

A. ARTICLES OF AGREEMENT A1. DEPARTMENTAL REPRESENTATIVE	A2. TITLE IT - DESIGN-BUILD FOR CON LIGHTING SYSTEMS FOR THE N				
NAME DIVISION NAME AND ACRONYM	LIGHTING SYSTEMS FOR THE NEW CANADIAN A3. CONTRACT PERIOD Start:		Completion Date: March 31, 2018		
125 Sussex Drive Ottawa, Ontario	A4. CONTRACT NUMBER AWPA-CONST-PARIS-17005	A5. PROJECT B-PARIS-105		A6. DATE INSERT DATE	
Canada, K1A 0G2	A7. CONTRACT DOCUMENTS				
Telephone: Mobile: Fax: E-mail: @international.gc.ca	 These Articles of Agreement Supplementary Conditions (Section "T") Terms of Payment (Section "II") General Conditions (Section "III") Insurance Conditions (Section "IV") Contract Security Conditions (Section "V") Labour Conditions (Section "V") Request for Proposals 				
DRAFT	 9. Statement of Work (SOW) (Appendix "A") 10. Floor and Ceiling Heights (Appendix "B") 11. Contractor's Proposal In the event of discrepancies, inconsistencies or ambiguities of the wording of these documents, the document that appears first on the above list shall prevail. A8. CONTRACT AMOUNT Fixed Price for the services: INSERT TOTAL VALUE OF CONTRACT 				
Design-Build Contract	 The Fixed Price is: a. inclusive of all applicable duties, costs and taxes (other than contractor's Output VAT payable on the Contract price. b. Exclusive of VAT c. in EUROS Payments shall be made in accordance with Section "II" Terms of Payment 				
Between	 A9. INSURANCE The Contractor shall provide a comprehensive general liability insurance of €1,360,000.00 in accordance with the Insurance Conditions (Section "IV"). A10. CONTRACT SECURITY The Contractor shall provide an acceptable contract security of €0.00 in accordance with the Contract Security Conditions (Section "V"). 				
Her Majesty the Queen in right of Canada (referred to herein as "Her Majesty") represented by the Minister of Foreign Affairs (referred to herein as the "Minister")	 A11. HOLDBACK Her Majesty shall withhold a holdback, as described in article TP 4.4, of 10% of all progress payments. A12. INVOICES Two (2) copies are to be sent to Departmental Representative showing: 				
and	 b. the amount for any tax (including VAT) calculated in accordance with the applicable legislation; c. the date; d. the name and address of the consignee; 				
(INSERT FULL LEGAL NAME OF CONTRACTOR) (INSERT ADDRESS OF CONTRACTOR) (referred to herein as the "Contractor")	e. description of the Work performed; f. the project name; and g. the contract number. A13. GOVERNING LAWS Laws in force in the Province of Ontario, Canada FOR THE CONTRACTOR				
for	SIGNATURE		DATE		
Performance of the Work described in Appendix "A" – Statement of Work	PRINT NAME AND CAPACITY For the Minister		-	Corporate Seal	
	Signature		DATE		
	PRINT NAME AND CAPACITY		-		



SECTION "I" – SUPPLEMENTARY CONDITIONS

SCC1 - Contract Amount

1.1 The Contract Amount shall not be adjusted or altered in any way whatsoever otherwise than in accordance with the express provisions of these Conditions.

SCC2- Statutory Obligations, Notices, Fees and Charges

- 2.1 The Contractor shall comply with and give all notices required by any Act or Ordinance of Government, any instrument, rule or order made under any Act or Ordinance of Government, or any regulation or byelaw of any local authority or of any statutory undertaker which has any jurisdiction with regard to the Works or with whose systems the same are or will be connected (all requirements to be so complied with being referred to in these Conditions as 'the Statutory Requirements') and the Contractor shall pass to the Departmental Representative all approvals received by the Contractor in connection therewith.
- 2.2 If the Contractor or the Employer finds any divergence between the Statutory Requirements and either the Employer's Requirements (including any Change) or the Contractor's Proposals he shall immediately give to the other written notice specifying the divergence; the Contractor shall inform the Departmental Representative in writing of his proposed amendment for removing the divergence, and with the Departmental Representative's consent (which shall not be unreasonably delayed or withheld) the Contractor shall entirely at his own cost complete the design and construction of the Works in accordance with the amendment and the Departmental Representative shall note the amendment on the documents referred to in SCC2.1, provided that if the amendment arises as a result of a change in the Statutory Requirements after the Date of Tender, such amendment shall be treated as if it were a change in the Departmental Representative's Requirements.
- **2.3** The Contractor shall pay and indemnify Her Majesty against liability in respect of any fees or charges (including any rates or taxes) legally demandable under any Act or Ordinance of Government, any instrument, rule or order made under any Act or Ordinance of Government, or any regulation or byelaw of any local authority or of any statutory undertaker in respect of the Works. No adjustment shall be made to the Contract Sum in respect of the amount of any such fees or charges (including any rates or taxes).

SCC3 – Royalties and Patent Rights

3.1 All royalties or other sums payable in respect of the supply and use in carrying out the Works of any patented articles, processes or inventions shall be deemed to have been included in the Contract Sum, and the Contractor shall indemnify Her Majesty from and against all claims, proceedings, damages, costs and expenses which may be brought or made against Her Majesty or to which he may be put by reason of the Contractor infringing or being held to have infringed any patent rights in relation to any such articles, processes and inventions. Provided that where in compliance with Departmental Representative's instructions the Contractor shall supply and use in carrying out the Works any patented articles, processes or inventions, the Contractor shall not be liable in respect of any infringement or alleged infringement of any patent rights in relation to any such articles, processes or other monies which the Contractor may be liable to pay to the persons entitled to such patent rights shall be added to the Contract Sum.

SCC4 - Materials and Goods, Unfixed or Off site

4.1 Unfixed materials and goods, delivered to, placed on or adjacent to the Works and intended therefor and any materials or goods the value of which has been included in any Interim Payment under which the Contractor has received payment shall not be removed except for use upon the Works

unless the Departmental Representative has consented in writing to such removal which consent shall not be unreasonably withheld. Where the value of any such materials or goods has in accordance with these Conditions been included in any Interim Payment under which the Contractor has received payment, such materials and goods shall become the property of Her Majesty, the Contractor shall remain responsible for loss or damage to the same.

<u>SCC5 – Assignment or Sub letting</u>

- 5.1 The Contractor shall not without the written consent of the Employer assign this Contract.
- **5.2** The Contractor shall be permitted unless expressly prohibited by the Employer to sub-let the whole or any portion of the Works to domestic sub-contractors either on the basis of the provision by the sub-contractors of labour and materials or by the provision of labour only on a piece work basis. Notwithstanding that where the Departmental Representative has not prohibited sub-letting, the Departmental Representative shall be entitled to prohibit any sub-contractor and shall have full powers to instruct the Contractor to remove any sub-contractor from the Works.
- **5.3** The sub-letting of the whole or any portion of the Works shall not relieve the Contractor from any liability or obligation under the Contract, and he shall be responsible for the acts, defaults and neglects of any sub-contractor, his servants or agents, as fully as if they were the acts, defaults or neglects of the Contractor, his servants or agents.
- 5.4 It shall be the duty of the Contractor, if so required by the Employer, to furnish to the Employer all particulars required as to any sub-contractor employed or to be employed on the Works.
- **5.5** Provided that it shall be a condition in any sub-letting which may occur that the employment of the sub-contractor under the sub contract shall determine immediately upon the determination (for any reason) of the Contractor's employment under this Contract.

SCC6 – Damages for Non-Completion

6.1 If the Contractor fails to complete the Works by the Completion Date stated in the A3 of Articles of Agreement to these Conditions or within any extended time then the Contractor shall pay or allow to the Employer a sum calculated at the rate EURO 50,000.00 / calendar days as Liquidated and Ascertained Damages for the period during which the Works shall so remain or have remained incomplete, and the Employer may deduct such sum from any monies due or to become due to the Contractor under this Agreement.

SCC7 - Loss and Expense Caused by Disturbance of Regular Progress of the Works

- 7.1 If upon written application being made to him by the Contractor the Employer is of the opinion that the Contractor has been involved in direct loss and/or expense for which he would not be reimbursed by a payment made under any other provision in this Contract by reason of the regular progress of the Works or of any part thereof having been materially affected by :
 - 7.1.1 The Contractor not having received in due time necessary instructions, decisions, information or consents from the Employer for which he specifically applied in writing on a date which having regard to the Date for Completion stated in Appendix "A" Statement of Work or to any extension of time then fixed under the Conditions of this Contract was neither unreasonably distant from nor unreasonably close to the date on which it was necessary for him to receive the same; or
 - **7.1.2** The opening up for inspection of any work covered up or the testing of any of the work, materials or goods (including making good in consequence of such opening up or testing),

unless the inspection or test showed that the work, materials or goods where not in accordance with this Contract; or

- **7.1.3** Delay on the part of the party engaged by the Her Majesty in carrying out work not forming part of this Contract; or
- **7.1.4** Change Order issued in regard to the postponement of any work to be carried out under the provisions of this Contract;
- **7.1.5** and if the written application is made within a reasonable time of it becoming apparent that the progress of the Works or of any part thereof has been affected as aforesaid, then the Employer shall ascertain the amount of such loss and/or expense. Any amount from time to time so ascertained shall be added to the Contract Sum.
- **7.2** The provisions of this Condition are without prejudice to any other rights and remedies which the Contractor may possess.

