



The St. Lawrence  
Seaway Management  
Corporation

Corporation de Gestion  
de la Voie Maritime  
du Saint-Laurent

---

# **GENERAL CONDITIONS Procurement Contract**

---

---

GENERAL CONDITIONS  
Procurement Contract

---

---

**INDEX**

|             |  |          |
|-------------|--|----------|
| <b>GC1</b>  | <b>INTERPRETATION .....</b>  | <b>1</b> |
| <b>GC2</b>  | <b>ASSIGNMENT AND SUB-LETTING .....</b>  | <b>2</b> |
| <b>GC3</b>  | <b>CONDUCT OF THE WORK .....</b>   | <b>2</b> |
| <b>GC4</b>  | <b>CONFIDENTIALITY AND SECURITY OF INFORMATION .....</b>                                   | <b>3</b> |
| <b>GC5</b>  | <b>SPECIFICATIONS, DRAWINGS, ETC.....</b>  | <b>4</b> |
| <b>GC6</b>  | <b>SLSMC REPRESENTATIVE FINAL JUDGE OF WORK .....</b>                                      | <b>4</b> |
| <b>GC7</b>  | <b>ACCEPTANCE AND DELIVERY .....</b>   | <b>5</b> |
| <b>GC8</b>  | <b>WARRANTY .....</b>  | <b>5</b> |
| <b>GC9</b>  | <b>NO PUBLICITY OR COMMUNICATION WITH MEDIA.....</b>                                       | <b>5</b> |
| <b>GC10</b> | <b>SLSMC SUPPLIED MATERIAL .....</b>   | <b>5</b> |
| <b>GC11</b> | <b>CONDITIONS PRECEDENT TO PAYMENT .....</b>   | <b>6</b> |
| <b>GC12</b> | <b>INDEMNIFICATION AND PATENT CLAIM.....</b>   | <b>6</b> |
| <b>GC13</b> | <b>TITLE ON PROGRESS PAYMENTS .....</b>  | <b>6</b> |
| <b>GC14</b> | <b>FURTHER ASSURANCES.....</b>   | <b>7</b> |
| <b>GC15</b> | <b>CARE OF SLSMC PROPERTY .....</b>  | <b>7</b> |
| <b>GC16</b> | <b>TIME IS OF THE ESSENCE.....</b>   | <b>7</b> |
| <b>GC17</b> | <b>WAIVER OF LIENS FOR WORK IN PROGRESS.....</b>   | <b>7</b> |
| <b>GC18</b> | <b>PATENT LICENSES AND USE OF TECHNICAL INFORMATION .....</b>                              | <b>7</b> |
| <b>GC19</b> | <b>SUSPENSION OF WORK AND CHANGE IN SPECIFICATIONS – TERMINATION OF THE CONTRACT .....</b> | <b>7</b> |
| <b>GC20</b> | <b>CANADIAN LABOUR AND MATERIALS .....</b>   | <b>8</b> |
| <b>GC21</b> | <b>DEFAULT BY CONTRACTOR.....</b>  | <b>8</b> |
| <b>GC22</b> | <b>NO BRIBE, ETC.....</b>  | <b>9</b> |
| <b>GC23</b> | <b>LABOUR AND HEALTH CONDITIONS.....</b>   | <b>9</b> |

