, based on the then current, and most recently updated, Work Program and Schedule that meets the requirements of Schedule 4 [Work Program and Schedule]. In support of any Claim for an extension of time, the critical path schedule update and delay impact assessment must identify any Concurrent Delays and any “pacing” of the Contractor’s progress of the Work in relation to the event of delay. Where the Contractor claims “pacing” of the Work, such “pacing” must have been disclosed in the initial notice given in accordance with Section 12.8(a) of this Schedule 2 [General Conditions];
- (c) if the Contractor gives notice of delay in accordance with Section 12.8(a) of this Schedule 2 [General Conditions], then, as part of the performance of the Work, the Contractor will keep and provide to Hydro’s Representative records in the same detail and manner as described in Sections 2.7(b) and 2.7(c) of Schedule 12 [Changes], and will update any information provided pursuant to this Section 12.8(c), as it is received or created and in any event at least weekly throughout the duration of the delay;
- (d) upon receipt of a notice of delay from the Contractor, Hydro’s Representative will promptly investigate the conditions giving rise to the claimed delay in order to satisfy himself as to the validity of the claimed delay and to determine the impact of the claimed delay, if any;
- (e) if the Contractor fails to provide:

- (i) the written notice of a delay, together with all of the information required by Section 12.8(a) of this Schedule 2 [General Conditions], within seven days after becoming aware of the event of delay; or
- (ii) the information required by Section 12.8(b) of this Schedule 2 [General Conditions], within seven days after the end of the event of delay,

then, to the extent that BC Hydro has been prejudiced in its ability to either assess the Contractor's Claim or to mitigate the impact of the delay or a portion of the delay by reason of the Contractor's failure, the Contractor will not be entitled to, nor will the Contractor make any claim for, an adjustment to the Contract Price or an adjustment of the time for the performance of the Work, or the impacted Interface Milestone(s), on account of the delay; and

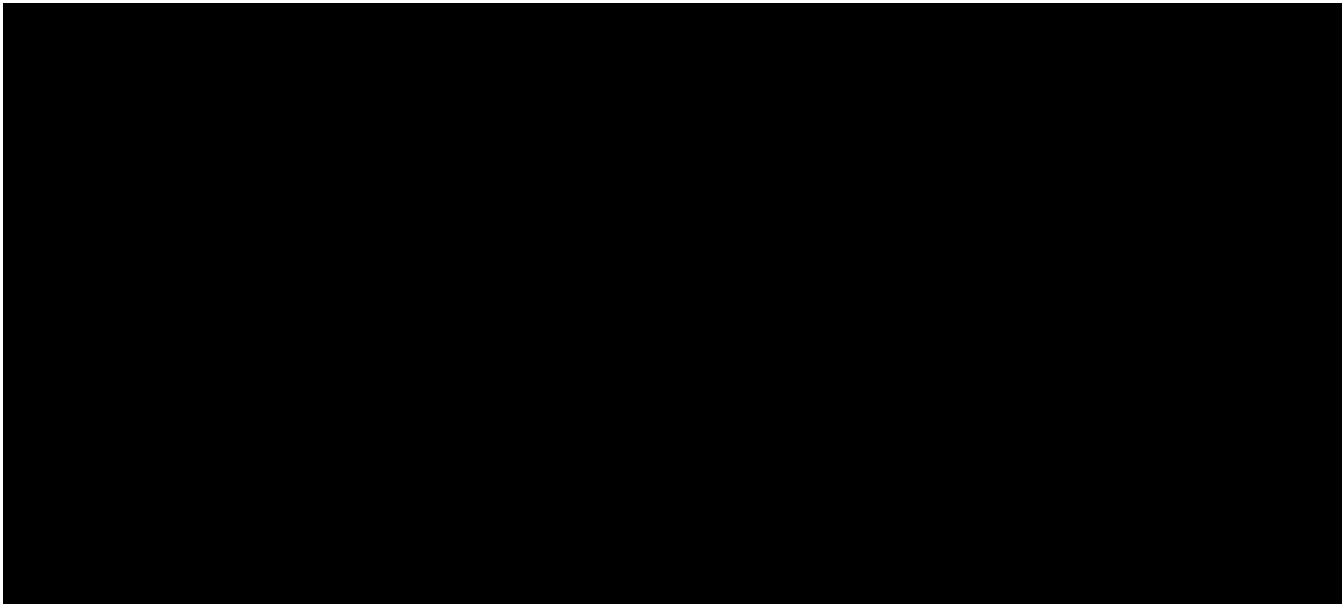
- (f) in no event will the Contractor be entitled to, nor will the Contractor make any claim for, an adjustment to the Contract Price on account of any costs incurred as a result of any delay or portion of a delay for which the Contractor has not kept, nor made available to Hydro's Representative, the records as required under Section 12.8(c) of this Schedule 2 [General Conditions].

12.9 Acceleration to Recover Contractor Delays

If, at any time, Hydro's Representative, acting reasonably, determines that the then current Work Program and Schedule is not being met due to a Contractor Delay, then Hydro's Representative may deliver written notice to the Contractor directing the Contractor to accelerate the performance of the Work, at no extra cost or expense to BC Hydro, so as to bring the performance of the Work back into conformity with the then current Work Program and Schedule.

12.10 Acceleration for BC Hydro's Convenience

Hydro's Representative may, at any time, deliver written notice to the Contractor to accelerate the performance of the Work at BC Hydro's convenience and upon receipt the Contractor will use commercially reasonable efforts to accelerate in accordance with such notice. Any such acceleration will be a Change under Schedule 12 [Changes], provided that the date for the payment of Liquidated Damages under Section 11 of Schedule 11 [Prices and Payment] will not be moved to an earlier date, except as otherwise expressly agreed by the Contractor and BC Hydro.



13 **NOT USED****14** **BONDING AND PERFORMANCE SECURITY**14.1 Performance and Payment Security

The Contractor will comply with all performance and payment security requirements as set out in Schedule 11 [Prices and Payment].

15 **CONTRACTOR DEFAULT**15.1 Failure to Perform

If:

- (a) the Contractor should fail or neglect to undertake the performance of the Work properly and expeditiously;
- (b) the Contractor should otherwise fail to comply with the requirements of the Contract to a substantial degree;
- (c) the aggregate liability of the Contractor to BC Hydro for Claims relating to or arising out of the Contract exceeds the maximum aggregate liability as set out in Section 24.1 of this Schedule 2 [General Conditions] or the liability of the Contractor to BC Hydro exceeds the amount of the total amount of all Performance Security; or
- (d) the aggregate liability of the Contractor to BC Hydro for Contractor Delays, including any Liquidated Damages payable by the Contractor to BC Hydro pursuant to Section 11.6 of Schedule 11 [Prices and Payment], exceeds the maximum aggregate liability for such as set out in Section 11.7 of Schedule 11 [Prices and Payment], or the liability of the Contractor to BC Hydro for failure to complete an Interface Milestone listed in Table 11.1 of Schedule 11 [Prices and Payment] exceeds any individual LD Sub-Cap,

then Hydro's Representative may provide the Contractor with written notice stating the nature of the Contractor's failure and instructing the Contractor to correct the failure within seven days after receipt of such notice. If the Contractor cannot reasonably correct the failure within such seven days, then the Contractor will be in compliance with Hydro's Representative's instructions if the Contractor:

- (e) takes all reasonable steps to begin to correct the failure within such seven days;
- (f) provides Hydro's Representative with a schedule reasonably acceptable to Hydro's Representative for such correction; and
- (g) completes the correction in accordance with such schedule.

If the Contractor fails to correct the failure in the time specified or subsequently agreed in writing, or, if, for any reason, the failure cannot be corrected, including if the failure is as described in Section 15.1(c) or 15.1(d) of this Schedule 2 [General Conditions] and no new agreement is reached between the parties regarding the Contractor's maximum aggregate liability, aggregate liability for Contractor Delays, Performance Security or LD Sub-Caps, then BC Hydro may, without prejudice to any of its other rights or remedies:

- (h) correct such failure to the extent BC Hydro is able to correct the failure and set off from any payment then or thereafter due to the Contractor all additional costs reasonably incurred by BC Hydro to correct the failure, including the cost of Other Contractors and BC Hydro's own forces;
- (i) remove any portion of the outstanding Work from the Contract as BC Hydro may, in its discretion, decide and adjust the Contract Price on account of such removal and set-off from any payment then or thereafter due to the Contractor all additional costs reasonably incurred by BC Hydro to complete the performance of the Work, including increased costs of construction, the costs of Other Contractors, any administrative costs, the cost of BC Hydro's own forces and resources and the cost to BC Hydro of Hydro's Representative; or
- (j) terminate the Contract.

