



The St. Lawrence
Seaway Management
Corporation

Corporation de Gestion
de la Voie Maritime
du Saint-Laurent

GENERAL CONDITIONS (CONSTRUCTION)

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GC1 INTERPRETATION

1.1. Definitions

Terms appearing with the first letter capitalized in these General Conditions shall have the meaning assigned in Schedule "A" (Definitions) appended to these General Conditions.

1.2. Headings and Sections

The division of this document into Articles (identified by GC#) and Sections (identified by #.#) and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of the Contract. Except as expressly set out herein, references to a Section refers to the applicable section in these General Conditions and not to any section contained in or forming part of any other Contract document.

1.3. SLSMC Clarification of Ambiguities in the Contract

If any difference in interpretation of the Contract arises between the parties, the question shall be decided by the SLSMC Representative. The SLSMC Representative's decision shall have the force of a Directive and be final and conclusive in respect of the Work, subject to the other provisions in the Contract. Matters that SLSMC may decide upon include, without limitation:

- a) the meaning of anything in the Specifications and Drawings;
- b) the meaning to be given to the Specifications and Drawings in case of any error, omission, obscurity or discrepancy in their wording or intention;
- c) whether or not the quality or quantity of any Construction Equipment, Material or workmanship supplied or proposed to be supplied by the Contractor meets the requirements of the Contract;
- d) what quantity and acceptability of any kind of Work has been completed by the Contractor; or
- e) the timing and scheduling of the various phases of the performance of the Work.

GC2 ADMINISTRATION OF CONTRACT

2.1. SLSMC Representative

The SLSMC Representative shall be the Contractor's main point of contact for all Work and Contract-related matters, unless the Contractor is otherwise notified by SLSMC in writing.

2.2. Contractor Representative

As of the effective date of the Contract, the Contractor shall have appointed a duly authorized Contractor Representative to be the first point of contact for all Contract-related matters and notified the SLSMC Representative of the name and contact information of such individual.

2.3. SLSMC Directives

The SLSMC Representative may, from time to time, issue decisions and directions pursuant to the terms of this Contract, including without limitation, pursuant to Section 1.3 (SLSMC Clarification of Ambiguities in the Contract) and to ensure compliance with the terms and the intent of the Contract (each such decision and direction is a "**Directive**").

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2.4. Obligation to Comply with SLSMC Directives

Each SLSMC Directive shall be deemed part of the Contract and the Contractor shall perform the Work in accordance with any SLSMC Directive. Subject to the Contractor's right to protest a Directive as provided for in Section 23.1 (Protesting SLSMC Directives), any failure to comply with a Directive shall be deemed to be a Default.

GC3 SUBCONTRACTORS AND CONTRACTOR PERSONNEL

3.1. Subcontractors

The Contractor is ultimately accountable to SLSMC for the performance of Work in accordance with this Contract whether performed by the Contractor, Contractor Personnel, Subcontractors or any other Persons engaged by the Contractor in connection with the Work. The Contractor is liable to SLSMC for any of the foregoing parties' failure to comply with the requirements of this Contract. The Contractor may subcontract the Work to Subcontractors named in the Contractor's tender documents provided SLSMC has not rejected a proposed Subcontractor within ten (10) days following Contract award. Unless the Contract or the SLSMC Representative directs otherwise, the Contractor may otherwise subcontract such portions of the Work as is customary in the carrying out of similar contracts. No subcontracting shall relieve the Contractor from any of its obligations under the Contract or impose any liability upon SLSMC to a Subcontractor.

3.2. Unsuitable Subcontractors or Personnel

The Contractor shall, upon the request of the SLSMC Representative, immediately remove any Subcontractors or Contractor Personnel from the Work or Workplace that, in the opinion of the SLSMC Representative, is incompetent or has conducted itself improperly, and the Contractor shall not permit such Subcontractor or Contractor Personnel to continue to perform Work or to return to the Workplace.

3.3. Replacement of Subcontractors or Personnel

Should the Contractor, at any time, be unable to provide the services of the Contractor Personnel or Subcontractor or where a Subcontractor or the Contractor Personnel has been removed pursuant to Section 3.2 (Unsuitable Subcontractors or Personnel), the Contractor shall be responsible for providing replacements with at least the same level of qualifications, skills and experience. In such cases, the Contractor shall, where possible, notify the SLSMC Representative of the replacement at least seven (7) working days in advance of assigning such replacement, which notice shall specify:

- a) the reason for the removal of the Subcontractor or the Contractor Personnel;
- b) the name of the proposed replacement;
- c) an outline of the qualifications, skills and experience of the proposed replacement; and
- d) as applicable, a completed security clearance application specified by the SLSMC Representative.

3.4. SLSMC Right to Reject Replacements

SLSMC may reject the replacement on reasonable grounds, in which case the Contractor shall either withdraw the proposed replacement from consideration or, as applicable, immediately remove the individual or Subcontractor from the Work and secure an alternative replacement by following the process set out in this section. Any material delay or failure to provide a replacement acceptable to SLSMC may be treated as a Default.

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GC4 CONTROL AND PERFORMANCE OF WORK

4.1. Control of the Work

The Contractor shall have total control of the Work and shall effectively direct and supervise the Work in accordance with the Contract. The Contractor shall be solely responsible for construction means, methods, techniques, sequences and procedures and for co-ordinating the various parts of the Work under the Contract except as otherwise directed by SLSMC in writing. For the avoidance of doubt, the Contractor is the “Constructor” and “Maître oeuvre” under Applicable Laws, including health and safety laws.

4.2. Standard of Performance

The Contractor shall, at all times, perform the Work in a proper, diligent and expeditious manner as is consistent with construction industry standards and in accordance with the last SLSMC-approved Construction Progress Schedule.

4.3. Material to be New

Unless otherwise specified in the Contract, Material provided shall be new.

4.4. Erection and Removal of Temporary Structures

The Contractor shall have sole responsibility for the design, erection, operation, maintenance and removal of temporary structures and other temporary facilities and for the construction methods used in their erection, operation, maintenance and removal. The Contractor shall engage and pay for registered professional engineering personnel, skilled in the appropriate discipline to perform these functions if required by Applicable Laws or by the Contract, and in all cases when such temporary facilities and their methods of construction are of such a nature that professional engineering skill is required to produce safe and satisfactory results.

4.5. Storage Locations and Operations

Except for any part of the Work that is necessarily performed away from the Workplace, the Contractor shall confine Construction Equipment, storage of Material, and operations of the Contractor Personnel to limits indicated by Applicable Laws, the Contract documents and SLSMC Directives.

4.6. Clean-up of Site

The Contractor shall maintain the Work and its site in a tidy condition and free from any accumulation of waste and debris and in accordance with SLSMC Directives as may be issued by the SLSMC Representative from time to time.

4.7. Concealed or Unknown Conditions

If, during the performance of the Work, the Contractor discovers conditions at the Workplace which are:

- a) subsurface or otherwise concealed physical conditions which existed before the commencement of the Work which differ materially from those indicated in the Contract documents; or
- b) physical conditions, other than conditions due to weather, that are of a nature which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract documents,

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(together “**Concealed or Unknown Conditions**”), the Contractor shall give notice in writing to SLSMC of such conditions before they are disturbed as soon as possible and in no event longer than two (2) working days after first observing the conditions.