---

---

GENERAL CONDITIONS  
Procurement Contract

---

---

**GC24 RESERVED..... 9**

**GC25 NOTICE..... 9**

**GC26 TERMINATION..... 9**

**GC27 ACCOUNTS ..... 10**

**GC28 FOREIGN EXCHANGE ..... 11**

---

---

GENERAL CONDITIONS  
Procurement Contract

---

---

**GC1 INTERPRETATION**

1.1 Unless the context otherwise requires,

- 1.1.1 “**Allied firm**” means any firm, company or corporation which directly or indirectly controls or is controlled by or is affiliated with the Contractor and includes any individual or individuals directly or indirectly controlling the Contractor or any such firm, company or corporation as aforesaid;
- 1.1.2 “**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.
- 1.1.3 “**Contract**” covers any document mentioned in the document entitled Articles of Agreement;
- 1.1.4 “**Contractor**” means the legal entity that has entered into the Contract with SLSMC;
- 1.1.5 “**Cost of Work**” means the amount expressed in the Contract to be payable to the Contractor for the Finished Work;
- 1.1.6 “**Equipment**” includes machinery, apparatus and equipment of all kinds;
- 1.1.7 “**Finished Work**” means the supplies, projects or other Work completed in accordance with the provisions of the contract;
- 1.1.8 “**herein**”, “**hereby**”, “**hereof**”, “**hereunder**” and similar expressions, when used in any article, shall be understood to relate to the Contract as a whole and not merely to the article in which they appear;
- 1.1.9 “**Invention**” means any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement in any art, process, machine, manufacture or composition of matter;
- 1.1.10 “**Review by the SLSMC Representative**” means that the SLSMC Representative reviews documents, procedures or requests submitted and grants permission to proceed with the Work according to the documents or procedures submitted, or accepts the request submitted. Permission to proceed is granted when the SLSMC Representative indicates that no corrections are noted. Permission to proceed may also be granted conditionally to the implementation of corrections which the SLSMC Representative has indicated on the documents. The Contractor may not proceed if the document is rejected or the review stamp requires a revised document to be resubmitted.

Review by the SLSMC Representative does not, in any way, relieve the Contractor from full responsibility for the correctness of submitted documents, procedures and of the Contractor's Work and their conformity with the Contract documents and the field conditions;

---

---

GENERAL CONDITIONS  
Procurement Contract

---

---

- 1.1.11 “**Specifications**” means the specifications, drawings, designs and models, if any, furnished to the Contractor by the SLSMC for the carrying out of the contract;
- 1.1.12 “**SLSMC**” means the St. Lawrence Seaway Management Corporation (SLSMC);
- 1.1.13 “**SLSMC Supplied Material**” means all materials, machinery, tools, or Equipment (if any) which may be supplied by or on behalf of the SLSMC to the Contractor for the purpose of the Work and includes also any Specifications supplied to the Contractor for the said purposes, provided however, that the Contractor shall not be entitled to be supplied with any SLSMC Supplied Material except as and to extent (if any) specifically provided in the contract;
- 1.1.14 “**SLSMC Representative**” means the person designated as such by the SLSMC and any person acting on behalf of the SLSMC as the SLSMC Representative under the contract;
- 1.1.15 “**Supplementary Conditions**” means any other General Conditions forming part of the contract;
- 1.1.16 “**Work**”, means the whole of the Work, materials, matters and things required to be done, furnished and performed in order to carry out the contract;
- 1.1.17 the singular number includes the plural and vice versa.

**GC2 ASSIGNMENT AND SUB-LETTING**

- 2.1 The Contractor shall not assign the Contract or sub-let any of the Work without the prior written consent of the SLSMC and any assignment or sub-letting made without such consent shall be of no effect; provided that, unless the Contract or the SLSMC directs otherwise, the Contractor may sub-let such portions of the Work as is customary in the carrying out of similar contracts. No assignments or sub-letting shall relieve the Contractor from any of its obligations under the Contract or impose any liability upon the SLSMC to an assignee or subcontractor.
- 2.2 Unless otherwise agreed to by the SLSMC in any assignment or sub-letting, the Contractor agrees to bind each assignee or subcontractor by the terms of the General Conditions, the Supplementary Conditions, if any, the drawings and Specifications as far as applicable to the Work.
- 2.3 No act or omission of the Contractor, whether before or after the entry into the contract, shall have the effect of rendering any monies payable by the SLSMC under the Contract payable to any person, firm or corporation other than the Contractor unless the SLSMC consents thereto.
- 2.4 Subject to the preceding provisions of this Article, the Contract shall endure to the benefit of and shall be binding upon the successors and assigns of the SLSMC and of the Contractor, respectively.

**GC3 CONDUCT OF THE WORK**

- 3.1 The Contractor agrees to carry out the Work diligently and to provide efficient supervision and inspection thereof and warrants, without restricting the generality of the foregoing,

---

---

**GENERAL CONDITIONS**  
**Procurement Contract**

---

---

that the Work is of proper quality, material and workmanship and in full conformity with the Specifications, drawings, models or samples, if any, and is fit for the purpose intended.