SCC8 – Insurance against Injury to Persons

- 8.1 The Contractor shall be liable for, and shall indemnify the Her Majesty against, any expense, liability, loss, claim or proceedings whatsoever arising under any statute or at common law in respect of personal injury to or the death of any person whomsoever arising out of or in the course of or caused by the carrying out of the Works, unless due to any act or neglect of the Her Majesty or of any person for whom the Her Majesty is responsible.
- **8.2** The Contractor shall be liable for, and shall indemnify the Her Majesty against, any expense, liability, loss, claim or proceedings in respect of any injury or damage whatsoever to any property real or personal in so far as such injury or damage arises out of or in the course of or by reason of the carrying out of the Works, and provided always that the same is due to any negligence, omission or default of the Contractor, his servants or agents or of any sub-contractor, his servants or agents.
- **8.3** Without prejudice to his liability to indemnify the Her Majesty under SCC8 of these Conditions, the Contractor shall maintain such insurances as are necessary to cover the liability of the Contractor or, as the case may be, of any sub-contractor :
 - **8.3.1** In respect of personal injuries or deaths arising out of or in the course of or caused by the carrying out of the Works; and
 - **8.3.2** In respect of injury or damage to personal arising out of or in the course of or by reason of the carrying out of the Works and caused by any negligence, omission or default of the Contractor, his servants or agents or, as the case may be, of such sub-contractor, his servants or agents.

As and when he is reasonably required so to do by the Her Majesty the Contractor shall produce for inspection by the Her Majesty documentary evidence that the insurances required by this sub-clause are properly maintained, but on any occasion the Her Majesty may (but not unreasonably or vexatiously) require to have produced for his inspection the policy or policies and receipts in question.

8.4 Should the Contractor make default in insuring or in continuing or in causing to insure as provided in this sub clause the Her Majesty may herself insure against any risk with respect to which the default shall have occurred and may deduct a sum or sums equivalent to the amount paid or payable in respect of premiums from any monies due or to become due to the Contractor.

SCC9 – DEFINITIONS

- **9.1 "Approve", and "For Approval".** Approvals, where used in conjunction with the Departmental Representative's response to submittals, requests, applications, inquiries, reports and claims by Contractor, will not be interpreted as a release of the Contractor from his responsibilities to complete the Work in complete conformity with the requirements of the Contract Documents.
- **9.2** Architect. A person or entity lawfully entitled to practice architecture, engineering, or landscape architecture or its authorized representative, who offers to furnish or furnishes professional design services under a contract or a sub-contract with the Contractor into and in connection with fulfilment of the Contract.
- **9.3** Change Order. Written order issued by the Representative, with or without notice to sureties, approving/making changes in the Work within the scope of this Contract.
- **9.4 Change Proposal.** A written proposal created by the Contractor in response to a Request for Change Proposal (RFCP) or unsolicited, in which the Contractor offers to add to or subtract from the scope of the Work for an additive or deductive amount to the lump sum Contract price specified in A8 above, and/or to modify the scheduled date of Substantial Completion or the date of Final Completion and Acceptance. If the proposed change is accepted by the Departmental Representative, the Change Proposal will become the basis of a Change Order.
- **9.5 Contaminated Site Condition.** A contaminated site condition exists when toxic, radioactive or other hazardous substances or materials, or other pollutants, are found to be present at the site of the work to the extent that they constitute a hazard, or potential hazard, to the environment, property, or health or safety of any person.
- **9.6 Contract Amount.** The total amount payable by Her Majesty to the Contractor under the Contract, as described in A8 of the Articles of Agreement.
- **9.7 Contract Documents.** The documents forming the Contract between Her Majesty and the Contractor as defined in A7of the Articles of Agreement.
- **9.8 Contractor, Developer, Design-Builder.** The person or entity or its authorized representative(s) who has entered into a Contract with Her Majesty to perform the Contract in accordance with the Contract Documents.
- 9.9 Contractor's Employee. Any officer, partner, employee, representative or agent of the Contractor.
- **9.10 Construction Documents.** The final approved working drawing and technical specifications for all construction disciplines (i.e., electrical, mechanical, structural) including as well as appropriate technical drawings, schedules, diagrams, and specifications
- **9.11 Construction Phase.** Phase Two of the design build project which will commence following final approval of the Contractor's design documentation.
- **9.12 Contractor's Proposal.** The accepted Proposal Form and all exhibits and supplements to the Proposal Form submitted with the Proposal Form. Where the Proposal exceeds the requirements of the RFP, the Contractor shall provide the more stringent, larger, higher quality, better performing or in any way superior item, material, or other aspect of the Work specified in the Contractor's Proposal.
- **9.13** Date of Final Completion and Acceptance. The date that the Departmental Representative notifies the Contractor in writing that the Work is 100% finished without qualification and in complete conformity with the Contract Documents.

- **9.14** Date of Substantial Completion. The date upon which the Departmental Representative notifies the Contractor in writing that, despite the existence of incomplete or incorrect Work, she is satisfied that the Work is at least 95% performed and the entire premises can be occupied and utilized by the employees of Her Majesty in the manner intended by the Contract Documents.
- **9.15** Departmental Representative (Representative). The officer or employee of Her Majesty whose name appears as Departmental Representative in A1 of the Articles of Agreement or any other employee of Her Majesty who has been authorized in writing by Her Majesty to replace the employee named at A1.
- **9.16 Design Development Phase.** Phase One of the design build project during which the Contractor will create, from the concept design provided by Her Majesty, all further design documents required for the project including design development documentation and working drawings to 99% level of completion, as well as obtain from the appropriate authorities the approval of the overall design and all applicable building permits
- **9.17 Design Review Committee (DRC).** A committee appointed by the Minister to review the proposed design for Her Majesty. Reviews are to assure compliance with the Request for Proposal and generally accepted levels of design quality.
- 9.18 Directive. Written documentation of the actions of Her Majesty in directing the Contractor.
- **9.19** Equal (or). Where the terms "or equal", "or approved", or similar expressions are used, Her Majesty shall be the sole judge of the quality and suitability of this proposed substitution.
- 9.20 Final Completion and Acceptance. Occurs when all of the following events have taken place: (a) the Contractor has completed all Work items designated as either incomplete or incorrect at the Date of Substantial Completion; (b) the Contractor has provided to the Departmental Representative any and all documents, licenses, warranties, technical manuals and plans, etc. as required by the Contract Documents; and (c) the Departmental Representative notifies the Contractor in writing that the Work is 100% finished without qualification and in complete conformity with the Contract Documents.
- **9.21** Invention. Any new and useful art, process, machine, manufacture or composition of matter, or any new and useful improvement thereof.
- **9.22 Minister.** A person acting for or, if the office is vacant, in place of the Minister and the Minister's successors in the office, and the Minister's or their lawful deputy and any of the Ministers or their representatives appointed for the purpose of the Contract.
- **9.23** Notice. A written notice which has been delivered in person to the individual or a member of the firm or entity or to an officer of the corporation for which it was intended, or if delivered or sent by registered or certified mail to the last business address known to the party giving notice.
- 9.24 Parties/ Party. Her Majesty the Queen in Right of Canada and/or the Contractor.
- **9.25 Progress Schedule.** A complete and detailed schedule, prepared by the Contractor, indicating the progress of the Work to be undertaken and the time to complete the Work.
- **9.26 Project.** The final product of the total design and construction (the Work) allowing for full functioning of Program Requirements for which the Contractor binds itself under the Articles of Agreement, including all professional design services and all labour, materials and equipment used or incorporated in such design and construction as well as any other work required to be performed by Her Majesty by contractors other than the Contractor.