The foregoing notice must describe details of the Concealed or Unknown Conditions and anticipated impact on the scope of Work, the Cost of Work and the Construction Progress Schedule. Any adjustments to the Construction Progress Schedule must be approved by the SLSMC Representative and any adjustment to the Cost of Work must be made in the time period specified in, and in accordance with, Article GC10 (Prices and Price Adjustments). For greater certainty, upon the discovery of a Concealed or Unknown Condition, unless circumstances warrant, the Contractor shall not interrupt the performance of Work unless and until directed to do so by the SLSMC Representative.

4.8. Cooperation with other SLSMC Contractors or Third Parties

Where, in the opinion of the SLSMC Representative, it is necessary that other contractors or third parties be sent onto the Workplace, the Contractor shall allow them access and co-operate with them in the carrying out of their duties and obligations. If the introduction of third parties onto the Workplace could not have been reasonably foreseen or anticipated by the Contractor when entering into the Contract, and the Contractor incurs costs as a result, claims for adjustments to the Cost of Work shall be made in accordance with Article GC10 (Prices and Price Adjustments).

GC5 WORK ORDERS

5.1. SLSMC Work Orders

The SLSMC Representative may, at any time, issue orders for Work or Material in addition to that provided for in the Specifications and Drawings, delete or otherwise modify any required Work, or Material, which may include, without limitation, deletion or changes to the dimensions, character, quantity, quality, description, location or position of the whole or any part of the Work or Material specified in the Specifications and Drawings (each a “**Work Order**”).

5.2. Work Order Procedure

When a change in the Work or Material is proposed or required, the SLSMC Representative will provide the Contractor with a written description of the proposed change. The Contractor shall promptly present, in a form acceptable to the SLSMC Representative, a method of adjustment or an amount of adjustment for the Price if any, and the adjustment in the Construction Progress Schedule, if any, for the proposed change in the Work or Material.

Where an adjustment to the Cost of Work is required as a result of any Work Order or Directive, it shall be calculated in accordance with Article GC10 (Prices and Price Adjustments). When the SLSMC Representative and the Contractor agree to the adjustments in the Cost of Work and Construction Progress Schedule or to the method to be used to determine the adjustments, such agreement shall be effective immediately and shall be recorded in the Work Order. A Work Order shall only take effect upon execution by SLSMC and the Contractor.

5.3. Obligation to Comply with Work Orders

The Contractor shall not perform a change in the Work or Material without a Work Order or Directive and shall, once issued, expeditiously perform the Work in accordance with SLSMC Work Orders, which for greater certainty, shall have the same force as a Directive for purposes of this Contract. Any failure to comply shall be deemed to be a Default.

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GC6 SLSMC CONSTRUCTION EQUIPMENT AND MATERIAL

6.1. Restrictions on Use of SLSMC-Supplied Equipment and Materials

To the extent SLSMC furnishes Construction Equipment and Material, such Construction Equipment and Material may only be used by the Contractor in the performance of Work pursuant to this Contract and for no other purpose. Except for normal wear and tear, the Contractor is liable to SLSMC for any loss of or damage to Material or Construction Equipment that is supplied or placed in the care, custody and control of the Contractor by SLSMC for use in connection with the Contract, whether or not that loss or damage is attributable to causes beyond the Contractor's control.

GC7 PROJECT DELAYS

7.1. Contractor to Meet Timelines in Construction Progress Schedule

The Contractor shall perform the Work in accordance with the timelines set out in the Construction Progress Schedule last approved by SLSMC. Except as expressly stated otherwise, time is of the essence in the performance of the Work.

7.2. Shift and Overtime Work Requirements

In the event of delays or anticipated delays to the Project, the Contractor shall provide, at no additional cost to SLSMC, both around-the-clock shift work including overtime work on weekdays, weekends and holidays as required by the SLSMC Representative to prevent project delays and to maintain the last-approved Construction Progress Schedule. As deemed necessary to meet Project timelines. The Contractor shall also provide extra Contractor Personnel and Construction Equipment deemed necessary by the SLSMC Representative at no additional cost.

7.3. Approved Delays

The SLSMC Representative may, upon receipt of the Contractor's written request, accept to extend the time for completion of the Work if, in the opinion of the SLSMC Representative, causes that (a) could not have been reasonably anticipated at the time the Contractor's tender was submitted, or (b) that are beyond the control of the Contractor, have delayed completion (such extension is an "**Approved Delay**"). For greater certainty and clarity, weather-related delays and any other potential interferences identified in the Contract documents are not considered a cause beyond the control of Contractor for purposes of the Contract.

7.4. Contractor's Liability for Delays

Except for Approved Delays, if the Contractor does not complete the Work by the day specified in the last SLSMC-approved Construction Progress Schedule, the Contractor shall be liable to compensate SLSMC for all costs incurred by SLSMC as a result of such failure including without limitation, an amount equal to the aggregate of all salaries, wages and travelling expenses incurred by SLSMC in respect of personnel overseeing the performance of the Work during the period of delay; the cost incurred by SLSMC as a result of the inability to use the completed Work for the period of delay; and all other expenses and damages incurred or sustained by SLSMC during the period of delay. For purposes of this section, "**period of delay**" means the number of days commencing on the day fixed for completion of the Work and ending on the day immediately preceding the day on which the Work is completed but does not include days that were part of an Approved Delay.

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GC8 INVOICES AND PAYMENTS

8.1. Contractor Invoices

The Contractor shall, on a monthly basis or such other intervals as is agreed between the Contractor and the SLSMC Representative (“**Payment Period**”), deliver to the SLSMC Representative in respect of that Payment Period a “**Proper Invoice**” which includes the following two (2) items:

- a) An invoice which contains the following information:
 - i. the Contractor’s name and address,
 - ii. the date of the invoice and the payment period,
 - iii. reference to the Contract,
 - iv. a full description of the Work that has been completed and Material that was delivered to the Workplace in accordance with the Contract, whether incorporated or not into the Work (Contractor may attach a copy of the SLSMC-approved progress claim relating to the Work),
 - v. the amount payable for the part of the Work that has been completed and, as applicable, Material delivered, and the payment terms, and
 - vi. the name, title, telephone number and mailing address to whom payment is to be sent, if different than the Contractor Representative; and
- b) A Statutory Declaration of Compliance in the form prescribed by SLSMC, signed by an authorized representative of the Contractor and certified by an authorized commissioner of oaths or notary public, that attests to the following:
 - i. up to the date of the invoice, the Contractor has complied with all outstanding Directives, the provisions of the Contract and Applicable Laws, including without limitation with respect to occupational health and safety; and
 - ii. up to the date of the Contractor's immediately preceding invoice, the Contractor has (i) paid the Contractor's suppliers in full for all Materials, and (ii) the Contractor has discharged all payment and other obligations to its Subcontractors and suppliers.

8.2. Notice of Non-Payment

Within not later than twenty-one (21) days after receiving a Proper Invoice, where SLSMC disputes all or part of the invoice, SLSMC will issue a notice of non-payment to the Contractor Representative in the form and manner prescribed by Applicable Laws (as applicable), specifying the amount of the invoice that SLSMC disputes and detailing the reasons for non-payment.