- 3.2 No materials or parts shall be used or processed and no Finished Work shall be submitted for acceptance or shall be delivered unless or until approved by the Contractor's inspection staff and wherever practicable, marked with an approval stamp satisfactory to the SLSMC Representative. The Contractor shall keep proper and adequate inspection records which shall at all times be open to examination by the SLSMC Representative who may make copies thereof and take extracts therefrom.
- 3.3 The SLSMC and the SLSMC Representative shall have access to the Work at all times and to the plant and premises where any part of the Work is being carried on, and may make such inspections and tests of the Work and of parts, materials and Work in process as the SLSMC or the SLSMC Representative may think fit. The Contractor shall provide at his own expense all assistance and facilities, test pieces and samples which the SLSMC or the SLSMC Representative may reasonably require for the carrying out of any such inspections and any such tests as aforesaid, and shall forward at his own expense such test pieces and samples to such person or location as the SLSMC or the SLSMC Representative may direct. The Contractor shall, at his own expense, provide the SLSMC and the SLSMC Representative with such facilities as they may require for the purpose of such inspections and any such tests and for the exercise of any other powers conferred upon them hereunder.
- 3.4 The Contractor shall not stop or suspend Work pending the settlement or determination of any differences arising under the contract.

**GC4 CONFIDENTIALITY AND SECURITY OF INFORMATION**

- 4.1 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.
- 4.2 Subject to Applicable Laws, the Contractor's obligations of confidence do not apply to information that:
- 4.2.1 is or becomes publicly available through no fault of the Contractor; or
  - 4.2.2 is lawfully disclosed to the Contractor by a third party who is not under any obligations of confidence; or
  - 4.2.3 the Contractor can establish to SLSMC's satisfaction was known to the Contractor prior to the date of disclosure by SLSMC; or
  - 4.2.4 is required by law to be disclosed; or

---

---

**GENERAL CONDITIONS**  
**Procurement Contract**

---

---

4.2.5 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.

4.3 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, 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.

4.4 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.

4.5 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.

**GC5 SPECIFICATIONS, DRAWINGS, ETC.**

5.1 All Specifications, drawings, patterns, samples and other information furnished the Contractor in connection with the Contract shall be used by the Contractor solely for the purpose of carrying out the Work and for no other purpose except with the consent in writing of the SLSMC and shall remain the property of the SLSMC and be returned to the SLSMC upon demand.

5.2 Any minor part or parts not shown in the Specifications, drawings, patterns or samples, but which are necessary for the due completion of the Work shall be deemed to be included in the Cost of Work and no addition to the Cost of Work will be allowed by reason of such omission, unless otherwise agreed to by the SLSMC.

**GC6 SLSMC REPRESENTATIVE FINAL JUDGE OF WORK**

6.1 The SLSMC Representative shall be the final judge of the Work and of its quality and workmanship. The SLSMC Representative shall have full power to reject or refuse any Finished Work or parts or materials or work-in-process which he considers are not in accordance with the requirements of the contract. The SLSMC Representative shall also

---

---

**GENERAL CONDITIONS**  
**Procurement Contract**

---

---

be the sole judge as to the meaning or intention of the Specifications.

**GC7 ACCEPTANCE AND DELIVERY**

7.1 Acceptance by the SLSMC Representative of the Work or part thereof shall be deemed to be acceptance by the SLSMC of the Work or part thereof, but delivery thereof shall be deemed not to have been made until after acceptance by the SLSMC Representative. If the Contract requires delivery at a particular place or in a particular manner, such delivery shall be made in accordance therewith and not otherwise. Unless the Contract otherwise provides, title to the Work or any part thereof so delivered shall vest in the SLSMC at time of delivery. Notwithstanding the foregoing, the SLSMC shall, after delivery, have the right to reject the Work or any part thereof if the same does not comply with the Contract and this right shall survive any prior inspection, acceptance or test of parts, materials, work-in-process or Finished Work.