- **9.27 Project Site or Site.** The space available to the Contractor for performance of the Work, either exclusively or in conjunction with others performing other works as part of the Project.
- **9.28** Regulations. Laws, statutes, ordinances and lawful orders issued by authorities having jurisdiction, as well as rules, conventions and agreements within the construction industry that control performance of the Work, whether or not they are lawfully imposed by authorities having jurisdiction.
- **9.29** Request for Proposal or RFP. The documents prepared by Her Majesty and provided to the Contractor at the proposal stage of the project, intended to assist and direct the Contractor to in drafting his proposal for the design and construction Work. The RFP includes, but is not limited to, the Request for Proposals, the Performance Criteria, the Program of Facility Requirements, Addenda, and any clarification issued prior to the Contract award.
- **9.30** Subcontract. A contract entered into by the Contractor with another party for the purpose of obtaining supplies, materials, equipment, or services of any kind for application to or incorporation in the Work.
- **9.31** Subcontractor. Any person or entity, other than the Contractor, who agrees to furnish or furnishes any supplies, materials, equipment, or services of any kind under a contract or a subcontract entered into in connection with such contract.
- **9.32** Substantial Completion. Occurs when all of the following events have taken place: (a) the Contractor considers that the Work is substantially (95%) performed; (b) the Contractor has prepared a comprehensive list of Work items to be completed or corrected; (c) the Contractor has requested the Departmental Representative review of all portions of the Work; and (d) the Departmental Representative, in his/her exclusive discretion, notifies the Contractor in writing that, despite the existence of incomplete or incorrect Work, he/she is satisfied that the Work is at least 95% performed and the entire premises can be occupied and utilized by the employees of Her Majesty in the manner intended by the Contract Documents.
- **9.33** Work. The total design and construction, and related improvements, that constitute the work to be done by the Contractor, such work being more particularly defined in the Contract Documents, and including without limitation all professional architectural, engineering and other design services; all construction engineering and construction services; and all labour, materials, furnishings and equipment necessary and/or used or incorporated in the Project, in accordance with the Contract Documents and as required or reasonably inferred there from.

SCC10 – MISCELLANEOUS PROVISIONS

- **10.1** This Contract shall be interpreted and governed by the laws in force in the Province of Ontario, Canada.
- **10.2** The headings of articles and sub-articles are for convenience only and shall not modify rights and obligations created by this Contract.
- **10.3** In case a provision of this Contract is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected provided that the rights and obligations of each party contained in the valid terms, conditions or provisions of this contract are not relevantly damaged.
- **10.4** Her Majesty reserves the right to perform work related to, but not part of, the Project and to award separate contracts in connection with the Work at the site.

- **10.5** The Contractor shall afford Her Majesty's contractors reasonable opportunity for introduction and storage of their materials and equipment for execution of their work. The Contractor shall incorporate and coordinate the Contractor's Work with work of Her Majesty's separate contractors as required by the Contract Documents.
- 10.6 Costs caused by defective or ill-timed work shall be borne by the Party responsible.
- **10.7** The Contractor shall not assign or transfer an interest in the Contract, totally or partially, without the prior written consent of Her Majesty. This agreement shall revert in benefit to and bind the parties, their legal representatives and successors.
- **10.8** All representations and warranties shall survive completion or termination of this Agreement.
- **10.9** The Contract Documents represent the entire agreement between Her Majesty and the Contractor and supersedes all express or implicit prior negotiations, representations or agreements. Notwithstanding, the duties and obligations imposed by the Contract Documents, and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.
- **10.10** The Contract Documents may be amended only by written instruments signed by both Her Majesty and the Contractor.

SCC11 – CONTRACTOR'S OBLIGATIONS

- **11.1** Services and responsibilities
 - **11.1.1** The Contractor agrees to provide all design services necessary for the Project. Such design services shall be performed by licensed and qualified architects, engineers and other professionals selected, engaged, and paid by the Contractor. The professional obligations of such persons shall be undertaken and performed in the interest of Her Majesty.

The Contractor further agrees to provide all construction services necessary for the Project. Such construction services shall be performed by qualified sub-contractors, workmen, and suppliers, selected and paid by the Contractor and acting in the interest of Her Majesty. The Contractor shall incorporate the obligations of this Contract with Her Majesty in its respective contracts with design professionals, subcontractors, as well as in the Contractor's supply agreements, purchase orders and other agreements.

- **11.1.2** The Contractor shall be responsible to Her Majesty for acts and omissions of the Contractor's employees, agents, subcontractors and supplier and any other parties in privity of contract with the Contractor to perform a portion of the Work.
- **11.1.3** The Contractor undertakes to, under legal and contractual penalties:
 - **11.1.3.1** to schedule and perform the services and to provide material and equipments according to the conditions established herein, with due regard for the term established for conclusion thereof, strictly following the instructions and specifications stated in these contract documents. Her Majesty may verify the development of these services whenever deemed by Her Majesty to be necessary;
 - **11.1.3.2** to keep Her Majesty informed of the development of the work and services performed as set forth in SCC12, or immediately, in the event of problems related to performance of the services under this agreement;

- **11.1.3.3** to prohibit, either directly or through company representatives, the entry of non-accredited personnel in the Chancery;
- **11.1.3.4** to supply all materials, equipment and tools necessary to perform the services contracted hereunder, assuming responsibility for any encumbrances related to possible lease, transportation and insurance incurred in sending and removing them from the work site at the end of this agreement. The items dealt with herein shall always be contracted in the name of the CONTRACTOR;
- **11.1.3.5** in order to meet the time schedule, to proceed if necessary with the work on Sundays and holidays, subject to observing the applicable labour and social security legislation, subject to approval by DFATD;
- **11.1.3.6** to take all necessary precautions to insulate the work from the remainder of the complex, especially with regard to noise and dust. The cleaning of affected areas should be made on a regular basis;
- **11.1.3.7** after the work is completed, to remove, on its own account, the materials, equipment, debris and tools pertaining thereto;
- **11.1.3.8** to keep under its custody and sole responsibility all technical equipment of its property, as well as materials used in the execution of the work, exempting Her Majesty from possible damage, robbery and/or theft;
- **11.1.3.9** to be liable for the behaviour of all of its employees, contractors, subcontractors and/or agents, exempting and indemnifying Her Majesty against any claim, demand, damage, attorney's fees, expenses, losses and other penalties imposed to Her Majesty related to the works done by the Contractor or when arising from acts or events caused by the Contractor, or by any person who acts on its behalf;
- **11.1.3.10** to assume the fines and any penalties imposed for violations of legal provisions of its responsibility;

11.1.4 SPECIFIC OBLIGATIONS

The Contractor also undertakes to, under legal and contractual penalties:

- **11.1.4.1** to perform the work according to the most up-to-date and advanced engineering methods known and adopted in civil construction, further observing the requirements concerning resistance and safety recommended by the Local Technical Standards and Canadian Standards by enforcing and complying with the orders of Her Majesty;
- **11.1.4.2** to demolish and redo, at its own expense, the performed work that is not in compliance with the design and the prevailing technical regulations or that show any construction defects.
- **11.1.4.3** to maintain a site diary, where the Contractor's manager responsible for the work shall record any facts relating thereto and the pertinent instructions, comments and complaints.
- **11.1.4.4** at the discretion of the Departmental Representative, to issue and deliver, to Her Majesty, an electronic copy of the site diary. Her Majesty may provide comments electronically.

11.1.4.5 to provide for, at its own and exclusive expense and risk, all construction materials according to the specifications stated in the contractual exhibits, which are an integral part hereof, being compatible with the object of the contract and the schedule of the works. The items dealt with in this clause shall always be purchased in the name of the CONTRACTOR;

11.1.5 LABOUR AND RESPECTIVE CHARGES

Concerning to the labour used to the accomplishment of the contracted work, the Contractor shall:

- **11.1.5.1** to supply all the labour necessary, assuming and arranging for payment, at the proper times and according to the applicable legislation, of all social security charges until final conclusion of the work and acceptance thereof by Her Majesty. To this effect, Contractor agrees to submit to Her Majesty, at the end of the work, a debt clearance certificate issued by the National Social Security Institute (INSS) relating to the work performed;
- **11.1.5.2** to coordinate, monitor and advise its personnel as regards any and all tasks necessary for strict compliance with this agreement;
- **11.1.5.3** to maintain a qualified person (a foreman) to command execution of the work, who shall be continuously on the site, as well as a responsible manager, in charge of management, representing the Contractor, who shall be on the site at a time previously set with Her Majesty;
- **11.1.5.4** if necessary, to hire subcontractors, on its own account and responsibility, in order to normally proceed with the works;
- **11.1.5.5** to be liable for the compliance of all rules related to the protection of work set by The French laws relating to labour, workplace safety and labour medicine. In addition, the Contractor will indemnify Her Majesty against any claim or penalty imposed against Her Majesty relating to non-compliance by the Contractor of such French laws.
- **11.1.5.6** to assume responsibility for any collections or actions of a labour or social security nature, related to the Contractor's employees, as well as regarding on-the-job accidents or any possible subcontracting;
- **11.1.5.7** to be liable for the behavior of all of its employees or subcontractors, undertaking to replace them, free of charge to Her Majesty, in the event these, at Her Majesty's discretion, adopt conducts that infringe its interests. The Contractor further agrees to be responsible for the discipline, organization, cleaning, security and supervision of the work, materials and the Property;
- **11.1.5.8** to assume all the transportation and accommodation expenses of its employees, contractors or subcontractors;