15.2 Bankruptcy

BC Hydro may, without prejudice to any of its other rights or remedies, terminate the Contract by giving written notice to the Contractor or any other applicable Person, if:

- (a) the Contractor, or any entity comprising the Contractor, makes an assignment for the benefit of its creditors, is declared bankrupt or commits an act of bankruptcy, becomes insolvent, makes a proposal for relief under the *Bankruptcy and Insolvency Act* (Canada) or similar legislation in any jurisdiction, or becomes involved in any other type of insolvency proceedings being commenced by or against the Contractor, or any entity comprising the Contractor, under the *Bankruptcy and Insolvency Act* (Canada) or otherwise;
- (b) a receiver, receiver manager or other encumbrance holder takes possession of or is appointed over, or any distress, execution or other process is levied or enforced upon, the whole or any material part of the assets of the Contractor, or any entity comprising the Contractor;
- (c) any arrangement with or for the benefit of creditors is entered into by or in relation to the Contractor, or any entity comprising the Contractor, provided such arrangement is not entered into by the Contractor, or such entity comprising the Contractor, in the ordinary course of business;
- (d) any proceeding with respect to the Contractor, or any entity comprising the Contractor, is commenced under the *Companies' Creditors Arrangement Act* (Canada);
- (e) the Contractor, or any entity comprising the Contractor, ceases to carry on business; or
- (f) a petition is filed (and not being contested in good faith, using all commercially reasonable efforts), or a resolution is passed or an order is made for the winding up, liquidation or dissolution of the Contractor, or any entity comprising the Contractor.

BC Hydro will not exercise its right of termination under this Section 15.2 if at least one entity comprising the Contractor is not the entity giving rise to such right of termination under Section 15.2(a) through

Section 15.2(f) of this Schedule 2 [General Conditions], and if BC Hydro, acting reasonably, is satisfied that:

- (g) such entity(ies) has the power, capacity and resources necessary to fulfill the Contractor's obligations under the Contract; and
- (h) such entity(ies) will deliver a modified security package that provides BC Hydro with security for the performance of the Contractor's obligations under the Contract that is equal to that provided under the Performance Security.

15.3 Termination for Cause

If BC Hydro terminates the Contract under Section 15.1 or Section 15.2 of this Schedule 2 [General Conditions], then BC Hydro will, while making commercially reasonable efforts to mitigate costs and delays:

- (a) be entitled to take possession of the equipment and materials, including any BC Hydro Property, located at the Site or elsewhere and intended for incorporation in or use in the performance of the Work, and any equipment and materials for which payment has been made or for which payment may be owing in accordance with the Contract by BC Hydro to the Contractor, to utilize such equipment and materials, subject to the rights of third parties, and complete the performance of the Work by whatever method BC Hydro may consider expedient;
- (b) be entitled to withhold any payments owing to the Contractor;
- (c) upon Total Completion, be entitled to retain from any amounts withheld from the Contractor:
 - (i) the total of any additional costs (the "**Default Costs**") in excess of the Contract Price BC Hydro incurred to achieve Total Completion because of the Contractor's failure, including the costs of Other Contractors, any administrative costs, the cost of BC Hydro's own forces and resources and the cost to BC Hydro of Hydro's Representative; and
 - (ii) monies equal the anticipated cost, as estimated by Hydro's Representative, acting reasonably, of any corrections that the Contractor would have been required to make during the Warranty Period with respect to Work performed by the Contractor up to the date of termination, where the Warranty Period extends beyond Total Completion,

and pay the balance of any amounts withheld from the Contractor, if any, to the Contractor. If the total of:

- (iii) the Default Costs; and
- (iv) the costs to cover the corrections that the Contractor would have been required to make during the Warranty Period with respect to the Work performed by the Contractor up to the date of termination,

exceeds the total of the payments BC Hydro has withheld, then such excess will be immediately due and owing by the Contractor to BC Hydro upon receipt of an invoice from BC Hydro for such excess; and

- (d) on expiry of the Warranty Period retain, without duplication, from any holdback, the cost of any corrections that the Contractor would have been required to make during the Warranty Period to any Work performed by the Contractor up to the date of termination, and pay the balance, if any, to the Contractor. If the total of the costs of such corrections exceeds the holdback, then such excess will be immediately due and owing by the Contractor to BC Hydro upon receipt of an

invoice from BC Hydro for such excess, but without duplication of any amounts previously paid by the Contractor pursuant to this Section 15.3 of this Schedule 2 [General Conditions].

15.4 Contractor's Obligations Following Termination

If the Contract is terminated for any reason, including pursuant to Section 17.1 of this Schedule 2 [General Conditions], the Contractor's obligations described in the Contract as to quality, correction and warranty will continue in full force and effect after such termination with respect to the Work performed by the Contractor up to the time of termination.

16 **BC HYDRO DEFAULT**

16.1 Failure to Perform

If BC Hydro fails to:

- (a) pay the Contractor payments when due in accordance with the provisions of the Contract;
- (b) provide the Contractor with adequate directions or instructions so as to prevent the Contractor from performing the Work in accordance with the Contract; or
- (c) resume the Contract, in whole or in part, within one year of the effective date of the suspension of the Contract under Section 17.1 of this Schedule 2 [General Conditions],

then the Contractor may provide Hydro's Representative with written notice stating the nature of BC Hydro's failure and instructing BC Hydro to correct the failure within 30 days after receipt of such notice.

If BC Hydro cannot reasonably correct the failure in such 30 days, then BC Hydro will be in compliance with the Contractor's instructions if BC Hydro:

- (d) takes commercially reasonable steps to begin to correct the failure within such 30 days;
- (e) provides the Contractor with a schedule acceptable to the Contractor, acting reasonably, for such correction; and
- (f) completes the correction in accordance with such schedule.

If BC Hydro fails to correct the failure in the time specified or subsequently agreed in writing, then the Contractor may, without prejudice to any of its other rights or remedies, terminate the Contract.

16.2 Termination for Cause

If the Contractor terminates the Contract under Section 16.1 of this Schedule 2 [General Conditions], then BC Hydro will, in full satisfaction of all Claims the Contractor may have, pay the Contractor:

- (a) all compensation owed in accordance with the Contract for all Work performed, including all materials and equipment supplied for incorporation into the Work, in accordance with the Contract up to the date of the termination;
- (b) all reasonable and substantiated third party cancellation charges, if any, incurred by the Contractor to the date of termination, provided such charges could not have been reasonably avoided or mitigated by the Contractor;

- (c) the Direct Costs incurred to demobilize from the Site; and
- (d) other Direct Costs incurred for materials that: (i) have been purchased or processed by the Contractor pursuant to the Contract; (ii) the Contractor is unable to return; and (iii) meet all of the Contract requirements, provided that upon payment by BC Hydro, BC Hydro will have clear title to such materials.

17 SUSPENSION OR TERMINATION OF CONTRACT OTHER THAN FOR DEFAULT

17.1 Suspension or Termination for Convenience

BC Hydro may, by written notice to the Contractor's Representative, at any time at BC Hydro's convenience and in its discretion, suspend or terminate the Contract, in whole or in part, stating the extent and effective date of such suspension or termination, and, upon receipt of such written notice, the Contractor will:

- (a) wind down all suspended or terminated Work in accordance with such notice and in a manner such that BC Hydro receives the benefit of all Work performed to the effective date of the applicable suspension or termination, provided that the Contractor will be entitled to the Direct Costs of doing so;
- (b) with respect to the terminated portions of the Work, if any, on the written direction of Hydro's Representative:
 - (i) assign to BC Hydro, in the manner and to the extent directed by BC Hydro, all of the Contractor's rights under purchase orders and agreements with any first tier Subcontractors as identified by BC Hydro; and
 - (ii) terminate purchase orders and agreements with first tier Subcontractors, to the extent that they are not assigned to BC Hydro;
- (c) take any necessary action, including re-possession, to protect property in the Contractor's possession in which BC Hydro has or may acquire an interest, including any BC Hydro Property, provided that the Contractor will be entitled to the Direct Costs of doing so;
- (d) continue and complete performance of the continuing portion of the Work, if any, in accordance with the Contract;
- (e) provide suggestions to BC Hydro as to the best methods of mitigating any Claims, costs or delays arising from the suspension or termination of all or portions of the Work;
- (f) provide all records and documents, as required by the Contract, to BC Hydro relating to the terminated portion of the Work, if any; and
- (g) take any other action in relation to the termination or suspension of the Work which BC Hydro may reasonably direct, provided that the Contractor will be entitled to the Direct Costs of doing so.