**GC8 WARRANTY**

8.1 Without restricting any other term of the Contract or any conditions, warranty, or provision implied or imposed by law, the Contractor shall, if requested by the SLSMC to do so at any time within twelve (12) months from date of delivery as specified in the Contract, replace, at its own expense, any Work and each article or part and any material included in the Work (but excluding SLSMC Supplied Material) which becomes defective or fails to conform to Contract requirements as a result of faulty or inefficient manufacture, material or workmanship, such replacement to be made (unless otherwise agreed to by the SLSMC) by delivering the replaced Work or material to the delivery point set out in the contract.

**GC9 NO PUBLICITY OR COMMUNICATION WITH MEDIA**

9.1 Neither party shall without the other party's prior written authorization: (a) use or publish, for any purpose whatsoever, the name, image, logo, or trademark of the other party; or (b) advertise a party's involvement in this Contract.

9.2 Any third-party, including media, request for information concerning the Contract, Work or services must promptly be forwarded to the SLSMC Representative for handling. The Contractor, the Contractor's personnel and its subcontractors are strictly prohibited, under any circumstance, to speak to and address the media for any reason in connection with their contractual duties. The Contractor shall ensure that its personnel and subcontractors are aware of the requirements of this Section, including the following: if the Contractor's personnel and its subcontractors are approached by members of the media, they shall decline comment and refer the media representatives to SLSMC.

**GC10 SLSMC SUPPLIED MATERIAL**

10.1 All items comprised in any SLSMC Supplied Material shall be used by the Contractor solely for the purposes of the Contract and shall be and remain the property of the SLSMC and wherever feasible, the Contractor shall maintain complete accounting records of all SLSMC Supplied Material and shall mark the same as being the SLSMC property.

10.2 All SLSMC Supplied Material (except as are installed or incorporated in the Work) shall be returned to the SLSMC upon demand, in the same condition as when supplied to the Contractor; provided that the Contractor shall not be responsible for any loss or damage



---

---

**GENERAL CONDITIONS**  
**Procurement Contract**

---

---

resulting from ordinary wear and tear or from causes beyond the Contractor's control.

- 10.3 All scrap and waste materials derived from any SLSMC Supplied Material or from any other materials, articles or things which are the property of the SLSMC, shall, unless otherwise specifically provided herein, remain the property of the SLSMC and shall be disposed of only as prescribed by the SLSMC.

**GC11 CONDITIONS PRECEDENT TO PAYMENT**

- 11.1 No payment shall be made to the Contractor unless or until,

11.1.1 invoices, inspection notes and all other documents prescribed from time to time by the SLSMC or SLSMC Representative are submitted in accordance with the terms of the Contract or instructions of the SLSMC; and

11.1.2 the Contractor, if required to do so, establishes to the satisfaction of the SLSMC that all materials, parts, work-in-process or Finished Work in respect of which payment is being made are free from all claims, liens, attachments, charges or encumbrances.

**GC12 INDEMNIFICATION AND PATENT CLAIM**

- 12.1 The Contractor shall defend, indemnify and save harmless the SLSMC, its representatives and His Majesty the King in right of Canada harmless from and against all claims, demands, losses, costs of any nature including judicial and extra-judicial costs arising from any legal action, damages, actions, suits, or proceedings and by whomever made, brought or prosecuted and in any manner based upon, occasioned by or attributable to any injury to or death of a person or damage to or loss of property resulting from any imprudence or lack of skill or any willful or negligent act, omission or delay on the part of the Contractor, its representatives, employees, servants, agents, suppliers, subcontractors and their subcontractors, or any other person under his jurisdiction in performing the Work or as a result of the Work.

- 12.2 The Contractor shall also defend, indemnify and save harmless the SLSMC, its representatives and His Majesty the King in right of Canada from and against all costs, charges and expenses whatsoever that the SLSMC sustains or incurs in or about all claims, actions, suits and proceedings for the use of the Invention claimed in a patent, or infringement or alleged infringement or any patent or any registered industrial design or any copyright or any other kind of intellectual property resulting from the performance of the Contractor's obligations under the contract, and in respect of the use of or disposal by the SLSMC of anything furnished pursuant to the contract.