SCC12 – BASIC SERVICES

The Contractor shall provide the following services:

12.1 Design Development Phase

- **12.1.1** The Contractor shall submit to Her Majesty the design development documents and such shall be consistent with these articles of agreement.
- **12.1.2** The Contractor shall provide to Her Majesty a Progress Schedule indicating the progress of the design and construction phases of Work to be undertaken and the time to complete the Work.
- **12.1.3** The Contractor shall submit to Her Majesty a complete and comprehensive Project Cash Flow showing monthly payments for the Project, including separate cost items to complete the Design Development Phase of the Work and the Construction Phase of the Work.
- **12.1.4** The Contractor, with all other necessary design professionals shall, at its own expense, meet with the Design Review Committee at the commencement of the Project, and at subsequent times to conduct reviews of design development, or any other reviews that the Design Review Committee may consider necessary to the approval of the Departmental Representative.
- **12.1.5** If, following the reviews referred to in SCC12.1.4, the final Design Solution is acceptable to Her Majesty, Her Majesty shall advise the Contractor in writing to proceed with the Construction Phase. Her Majesty reserves the right to terminate the Contract and pay the Contractor only for the portion of the Work to undertake the Design Development Phase of the Project, as itemized by the Contractor. Her Majesty will not be liable for any additional costs associated with the Design Development Phase.
- **12.1.6** The Contractor shall not commence any construction beyond what is required for the Design Development Phase of the Project until notified by Her Majesty in writing that the Final Design Solution has been accepted.
- **12.2** Construction Phase
 - **12.2.1** The Contractor shall provide to Her Majesty, all documents necessary for review by the Design Review Committee.
 - **12.2.2** The Contractor, with all other necessary design professionals, shall, at its own expense, meet with the Design Review Committee, prior to the commencement of the Construction Phase and at any other time that Her Majesty considers necessary during the Construction Phase.
 - **12.2.3** The Contractor shall submit Construction Documents for review by Her Majesty. Construction Documents shall include technical drawings, schedules, diagrams, and specifications, setting forth in detail the requirements for construction of the Work, and shall establish the scope of work.
 - **12.2.4** The Contractor shall secure all building and other permits, licences and inspections and shall pay such permits, licences and inspections as part of the Contract Amount.
 - **12.2.5** Unless otherwise provided in the Contract Documents, the Contractor shall provide or cause to be provided and shall pay for design services, labour, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work.
 - **12.2.6** Other than the general project authority obtained by Her Majesty from the Government of France the Contractor shall secure all building and other permits, licences and inspections and shall pay such permits, licences and inspections as part of the Contract Amount.

- **12.2.7** The Contractor shall be responsible for and shall coordinate all construction means, methods, techniques, sequences and procedures.
- **12.2.8** The Contractor shall keep Her Majesty properly informed of the progress of the Work.
- **12.2.9** The Contractor shall, at its own expense, correct Work which does not conform to the Construction Documents.
- **12.2.10** The Contractor warranties to Her Majesty that materials and equipment incorporated into the work will be new unless otherwise specified, and that the work will be of good quality, free from material faults and defects, and in conformity with the Contract Documents. Work not conforming to these requirements shall be corrected in accordance with Article SCC26.
- **12.2.11** The Contractor shall pay all sales, consumer, user, services and similar taxes which were in effect at the time the Contractor's Proposal was first submitted to Her Majesty, according to legislation of Paris and shall secure and pay for all building and other permits and government fees, licences and inspections necessary for the proper execution and completion of the Work which are either customarily secured after the execution of the Agreement or legally required at the time the Contractor's Proposal was first submitted to Her Majesty.
- **12.2.12** The Contractor shall give notices and comply with laws, ordinances, rules, regulations and lawful orders of public authorities relating to the Project.
- **12.2.13** The Contractor shall pay all royalties and licence fees. The Contractor shall defend suits or claims for infringement of intellectual property rights and shall save Her Majesty harmless from loss on account thereof.
- **12.2.14** The Contractor shall notify Her Majesty when the Work or an agreed portion thereof is Substantially Complete by issuing a certificate of Substantial Completion which will establish the Date of Substantial Completion, shall state the responsibilities of each party for security, maintenance, heat, utilities, damage to the Work, insurance, shall include a list of items to be completed or corrected and shall fix the time within which the Contractor shall complete items listed therein. Disputes between Her Majesty and the Contractor regarding the certificate of Substantial Completion may be resolved by arbitration in accordance with the Section "III" General Conditions.
- **12.2.15** The Contractor shall maintain in good order at the Site one (1) record copy of the drawings, specification, product data, samples, shop drawings, Change Orders and other Modifications, marked-up currently to record changes made during construction. These shall be delivered to Her Majesty upon completion of the design and construction and prior to final payment.

SCC13 – SUBSTANTIAL COMPLETION

- **13.1** The Contractor shall inform the Departmental Representative when he is satisfied that the Work is complete. If the Representative is satisfied that the Work or an agreed upon portion thereof is sufficiently complete so that Her Majesty can occupy and utilize the Work or agreed upon portion thereof for its intended use, he/she shall issue a certificate of Substantial Completion.
- **13.2** The certificate of Substantial Completion shall describe the parts of the Work that are incorrect and incomplete, and all the things that must be done by the Contractor and respective completion terms before the certificate of Final Completion and Acceptance is issued in accordance with SCC25.2. All work noted as being incomplete or requiring correction or replacement shall be completed within ninety (90) days of the issuance of the certificate of Substantial Completion.

- **13.3** For Substantial Completion the Departmental Representative will inspect the Work and list all unacceptable and incomplete work. The Departmental Representative may accept the Work subject to the list of deficiencies and incomplete work. DFATD may occupy the buildings after the issue of the certificate of Substantial Completion. DFATD normally assumes responsibility for the security, operations and maintenance of the facilities as of the date of the Certificate of Substantial Completion. If the facilities are occupied before the certificate is issued however, an earlier start date of the warranty period may be negotiated with the Departmental Representative.
- **13.4** The date of the certificate of Final Completion will establish the start of the warranty period.

SCC14 – PROTECTION OF PERSONS AND PROPERTY

- **14.1** The Contractor shall be solely responsible for initiating, maintaining and providing supervision of safety precautions and programs in connection with the Work.
- **14.2** The Contractor shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury or loss to:
 - **14.2.1** employees on the Work and other persons who may be affected thereby;
 - 14.2.2 the Work and materials and equipment to be incorporated therein;
 - 14.2.3 and other property at or adjacent to the site.
- **14.3** The Contractor shall give notices and comply with applicable laws, ordinances, regulations and orders of public authorities bearing on the safety of persons and property and their protection from damage, injury or loss.
- **14.4** The Contractor shall be liable for damages or loss to property at the site caused in whole or in part by the Contractor, a sub-contractor of the Contractor or anyone directly or indirectly employed by either of them, or by anyone for whose acts they may be liable.

SCC15 – MECHANICAL AND ELECTRICAL SYSTEMS

15.1 All new equipment and systems, as they are installed and prior to commissioning, shall not be used for temporary site facilities or construction.

SCC16 – SUBMISSION DOCUMENT REQUIREMENTS

16.1 The Contractor shall include in the base contract price referred to in A8, the cost to provide to DFATD all documents necessary for review by the Departmental Representative and the Design Review Committee. The minimum number of documents will be as follows:

*four (4) sets, hard copy, for each submission of Design Drawings, Construction Drawings and Specifications;

*four (4) sets for each submission of Reports, Studies, Cost Estimates, Project Cash Flows;

*four (4) sets for each submission of the Project Construction Schedule;

*four (4) sets of the Finishing Schedule, Finish Samples, and manufacturer's information;

SCC17 – CONCEPT DESIGN REVIEW

17.1 The Contractor and the Design Sub-consultants shall, after the Award of Contract, attend the Concept Design Review with the Departmental Representative and the Design Review Committee to review the Proposal in detail, to commence the preliminary evaluation, and to review detailed

approaches to the design and construction, to convey changes to the Program Criteria, if any, or to note deviations from the Performance Criteria or Program of Facility Requirements in the Contractor's Proposal that may have been discovered during the Proposal Evaluation. The Concept Design Review meeting(s) shall be held with the DFATD Representative.