17.2 Rights upon Termination for Convenience

In the event of termination under Section 17.1 of this Schedule 2 [General Conditions], BC Hydro will, in full satisfaction of all Claims the Contractor may have, pay the Contractor:

- (a) all compensation owed in accordance with the Contract for all Work performed, including all materials and equipment supplied for incorporation into the Work, in accordance with the Contract up to the date of the termination;
- (b) all reasonable and substantiated third party cancellation charges, if any, incurred by the Contractor to the date of termination, provided such charges could not have been reasonably avoided or mitigated by the Contractor;
- (c) the Direct Costs to demobilize from the Site; and
- (d) other Direct Costs incurred for materials that: (i) have been purchased or processed by the Contractor pursuant to the Contract; (ii) the Contractor is unable to return; and (iii) meet all of the Contract requirements, provided that upon payment by BC Hydro, BC Hydro will have clear title to such materials.

17.3 Obligations During Suspension

During any period of suspension, the Contractor will not remove any Work or any equipment and materials, including BC Hydro Property, from the Contractor's Work Area without the prior written consent of Hydro's Representative, and will take all commercially reasonable steps to secure and make safe all Work and all such equipment and materials at the Site, including BC Hydro Property, if any. At any time after the commencement of such period of suspension, BC Hydro may give written direction to the Contractor to resume performance of the suspended Work, and, upon receipt of such direction, the Contractor will so resume within the time specified in such direction by Hydro's Representative, acting reasonably.

In the event of suspension under Section 17.1 of this Schedule 2 [General Conditions], and provided that such suspension is not due to a default of, or failure of performance by, the Contractor, the Contractor will seek direction from BC Hydro on which Contractor Personnel, if any, should be demobilized from Site. BC Hydro will, in full satisfaction of all Claims the Contractor may have in respect of such suspension, pay to the Contractor the Direct Costs, if any, incurred as a direct result of such suspension, including Direct Costs incurred to demobilize and remobilize any Contractor Personnel demobilized in accordance with BC Hydro's direction under this Section 17.3.

At the end of each month during a suspension, the Contractor may submit an invoice to BC Hydro, along with all supporting documentation reasonably required by BC Hydro, which fully details the Direct Costs claimed by the Contractor in accordance with this Section 17.3 for that month. BC Hydro will pay to the Contractor the amount it approves, acting reasonably, within 60 days of receipt of such an invoice.

After 6 months of continuous suspension, the Contract Price will be adjusted for cost escalation, on a one time basis only, in respect of structural steel, Reinforcement and cement to account for the variance in the price of those particular materials from the date on which the suspension commences up to and including the date on which the suspension ceases, in accordance with the following:

- (a) Price Item #91, #94 and #101 in Appendix 11-1 [Schedule of Prices and Estimated Quantities] will be adjusted, in respect of any structural steel material that had not yet been procured by the Contractor as of the date the suspension commenced only, by an amount equal to the average of the percentage change in the following indices:

- (i) (i) Fabricated metal products and construction materials [P63] (CANSIM Table 329-0074, Industrial Product Price Indexes, by Major Commodity Aggregations based on the North American Product Classification System (NAPCS), monthly (Index, 2010=100), Jan 1956 to Aug 2017); and
- (ii) MEPS North American Carbon Steel Purchasing Price Index based on MEPS North American Average Carbon Steel Prices (US\$/metric ton) for Structural Sections and Beams (January 1997=100),

between the date the suspension commences and the date the suspension ceases;

- (b) Price Items #51 through #53 (inclusive) and #55 through #59 (inclusive) in Appendix 11-1 [Schedule of Prices and Estimated Quantities] will be adjusted, in respect of any Reinforcement material that had not yet been procured by the Contractor as of the date the suspension commenced only, by an amount equal to the average of the percentage change in the following indices:

- (i) Fabricated metal products and construction materials [P63] (CANSIM Table 329- 0074, Industrial Product Price Indexes, by Major Commodity Aggregations based on the North American Product Classification System (NAPCS), monthly (Index, 2010=100), Jan 1956 to Aug 2017); and
- (ii) MEPS North American Carbon Steel Purchasing Price Index based on MEPS North American Average Carbon Steel Prices (US\$/metric ton) for Rebar (January 1997=100),

between the date the suspension commences and the date the suspension ceases; and

- (c) Price Items #26 through #29 (inclusive), #32 through #42 (inclusive) and #47 in Appendix 11-1 [Schedule of Prices and Estimated Quantities] will be adjusted, in respect of any cement material that had not yet been procured by the Contractor as of the date the suspension commenced only, by an amount equal to the average of the percentage change in the following indices:

- (i) Cement, glass, and other non-metallic mineral products [P81], (CANSIM Table 329-0074, Industrial Product Price Indexes, by Major Commodity Aggregations based on the North American Product Classification System (NAPCS), monthly (Index, 2010=100), Jan 1956 to Aug 2017); and
- (ii) Bureau of Labour Statistics Producer Price Index – Concrete Products (Series Id: WPU 133, Group: Nonmetallic mineral products, Item: Concrete products (April 1982=100)),

between the date the suspension commences and the date the suspension ceases.

If any published index referenced in this Contract ceases to be published, or if the basis or composition of the index is changed materially, there will be substituted an available replacement index that most nearly, of those then publicly available, approximates the intent and purpose of the index that has so ceased or changed. The replacement index will be determined by agreement of the parties, or failing agreement within 30 days after the request of either party for agreement, then by arbitration in accordance with Schedule 14 [Dispute Resolution Procedure].

The Work Program and Schedule, including the dates for completion of the Interface Milestones, will be extended to cover the complete period of the suspension.

17.4 Termination for Force Majeure

Either party may, on 14 days written notice to the other party, terminate the Contract if an event of Force Majeure has caused a suspension of the Contract for a period greater than 365 days for a single event, or 730 days in the aggregate if there is more than one Force Majeure event. Any termination pursuant to this Section 17.4 will be deemed to be a termination under Section 17.1 of this Schedule 2 [General Conditions].

18 DISPUTES

18.1 Dispute Resolution Procedure

All Disputes will be resolved in accordance with Schedule 14 [Dispute Resolution Procedure].

18.2 Restricted Parties – Acknowledgement and Consent

The Contractor, on its own behalf and on behalf of each first tier Subcontractor and each of their respective Affiliates (collectively, the “**Contractor Parties**”):

- (a) acknowledges that BC Hydro has retained the services of the Restricted Parties (as defined in RFP#6374), in respect of various aspects of the Project;
- (b) confirms that none of the Contractor Parties will retain, or seek to retain, any of the Restricted Parties in relation to any matter, Dispute or Claim, including any formal proceedings, litigation, arbitration, mediation or other form of formal or informal dispute resolution, in relation to this Contract or the Project;
- (c) expressly consents to each of the Restricted Parties continuing to represent, assist and advise BC Hydro in all matters, including any Disputes and Claims, in relation to this Contract and the Project, including any such matter, Claim or Dispute in which the interests of BC Hydro are directly or indirectly adverse to any of the Contractor Parties and despite any confidential or other information of the Contractor Parties that any of the Restricted Parties may have had, or may have and any solicitor-client or other relationship that the Contractor Parties may have had, or may have, with any of the Restricted Parties;
- (d) confirms that none of the Contractor Parties has retained any of the Restricted Parties to advise or assist them in any matter relating to the Project or this Contract and, to the extent any of the Contractor Parties has, or had, a solicitor-client or other relationship with any of the Restricted Parties, such relationship is, or was, unrelated to the Project, this Contract and the related competitive selection process, including RFQ #6372 and RFP#6374;
- (e) confirms that the Contractor Parties have obtained independent legal advice, or having had an opportunity to obtain independent legal advice have elected not to obtain such advice, with respect to this Section 18.2; and
- (f) agrees that the confirmations, acknowledgements and consents provided pursuant to this Section 18.2: (i) are provided for the benefit of, and may be relied upon by, each of BC Hydro and the Restricted Parties; and (ii) continue in force and survive any termination, suspension, cancellation, completion or expiration of the Contract.