- 12.3 The Contractor's liability to indemnify or reimburse the SLSMC under the Contract shall not affect or prejudice the SLSMC from exercising any other rights under law.

**GC13 TITLE ON PROGRESS PAYMENTS**

- 13.1 Upon any payment being made to the Contractor for or on account of materials, parts, work-in-process, or Finished Work, either by way of progress payments or accountable advances or otherwise, title in and to such materials, parts, work-in-process and Finished Work shall vest and remain in the SLSMC unless already so vested under any provision of the Contract but the Contractor shall be responsible therefore in accordance with the

---

---

**GENERAL CONDITIONS**  
**Procurement Contract**

---

---

provision of Article GC15 (Care of SLSMC Property).

**GC14 FURTHER ASSURANCES**

14.1 Wherever it is herein provided that title to any parts, materials, work-in- process or Finished Work becomes vested in the SLSMC, the Contractor shall execute such conveyances thereof and other instruments as the SLSMC may request.

**GC15 CARE OF SLSMC PROPERTY**

15.1 The Contractor shall take reasonable and proper care of all property, title to which is vested in the SLSMC, while the same is in, on or about the plant and premises of the Contractor or otherwise in his possession or subject to his control and shall be responsible for any loss or damage resulting from his failure to do so other than loss or damage caused by ordinary wear and tear.

**GC16 TIME IS OF THE ESSENCE**

16.1 Time is of the essence in the performance of the Work provided that the time for completing any of the Work which has been or is likely to be delayed by reason of force majeure or other cause beyond the reasonable control of the Contractor shall be extended by a period equal to the length of the delay so caused, provided that prompt notice in writing of the occurrence causing or likely to cause such delay is given to the SLSMC.

**GC17 WAIVER OF LIENS FOR WORK IN PROGRESS**

17.1 In consideration of obtaining the contract, the Contractor renounces and waives any right he may have to any lien for Work done or to be done, services rendered or to be rendered, or materials and Equipment furnished or to be furnished, for or in connection with the buildings, material, Equipment and property related to the said contract.

**GC18 PATENT LICENSES AND USE OF TECHNICAL INFORMATION**

18.1 The Contractor shall promptly report and fully disclose to the SLSMC any and all Inventions, methods or processes, whether patented or unpatented, conceived or first actually used or reduced to practice in the course of carrying out the Work; and the Contractor agrees to and does hereby grant unto the SLSMC a non-exclusive irrevocable, royalty-free license to make, have made and use for the purposes of the SLSMC, and to sell or otherwise dispose of any article or thing embodying or using any and all such Inventions, methods or processes, and a similar license to practice or cause to be practiced any such methods or processes.

18.2 The Contractor shall grant to the SLSMC the right to reproduce, use and disclose for the purposes of the SLSMC, all or any part of the reports, drawings, blueprints, data and technical information specified to be delivered under the contract.

**GC19 SUSPENSION OF WORK AND CHANGE IN SPECIFICATIONS – TERMINATION OF THE CONTRACT**

19.1 The SLSMC may at any time and from time to time order a suspension of the Work, in whole or in part, and make modifications, of changes in or additions to the Specifications, time of delivery. SLSMC may terminate the Contract, in whole or in part, at any time by

---

---

**GENERAL CONDITIONS**  
**Procurement Contract**

---

---

giving a notice of termination in writing to the Contractor. All directions given by the SLSMC with respect to the foregoing shall be complied with by the Contractor.

- 19.2 If any such termination, suspension, modification, change or addition results in an increase or decrease to the Cost of Work, the Contract price shall be adjusted accordingly provided that the Contractor shall in no event be entitled to compensation for any loss of anticipated profits (except that in the event of any change which results in a substantial part of the Work theretofore performed by the Contractor shall be entitled to payment of an amount representing a fair and reasonable profit in respect of such discarded Work) and provided further that minor increases or decreases in cost shall be disregarded.

**GC20 CANADIAN LABOUR AND MATERIALS**

- 20.1 To the full extent to which the same are procurable, consistent with proper economy and the expeditious carrying out of the contract, Canadian Labour, parts and materials shall be used in the Work. In the execution of the Work, the Contractor shall employ reasonable proportions of workers who have served on active service with the armed forces of Canada and have been honorably discharged therefrom, where such workers are available and competent.