8.3. SLSMC Payment

Subject to the provisions of this Contract, SLSMC shall, within twenty-eight (28) days after receiving a Proper Invoice, pay the Contractor an amount that is equal to ninety percent (90%) of the value that is indicated in the invoice, less any amount specified in a notice of non-payment, and applicable taxes.

8.4. Payment Not Acceptance of Work

A payment shall not be construed as an admission by SLSMC that the Work, Material or any part thereof is complete, is satisfactory to SLSMC, or is in accordance with the Contract. Acceptance of Work shall only take effect upon the issuance of an Interim Certificate of Completion or Final Certificate

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of Completion as detailed in Article GC9 (Interim and Final Certificates of Completion (Acceptance of Work)).

8.5. Release of Holdback Amounts

The holdback is due and payable sixty (60) calendar days after the Contractor's receipt of SLSMC's Interim Certificate of Completion or Final Certificate of Completion, as the case may be, subject to the issuance by SLSMC of a notice of non-payment detailing outstanding Work or deficiencies. Where outstanding Work or deficiencies are noted, SLSMC shall withhold an amount from the holdback that relates to such Work or deficiencies until the Work is fully performed or remedied (as applicable) to SLSMC's entire satisfaction.

8.6. Handling of Disputed Amounts

Amounts subject to a notice of non-payment may be addressed in accordance with the dispute resolution process set out Article GC23 (Dispute Resolution) or in accordance with Applicable Laws.

8.7. Interest on Late Payments

Interest shall accrue on undisputed amounts claimed in a Proper Invoice that are overdue as of, and including the day that it became overdue, up to and including the date that the payment was made. The rate of interest on overdue amounts shall be the prejudgment interest rate determined under subsection 127(2) of Ontario's *Courts of Justice Act* whether the Work is conducted in Ontario or Quebec.

GC9 INTERIM AND FINAL CERTIFICATES OF COMPLETION (ACCEPTANCE OF WORK)

9.1. Interim Certificate of Completion (multi-year or multi-phase)

Where, in a multi-year project or multi-phase project, the SLSMC Representative is satisfied that the Work is sufficiently complete to be acceptable for use by SLSMC for that year or that phase, the SLSMC Representative may issue an Interim Certificate of Completion to the Contractor. An Interim Certificate of Completion shall constitute an acceptance of the Work for Contract purposes as of the date signed by the Contractor ("**Work Acceptance Date**"), except for the parts of the Work described as not yet completed to the satisfaction of the SLSMC Representative as described on the certificate.

9.2. Final Certificate of Completion

Provided the Contractor has complied with the Contract and all Directives made pursuant thereto to the satisfaction of the SLSMC Representative, SLSMC shall issue a Final Certificate of Completion on the date that all Work has been fully completed to SLSMC's satisfaction. The Work Acceptance Date for the Accepted Work not previously accepted under an Interim Certificate of Completion shall be the date the Final Certificate of Completion is signed by the Contractor.

GC10 PRICES AND PRICE ADJUSTMENTS

10.1. SLSMC Liability Not to Exceed Adjusted Contract Value

Except as expressly provided for in this Contract, SLSMC's maximum liability to the Contractor for Work shall not exceed the Adjusted Contract Value.

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10.2. Prices Fixed for the Term

Except as expressly set out in this Contract, the amount set out in the Price Table represents the all-inclusive prices and fees to be charged for Work and Materials, are fixed for the term of the Contract and shall not be modified for any reason including without limitation, in connection with changes in the cost of labour, cost of Construction Equipment or Material, or changes to the wage rates payable to the Contractor Personnel, regardless of the reason for such changes.

10.3. Price Adjustment Request

The parties acknowledge that circumstances may arise during the performance of Work that warrant changes to the Price Table or that otherwise warrant an increase or decrease to the Cost of Work (together, a **“Price Adjustment”**). Where circumstances arise that may warrant a Price Adjustment, the Contractor shall submit a written request and justification to the SLSMC Representative within not later than thirty (30) days from the incident giving rise to the claim for such adjustment (a **“Price Adjustment Request”**). Where SLSMC accepts to consider a Price Adjustment, it shall be calculated in accordance with Article GC11 (Calculating Cost of Work). Subject to Section 10.5 (Material Differences in Quantities), a failure to submit a Price Adjustment Request within such thirty (30) day period shall result in the permanent forfeiture of the Contractor’s entitlement to the associated Price Adjustment or adjustment in the overall Cost of Work.

10.4. Changes to Tax Laws

Notwithstanding Section 10.2 (Prices Fixed for the Term), the Contractor may request consideration of a price adjustment resulting from an unforeseen change in a tax imposed under the Excise Act, the Excise Tax Act, the Old Age Security Act, the Customs Act or the Customs tariff or any provincial sales tax legislation imposing a retail sales tax on the purchase of tangible personal property, if such change (i) occurs after the date of the submission by the Contractor of its original tender, (ii) applies to Material, and (iii) affects the cost to the Contractor of that Material. Where SLSMC is satisfied that the tax law has increased the Contractor’s costs, the appropriate amount set out in the Price Table shall be adjusted by an amount equal to the increase resulting from the change in tax laws. For greater certainty, where a tax law is changed after the date of submission of the tender but public notice of the change has been given by the government authority before that date, the change shall be deemed to have occurred before the date of submission of the tender and a price adjustment shall not be made.

10.5. Material Difference in Quantities

Notwithstanding Section 10.2 (Prices Fixed for the Term), unit prices may be adjusted upwards or downwards where the Price Table contains a unit price arrangement with total estimated quantities and a Final Certificate of Completion shows or is expected to show that the total quantity of a unit of labour, Construction Equipment or Material used or supplied by the Contractor in performing the Work is less than 85% of that estimated total quantity, in which case SLSMC will consider a Price Adjustment Request for an increase to prices; or in excess of 115% of that estimated total quantity, in which case SLSMC will, as applicable, expect a decrease to the unit price.

GC11 CALCULATING COST OF WORK

11.1. Amounts Based on Price Table

Where it is necessary to determine amounts properly payable by SLSMC pursuant to this Contract, including without limitation the cost of labour, Construction Equipment or Material, it shall be determined by reference to the amounts in the Price Table. Where prices are based on units, amounts shall be calculated by multiplying the quantity of that labour, Construction Equipment or Material

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expressed in the Price Table by the price specified in the Price Table for that unit. Where such a calculation is possible, the calculation of the Cost of Work shall be made in accordance with this Article GC11.