The Contractor will incorporate the terms and conditions of this Section 18.2 into all agreements with its first tier Subcontractors.

19 PROTECTION OF PERSONS, PROPERTY AND THE ENVIRONMENT

19.1 Health and Safety

The Contractor will comply with Schedule 10 [Safety].

19.2 Protection of Work and Property

With respect to protection of the Work, other work and property:

- (a) except as expressly set out otherwise in the Contract, in performing the Work, the Contractor will be responsible:
 - (i) for the care, custody, control, maintenance and security of all parts of the Work and all equipment, materials and other items used or provided by the Contractor or any other Contractor Person in connection with the Contract, whether in transit to or from the Site or in storage on or off the Site by the Contractor or any other Contractor Person, until Substantial Completion, and the Contractor will, at no extra cost or expense to BC Hydro, make good any loss or damage to any part of the Work and any equipment, materials and other items used or provided by the Contractor or any other Contractor Person in connection with the Contract until Substantial Completion;
 - (ii) to protect BC Hydro's and other Person's work and property, including BC Hydro Property, from loss or damage, and the Contractor will, at no extra cost or expense to BC Hydro, make good any such loss or damage to BC Hydro's or other Person's work and property, including BC Hydro Property; and
 - (iii) for the care, custody, control and security of any BC Hydro Property received by the Contractor or any other Contractor Person in accordance with Section 3.15 of this Schedule 2 [General Conditions], whether such BC Hydro Property is in transit, in storage or being incorporated into the Work, and the Contractor will, at no extra cost or expense to BC Hydro, make good any loss or damage to any such BC Hydro Property;
- (b) notwithstanding Section 19.2(a) of this Schedule 2 [General Conditions], the Contractor will not be responsible for loss or damage described in Section 19.2(a):
 - (i) to the extent the Contractor, in the performance of the Work, could not reasonably have avoided such loss or damage; or
 - (ii) to the extent BC Hydro Persons or Other Contractors contributed in causing such loss or damage; and
- (c) for certainty, if the loss or damage described in Section 19.2(a) of this Schedule 2 [General Conditions] would have been covered by or recoverable against the insurance required to be obtained and maintained under the Contract but for Section 19.2(b) of this Schedule 2 [General Conditions], then that Section 19.2(b) of this Schedule 2 [General Conditions] will be inoperative and considered as deleted from the Contract so as to permit the recovery under such insurance. In such event, BC Hydro will pay the applicable deductible, or pay to the Contractor the amount of the applicable deductible, and the insurance proceeds will be used by the parties to make good the loss or damage.

19.3 Protection of the Environment

The Contractor will comply with Schedule 7 [Environmental Obligations]. The Contractor will, as part of the Work, provide such information and assistance to BC Hydro with respect to any Permit as BC Hydro may request, acting reasonably.

19.4 Security Plan

Within 60 days after the Effective Date, and in any event prior to commencing the performance of any Work at the Site, the Contractor will prepare and submit to Hydro's Representative for Consent a security plan (the "**Security Plan**") that outlines the security measures the Contractor will implement to protect Contractor Persons, other Persons within the Contractor's Work Area, the Contractor's materials and equipment, the Work, BC Hydro Property and any area of ancillary use, including any storage area or Laydown Area, within the Contractor's Work Area. The Security Plan will align with BC Hydro's Site C Security Management Plan, a copy of which is included in the Data Room (Data Room ID#1016.Z.01.001.PMO.00233.SAFE).

19.5 Amendment of Security Plan

The Contractor will review and amend the Security Plan from time to time as necessary to reflect changes in the development of the Work, installation progress, work methods, Site hazards and scope of Work. The Contractor will, prior to implementing any Security Plan amendments, submit the proposed amendments to Hydro's Representative for Review.

19.6 Compliance with Security Plan

The Contractor will implement and comply with the Security Plan and any amendments to the Security Plan pursuant to Section 19.5 of this Schedule 2 [General Conditions].

If BC Hydro designates an entity other than the Contractor as the Prime Contractor in an area within the Contractor's Work Area, as contemplated in Section 2.1 of Schedule 10 [Safety], then the Contractor will collaborate with the Prime Contractor to develop and implement a security plan for any such overlapping Safety Area(s), and will comply with that security plan.

20 CONFIDENTIALITY AND COMMUNICATIONS

20.1 BC Hydro Confidential Information

The Contractor will treat as confidential, and will use commercially reasonable efforts to protect and prevent the publication, disclosure or dissemination to third parties without the prior written consent of BC Hydro of any business, financial, operational or technical information of any BC Hydro Person, or of any other information expressly identified by BC Hydro in writing as proprietary or confidential, that is supplied (whether orally or in written, electronic or any other form) to, or otherwise obtained or acquired by, the Contractor as a result of or in connection with the Contract (collectively the "**BC Hydro Confidential Information**").

20.2 Contractor Confidential Information

BC Hydro will treat as confidential, and will use commercially reasonable efforts to protect and prevent the publication, disclosure or dissemination to third parties without the prior written consent of the Contractor of any:

- (a) proprietary information, trade secrets and know-how relating to the Contractor's products, equipment, processes or methods which the Contractor expressly identifies in writing as confidential at the time of disclosure; and

- (b) financial information of the Contractor,

that is supplied (whether orally or in written, electronic or any other form) to BC Hydro by the Contractor pursuant to or in connection with the Contract (collectively the “**Contractor Confidential Information**”).

20.3 Permitted Disclosure

Notwithstanding Sections 20.1 and 20.2 of this Schedule 2 [General Conditions], disclosure of Confidential Information may be made:

- (a) with the prior written consent of the Disclosing Party’s Representative;
- (b) in strict confidence to the receiving party’s professional advisors;
- (c) in the case of the Contractor, to Subcontractors and Affiliates, or, in the case of BC Hydro, to Other Contractors or other contractors, who, in each case, need to know the applicable Confidential Information for the purposes of performing the Work, performing work on the Project, or operating, maintaining, repairing or altering the permanent Work;
- (d) in the case of BC Hydro:
 - (i) to any Governmental Authority, as required or requested by such Governmental Authority;
 - (ii) to the British Columbia Utilities Commission for the purpose of any regulatory application or submission to the British Columbia Utilities Commission; and
 - (iii) to any provincial ministry or to the Province of British Columbia; or
- (e) as otherwise required by Law, by Permits, or permitted by the Contract, including Section 29 of this Schedule 2 [General Conditions].

The Contractor will, acting reasonably, consent to such Contractor Confidential Information as BC Hydro may request to be disclosed for reasons of public interest and transparency including:

- (f) emergency response plans; and
- (g) employment information including Aboriginal participation.

The Contractor will require all Subcontractors and Affiliates to enter into agreements with the Contractor containing confidentiality provisions substantially similar to those found in Section 20 of this Schedule 2 [General Conditions].

Prior to disclosing any Contractor Confidential Information to Other Contractors or other contractors, BC Hydro will ensure that such parties are bound by agreements with BC Hydro containing confidentiality provisions substantially similar to those found in Section 20 of this Schedule 2 [General Conditions].

20.4 Exceptions to Confidentiality Obligations

The obligations of confidentiality described in Sections 20.1 and 20.2 of this Schedule 2 [General Conditions] will not apply to:

- (a) information that is, or subsequently becomes, publicly available other than through a breach of the Contract or through a breach of a confidentiality agreement which another Person has entered into concerning the Confidential Information;
- (b) information which the party already possessed before commencing to participate in the Project;
- (c) information which is rightfully received from a third party without breach of any obligation of confidence by such third party; or
- (d) information which is independently developed without the use of the Confidential Information.

20.5 Communications Roles

The Contractor will, during the performance of its obligations under the Contract, comply with the terms and conditions set out in Schedule 9 [Communications Roles].

20.6 Public Communications

The Contractor acknowledges that BC Hydro will not provide any endorsement of the Contractor or the Work performed pursuant to the Contract. The Contractor will not erect any sign or advertising, use any BC Hydro trademark, logo or device in any sign or advertisement or make any public announcement or disclosure, whether for publication in the press, radio, television, or any other medium, regarding the existence of the Contract, the Project or the Work without the prior written consent of BC Hydro, which consent may be arbitrarily withheld.