**GC21 DEFAULT BY CONTRACTOR**

- 21.1 If the Contractor is in default in carrying out any of the terms, conditions, covenants or obligations of the contract, or if the Contractor becomes bankrupt or insolvent, or has a receiving order made against it, or makes an assignment for the benefit of creditors, or if an order is made or resolution passed for the winding up of the Contractor, or if the Contractor takes the benefit of any statute for the time being in force relating to bankrupt or insolvent debtors, the SLSMC may, upon giving notice in writing to the Contractor, terminate the whole or any part of the contract.
- 21.2 Upon the giving of such notice, the Contractor shall have no claim for any further payment save as hereinafter in this Article GC21 provided, but shall remain liable to the SLSMC for all loss and damage which may be suffered by the SLSMC by reason of the default or occurrence upon which such notice was based.
- 21.3 Notwithstanding the provision of Section 21.2, the Contractor shall not be liable for any loss or damage if the failure to perform the Contract on which the notice of termination is based arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes include but are not restricted to strikes, floods, fires, epidemics, Acts of God or of the King's enemies.
- 21.4 Upon termination of the Contract under this Article, the SLSMC may require the Contractor to deliver to the SLSMC in the manner and to the extent directed by the SLSMC, any Finished Work which has not been delivered and accepted prior to such termination and any materials, parts, work-in-process, or tools which the Contractor has specifically acquired or produced for the fulfillment of the contract. Subject to the deduction of any claim which the SLSMC may have against the Contractor arising under the Contract or out of the termination, the SLSMC shall pay or credit to the Contractor the value of all such Finished Work delivered pursuant to such direction and accepted by the SLSMC determined in accordance with the Cost of Work and shall pay or reimburse the Contractor the reasonable and proper cost to the Contractor for all materials, parts, or

---

---

## GENERAL CONDITIONS

### Procurement Contract

---

---

work-in-process delivered to the SLSMC pursuant to such direction.

- 21.5 If after notice of termination of the contract, under the provision of Section 21.1, it is determined by the SLSMC that the default of the Contractor is due to causes beyond the control of the Contractor, such notice of termination shall be deemed to have been issued pursuant to Article GC26 (Termination) of these General Conditions and the rights and obligations of the parties hereto shall be governed by that Article.

#### **GC22 NO BRIBE, ETC.**

- 22.1 The Contractor warrants,

22.1.1 that no bribe, gift or other inducement has been paid, given, promised or offered to any official or employee of the SLSMC for, or with a view to, the obtaining of the Contract by the Contractor, and

22.1.2 that it has not employed any person to solicit or secure the Contract upon any agreement for a commission, percentage, brokerage or contingent fee.

#### **GC23 LABOUR AND HEALTH CONDITIONS**

- 23.1 The Contractor shall comply with all applicable labour laws, and with all health conditions and requirements, from time to time applicable to the Work.

#### **GC24 RESERVED**

#### **GC25 NOTICE**

- 25.1 Any notice to the Contractor hereunder shall be effectively given if sent by letter or by facsimile, postage prepaid or with charges prepaid as the case may be, addressed to the Contractor at his address as given in the Contract or, if no address is so given, at his address as shown by the records of the SLSMC. Any notice so given shall be deemed to have been received by the Contractor at the time when in the ordinary course such letter or facsimile should have reached its destination.

#### **GC26 TERMINATION**

- 26.1 Notwithstanding anything in the Contract contained the SLSMC may, by giving notice to the Contractor (hereinafter sometimes referred to as a «Termination Notice») terminate the Contract as regards all or any part or parts of the Work not theretofore completed. Upon a termination notice being given, the Contractor shall cease Work (including the manufacturing and procuring of materials for the fulfillment of the contract) in accordance with and to the extent specified in such notice. The SLSMC may, at any time or from time to time, give one or more additional termination notices, with respect to any or all parts of the Work not terminated by any previous termination notice.