11.2. Items Not Listed in Price Table

Where the price of the specific labour, Construction Equipment or Material is not set out in the Price Table, the amount payable by SLSMC shall be an amount mutually agreed to by the Contractor Representative and the SLSMC Representative. Where, SLSMC and the Contractor are unable to agree on Cost of Work for all or any item not listed in the Price Table, then the Cost of Work will be:

- a) Contractor's Direct Cost: all reasonable and proper amounts, net of all federal and provincial tax credits, actually expended or legally payable by the Contractor in respect of the labour, Construction Equipment or Material that falls within a class of expenditure in paragraph (c) that are directly attributable to the performance of the Contract, that Contractor has not been able to mitigate or avoid after using reasonable efforts; plus
- b) % Allowance for Profit and Overhead: an allowance equal to 10% of the amounts listed in (a) to cover all other costs, including without limitation, profit and all other expenditures or costs, including overhead, general administration costs, financing and interest charges.
- c) Allowable Classes of Expenditure

For purposes of this Section, the classes of expenditure that are eligible for payment in determining the Cost of Work are the following:

- i. payments to Subcontractors;
- ii. wages, salaries and travelling expenses of employees of the Contractor while they are actually and properly engaged on the Work, other than wages, salaries, bonuses, living and travelling expenses of personnel of the Contractor generally employed at the head office or at a general office of the Contractor unless they are engaged at the Workplace with the approval of the SLSMC Representative;
- iii. assessments payable under any statutory authority relating to workers' compensation, employment insurance, pension plan or holidays with pay;
- iv. rent that is paid for Construction Equipment or an amount equivalent to the said rent if the Construction Equipment is owned by the Contractor that is necessary for and used in the performance of the Work, if the rent or the equivalent amount is reasonable and use of that Construction Equipment has been approved by the SLSMC Representative;
- v. payments for maintaining and operating Construction Equipment necessary for and used in the performance of the Work, and payments for effecting such repairs thereto as, in the opinion of the SLSMC Representative, are necessary to the proper performance of the contract other than payments for any repairs to the Construction Equipment arising out of defects existing before its allocation to the Work;
- vi. payments for Material that is necessary for and incorporated in the Work, or that is necessary for and consumed in the performance of the Contract;
- vii. payments for preparation, delivery, handling, erection, installation, inspection, protection and removal of the Construction Equipment and Material necessary for and used in the performance of the Contract;
- viii. any other payments made by the Contractor with the approval of the SLSMC Representative that are necessary for the performance of the Contract.

For greater certainty, costs of charges for long distance telephone, telecommunications charges, and facsimile communications, courier services, and petty cash items incurred in relation to the

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performance of the Work are excluded and shall be deemed to be included in the general allowance for overhead costs set out in paragraph (b).

11.3. Obligation to Provide Supporting Evidence of Costs

In any discussions involving a calculation of Cost of Work, the Contractor, when requested by the SLSMC Representative, shall submit a detailed statement, with appropriate supporting evidence if requested by SLSMC, of the actual claimed costs.

11.4. Failure to Reach Agreement on Adjusted Price

Where the parties cannot reach agreement on an appropriate Cost of Work for purposes of a Price Adjustment Request or for any other purpose, the matter shall be addressed in accordance with the dispute resolution pursuant to Article GC23 (Dispute Resolution) and Applicable Laws.

11.5. Effective Date of Price Adjustment

A Work Order or other adjustment to the Contract that adds or removes Work shall be effective as of the date the parties have executed a Work Order that explicitly amends the Contract.

GC12 WARRANTIES AND WARRANTY REMEDIES

12.1. Contractor Warranties

The Contractor represents, warrants and covenants as follows as of the effective date and throughout the term of the Contract:

- a) All Work shall be performed to the best of the Contractor's ability and in an effective, timely, professional and workmanlike manner in accordance with best industry practices;
- b) all Accepted Work shall comply with any Specifications and Drawings and other specifications and documentation set forth in the Contract documents, as may be amended and supplemented from time to time pursuant to this Contract;
- c) all Work when performed by individuals, shall be performed by individuals who have employment authorization to perform the Work in accordance with Applicable Laws and who are duly qualified to perform the tasks which they are assigned;
- d) the Contractor, Work, Accepted Work and Materials shall comply with all Applicable Laws and shall not violate or contravene the terms of any contracts between the Contractor and third parties;
- e) the Accepted Work, Work and Materials will be fit for their purpose, be of merchantable quality, be of good workmanship and will otherwise comply with all requirements of the Contract;
- f) all Accepted Work, Work and Materials will be free and clear of all liens, encumbrances, and security interests of any kind when delivered to SLSMC;
- g) each of the Accepted Work, the Materials and the Contractor's provision, and SLSMC use, of the Work will not infringe or misappropriate the intellectual property rights of any Person; and
- h) the Contractor has obtained from all applicable third parties all rights and licenses required by the Contractor to perform the Work.

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12.2. Warranty Remedy – Defects in Accepted Work

In the event of a defect, fault or non-compliance with the Contractor Warranties listed in Section 12.1 (Contractor Warranties) or any other warranty implied by Applicable Laws (collectively, a “**Defect**”), arising within one (1) year from the Work Acceptance Date, SLSMC may issue a warranty claim to the Contractor setting out the Defect (the “**Warranty Period**”). Upon receipt of a warranty claim from SLSMC, the Contractor shall, promptly and at the Contractor’s own expense, remedy the Defect in a manner acceptable to SLSMC, and to SLSMC’s reasonable satisfaction. The foregoing remedy is in addition to any other rights and remedies otherwise available to SLSMC at law or pursuant to this Contract.

GC13 CONFIDENTIALITY AND SECURITY OF INFORMATION

13.1. General Obligations of Confidentiality

The Contractor shall only use Confidential Information for purposes of fulfilling the Contractor’s obligations pursuant to the Contract and for no other purpose; shall hold Confidential Information in confidence; take all reasonable measures to prevent disclosure and unauthorized access; and shall not disclose Confidential Information, without the prior written consent of SLSMC, to any third party other than the Contractor’s employees, Subcontractors, contractors or other third parties under similar obligations of confidence who have a need to know such information. The Contractor will return (or, with SLSMC’s consent, destroy, and certify such information as destroyed) SLSMC’s Confidential Information promptly following SLSMC’s request.

13.2. Exclusions from Confidentiality

Subject to Applicable Laws, the Contractor’s obligations of confidence do not apply to information that:

- (a) is or becomes publicly available through no fault of the Contractor; or
- (b) is lawfully disclosed to the Contractor by a third party who is not under any obligations of confidence; or
- (c) the Contractor can establish to SLSMC’s satisfaction was known to the Contractor prior to the date of disclosure by SLSMC; or
- (d) is required by law to be disclosed; or
- (e) the Contractor can establish was developed by the Contractor independently of this Contract.

In the event the Contractor is required to disclose Confidential Information by law, the Contractor shall promptly notify SLSMC so that SLSMC has a reasonable opportunity to prevent the disclosure.

13.3. Handling of Restricted Information

When the Contract, the Work, or any information is identified as RESTRICTED R2 by SLSMC, the Contractor shall, at all times, take all measures reasonably necessary for the safeguarding of the information so identified, including such measures as may be further specified elsewhere in the Contract or provided, in writing, from time to time by the SLSMC Representative. Without limiting the generality of any other provision in the Contract, when the Contract, the Work, or any information is identified as RESTRICTED R2, SLSMC shall be entitled to inspect the Contractor’s premises and the premises of its Subcontractors or suppliers and any other Person at any tier, for security purposes at any time during the term of the Contract. The Contractor shall comply with, and ensure that any such Subcontractors or suppliers comply with all written instructions issued by the SLSMC Representative dealing with the information so identified, including any requirements that employees of the Contractor,

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Subcontractors, suppliers and any other Person at any tier submit applications for, or execute and provide declarations in relation to reliability screenings, security clearances and other procedures.

13.4. Obligation to Safeguard Against Unauthorized Access, Loss, Damage

The Contractor shall use reasonable measures to guard or otherwise protect the Work and its site, and protect the Contract, Specifications and Drawings, plans, information, Material, Construction Equipment and real property, whether or not they are supplied by SLSMC to the Contractor, against unauthorized access, loss or damage from any cause.