21 RECORDS AND AUDIT

21.1 Records and Audit

The Contractor will, during the performance of its obligations under the Contract, comply with the terms and conditions set out in Schedule 15 [Records].

21.2 Financial Statements

In addition to complying with the requirements of Schedule 15 [Records], the Contractor will, during the performance of its obligations under the Contract and for a period of seven years after termination of the Contract, keep and maintain all financial statements that are required or may be requested by BC Hydro from the Contractor or from the entity issuing the Parent Company Guarantee, and will, upon reasonable written notice, make such information available to Hydro's Representative and any of his or her nominees within such time period for review and audit.

The Contractor will, upon written request from Hydro's Representative within such time period, and in any event prior to disposal of such information, provide Hydro's Representative with a copy of any such information in a form satisfactory to Hydro's Representative, acting reasonably.

No review or audit conducted by Hydro's Representative or BC Hydro or any of their nominees under this Contract, including Section 21.2 of this Schedule 2 [General Conditions], will at any time constitute approval or acceptance of any Work under the Contract, nor be considered a waiver by BC Hydro of any of the terms of the Contract, nor relieve the Contractor of any of its duties, obligations or responsibilities under the Contract to perform the Work in accordance with the requirements of the Contract.

22 **INSURANCE**

22.1 Contractor Provided Insurance Coverage

The Contractor will obtain and maintain all policies of insurance required of it and will otherwise comply with all of the requirements set out in Schedule 13 [Insurance].

22.2 BC Hydro Provided Insurance Coverage

BC Hydro will obtain and maintain all policies of insurance required of it and will otherwise comply with all of the requirements set out in Schedule 13 [Insurance].

22.3 No Limitation

The obligations in this Section 22 of this Schedule 2 [General Conditions] and in Schedule 13 [Insurance] do not waive, limit, relieve, reduce, delay or otherwise impact the obligations and liabilities of the Contractor arising under this Contract or at law, including in relation to or arising from the Contractor's obligations pursuant to Sections 23.1 and 25.5 of this Schedule 2 [General Conditions].

23 **INDEMNIFICATION**

23.1 Contractor Indemnity

The Contractor will indemnify and save harmless BC Hydro, its directors, officers, employees, consultants and agents, including Hydro's Representative (each, a "**BCH Indemnified Party**" and, together, the "**BCH Indemnified Parties**") from and against all third party Claims, including related Claim Costs, at any time suffered or incurred by, or brought or made against, the BCH Indemnified Parties, or any one of them, to the extent arising out of the errors, omissions or negligent acts, willful misconduct, or fraudulent or criminal acts, or breach of this Contract, of or by the Contractor or any other Contractor Person.

23.2 BC Hydro Indemnity

BC Hydro will indemnify and save harmless the Contractor, its directors, officers and employees (each, a "**Contractor Indemnified Party**" and, together, the "**Contractor Indemnified Parties**"), from and against all third party Claims, including related Claim Costs, at any time suffered or incurred by, or brought or made against, the Contractor Indemnified Parties, or any one of them, for personal injury, including death, or property damage, to the extent caused by the negligence, willful misconduct or breach of this Contract by any of the BCH Indemnified Parties.

23.3 Conduct of Claims

Without limiting the generality of Sections 23.1, 23.2 or 23.6 of this Schedule 2 [General Conditions], if a BCH Indemnified Party or a Contractor Indemnified Party (each, an "**Indemnified Party**") becomes a party to a Claim for which indemnity may be sought under Section 23 of this Schedule 2 [General Conditions] from an applicable indemnifying party (each, an "**Indemnitor**"), then:

- (a) the Indemnified Party will give the Indemnitor notice of the Claim for which indemnity may be sought promptly after becoming aware of the Claim;
- (b) promptly following BC Hydro's delivery or receipt of notice under Section 23.3(a) of this Schedule 2 [General Conditions], BC Hydro will give the Contractor a written notice specifying that BC Hydro elects:

- (i) to assume conduct of the defence of the indemnified Claim, in which case BC Hydro will conduct such defence; or
 - (ii) to have the Contractor assume conduct of the defence of the indemnified Claim, in which case the Contractor will conduct such defence subject to Section 23.3(c) of this Schedule 2 [General Conditions].
- (c) if the Contractor assumes conduct of the defence of an indemnified Claim under Section 23.3(b)(ii) of this Schedule 2 [General Conditions], and BC Hydro subsequently determines, at any time, that for its convenience BC Hydro wishes to assume conduct of the defence of such Claim itself then upon prior written notice to the Contractor, BC Hydro will assume the defence of such Claim;
- (d) where the Indemnitor has conduct of the defence of an indemnified Claim, the Indemnitor will conduct the defence of such Claim at the Indemnitor's sole cost, expense and risk and will indemnify and pay the Indemnified Party for any judgment, award or order rendered against the Indemnified Party in such Claim, or any settlement reached by the Indemnitor with respect to such Claim;
- (e) where the Indemnified Party has conduct of the defence of an indemnified Claim, the Indemnified Party will control and pay for the defence of such Claim, and if a judgment, award or order is rendered against the Indemnified Party or the Indemnified Party reaches a settlement with respect to the indemnified Claim, either of which involves a payment by the Indemnified Party to a third party in respect of the indemnified Claim, or such Claim is otherwise dismissed or discontinued through the defence of such Claim or settlement, then the Indemnified Party will be entitled to claim contribution and indemnity from the Indemnitor, and the Indemnitor will pay the Indemnified Party for any judgment, award, order or settlement amount attributable to the indemnified Claim and for all related Claim Costs.
- (f) where the Indemnitor has conduct of the defence of an indemnified Claim, the Indemnitor will keep the Indemnified Party fully advised on all details of the proceedings.

23.4 Separate Counsel

Where an Indemnitor has conduct of the defence of an indemnified Claim, each applicable Indemnified Party may retain its own counsel, at the Indemnified Party's sole cost and expense, for the purpose of monitoring the Indemnitor's conduct of the Claim.

Where an Indemnified Party has conduct of the defence of an indemnified Claim, the applicable Indemnitor may retain its own counsel, at the Indemnitor's sole cost and expense, for the purpose of monitoring the Indemnified Party's conduct of the Claim.

23.5 Limitation on Settlement

Notwithstanding any other provision in the Contract, where an Indemnitor has conduct of the defence of an indemnified Claim, the Indemnitor will not conclude or agree to the settlement or resolution of such Claim without the prior written consent of Hydro's Representative, where the Indemnified Party is a BCH Indemnified Party, or the Contractor's Representative, where the Indemnified Party is a Contractor Indemnified Party.

Where the Indemnitor concludes or agrees to the settlement or resolution of an indemnified Claim without the prior written consent of Hydro's Representative, in the case of a Claim against a BCH Indemnified Party, or the Contractor's Representative, in the case of a Claim against a Contractor Indemnified Party, the Indemnitor will be liable for the entire amount of such settlement or resolution, including any amount

in excess of its indemnity obligations under the Contract, and will have no right to claim reimbursement, set-off or payment from the applicable Indemnified Party, with respect to any such excess amount.

23.6 Intellectual Property Indemnification

The following will apply with respect to any actual or alleged unauthorized disclosure or use of a third party's Intellectual Property or infringement of a third party's Intellectual Property Rights:

- (a) the Contractor will indemnify and save harmless the BCH Indemnified Parties in accordance with the provisions of Section 23 of this Schedule 2 [General Conditions], from and against all third party Claims, including Claim Costs, at any time suffered or incurred by, or brought or made against, the BCH Indemnified Parties, or any one of them, to the extent resulting from or caused by any actual or alleged unauthorized disclosure or use of a third party's Intellectual Property or infringement of a third party's Intellectual Property Rights to the extent resulting from or caused by:
 - (i) the performance of the Work;
 - (ii) the use by BC Hydro, any of its Affiliates, Other Contractors or any other contractors of any part of the Work; or
 - (iii) the actions or omissions of the Contractor or a Contractor Person,
 or otherwise asserted against the BCH Indemnified Parties, or any one of them; and
- (b) without limiting the Contractor's obligations under Section 23.6(a) of this Schedule 2 [General Conditions], if any part of the Work infringes the Intellectual Property Rights or other rights of any third party or incorporates or uses any Intellectual Property or anything else which violates or infringes the rights of any third party or which is alleged to violate or infringe the rights of any third party, the Contractor will, at no extra cost or expense to BC Hydro, immediately:
 - (i) procure for BC Hydro an irrevocable, perpetual, nonexclusive, fee-free, royalty-free, assignable license for BC Hydro to use, operate, maintain, repair and alter the Work, including the portion of the Work that infringes or violates the Intellectual Property Rights or other rights of the third party;
 - (ii) replace or alter the infringing or allegedly infringing Work or parts thereof with non-infringing Work, or parts, of equal or better quality so as to meet or exceed the requirements of the Contract; or
 - (iii) if permitted by BC Hydro in writing, forthwith refund the amount paid by BC Hydro to the Contractor under the Contract with respect to the infringing or allegedly infringing Work or parts thereof.