- 26.2 In the event of a termination notice being given under the provisions of this Article, and subject as hereinafter provided:

26.2.1 all Finished Work, whether completed before the giving of such notice or completed thereafter pursuant to such notice shall be paid for (subject to

---

---

**GENERAL CONDITIONS**  
**Procurement Contract**

---

---

acceptance in accordance with the provisions of the contract) on the basis of the Cost of Work;

- 26.2.2 in respect of Work not completed before the giving of such notice, and not completed thereafter pursuant to such notice the Contractor shall be entitled to be reimbursed the actual cost to the Contractor of such uncompleted Work, and to receive in addition an amount representing a fair and reasonable profit in respect of Work done thereon. Cost shall be determined in accordance with provisions which the SLSMC may consider to be appropriate in the circumstances.
- 26.3 No reimbursement shall be made in respect of Work which has been or may be rejected after inspection as not complying with the requirements of the contract.
- 26.4 The Contractor shall not be entitled to be reimbursed any amount which, taken together with any amounts paid or due or becoming due to the Contractor under the contract, shall exceed the Cost of Work applicable to the Work or the particular part thereof.
- 26.5 In case of disagreement as to the amount which the Contractor is entitled to be reimbursed, the matter shall be referred to the Federal Court.
- 26.6 As far as practicable, the Contractor shall place purchase orders and sub-contracts on terms that will enable the Contractor to terminate the same upon conditions and terms similar in effect to these provided in this Article, and generally the Contractor shall cooperate with the SLSMC and do everything reasonably within his power at all times to minimize and reduce the amount of the SLSMC obligations in the event of termination hereunder.
- 26.7 Title to all materials, parts, plant, Equipment and work-in-process in respect of which reimbursement is made to the Contractor as herein provided shall, upon such reimbursement being made, pass to and vest in the SLSMC unless already so vested under any other provision of the Contract and such materials, parts, plant, Equipment and work- in-process shall be delivered to the order of the SLSMC, but the materials thus taken over will in no case be in excess of what would have been required in performing the Contract in full if no termination notice had been given.
- 26.8 If the SLSMC is satisfied that by reason of any action taken under the provisions of this Article exceptional hardships have resulted to the Contractor, then the SLSMC may, in its absolute discretion, grant such allowance (not to include in any case, however, any allowance or compensation for loss of profit) to the Contractor as, in the opinion of the SLSMC, is warranted by the circumstances.
- 26.9 The Contractor shall have no claim for damages, compensation, loss of profit, allowance or otherwise by reason of or directly or indirectly arising out of any action taken or notice given by the SLSMC under or pursuant to the provisions of this Article except to the extent in this Article expressly provided.

**GC27 ACCOUNTS**

- 27.1 The Contractor shall keep proper accounts and records of the cost to the Contractor of the Work and of all expenditures or commitments made by the Contractor in connection therewith and the invoices, receipts and vouchers relating thereto.

---

---

GENERAL CONDITIONS  
Procurement Contract

---

---

- 27.2 Such accounts, records, invoices, receipts and vouchers shall at all times be open to audit and inspection by the authorized representatives of the SLSMC (who may make copies thereof and take extracts therefrom) and the Contractor shall afford all facilities for such audits and inspections and shall furnish the SLSMC and its authorized representatives with all such information as it or they may from time to time require with reference to such accounts, records, invoices, receipts and vouchers.
- 27.3 If any part of the Work is performed by an Allied firm, the Contractor shall also cause such Allied firm to keep similar accounts, records, invoices, receipts and vouchers, with respect to the cost of the Work performed by such Allied firm and, to permit the same to be inspected and audited by the authorized representatives of the SLSMC.
- 27.4 The Contractor shall, unless otherwise agreed to by the SLSMC, cause all such accounts, records, invoices, receipts, and vouchers as aforesaid to be preserved and kept available for audit and inspection at any time until the expiration of five (5) years from the date of the acceptance of the Work.

**GC28 FOREIGN EXCHANGE**

- 28.1 Unless otherwise provided in the Contract or agreed to by the SLSMC, the Contractor shall not be entitled to any increase in the Cost of Work by reason of foreign exchange fluctuations.