SCC19 – DESIGN DEVELOPMENT REVIEW

- **19.1** At the 33%, 66%, 99% and at the end of the Design Development Phase, the Contractor shall submit the Design Development Documents to the Departmental Representative for evaluation and approval.
- **19.2** DFATD reserves the right to require a separate meeting for each or any of the Work components it determines appropriate. For example, a separate weekly progress meeting may be conducted for the systems furniture, shipping and installation.
- **19.3** DFATD project team will examine the presentations and will provide their comments in writing.
- **19.4** Acceptance or approbation, explicit or implicit by DFATD, will not free the Contractor, or its subcontractors, from technical or professional responsibility concerning the accuracy of the design, the details and dimensions, neither the requirement for compliance to codes or by-laws. Similarly, the acceptance of an estimate by DFATD does not revoke the responsibility of the Contractor to respect the limit of the construction costs.
- **19.5** In order to accommodate the accelerated rate of the delivery of the project (combination of designbuild and construction in accelerated mode), concurrent activities of design and construction could be authorized but will require prior written approval by the Departmental representative prior to their execution.

SCC20 – SITE ACCOMODATION AND FACILITIES

- **20.1** <u>General</u> The Contractor must determine and comply with the statutes, ordinances, regulations, rules, requirements and policies which apply, and their effect on the construction and obligations of the Contract.
- **20.2** If permanent lighting equipment is used during construction, all lamps and bulbs used shall be removed and replaced with new prior to DFATD occupancy. Any damage to equipment shall be cause to require removal and replacement at cost to party causing such.

SCC21 – NOISE AND DUST CONTROL

- **21.1** The Contractor shall restrict construction noise and dust control to limits required by codes, ordinances and other restrictions in the Contract Documents; erect barriers between equipment on the site and occupied adjacent spaces, or limit noise level at each piece of vehicular equipment; use rubber pneumatic-tired equipment whenever possible.
- **21.2** The Contractor shall provide positive methods and apply dust control materials to minimize dust from construction operations. This applies to both the inside and outside of buildings and shall conform to codes, ordinances, and any other restrictions.
- **21.3** The Contractor shall ensure that the work considered noisy will be done during the hours stipulated here:

Monday to Friday:	8h30 to 18h00
Saturday:	no noisy work is permitted
Sunday:	no noisy work is permitted

21.4 In the case that the established schedule is impeding the completion of the work in the stipulated time and costs for the project, the Contractor shall inform the Departmental Representative in writing in order to obtain an agreement convenient for both parties.

SCC22 – BARRIER, HOARDINGS AND SECURITY

- 22.1 The Contractor shall: provide and be responsible for the maintenance of all temporary enclosure walls and soffits, dust enclosures, barriers, covers, guards, warning lights, signs, or other protection and warning devices required by law, local codes and ordinances, as necessary for protection of public, construction personnel, and property. Install facilities in a neat and reasonably uniform appearance, structurally adequate for the required purposes; relocate barriers as required by progress of construction.
- **22.2** The Contractor shall: secure all DFATD lease space against unauthorized entrance at all times; provide secure temporary enclosures at ground floor and other locations, and maintain 24 hrs / 7 days security on site.
- **22.3** Each proposed technician will be supervised by a cleared Canadian security officer when working in the operational or secure zones of the new Chancery.

SCC23 – FIRE PROTECTION

23.1 The Contractor shall employ any and all methods, means and facilities required to maintain the Project Site in a safe and secure manner, and to comply with the fire safety-related statutes, ordinances, regulations, rules, requirements and policies of the local authorities.

SCC24 – SUBMISSION FORMATS

- **24.1** The following guidelines shall be adhered to for all submissions:
 - **24.1.1** All project file documents (eg, execution drawings, shop drawings, specifications and commissioning documents) provided by the contractor must be in French and include the following:
 - the title and date of the document and the number and date of the version;
 - the title and number of the project;
 - the names and addresses of the contractor, subcontractors, suppliers and manufacturers.
 - 24.1.2 All drawing files shall be produced in AutoCAD Release 2006 (or higher) in Metric Units, and in PDF format.
 - **24.1.3** All word-processing shall be produced in Word version 97or higher.
 - **24.1.4** Estimates shall be produced using Excel version 97 or higher.
 - 24.1.5 Schedules shall be produced as a bar chart (Gantt chart) using Microsoft Project.
 - 24.1.6 Interim submissions shall be in both hard copy and electronic format. Four (4) sets per submission.
 - **24.1.7** Final Design submissions and As-Built submissions shall include the drawings, schedules, specifications and contract documents and shall be in the following format:
 - <u>Hard Copy</u>: four bound sets;

- <u>AutoCAD Format</u>: Release 2006 (or higher) in a (.DWG) file format;
- <u>AutoCAD support files</u>: including but not limited to drawing files (DWG), external reference (x-ref), shape files (SHX) and font files (SHX,TTF);
- <u>Media & Quantity</u>: two complete sets of files copied on CD or DVD;
- <u>AutoCAD as-built files</u> will be submitted at the end of the project on CD-ROM (2 copies.)
- <u>Specifications</u> or other documents will be required in hard copy and on CD-ROM (2 copies.)

SCC25 – FINAL COMPLETION AND ACCEPTANCE

25.1 General

The Contractor shall:

- **25.1.1** Ensure that the work is complete and in accordance with the Contract Documents.
- **25.1.2** For all installed equipment and materials, obtain and provide DFATD with all appropriate O&M service manuals, including technical literature, warranties, and as-built drawings in hard copy and on CD-Rom.
- **25.1.3** Obtain and provide all inspection certificates.
- **25.1.4** Ensure that a complete clean-up program has been carried out and that the site is left in a satisfactory condition acceptable to DFATD.
- **25.2** Final Completion and Acceptance Procedure
 - **25.2.1** On the date that the incorrect and incomplete Work described in the certificate of Substantial Completion (see SCC13.2) has been completed in its entirety, and the Contractor has complied with these Contract Documents, and all modifications, Change Orders and directions have been made to the satisfaction of the Departmental Representative, the Departmental Representative shall issue a certificate of Final Completion and Acceptance to the Contractor that shall be signed by both parties.
 - **25.2.2** For clarification purposes, compliance with these Contract Documents as per SCC25.2.1 above includes the provision to the Departmental Representative of the project record drawings and manuals listed at SCC25.1
- **25.3** Warranties and Guarantees
 - **25.3.1** In case any hidden defect arises during the legal or contractual guarantee period, Her Majesty will notify the Contractor to repair the defect at the Contractor's expense and risk. In the event the Contractor fails to remedy the defect or repairs it without complying with the conditions required by Her Majesty, She may contract with another contractor, at the expense of the Contractor, to carry out the necessary repairs.
 - **25.3.2** The Contractor shall provide Manufacturers' product warranties for plant and equipment installed under the contract and such warranties shall have a minimum of twenty-four months (24-month) duration from the date of the Final Certificate of Completion;
 - **25.3.3** The Contractor shall provide work guarantees as follows:

- **25.3.3.1** Work under the contract shall bear a one (1) year guarantee which commences at the date of the Final Certificate of Completion. Certain parts of the work, however, may be guaranteed for an extended period of time;
- **25.3.3.2** Manufacturers' product warranties for plant and equipment installed under the contract shall bear minimum of twenty-four-month (24-month) warranties which commence at the date of the Final Certificate of Completion;
- **25.3.3.3** All defects in the work during the one (1) year guarantee period must be corrected at the Contractor's expense.
- **25.3.3.4** All defects in product workmanship or installation for installed plant or equipment during the twenty-four-month (24-month) warrantee period must be corrected at the Contractor's expense by the local product dealer service organization;
- **25.3.3.5** If a matter requiring attention under the terms of the warranty is observed, DFATD will notify the Contractor; and
- **25.3.3.6** Manufacturers' warranties applicable to plant or equipment installed as part of this Project shall be registered in the name of Her Majesty the Queen in Right of Canada The Canadian Chancery, Paris.
- **25.3.4** Ten months after the issuance of the Final Certificate of Completion, the Representative will convene another inspection of the Project. The inspection team will include appropriate personnel from the original Acceptance Board. Defects requiring correction under the twelve-month (12-month) guarantee will be noted and issued to the Contractor for action.
- **25.3.5** The Canadian Consulate General of Canada will inform the Representative when all items noted during the ten-month (10-month) inspection have been completed. The Representative will then convene a final inspection of the project and, if it is acceptable, issue a Final Guarantee Inspection Certificate.
- **25.4** Project Record Drawings and Manuals
 - **25.4.1** The Contractor shall, prior to issuing the certificate of Final Completion and Acceptance, prepare and provide the Representative with the following:
 - **25.4.1.1** The Consultant shall provide DFATD with a full set of Record Drawings and other record documents, in French, in paper and disk format within the twelve (12) weeks following the issuance of the certificate of Final Completion and Acceptance;
 - **25.4.1.2** The Consultant shall specify that Contractor shall record, on one set of white prints, all changes, alterations, as well as any additions as covered by authorized "Change Orders". This shall also include rerouted lines, relocated ducts, valves and equipment;
 - **25.4.1.3** Following take-over, obtain, for each tender package, marked-up As-Built Documents from the Contractor, showing all changes in construction from the original Construction Documents. Combine this information with all Post-Contract drawings, Change Orders, and other modifications, to produce a full set of Record Drawings suitable for microfilming and CADD disk copies. Verify the completeness and accuracy of these records;