Notwithstanding the foregoing, the Contractor will not be obligated to indemnify a BCH Indemnified Party for an infringement Claim if:

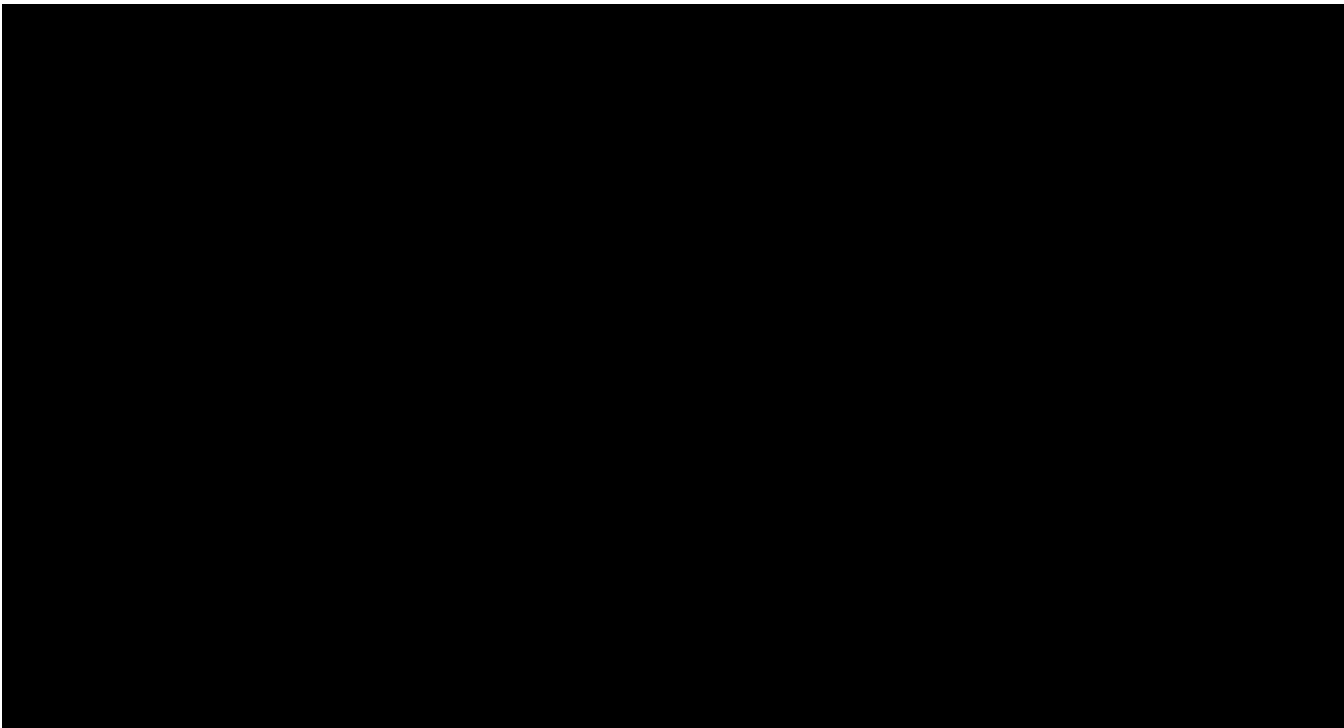
- (c) the BCH Indemnified Party does not notify the Contractor of such infringement Claim within a reasonable period of time after the BCH Indemnified Party's receipt of such Claim, provided that the Contractor will only be relieved of its obligations under this Section 23.6 to the extent that the Contractor's ability to defend the infringement Claim is prejudiced by the delay in notification from the BCH Indemnified Party;

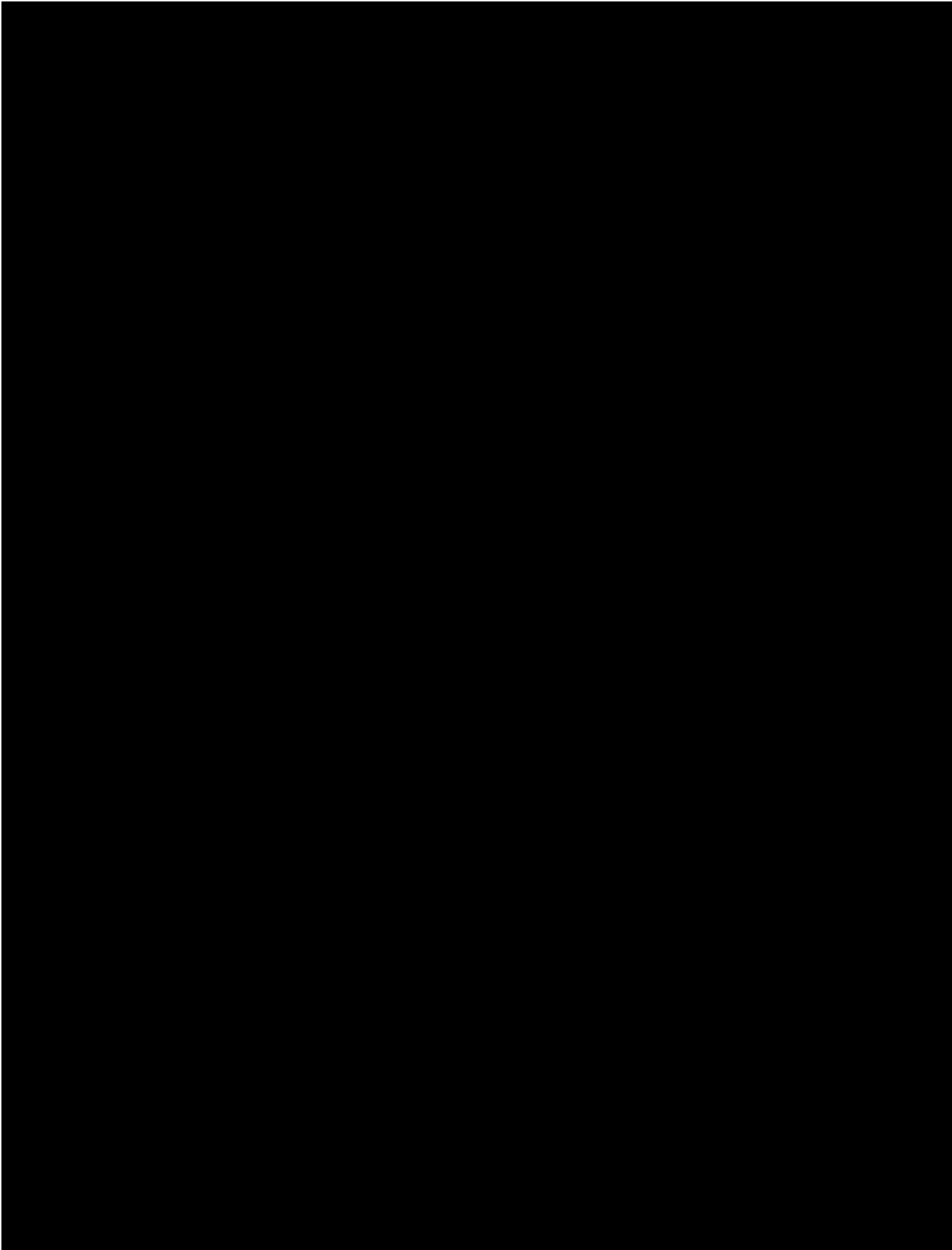
- (d) such Claim results from the use of the Work by a BC Hydro Person contrary to the uses contemplated by the Contract;
- (e) such Claim results from the use of a design provided to the Contractor by BC Hydro, or from the Contractor's use of any BC Hydro Property, in accordance with the provisions of this Contract. For clarity, the Contractor will be obligated to indemnify a BCH Indemnified Party in accordance with the provisions of Section 23 of this Schedule 2 [General Conditions] for an infringement Claim if such Claim results from a design provided by the Contractor in accordance with the provisions of this Contract; or
- (f) such Claim is compromised or settled without the Contractor's written consent.