13.5. Privacy

With respect to any personal information provided by a party to the other party, the party in possession of the personal information shall comply with the federal Personal Information Protection and Electronic Documents Act, (PIPEDA) and any other Applicable Laws concerning the protection of privacy.

GC14 COMPLIANCE WITH SLSMC WORKPLACE POLICIES

14.1. Workplace Policies

The Contractor shall ensure all the Contractor Personnel are informed of, and comply with the information, security, Workplace safety and other Workplace policies included as part of the Contract and that are otherwise communicated to the Contractor throughout the term of the Contract.

GC15 INDEMNITY WHERE SLSMC REMEDIES CONTRACTOR DEFAULTS

15.1. SLSMC's Right to Act and the Contractor's General Indemnity to Compensate SLSMC

Subject to the Contractor's right to protest a Directive as provided for in Article GC23 (Dispute Resolution), and in addition to other rights and remedies available to SLSMC pursuant to this Contract and at law, if the Contractor fails to comply with a Directive or any obligation pursuant to this Contract, SLSMC may employ such methods as it deems advisable to do that which the Contractor failed to do and the Contractor shall, on demand, indemnify SLSMC for the aggregate of all costs, expenses and damage incurred or sustained by SLSMC by reason of the Contractor's failure to comply. Such amount may be applied as a set-off against the Contractor's invoices or SLSMC may require payment of such amount on demand.

GC16 TERMINATION OF CONTRACT – DEFAULT

16.1. Termination for Performance Default

Without prejudice to SLSMC's rights under the Contract Guarantees, SLSMC may immediately terminate the Work or the Contract, in whole or in part, by providing written notice to the Contractor in the following circumstances (each a "**Performance Default**"):

- a) The Contractor has defaulted in: (i) the diligent completion of any part of the Work within the time fixed for its completion; (ii) the performance of any material obligation of the Contract; or (iii) complying with any SLSMC Directive; and has failed to remedy any of the foregoing defaults listed in (i)-(iii) within three (3) days (or such other longer period of time as mutually agreed) of receiving notice thereof pursuant to this Section; or
- b) the Contractor has abandoned the Work.

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16.2. Termination for Other Default

Without prejudice to SLSMC's rights under the Contract Guarantees, SLSMC may terminate the Work or the Contract immediately by providing written notice to the Contractor in the following circumstances (each a "**Other Default**"):

- a) the Contractor has committed an act of bankruptcy;
- b) the Contractor makes a general assignment for the benefit of creditors because of the Contractor's insolvency; or
- c) If a receiver is appointed because of the Contractor's insolvency.

16.3. Rights and Obligations Upon SLSMC's Termination for Contractor's Default

Where any part of the Work, or the Contract, is terminated for the Contractor's Performance Default or Other Default (together, a "**Default**"):

- (a) If directed by SLSMC, Contractor shall, at no additional charge and without restriction, grant or cause Subcontractors to grant (as applicable), SLSMC the right: (i) to take over the Work and to permit SLSMC-appointed third party contractors to take over the Work; (ii) to take possession and control of all Construction Equipment and Materials at the Workplace, and to authorize third party contractors to use such Construction Equipment and Materials for purposes of correcting and/or finishing the Work; and the Contractor shall promptly do all things necessary to facilitate SLSMC's exercise of the foregoing rights, including delivering keys, passwords, pass cards or other such items as requested by SLSMC;
- (b) the Contractor's right to any further payment that is due or accruing due under the Contract is extinguished; and
- (c) the Contractor is liable to pay SLSMC, upon demand, an amount that is equal to the amount of all loss and damage incurred or sustained by SLSMC as a result of the Contractor's Default which includes, but is not limited to, the full cost to SLSMC of correcting or finishing the Work and the cost to correct Accepted Work during the applicable Warranty Period.

GC17 TERMINATION OF CONTRACT – FOR CONVENIENCE

17.1. Termination for Convenience

SLSMC may terminate the Contract, in whole or in part, at any time by giving a notice of termination for convenience in writing to the Contractor.

17.2. Amount Payable upon Termination for Convenience

If the Contract is terminated pursuant to this Article, SLSMC shall pay the Contractor an amount for Work actually performed, and accepted by SLSMC, up to the effective date of termination. Notwithstanding anything to the contrary in the Contract, the Contractor shall not be entitled to any payment for costs not incurred or for Work not performed, including, without limitation, any lost profits relating to Work not performed whether the Contract prices are based on a fixed or unit price arrangement. The amount payable under this Section is the only amount payable to the Contractor for termination of the Contract pursuant to this Section. Without limiting the generality of the foregoing, in no event shall SLSMC have any other liability to the Contractor for such termination. If the amount owed pursuant to this Section is under dispute, SLSMC shall pay the amount that is not under dispute and SLSMC and the Contractor shall address the balance in accordance with the process set out in Article GC23 (Dispute Resolution).

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GC18 SUSPENSION OF WORK

18.1. Right to Suspend

SLSMC may, when in SLSMC's opinion it is in SLSMC's interest, or the public interest to do so, require the Contractor to suspend performance of the Work, in whole or in part, either for a specified or an unspecified period by giving a written notice of suspension to the Contractor.

18.2. Obligations Upon Receipt of Notice

When a suspension notice is received by the Contractor, the Contractor shall suspend all operations in respect of the Work except those that, in the opinion of the SLSMC Representative, are necessary for the care and preservation of the Work, Construction Equipment and Material. The Contractor shall not, during a period of suspension, remove any part of the Work, Construction Equipment or Material from its site without the consent of the SLSMC Representative.

18.3. Suspensions 30 Days or Less

If a period of suspension is thirty (30) days or less, the Contractor shall, upon the expiration of that period, resume the performance of the Work and the Contractor is entitled to be paid the extra cost, calculated in accordance with Article GC10 (Prices and Price Adjustments) of any labour, Construction Equipment and Material necessarily incurred by the Contractor as a result of the suspension.

18.4. Suspensions Over 30 Days

If, upon the expiration of a period of suspension of more than thirty (30) days, SLSMC and the Contractor agree that the performance of the Work will be continued by the Contractor, the Contractor shall resume performance of the Work subject to any terms and conditions agreed upon by SLSMC and the Contractor. If, upon the expiration of a period of suspension of more than thirty (30) days, SLSMC and the Contractor do not agree that performance of the Work will be continued by the Contractor or do not agree on the terms and conditions under which the Contractor will continue the Work, the initial notice of the suspension shall be treated as a notice of termination for SLSMC's convenience for purposes of the Contract.

GC19 ADDITIONAL OBLIGATIONS ON TERMINATION

19.1. Additional Contractor Obligations

When a notice of termination is received by the Contractor, the Contractor shall, subject to any conditions or instructions stipulated in the notice or SLSMC Directive, forthwith:

- a) cease all performance of the affected Work;
- b) demobilize all the Contractor Personnel associated with the affected Work;
- c) only if directed by SLSMC, demobilize all affected Construction Equipment and Material in accordance with the Contract.

19.2. Obligation to Complete Portion of Work Not Terminated

Termination of part of the Work does not relieve or discharge the Contractor from completing the part of the Work that is not terminated, nor does it relieve the Contractor from any other obligation under the Contract.