- **25.4.1.4** Provide a copy of the specification, marked-up to show all as built revisions as well as actual manufactured products and model numbers employed. Any schedule on the drawings should reflect actual equipment installed;
- **25.4.1.5** Indicate PMSS/MMS numbers for each piece of mechanical and electrical equipment on each drawing;
- **25.4.1.6** All Record and As-Built drawings shall be marked "REVISED AS BUILT MONTH/YEAR"; in the same formats described for final construction document submissions and must be submitted in English:
 - <u>Hard Copy</u>: four bound sets (4).
 - <u>AutoCAD Format:</u> Release 2006 (or higher) in a (.DWG) file format.
 - <u>AutoCAD support files:</u> including but not limited to drawing files (DWG), external reference (x-ref), shape files (SHX) and font files (SHX, TTF);
 - <u>Plotting & Layering instructions:</u> in hard copy (printed instructions) and electronic format;
 - <u>Media & Quantity:</u> two (2) complete sets of files copied on CD or DVD;
- **25.4.1.7** Provide a complete set of final shop drawings in hard copy and electronic format.
- 25.5 Final Cleaning
 - **25.5.1** The Contractor shall:
 - **25.5.1.1** Provide final cleaning of the Work, at time indicated, consisting of cleaning each surface or unit of Work to normal "clean" condition expected for a first-class building cleaning and maintenance program. Comply with manufacturer's instructions for cleaning operations. Prior to final acceptance, provide runners of reinforced Kraft paper throughout completed facility to protect finish floor surfaces. Tape paper to floor as required to protect surface during final touch-ups and inspections. Following are examples, but not by way of limitation, of cleaning levels required.
 - **25.5.1.2** Remove labels which are not required as permanent labels.
 - **25.5.1.3** Clean transparent materials, including mirrors and window/door glass to a polished condition, removing substances which are noticeable as vision-obscuring materials. Replace broken glass and damaged transparent materials.
 - **25.5.1.4** Clean exposed exterior and interior hard-surfaced finishes, to a dirt-free condition, free of dust, stains, films and similar noticeable distracting substances. Except as otherwise indicated, avoid disturbance of natural weathering of exterior surfaces. Restore reflective surfaces to original reflective condition.
 - **25.5.1.5** Wipe surfaces of mechanical and electrical equipment clean; remove excess lubrication and other substances.
 - **25.5.1.6** Remove debris and surface dust from limited-access spaces including roofs, plenums, shafts, trenches, equipment vaults, manholes, attics and similar spaces.
 - **25.5.1.7** Vacuum clean carpeted surfaces and similar soft surfaces.

- **25.5.1.8** Clean light fixtures and lamps so as to function with full efficiency in new condition.
- **25.5.1.9** Remove any temporary floor protection when all items of work have been completed.
- **25.5.1.10** Clean work site of litter and foreign substances.
- **25.6** Removal of Protection
 - **25.6.1** Except as otherwise indicated or requested by the Departmental Representative, remove temporary protection devices and facilities which were installed during the course of the Work to protect previously completed Work during remainder of construction period.
- **25.7** Training and Commissioning
 - **25.7.1** The Contractor shall:
 - **25.7.1.1** Except as otherwise specified, arrange for each installer of Work requiring continuing maintenance or operation, to meet with DFATD's personnel at Work site to provide basic instructions needed for proper operating and maintenance of entire Work. Include instructions by manufacturer's representatives where installers are not expert in the required procedures. These training sessions shall be coordinated by the Contractor for continuity. One person from each of the Contractor and DFATD facilitates (and attends) each of these classes. The Departmental Representative shall designate in writing to the Contractor the individuals responsible to attend the appropriate training sessions.
 - 25.7.1.2 Review maintenance manuals, record documentation, tools, spare parts and materials, lubricants, fuels, identification system, control sequences, hazards, cleaning and similar procedures and facilities. For operational equipment, demonstrate start-up, shut-down emergency operations, noise and vibration adjustments, safety, economy/efficiency adjustments, and similar operations. Include discussion on possible causes of equipment/system failures or shutdowns.
 - **25.7.1.3** Review maintenance and operations in relation to applicable warranties, agreements to maintain, bonds, and similar continuing commitments.
 - **25.7.1.4** Refer to individual section of the Performance Criteria for possible additional requirements.

SCC26 – CORRECTION OF WORK

- **26.1** The Contractor shall promptly correct Work rejected by the Representative or known by the Contractor to be defective or failing to conform to the Construction Documents, whether observed before or after Substantial Completion, and whether or not fabricated, installed or completed, and shall correct Work found to be defective or non-conforming within a period of ninety (90) days from the Date of Substantial Completion of the Work or designated portion thereof, or within such longer period provided by any applicable special warranty in the Contract Documents.
- **26.2** Nothing contained in this Article SCC26 shall be construed to establish a period of limitation with respect to other obligations of the Contractor under this Contract. Article SCC26.1 relates only to specific obligations of the Contractor to correct the Work, and has no relationship to the time within which obligations to comply with the Contract Documents may be sought to be enforced, nor to the

time within which proceedings may be commenced to establish the Contractor's liability with respect to the Contractor's obligations other than correction of the Work.

26.3 If the Contractor fails to correct defective Work as required or persistently fails to carry out Work in accordance with the Contract Documents, Her Majesty, by written order given by the Representative, may order the Contractor to stop the Work, or portion thereof, until the cause for such order has been eliminated and/or corrected.

<u>SCC27 – WORK SITE SECURITY</u>

- 27.1 If the Departmental Representative is of the opinion that the Work is a class or kind that involves the national security, he may order the Contractor
 - **27.1.1** to provide him with any information concerning persons employed or to be employed by it for the purpose of the Contract; and
 - **27.1.2** to remove any person from the Work or the site if, in the opinion of the Departmental Representative, that person may be a risk to the national security.
- **27.2** The Contractor shall, in all contracts with persons who are to be employed in the performance of the Contract, make provision for his performance of any obligation that may be imposed upon the Contractor.

<u>SCC28 – SUBCONTRACTORS</u>

- **28.1** The Contractor may subcontract any part of the Work.
- **28.2** The Contractor shall notify the Departmental Representative in writing of his intention to subcontract.
- **28.3** A notification referred to in SCC28.2 shall identify the part of the Work, and the subcontractor with whom it is intended to subcontract.
- **28.4** The Departmental Representative may object to the intended subcontracting notifying the Contractor in writing within six (6) days of receipt by the Departmental Representative of a notification referred in SCC28.2
- **28.5** If the Departmental Representative objects to a subcontracting pursuant to SCC28.4, the Contractor shall not enter into the intended subcontract.
- **28.6** The Contractor shall not, without the written consent of the Departmental Representative, change a subcontractor who has been engaged by him in accordance with Article SCC28.
- **28.7** Every subcontract entered into by the Contractor shall adopt all the terms and conditions of this Contract that are of general applications.
- **28.8** Neither a subcontracting nor the Departmental Representative's consent to a subcontracting by the Contractor shall be construed to relieve the Contractor from any obligations under the Contract or to impose any liability upon Her Majesty.

SCC29 – VALUE ADDED TAXES AND IMPORT DUTIES

29.1 Her Majesty agrees to pay the applicable Paris Value Added Tax (VAT) on the Contract Amount (as may be modified by the Parties) provided:

- **29.1.1** that amount is applicable to the Work provided by the Contractor to Her Majesty under this contract. Her Majesty <u>will not</u> be responsible for the payment of any VAT payable by the Contractor to any third party (including subcontractors);
- **29.1.2** Her Majesty is unable to obtain a zero-rating from the Paris tax authority such that no VAT would be payable on the Contract Amount;
- 29.1.3 the VAT is shown separately on all of the Contractor's invoices and progress claims; and
- **29.1.4** the Contractor agrees to remit to the appropriate Government Agency any amounts of VAT it is required to remit by law.

SCC30 – TRAVEL EXPENSES

30.1 All travel expenses incurred by the Contractor, his consultants and sub-contractors in relation to the Work will be the responsibility of the Contractor. Under no circumstances shall Her Majesty be responsible for the payment of such travel expenses.

SCC31 – SCHEDULE OF MILESTONES

The schedule of milestones for which payments will be made in accordance with the Contract is as follows:

Milestone No.	Description of "Deliverable"	Firm Amount	Due Date
1	Design concept approval by DFATD.	10%	
2	Confirmation of placement of long lead equipment order	10%	
	(long lead equipment as required).		
3	100% Design Completion.	10%	
4	Confirmation of equipment order placement.	10%	
5	Proof equipment order is ready to ship via submission of packing list.	20%	
6	Proof of long lead equipment received on site.	10%	
7	Proof of equipment receipt at site (FOB Paris).	10%	
8	Completion of work on site as approved by DFATD.	10%	
9	Acceptance of correction of deficiencies and training by DFATD.	10%	

SCC32 – OPTIONS

32.1 DFATD may exercise the option of smart glass installation and a maintenance contract, as per the Scope of Work, until the Completion Date of the Contract.