23.7 Enforcement of Indemnities

The indemnities in Sections 23.1 and 23.2 of this Schedule 2 [General Conditions] will only be enforceable against the applicable Indemnitor by the Indemnified Parties, if:

- (a) the Indemnified Party (or Indemnified Parties) seeking to enforce the indemnity gives the applicable Indemnitor:
 - (i) prompt notice of the Claim for which indemnity is being sought in accordance with Section 23.3(a) of this Schedule 2 [General Conditions]; and
 - (ii) all documents and other information, including access to witnesses, available to the Indemnified Party (or Indemnified Parties) that may assist in the favourable defence or settlement of the indemnified Claim; and
- (b) the Indemnified Party (or Indemnified Parties) does not make any admission, or do any other act or thing, that is materially prejudicial to the favourable defence or settlement of the indemnified Claim.





25 WARRANTY

25.1 Warranty

The Contractor warrants that all Work will be performed and supplied in accordance with the Contract, free from defects, deficiencies and other Nonconformities in material, in workmanship, including construction, assembly and installation, and in any design or engineering furnished by or on behalf of the Contractor.

25.2 Quality of Equipment and Materials

The Contractor warrants that the equipment and materials furnished by or on behalf of the Contractor will be:

- (a) new and of recent manufacture;
- (b) where such equipment and materials are not specified in the Contract, fit for their intended purposes;
- (c) free from design defects, deficiencies and other Nonconformities, faults and faulty operation, including latent defects, provided that:
 - (i) if the Contractor obtains an equivalent warranty, including with respect to the Warranty Period described in Section 25.3 of this Schedule 2 [General Conditions], from the applicable third party manufacturer of the equipment and materials; and
 - (ii) the Contractor complies with Section 25.4 of this Schedule 2 [General Conditions] to assign the manufacturer's warranty to BC Hydro,

then the Contractor will be deemed to have satisfied this Section 25.2(c);

- (d) compliant with the Contract, including the specifications set out in Schedule 6 [Specifications and Drawings]; and
- (e) compliant with all Laws and Permits.

25.3 Length of Warranty

The length of the Contractor's warranty on the Work will be as follows:

- (a) subject to Section 25.3(b), the warranty set out in Section 25.1 and Section 25.2 of this Schedule 2 [General Conditions], will expire 24 months after the date of Substantial Completion or earlier termination of the Contract; and
- (b) a separate warranty period will apply in respect of:
 - (i) the self-adhered waterproofing membrane, that will expire in accordance with Clause 1.7 [Warranty], Section 07 13 26 of Appendix 6-2 [Technical Specifications];
 - (ii) the Composite Metal Building Panels, that will expire in accordance with Clause 1.7 [Warranty], Section 07 42 43 of Appendix 6-2 [Technical Specifications];
 - (iii) the Roofing System, that will expire in accordance with Clause 1.7 [Warranty], Section 07 52 00 of Appendix 6-2 [Technical Specifications]
 - (iv) the Curtain Wall System, that will expire in accordance with Clause 1.5 [Warranty], of Section 08 44 13 of Appendix 6-2 [Technical Specifications];
 - (v) the aluminum windows, that will expire in accordance with Clause 1.5 [Warranty], of Section 08 51 13 of Appendix 6-2 [Technical Specifications]; and
 - (vi) the upper flexible couplings, that will include the terms set out in, and expire in accordance with, Clause 1.5 [Warranty], Section 35 20 10 of Appendix 6-2 [Technical Specifications],

except with respect to any matter for which a warranty claim has been made during such period. If any warranty claim is made pursuant to Section 25 of this Schedule 2 [General Conditions] and any part or component of the Work is re-performed, repaired or replaced, a new warranty period will commence for such re-performed, repaired or replaced Work from the date such Warranty Work is completed, unless such Warranty Work required only minor adjustment to and not repair or replacement of a piece of equipment or a component.

(collectively the "**Warranty Period**")

25.4 Assignment

Without limiting the generalities of Section 25.1, Section 25.2 or Section 25.3 of this Schedule 2 [General Conditions], the Contractor will assign to BC Hydro the guarantees and warranties (such that they may be enforceable directly by BC Hydro) provided by all Contractor Persons.

25.5 Defects

If defects, deficiencies or other Nonconformities, including those covered by a warranty under Section 25 of this Schedule 2 [General Conditions], are discovered at any time before the expiry of the Warranty Period, including in any equipment and materials provided by the Contractor or any other Contractor Person and incorporated into the Work, then the Contractor will correct such defect, deficiency or Nonconformity or replace the defective, deficient or nonconforming work, equipment and materials promptly upon notification or instruction by Hydro's Representative. The Contractor will be responsible for all costs associated with such corrections, repairs and replacements and will indemnify and save harmless the BCH Indemnified Parties from any resulting damages, injury, loss, cost or expense incurred,

acting reasonably. Other work, including work of Other Contractors, removed or damaged due to defects, deficiencies or Nonconformities covered by a warranty under Section 25 of this Schedule 2 [General Conditions], or in making good such defects, deficiencies or Nonconformities, will also be made good by the Contractor without extra cost or expense to BC Hydro.

25.6 Failure to Remedy Defects

If the Contractor fails to remedy any defect, deficiency, Nonconformity or damage covered by a warranty under Section 25 of this Schedule 2 [General Conditions] within a reasonable time, then a date may be fixed by Hydro's Representative on or by which the defect, deficiency, Nonconformity or damage is to be remedied. The Contractor will be given reasonable written notice of this date. If the Contractor fails to remedy the defect, deficiency, Nonconformity or damage by such date and the remedial Work was to be executed at the cost of the Contractor under Section 25 of this Schedule 2 [General Conditions], then BC Hydro may, at its option:

- (a) carry out the Work using BC Hydro's own forces or other contractors, in a reasonable manner and at the Contractor's sole cost and risk. The Contractor will pay to BC Hydro, within 30 days after receipt of an invoice, the costs reasonably incurred by BC Hydro in remedying the defect, deficiency, Nonconformity or damage; or
- (b) require Hydro's Representative to determine a reasonable reduction in the Contract Price.

25.7 Removal of Defective Work

If the defect, deficiency, Nonconformity or damage cannot be remedied expeditiously on the Site and Hydro's Representative gives its written consent, then the Contractor may remove from the Site for the purposes of repair such portions of the Work as are defective, deficient, nonconforming or damaged. This consent may require the Contractor to increase the amount of the Performance Bond by the full replacement cost of these items, or to provide other appropriate security.

26 COMPLIANCE WITH LAWS

26.1 Compliance with Laws

The Contractor and all other Contractor Persons will be knowledgeable of and comply with all Laws.

26.2 Change of Law

If a Change in Law occurs and such Change in Law unavoidably results in a material increase or decrease in the costs incurred by the Contractor to perform the Work, then the parties will be entitled to claim a Change. If the Contractor is claiming a Change, it will do so pursuant to the provisions of Section 4.1 of Schedule 12 [Changes], except that the Contractor's notice obligation under Section 4.1 of Schedule 12 [Changes] will be to submit a Change Report to Hydro's Representative promptly upon the Contractor becoming aware of such Change in Law, or, in any event, promptly after the date when the Contractor should reasonably have become aware of such Change in Law.

27 PRIVACY

27.1 Compliance with FOIPPA

BC Hydro is subject to FOIPPA and, accordingly, in order for BC Hydro to comply with the requirements of FOIPPA, the Contractor will ensure it complies with its obligations under Schedule 17 [Privacy Protection].

27.2 Default

The Contractor's failure to comply with its obligations under Section 27 of this Schedule 2 [General Conditions] will be deemed to be a failure to comply with the requirements of the Contract to a substantial degree to which the provisions of Section 15.1 of this Schedule 2 [General Conditions] will apply.