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GC20 CONTRACT GUARANTEES – FORFEITURE OR RETURN

20.1. Right to Security upon Default

If the Contract is terminated for Default, the Contractor fails to remedy a Defect in accordance with the requirements of the Contract or the Contractor is otherwise in breach of a performance obligation pursuant to the Contract and fails to remedy such breach, SLSMC may employ such means as SLSMC sees fit to have the Work completed and convert the Contract Guarantees.

20.2. Funds Deemed to be Payments Due to the Contractor

If SLSMC uses funds provided as a security deposit, the amount realized shall be deemed to be an amount due from SLSMC to the Contractor under the Contract. To the extent held by SLSMC, any balance of an amount available pursuant to the security deposit that remains after payment of all losses, damage and claims of SLSMC and others shall be paid by SLSMC to the Contractor if, in the opinion of the SLSMC Representative, it is not required for the purposes of the Contract.

20.3. Return of Contract Guarantee

Within one (1) year after a Final Certificate of Completion has been issued, SLSMC shall return to the Contractor the remainder of any Contract Guarantee unless the Contract stipulates otherwise.

GC21 SLSMC'S RIGHT OF SET-OFF

21.1. Right of Set-Off

Without limiting any right of set-off or deduction given or implied by law or elsewhere in the Contract, SLSMC may set off any amount owed to SLSMC by the Contractor under this Contract or under any current Contract against any amount payable to the Contractor under this Contract. For the purposes this Section, "current Contract" means a Contract between SLSMC and the Contractor under which the Contractor has an undischarged obligation to perform or supply Work, labour or Material.

GC22 AUDITS AND INSPECTIONS

22.1. Operational Audits

SLSMC and its authorized representatives shall have the right to enter upon the Workplace, the Contractor's facilities and business locations at any time to review, inspect, test or to conduct audits of the Work or the Contractor's operations and facilities to ensure compliance with the terms of this Contract, including without limitation those requirements relating to Work quality, performance, confidentiality, and security ("**Operational Audit**"). SLSMC is not required to provide any notice of an inspection of the Work but will seek to provide at least five (5) business days prior written notice to the Contractor prior to entering upon the Contractor's facilities or business locations for purposes of an Operational Audit. The Contractor shall furnish the authorized representatives of SLSMC with such assistance and information as SLSMC or the authorized representatives, as applicable, may from time to time require in relation to an Operational Audit.

22.2. Audit of Contract Records

The Contractor shall maintain full records of the Contractor estimated and actual cost of the Work together with all tender calls, quotations, Contracts, correspondence, invoices, receipts and vouchers relating thereto ("**Contract Records**"); make all such records available to audit and inspection by

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SLSMC or by an authorized SLSMC Representative when requested; allow any of the representatives appointed by SLSMC to carry out an audit to make copies of and to take extracts from any of the records; and furnish any such Persons with any information the Person may require from time to time in connection with such records. The Contractor shall afford facilities for audit and inspection and shall furnish the authorized representatives of SLSMC with such assistance and information as SLSMC or they may from time to time require with reference to the documents referred to herein.

22.3. Correction of Deficiencies

Where problems or deficiencies are identified during or following an Operational Audit, financial audit or any other audit review, test, inspection or during or following any visit, without limiting the generality of other rights under the Contract, SLSMC may issue by notice to the Contractor or a Directive requiring the Contractor to correct such problems or deficiencies. Upon receipt of such Directive, the Contractor shall (i) promptly reply in writing to the Directive; (ii) take immediate corrective action acceptable to SLSMC to prevent the recurrence of any and all deficiencies or problems identified in such Directive; and (iii) rectify all deficiencies and problems identified in such Directive within the time period specified in the Directive, or when not specified, then within thirty (30) days from the date of the Contractor's receipt of the Directive. The issuance or non-issuance of a Directive shall not prejudice SLSMC's right to termination pursuant to this Contract.

22.4. Record Retention Period

The Contract Records shall be kept intact by the Contractor until the expiration of two (2) years after the date that a Final Certificate of Completion was issued or until the expiration of such other period of time as SLSMC may direct.

22.5. Overpayments

Where an audit by SLSMC or where SLSMC's own records disclose an overpayment by SLSMC, SLSMC shall have a right to set-off the amount of such overpayment against future Contractor invoices issued pursuant to this or any other agreement, and the Contractor shall be liable to repay such overpayment on demand to the extent that SLSMC does not recover the overpayment using SLSMC's right of set-off provided in this Contract. Where the overpayment is greater than five percent (5%), if demanded by SLSMC, the Contractor shall also pay all reasonable costs and expenses that were incurred by SLSMC in having the audit performed.

GC23 DISPUTE RESOLUTION

23.1. Protesting SLSMC Directives

- a) Limitation Period for Protests. The Contractor may, within ten (10) days after the communication to the Contractor of any Directive, protest such Directive. Any failure to issue a written protest after the ten (10) day period following receipt of the Directive will be deemed to be an acceptance of the Directive and the Contractor shall be deemed to have permanently and irrevocably waived its right of protest.
- b) Procedure.
 - i. A protest shall be in writing, contain full reasons for the protest, be signed by the Contractor and be given to SLSMC by email (with receipt acknowledged by SLSMC), by courier or by personal delivery to the SLSMC Representative.
 - ii. If SLSMC determines that the Contractor's protest is justified, SLSMC shall pay the Contractor the cost of the additional labour, Construction Equipment and Material

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necessarily incurred by the Contractor in carrying out the protested Directive which costs shall be determined pursuant to Article GC11 (Calculating Cost of Work).

- c) Work to Continue. The issuance of a protest by the Contractor shall not relieve the Contractor from complying with the Directive that is the subject of the protest provided that, if the Contractor issues a protest pursuant to this Section, any compliance by the Contractor with the Directive that was protested shall not be construed as an admission by the Contractor of the correctness of that Directive.

23.2. Escalation of Disputes

If any dispute or question (a "Dispute") arises between the Parties concerning any matter under this Contract, the Parties shall in good faith attempt to resolve such Dispute promptly and in an amicable manner. If a Dispute arises which is not resolved by the SLSMC Representative and the Contractor Representative within what either party deems to be a reasonable period of time, next level senior managers of each the Contractor and SLSMC shall meet to resolve the Dispute. Where the Dispute has not been resolved within ten (10) days, the matter shall be escalated to the executive-level representatives of each party who shall, in good faith, seek to resolve the Dispute. If the Executive Managers cannot resolve the dispute within twenty (20) days after being notified of a Dispute matter may be referred by either party to arbitration in accordance with this Contract.

23.3. Mandatory Arbitration

Any Dispute that has not been resolved pursuant to Section 23.2 (Escalation of Disputes) shall be referred to arbitration in accordance with this Contract and with the Applicable Laws.