SECTION "II" - TERMS OF PAYMENT

TP1 AMOUNT PAYABLE - GENERAL

- **1.1** Subject to any other provisions of this Contract, Her Majesty shall pay the Contractor, at the times and in the manner hereinafter set out, the amount by which:
 - 1.1.1 the aggregate of the amounts described in TP2 exceeds; and
 - **1.1.2** the aggregate of the amounts described in TP3;
 - **1.1.3** and the Contractor shall accept that amount as payment in full satisfaction for everything furnished and done by him in respect of the Work to which the payment relates.
- **1.2** Subject to any other provisions in this Contract, "Days" shall mean continuous calendar days including weekends and statutory public holidays.

TP2 AMOUNT PAYABLE TO THE CONTRACTOR

2.1 The amounts referred to in TP1.1.1 are the aggregate of:
2.1.1 The contract amount referred to in A8 of the Articles of Agreement; and
2.1.2 The amounts, if any, that are payable to the Contractor pursuant to the General Conditions.

TP3 AMOUNT PAYABLE TO HER MAJESTY

- **3.1** The amounts referred to in TP1.1.2 are the aggregate of the amounts, if any, that the Contractor is liable to pay Her Majesty pursuant to the Contract.
- **3.2** When making any payment to the Contractor, the failure of Her Majesty to deduct an amount referred to in TP3.1 from an amount referred to in TP2 shall not constitute a waiver of the right to do so, or an admission of lack of entitlement to do so in any subsequent payment to the Contractor.

TP4 TIME OF PAYMENT

- 4.1 In these Terms of Payment:
 - **4.1.1** The "payment period" means a period of thirty (30) consecutive days or such other longer period as is agreed between the Contractor and the Departmental Representative;
 - **4.1.2** An amount is "due and payable" when it is due and payable by Her Majesty to the Contractor according to TP4.4, TP4.7 or TP4.10;
 - **4.1.3** An amount is overdue when it is unpaid on the first day following the day upon which it is due and payable;
 - **4.1.4** The "date of payment" means the date of the negotiable instrument of an amount due and payable by the Receiver General for Canada and given for payment; and
 - **4.1.5** The "Bank Rate" means the discount rate of interest set by the Bank of Canada in effect at the opening of business on the date of payment.

Progress Payments

- **4.2** The Contractor shall, on the expiration of a payment period, deliver to the Departmental Representative in respect of that payment period a written progress claim in a form acceptable to the Departmental Representative that fully describes any part of the Work that has been completed (including its percentage of the total Work), and any material that was delivered to the work site but not incorporated into the Work, during that payment period.
- **4.3** The Departmental Representative shall, not later than ten days after receipt by him of a progress claim referred to in TP4.2:
 - **4.3.1** Inspect, or cause to have inspected, the part of the Work and the material described in the progress claim; and
 - **4.3.2** Determine the value of the part of the Work and the material described in the progress claim that, in the opinion of the Departmental Representative:
 - 4.3.2.1 is in accordance with the Contract, and
 - **4.3.2.2** was not paid for in any other progress claim relating to the Contract.

- **4.4** Subject to TP1 and TP4.5 Her Majesty shall, no later than thirty (30) days after the receipt by the Departmental Representative of a progress claim referred to in TP4.2, pay the Contractor an amount that is equal to the value that is determined under TP4.3.2 less a holdback as stated in C12.
- **4.5** It is a condition precedent to Her Majesty's obligation under TP4.4 that the Contractor has made and delivered to the Departmental Representative a statutory declaration in respect of a progress claim referred to in TP4.2.
- **4.6** A statutory declaration referred to in TP4.5 shall contain a deposition by the Contractor that up to the date immediately preceding the Contractor's latest progress claim, all lawful obligations of the Contractor with regard to subcontractors and suppliers of material in respect of the Work under the Contract have been fully discharged.

Interim Certificate of Completion

- **4.7** Subject to TP1 and TP4.8, Her Majesty shall, not later than thirty (30) days after the date of issue of an Interim Certificate of Completion referred to in GC44.2, pay to the Contractor an amount that is equal to the amount referred to in TP1, less the aggregate of:
 - 4.7.1 An amount that is equal to the Departmental Representative's estimate of the cost to Her Majesty of rectifying defects and deficiencies described in the Interim Certificate of Completion; and
 - 4.7.2 an amount that is equal to the total of all payments made by Her Majesty under TP4.4.
- **4.8** It is a condition precedent to Her Majesty's obligation under TP4.7 that the Contractor has made and delivered to the Departmental Representative a statutory declaration described in TP4.9 in respect of an Interim Certificate of Completion referred to in GC44.2.
- **4.9** A statutory declaration referred to in TP4.8 shall contain a deposition by the Contractor that up to the date of the Interim Certificate of Completion the Contractor has:
 - **4.9.1** Discharged all of the Contractor's lawful obligations to the subcontractors and suppliers of material in respect of the Work under the Contract; and
 - **4.9.2** Discharged the Contractor's obligations referred to in GC14.6.

Final Certificate of Completion

- **4.10** Subject to TP1 and TP4.11, Her Majesty shall, not later than sixty (60) days after the date of issue of a Final Certificate of Completion referred to in GC44.1, pay the Contractor the amount referred to in TP1 less the sum of all payments that were made pursuant to TP4.4 and TP4.7.
- **4.11** It is a condition precedent to Her Majesty's obligation under TP4.10 that the Contractor has made and delivered a statutory declaration described in TP4.12 to the Departmental Representative.
- **4.12** A statutory declaration referred to in TP4.11 shall, in addition to the depositions described in TP4.9, contain a deposition by the Contractor that all of the Contractor's lawful obligations and any lawful claims against the Contractor that arose out of the performance of the Contract have been discharged and satisfied.

TP5 PROGRESS REPORT AND PAYMENT THEREUNDER NOT BINDING ON HER MAJESTY

Neither a progress claim referred to in TP4.3 nor any payment made by Her Majesty pursuant to these Terms of Payment shall be construed as an admission by Her Majesty that the Work, material or any part thereof is complete, is satisfactory or is in accordance with the Contract.

TP6 DELAY IN MAKING PAYMENT

- **6.1** Notwithstanding GC7 any delay by Her Majesty in making any payment when it is due pursuant to these Terms of Payment shall not be a breach of the Contract by Her Majesty.
- 6.2 Her Majesty shall be liable to pay to the Contractor simple interest at the average Bank Rate as defined in TP9.2.2 plus three percent (3%) per annum on any amount that is overdue, from the date such amount becomes overdue until the day prior to the date of payment, inclusive. No interest will be payable or paid in respect of payment unless the Contractor so requests after payment has become due.

- **6.3** Interest shall not be payable or paid unless the amount referred to in TP6.2 has been overdue for more than fifteen (15) days following:
 - 6.3.1 The date the said amount became due and payable; or
 - **6.3.2** The receipt by the Departmental Representative of the statutory declaration referred to in TP4.5, TP4.8 or TP4.11;
 - whichever is the later, and
 - **6.3.3** Interest shall not be payable or paid on overdue advance payments if any.

TP7 RIGHT OF SET-OFF

- 7.1 Without limiting any right of set-off or deduction given or implied by law or elsewhere in the Contract, Her Majesty may set-off any amount payable to Her Majesty by the Contractor under this Contract or under any current contract against any amount payable to the Contractor under this Contract.
- **7.2** For the purposes of TP7.1, "current contract" means a contract between Her Majesty and the Contractor:
 - **7.2.1** under which the Contractor has an undischarged obligation to perform or supply work, labour or material; or
 - **7.2.2** In respect of which Her Majesty has, since the date on which the Articles of Agreement were made, exercised any right to take the Work that is the subject of the Contract out of the Contractor's hands.

TP8 PAYMENT IN EVENT OF TERMINATION

If the Contract is terminated pursuant to GC41, Her Majesty shall pay the Contractor any amount that is lawfully due and payable to the Contractor as soon as is practicable under the circumstances.

TP9 INTEREST ON SETTLED CLAIMS

- **9.1** Her Majesty shall pay to the Contractor simple interest on the amount of a settled claim at an average Bank of Canada Rate plus one and a quarter percent (1.25%) from the date the settled claim was outstanding until the day prior to the date of payment.
- **9.2** For the purposes of TP9.1:
 - **9.2.1** A claim is deemed to have been settled when an agreement in writing is signed by the Departmental Representative and the Contractor setting out the amount of the claim to be paid by Her Majesty and the items of work for which the said amount is to be paid.
 - **9.2.2** An "average Bank Rate" means the discount rate of interest set by the Bank of Canada in effect at the end of each calendar month averaged over the period the settled claim was outstanding.
 - **9.2.3** A settled claim is deemed to be outstanding from the day immediately following the date the said claim would have been due and payable under the Contract had it not been disputed.
 - **9.2.4** A claim means a disputed amount subject to negotiation between Her Majesty and the Contractor under the Contract.