28 CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

28.1 Contractor's Corporate Representations and Warranties

The Contractor hereby covenants with, and represents and warrants to BC Hydro that, as of the Effective Date, the following representations and warranties are true:

- (a) that unless otherwise disclosed to BC Hydro in writing before the Effective Date and agreed by BC Hydro in writing, the Contractor's performance of the Work will not create any conflict of interest in relation to any services provided by the Contractor to any other party prior to, during or subsequent to Total Completion;
- (b) it is an entity duly created and organized, validly subsisting and in good standing under the Laws of the jurisdiction of its creation and is validly subsisting or registered and in good standing under the Laws of the jurisdiction in which the performance of the Work will be performed, and, if different, where the Site is located, and has all requisite power and authority to execute, deliver and perform its obligations under the Contract; and
- (c) the Contract has been duly authorized, executed, and delivered by the Contractor and constitutes a legal, valid, and binding obligation of the Contractor, enforceable against the Contractor in accordance with its terms.

28.2 Contractor's Performance Representations and Warranties

The Contractor acknowledges that BC Hydro is relying on the Contractor's skill, knowledge and expertise in performing the Work in accordance with the Contract. The Contractor hereby represents and warrants, with respect to the Work performed by the Contractor and the Subcontractors, that:

- (a) the Contractor and the Subcontractors have the necessary qualified personnel, with the skills and expertise, to perform and to complete the Work and are experienced, ready and willing to perform the Work in accordance with the Contract; and
- (b) the Contractor has, or will obtain, all required permits, including all Permits (except for Project Related Permits), licenses and authorizations necessary to carry on its business and to be obtained by it to perform the Work.

29 INTELLECTUAL PROPERTY

29.1 Grant of License

The Contractor hereby grants to BC Hydro an irrevocable, perpetual, nonexclusive, fee-free, royalty-free, assignable license with respect to any Intellectual Property and Intellectual Property Rights owned by, controlled by, licensed to or used by the Contractor to the extent: (i) such Intellectual Property is incorporated into the Work; (ii) the Work infringes the Intellectual Property Rights of any Contractor Person; or (iii) the operation, maintenance, repair or alteration of the Work, or any part of the Work, requires a license of any such Intellectual Property Rights. Such license grants to BC Hydro the right to use and allow other contractors to use such Intellectual Property solely in connection with the operation, maintenance, repair or alteration of the Work or any part of the Work.

29.2 Third Party Intellectual Property

The Contractor will make each third party with whom it deals and who may be affected by Section 29.1 of this Schedule 2 [General Conditions] aware of Section 29.1 of this Schedule 2 [General Conditions] and will cause each such third party to comply with such provision so as to enable the Contractor to fulfill its obligations under such provision, prior to or upon entering into any contract or agreement with such third party.

29.3 Intellectual Property Royalties and Patent Fees

The Contractor will be solely responsible for and will pay all royalties, patent fees, license fees and other charges payable for any Intellectual Property incorporated in the items or things furnished by or on behalf of the Contractor in connection with the Project or the Work and any Intellectual Property Rights in respect of which the license in Section 29.1 of this Schedule 2 [General Conditions] is granted.

29.4 Moral Rights

The Contractor waives in favour of BC Hydro all moral rights, and will cause all Contractor Personnel working on the performance of the Work to waive in favour of BC Hydro all such rights in and to any Intellectual Property incorporated into the Work. The Contractor will have each of its personnel or any third persons engaged in the performance of the Work do all such other things and execute all such documents as reasonably requested by Hydro's Representative in writing in order to confirm or give effect to any of the matters described in this Section 29.4.

30 MISCELLANEOUS

30.1 International Sale of Goods

The parties expressly agree that the *United Nations Convention on Contracts for the International Sale of Goods* does not and will not apply to the Contract.

30.2 Contractor's Duty to Mitigate

In all cases where the Contractor is entitled to receive from BC Hydro any additional compensation, damages, or extensions of time for the performance of the Work, the Contractor will use both commercially reasonable efforts and due diligence to mitigate and reduce the amount required under the Contract to be paid by BC Hydro to the Contractor or the amount of the extension of the time for the performance of the Work. Upon request from BC Hydro, the Contractor will promptly submit a detailed description, supported by all such documentation as BC Hydro may reasonably require, of the measures and steps taken by the Contractor to mitigate and meet its obligations under this Section 30.2. This obligation will be taken into account in the determination of the Contractor's entitlement to additional compensation, damages, or extensions of time for the performance of the Work, if any.

30.3 BC Hydro's Duty to Mitigate

In all cases where BC Hydro is entitled to receive from the Contractor any compensation, costs or damages, but not in any other case, BC Hydro will use commercially reasonable efforts to mitigate such amount required to be paid by the Contractor to BC Hydro under this Contract, provided that such obligation will not require BC Hydro to:

- (a) take any action which is contrary to the public interest, as determined by BC Hydro in its discretion;
- (b) take any action which is contrary to BC Hydro's interest as an electric utility;

- (c) undertake any mitigation measure that might be available arising out of its status as a statutory body, but which measure would not normally be available to a private commercial party; or
- (d) alter the amount of any deductions it is entitled to make in accordance with Schedule 11 [Prices and Payment].

30.4 Severability

Each provision of the Contract is severable. If any provision of the Contract is to any extent invalid or unenforceable, the remainder of the Contract will not be affected and each remaining provision of the Contract will be separately valid and will be enforceable.

30.5 Joint and Several Liability

Where the Contractor is a joint venture, partnership or consortium:

- (a) each member of such entity agrees to be jointly and severally liable for the obligations of the Contractor; and
- (b) the Contractor will not change its composition or legal status without the prior written consent of BC Hydro.

30.6 Independent Contractor

The relationship between BC Hydro and the Contractor under the Contract is that of the Contractor being an independent contractor, notwithstanding any other provision in the Contract or anything arising out of the actions of the parties. BC Hydro and the Contractor expressly deny that it is their intention to create any partnership, joint venture, agency, employment or other relationship. Unless otherwise agreed in writing, the Contractor is not the agent of BC Hydro in any capacity whatsoever under the Contract, and has no authority to act as an agent of BC Hydro.

30.7 Third Persons

Except as expressly set out otherwise in the Contract, nothing in the Contract, expressed or implied, is intended or will be construed to confer upon or to give any Person which is not a party to the Contract any rights or remedies under or by reason of the Contract.

30.8 Attornment

Subject to Schedule 14 [Dispute Resolution Procedure], for the purposes of any legal actions or proceedings brought by any party against the other party, the parties hereby irrevocably accept and submit to the exclusive jurisdiction of the courts of the Province of British Columbia and acknowledge such courts' competence and the convenience and propriety of the venue and agree to be bound by any judgment of such courts and not to seek, and hereby waive, review of its merits by the courts of any other jurisdiction.

30.9 Rights and Remedies Cumulative

All rights and remedies under the Contract (other than those which are expressly specified in the Contract as exclusive rights and remedies) are cumulative and are in addition to and not in substitution for any other rights or remedies available under the Contract or Laws or at equity.

30.10 Survival

All representations and warranties of the Contractor to BC Hydro and all provisions of:

- (a) Section 15.3 of this Schedule 2 [General Conditions];
- (b) Section 15.4 of this Schedule 2 [General Conditions];
- (c) Section 16.2 of this Schedule 2 [General Conditions];
- (d) Section 17.1 of this Schedule 2 [General Conditions];
- (e) Section 17.2 of this Schedule 2 [General Conditions];
- (f) Section 20 of this Schedule 2 [General Conditions];
- (g) Section 21 of this Schedule 2 [General Conditions];
- (h) Section 23 of this Schedule 2 [General Conditions];
- (i) each other provision of the Contract providing for indemnification of a party by the other party;
- (j) Section 24 of this Schedule 2 [General Conditions];
- (k) Section 25 of this Schedule 2 [General Conditions];
- (l) Section 27 of this Schedule 2 [General Conditions];
- (m) Section 29 of this Schedule 2 [General Conditions];
- (n) Section 30 of this Schedule 2 [General Conditions];
- (o) Schedule 13 [Insurance];
- (p) Schedule 14 [Dispute Resolution Procedure];
- (q) Schedule 15 [Records];
- (r) Schedule 17 [Privacy Protection]; and
- (s) each other provision of the Contract which, in accordance with its terms, expressly survives the termination, suspension, cancellation, completion or expiration of the Contract,

including each other provision necessary for the interpretation or enforcement of such provisions, will continue as valid and enforceable obligations of the parties notwithstanding any termination, suspension, cancellation, completion or expiration of the Contract.