23.4. Arbitration Rules

- a) The party who wishes to begin the arbitration process shall give to the other party a written notice of arbitration containing: (i) the names and addresses of the parties, (ii) the nature and a brief description of the dispute, (iii) the nature of the redress sought, and (iv) the name of a proposed arbitrator.
- b) The parties to the arbitration shall split payments of the arbitration fee equally, subject to a different determination by the arbitration tribunal.
- c) The award of the arbitration tribunal shall be final and binding on SLSMC and the Contractor.
- d) The arbitration shall take place in the province in which the majority of the Work is carried out.
- e) If the arbitration takes place in the province of Québec, the arbitration tribunal shall be governed by the Commercial Arbitration Code referred to in the *Commercial Arbitration Act* (R.S.C., 1985, c. 17, (2nd Supp.)).
- f) The language to be used in the proceedings shall be the language in which the Contract is written.
- g) All written communication shall be delivered to SLSMC at SLSMC's head office and to the Contractor at the Contractor's address shown on the Contract unless one party otherwise notifies the other party.
- h) SLSMC and the Contractor shall appoint a sole arbitrator who shall sit as the arbitration tribunal. The arbitrator shall be listed in the registry established by the Applicable Laws and the appointment shall be made in accordance with the Applicable Laws. If the arbitration takes place in the province of Québec, and SLSMC and the Contractor are unable to agree on the appointment of a sole arbitrator, one party can request the appointment of an arbitration

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tribunal consisting of three arbitrators. In such case, a tripartite tribunal shall be appointed in accordance with the provisions of the Commercial Arbitration Code referred to in the *Commercial Arbitration Act* (R.S.C., 1985, c. 17, (2nd Supp.)).

- i) The arbitration tribunal may conduct the arbitration and shall decide the dispute in the manner that it determines appropriate and in accordance with Applicable Laws.
- j) The arbitration tribunal shall not be authorized to decide *ex aequo et bono* or as *amiable compositior*.
- k) During the progress of arbitration, unless otherwise directed by SLSMC, the Contractor shall continue to perform the Work in accordance with the terms of the Contract, including in compliance with all Directives, whether or not the subject of a Contractor protest.

GC24 MISCELLANEOUS

24.1. Compliance with Laws

The Contractor shall comply with all Applicable Laws including, without limitation, all laws concerning health and labour conditions and the protection of the environment and shall require compliance by all of its Subcontractors and suppliers at any tier. The Contractor shall furnish evidence of compliance with such laws and regulations to SLSMC at such times as SLSMC may reasonably request.

24.2. Obligation to Deliver Statutory Declarations

The Contractor shall, whenever requested to do so by the SLSMC Representative, make a statutory declaration in a form acceptable to SLSMC deposing to the existence and condition of any actual and potential claims against it by third parties in connection with the Work or this Contract, including potential claims by the Contractor Personnel and Subcontractors.

24.3. No Implied Terms Applicable to SLSMC

No implied terms or obligations of any kind by or on behalf of SLSMC shall arise from anything in the Contract and the express covenants and agreements therein contained and made by SLSMC are the only covenants and agreements upon which any rights against SLSMC are to be founded.

24.4. Scope of Authorization to Use SLSMC Premises

The Contractor shall not use, or permit the use, of the Workplace for any purpose other than for the purposes of performance of the Work pursuant to the terms of the Contract. Without limiting the generality of the foregoing, the Contractor shall not erect or permit the erection of any sign or advertising on the Work or its site without the prior consent of the SLSMC Representative.

24.5. Contract Notices

Any notice, consent, order, decision, Directive or other communication (for purposes of this Section, each is a "Notice") required to be given in writing, to any party pursuant to the Contract shall be deemed to have been effectively given to the Contractor, if delivered in a form set out in this Section to the Contractor's head office or to the Contractor's Representative, at the address set out in the Articles of Agreement, or to SLSMC, if delivered to SLSMC's head office or personally to the SLSMC Representative at the address in the Articles of Agreement. To be valid, Notices must be delivered or communicated using one of the following means: (a) by hand, to the Person; (b) by mail, (c) courier services, (d) by email or facsimile. Any such Notice shall be deemed to have been received by the recipient: (a) if delivered personally, on the day that it was delivered, (b) if sent by mail, on the earlier

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of the day it was received and the sixth day after it was mailed; (c) if couriered, on the date of delivery as evidenced by the courier's delivery records; (d) if by email or facsimile, upon confirmation of receipt of the email or facsimile by the intended recipient.

24.6. Obligation to Act Reasonably and in Good Faith

Both parties shall, at all times, be under an obligation to act reasonably and in good faith in exercising their rights under the Contract.

24.7. No Publicity or Communication with Media

The Contractor may not, without SLSMC's prior written authorization: (a) use or publish, for any purpose whatsoever, the name, image, logo or trademark of SLSMC; (b) advertise the Contractor's involvement in this Contract or (c) post in or around the Workplace, any signs other than those required by Applicable Laws. Any third-party, including media, request for information concerning the Contract, Works or services must promptly be forwarded to the SLSMC Representative for handling. The Contractor and the Contractor Personnel are strictly prohibited, under any circumstance, to speak to and address the media for any reason in connection with their contractual duties. The foregoing shall be subject only to Applicable Laws, including ongoing disclosure requirements under securities law. The Contractor shall ensure that the Contractor Personnel are aware of the requirements of this Section, including the following: if the Contractor Personnel are approached by members of the media, they shall decline comment and refer the media representatives to SLSMC.

24.8. Amendments

No amendment or change in any of the provisions of the Contract shall have any force or effect until it is reduced to writing and signed by both parties.

24.9. Assignment of Contract, Novation and Succession

The Contract may not be assigned by the Contractor, either in whole or in part, without the written consent of SLSMC. Any assignment made without SLSMC's consent is void and of no effect. No assignment of the Contract shall relieve the Contractor from any obligation under the Contract or impose any liability upon SLSMC. SLSMC may at any time assign or subcontract its rights and obligations under the Contract, in whole or in part. In the event of any assignment or subcontract by SLSMC, SLSMC shall notify the Contractor and the Contractor shall, where applicable, cooperate to facilitate such assignment or subcontract, at no additional charge to SLSMC or assignee. The SLSMC assignee shall assume all SLSMC's rights or obligations under the Contract and as of the date of the assignment, SLSMC shall be released from its obligations (a "novation"). The Contractor shall be obligated to accept the novation of any such assignee and shall have no right to approve or disapprove the novation of such assignee on any basis whatsoever. The parties agree to promptly execute and deliver all such agreements and other instruments as may be reasonably required to give effect to any novation contemplated by this Section. The Contract shall inure to the benefit of and be binding upon the parties hereto and their lawful heirs, executors, administrators, successors and assigns.

24.10. Entire Agreement

The Contract constitutes the entire agreement between the parties with respect to the subject matter of the Contract and supersedes all communications, negotiations and agreements, either written or oral, relating to the Work that were made prior to the date of the Contract, unless they are incorporated by reference into the Contract.

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24.11. Governing Law

The construction, interpretation and performance of the Contract are governed by the Applicable Laws of the province in which the majority of the Work is performed and Canada, without regard to conflicts of laws principles. The parties expressly exclude application of the United Nations Convention on Contracts for the International Sale of Goods.

24.12. Survival

The Contractor's obligations under the Contract as to quality, correction and warranty of the work performed by the Contractor up to the time of termination or expiration shall continue after any termination, whatever the cause, or expiration of the Contract. In addition, this Article and each party's rights and obligations hereunder which by their nature are intended to survive the expiration or termination of the Contract, shall survive expiration or termination of the Contract for any reason.

GC25 TERMINATION UPON EXPIRATION OF CMA AGREEMENT

The SLSMC is a party to an agreement with Canada pursuant to Section 80(5) of the Canada Marine Act (the "CMA Agreement") for the operation of the Seaway. The CMA Agreement is set to expire on March 31, 2023. SLSMC's authority to assume contractual obligations beyond March 31, 2023 is subject to the renewal of the CMA Agreement.

For more information on the CMA Agreement, please refer to https://www.canada.ca/en/transport-canada/news/2017/07/minister_garneauannouncesextensionofthelawrenceseawayagreement.html.

If the CMA Agreement is not renewed, this Contract may be assigned to a SLSMC successor where agreed by the Contractor and successor. In the absence of an assignment, this Contract shall automatically terminate upon expiration of the CMA Agreement. SLSMC shall pay for any work performed up to the effective date of termination or assignment. Notwithstanding anything to the contrary in the Contract, the Contractor shall not be entitled to any payment for costs not incurred or for Work not performed, including, without limitation, any lost profits relating to Work not performed.

GENERAL CONDITIONS (CONSTRUCTION)

Schedule "A" – DEFINITIONS

For the purposes of these General Conditions, the following terms shall have the meanings set out below and grammatical variations of such terms shall have corresponding meanings.

- a) **"Accepted Work"** means Work that has been accepted by SLSMC under an Interim Certificate of Completion or a Final Certificate of Completion.
- b) **"Adjusted Contract Value"** means the maximum estimated or fixed amount SLSMC has accepted in writing to pay for the Project as specified in the Price Table in the Articles of Agreement, whether the component prices for Work are expressed as unit fees or fixed fees, as may be adjusted by SLSMC-approved increases or decreases made in accordance with the terms of the Contract.
- c) **"Applicable Laws"** means any federal, provincial, local and municipal statutes, laws, by-laws, rules, codes, ordinances, and regulations in effect from time to time and made or issued by a governmental authority having jurisdiction over a party to this Contract, which shall include a judgment of a relevant court of law, board, arbitrator or administrative agency.
- d) **"Approved Delay"** has the meaning assigned in Section 7.3 (Approved Delays).
- e) **"Completed Work"** means Work that may be invoiced by the Contractor.
- f) **"Concealed or Unknown Conditions"** has the meaning assigned in Section 4.7 (Concealed or Unknown Conditions).
- g) **"Confidential Information"** means collectively any operational, financial, technical or other information, specifications, designs, plans, data, results or drawings either disclosed by SLSMC or prepared by the Contractor for SLSMC pursuant to this Contract, which at the time of disclosure, is reasonably understood to be confidential in nature.
- h) **"Construction Equipment"** means all machinery and equipment, either operated or not operated, that is required for preparing, fabricating, conveying, erecting, or otherwise performing the Work but is not incorporated into the Work.
- i) **"Construction Progress Schedule"** has the meaning assigned in the document titled A-2 Specifications (General).
- j) **"Contract"** means the Articles of Agreement executed by authorized representatives of each the Contractor and SLSMC and, for greater clarity, includes the documents referred to in the Articles of Agreement, as may be amended from time to time in accordance with the terms of the Contract.
- k) **"Contract Guarantees"** means any security guarantee, such as a performance bond, labour and material bond or security deposit, delivered by the Contractor in accordance with the Contract.
- l) **"Contract Records"** has the meaning assigned in Section 22.2 (Audit of Contract Records).
- m) **"Contractor"** means the legal entity that has entered into the Contract with SLSMC.
- n) **"Contractor Personnel"** means all individuals assigned or approved by the Contractor to perform Work pursuant to the Contract, and includes, without limitation, Subcontractor personnel.
- o) **"Contractor Representative"** means the employee of the Contractor designated by the Contractor to act pursuant to Article GC2 (Administration of Contract).

GENERAL CONDITIONS (CONSTRUCTION)

- p) **“Cost of Work”** means the amounts properly payable by SLSMC to the Contractor for Work performed to SLSMC’s satisfaction, calculated in accordance with the Price Table or other provisions of the Contract.
- q) **“Default”** has the meaning assigned in Article GC16 (Termination of Contract - Default).
- r) **“Defect”** has the meaning assigned in Section 12.2 (Warranty Remedy – Defects in Accepted Work).
- s) **“Directive”** has the meaning assigned in Article GC2 (Administration of Contract).
- t) **“Final Certificate of Completion”** means a written certificate issued by the SLSMC Representative that confirms the Work has been fully completed to SLSMC’s satisfaction.
- u) **“Interim Certificate of Completion”** means a written certificate issued by the SLSMC Representative in connection with multi-year projects to accept Accepted Work in a given year.
- v) **“Material”** means all commodities, articles, machinery, equipment, fixtures and other items procured or otherwise required to be furnished by or for the Contractor for incorporation into the Accepted Work, whether or not incorporated and for greater certainty, includes all licenses, rights and privileges attached such commodities, articles and items.
- w) **“Operational Audit”** has the meaning assigned in Article GC22 (Audits and Inspections).
- x) **“Person”** includes, unless the context otherwise requires, any natural or legal person, corporation, trust or other entity legally recognized under the law of any province of Canada.
- y) **“Price Adjustment Request”** has the meaning assigned in Article GC10 (Prices and Price Adjustments).
- z) **“Price Table”** means all lump sum prices, unit prices, hourly rates and any other prices to be charged for the Work as specified in the Articles of Agreement.
- aa) **“Project”** means the totality of Work and Materials required to complete the outcomes described in the Contract documents.
- bb) **“Proper Invoice”** has the meaning assigned in Article GC8 (Invoices and Payment).
- cc) **“SLSMC”** means the St. Lawrence Seaway Management Corporation (SLSMC).
- dd) **“SLSMC Representative”** means the SLSMC Representative designated in the A-1 Specifications.
- ee) **“Specifications and Drawings”** means all SLSMC technical requirements and specifications applicable to the Accepted Work as set out in the Contract and as may be amended by express written agreement of the parties, including without limitation as set out in the Contract document entitled A-1 Specifications and the Contractor’s Drawings as defined in the Contract document entitled A-2 Specifications (General).
- ff) **“Statutory Declaration of Compliance”** has the meaning assigned in Article GC8 (Invoices and Payment).

GENERAL CONDITIONS (CONSTRUCTION)

- gg) "**Subcontractor**" means a Person to whom the Contractor has subcontracted the whole or any part of the Work in accordance with the Contract.
- hh) "**Warranty Period**" has the meaning assigned in Section 12.2 (Warranty Remedy - Defects in Accepted Work).
- ii) "**Work**" means everything that is necessary to be done, furnished or delivered by the Contractor to perform the Contract, including, without limitation, the provision of Construction Equipment, Materials, the Contractor Personnel and other goods, services, and deliverables, all as required to perform the Contractor's obligations and to deliver the Accepted Work.
- jj) "**Work Acceptance Date**" has the meaning assigned in GC9 (Interim and Final Certificates of Completion (Acceptance Of Work)).
- kk) "**Work Order**" has the meaning assigned in Article GC5 (Work Orders).
- ll) "**Workplace**" means the specific place or physical location where erection, alteration, repair, dismantling, demolition, structural maintenance, painting, land clearing, earth moving, grading, excavating, trenching, digging, boring, drilling, blasting, or concreting is performed, as well as, the installation of any machinery or Construction Equipment, and any work or undertaking in connection with the Work.