TP10 TAXES

10.1 If applicable, the VAT or Canadian Goods and Services Tax (GST) is to be shown separately on all invoices and progress claims for Work performed, and will be paid by Her Majesty. The Contractor agrees to remit any GST due to Revenue Canada.

10.2 THE GOVERNMENT OF CANADA GST REGISTRATION NUMBER IS 121491807.

SECTION "III" - GENERAL CONDITIONS

GC1 INTERPRETATION

- 1.1 In the Contract:
 - **1.1.1** Where reference is made to a part of the Contract by means of numbers receded by letters, the reference shall be construed to be a reference to the particular part of the Contract that is identified by that combination of letters and numbers and to any other part of the Contract referred to therein;
 - **1.1.2** "Contract" means the Contract Documents referred to in the Articles of Agreement;
 - **1.1.3** "Contract security" means any security given by the Contractor to Her Majesty in accordance with the Contract;
 - **1.1.4** "Days" means continuous calendar days, including weekends and statutory public holidays;
 - **1.1.5** "Departmental Representative" means the officer, employee or person engaged by Her Majesty who is designated pursuant to the Articles of Agreement and includes a person specially authorized by him to perform, on his behalf, any of his functions under the Contract and is so designated in writing to the Contractor;
 - **1.1.6** "Former Public Office Holder" means an employee of the executive or senior manager categories who was employed by the Canadian federal public service during the period of one (1) year immediately preceding the date of this Contract;
 - **1.1.7** "Material" includes all commodities, articles and things required to be furnished by or for the Contractor under the Contract for incorporation into the Work;
 - **1.1.8** "Minister" includes a person acting for, or if the office is vacant, in place of the Minister and his successors in the office, and his or their lawful deputy and any of his or their representatives appointed for the purposes of the Contract;
 - **1.1.9** "Person" includes, unless the context otherwise requires, a partnership, proprietorship, firm, joint venture, consortium and a corporation;
 - **1.1.10** "Plant" includes all animals, tools, implements, machinery, vehicles, buildings, structures, equipment and commodities, articles and things other than material, that are necessary for the due performance of the Contract;
 - **1.1.11** "Subcontractor" means a person to whom the Contractor has, subject to GC4, subcontracted the whole or any part of the Work;
 - **1.1.12** "Superintendent" means the employee of the Contractor who is designated by the Contractor to act pursuant to GC19;
 - **1.1.13** "Technical documentation" means designs, reports, photographs, surveys, drawings, plans, specifications, computer software, computer printouts, calculations and other data, information and material, prepared, collected, computed, drawn, or produced for the Work; and

- **1.1.14** "Work" includes, subject only to any express stipulation in the Contract to the contrary, everything that is necessary to be done, furnished or delivered by the Contractor to perform the Contract.
- **1.2** The headings in the Contract documents, other than in the Plans and Specifications, form no part of the Contract but are inserted for convenience of reference only.
- **1.3** In interpreting the Contract, in the event of discrepancies or conflicts between anything in the Plans and Specifications and the General Conditions, the General Conditions govern.
- **1.4** Words importing the singular only also include the plural, and vice versa, where the context requires;
- **1.5** Headings or notes in the Contract shall not be deemed to be part thereof, or be taken into consideration in its interpretation;
- **1.6** "Herein," "hereby," "hereof," "hereunder" and similar expressions refer to the Contract as a whole and not to any particular subdivision or part thereof.
- **1.7** In interpreting the Plans and Specifications, in the event of discrepancies or conflicts between:
 - **1.7.1** The Plans and Specifications, the Specifications govern;
 - **1.7.2** The Plans, the Plans drawn with the largest scale govern; and
 - **1.7.3** Figured dimensions and scaled dimensions, the figured dimensions govern.

GC2 SUCCESSORS AND ASSIGNS

The Contract shall inure to the benefit of and be binding upon the parties hereto and their lawful heirs, executors, administrators, successors and assigns.

GC3 ASSIGNMENT OF CONTRACT

The Contract may not be assigned by the Contractor, either in whole or in part, without the written consent of the Minister.

GC4 SUBCONTRACTING BY CONTRACTOR

- **4.1** Subject to this General Condition, the Contractor may subcontract any part of the Work.
- **4.2** The Contractor shall notify the Departmental Representative in writing of his intention to subcontract.
- **4.3** A notification referred to in GC4.2 shall identify the part of the Work, and the subcontractor with whom it is intended to subcontract.
- **4.4** The Departmental Representative may object to the intended subcontracting by notifying the Contractor in writing within six (6) days of receipt by the Departmental Representative of a notification referred to in GC4.2.
- **4.5** If the Departmental Representative objects to a subcontracting pursuant to GC4.4, the Contractor shall not enter into the intended subcontract.
- **4.6** The Contractor shall not, without the written consent of the Departmental Representative, change a subcontractor who has been engaged by him in accordance with this General Condition.
- **4.7** Every subcontract entered into by the Contractor shall adopt all of the terms and conditions of this

Contract that are of general application.

4.8 Neither a subcontracting nor the Departmental Representative's consent to a subcontracting by the Contractor shall be construed to relieve the Contractor from any obligation under the Contract or to impose any liability upon Her Majesty.

GC5 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.

GC6 NO IMPLIED OBLIGATIONS

- 6.1 No implied terms or obligations of any kind by or on behalf of Her Majesty shall arise from anything in the Contract and the express covenants and agreements therein contained and made by Her Majesty are the only covenants and agreements upon which any rights against Her Majesty are to be founded.
- **6.2** The Contract supersedes all communications, negotiations and agreements, either written or oral, relating to the Work that were made prior to the date of the Contract.

GC7 TIME OF THE ESSENCE

Time is of the essence of the Contract.

GC8 INDEMNIFICATION BY CONTRACTOR

- 8.1 The Contractor shall indemnify and save Her Majesty harmless from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings by whomever made, brought or prosecuted and in any manner based upon, arising out of, related to, occasioned by or attributable to the activities of the Contractor, his servants, agents, subcontractors and sub-subcontractors in performing the Work including an infringement or an alleged infringement of a patent of invention or any other kind of intellectual property.
- **8.2** For the purposes of GC8.1, "activities" includes any act improperly carried out, any omission to carry out an act and any delay in carrying out an act.

GC9 INDEMNIFICATION BY HER MAJESTY

- **9.1** Her Majesty shall, subject to the Crown Liability Act, the Patent Act, and any other law that affects Her Majesty's rights, powers, privileges or obligations, indemnify and save the Contractor harmless from and against all claims, demands, losses, costs, damage, actions, suits or proceedings arising out of his activities under the Contract that are directly attributable to:
 - **9.1.1** Lack of or a defect in Her Majesty's title to the work site whether real or alleged; or
 - **9.1.2** An infringement or an alleged infringement by the Contractor of any patent of invention or any other kind of intellectual property occurring while the Contractor was performing any act for the purposes of the Contract employing a model, plan or design or any other thing related to the Work that was supplied by Her Majesty to the

Contractor.

GC10 MEMBERS OF HOUSE OF COMMONS NOT TO BENEFIT

As required by the Parliament of Canada Act, it is an express condition of the Contract that no member of the Canadian House of Commons shall be admitted to any share or part of the Contract or to any benefit arising therefrom.

GC11 NOTICES

- **11.1** Any notice, consent, order, decision, direction or other communication, other than a notice referred to in GC11.4, that may be given to the Contractor pursuant to the Contract may be given in any manner.
- **11.2** Any notice, consent, order, decision, direction or other communication required to be given in writing, to any party pursuant to the Contract shall, subject to GC11.4, be deemed to have been effectively given:
 - **11.2.1** to the Contractor, if delivered personally to the Contractor or the Contractor's superintendent, or forwarded by mail, email or facsimile to the Contractor at the address set out in the Articles of Agreement; or
 - **11.2.2** to Her Majesty, if delivered personally to the Departmental Representative, or forwarded by mail, email or facsimile to the Departmental Representative at the address set out in C1.
- **11.3** Any such notice, consent, order, decision, direction or other communication given in accordance with GC11.2 shall be deemed to have been received by either party:
 - **11.3.1** If delivered personally, on the day that it was delivered;
 - **11.3.2** If forwarded by mail, on the earlier of the day it was received and the sixth (6th) day after it was mailed; and
 - **11.3.3** If forwarded by email or facsimile, twenty-four (24) hours after it was transmitted.
- **11.4** A notice given under GC38.1.1, GC40 and GC41, if delivered personally, shall be delivered to the Contractor if the Contractor is doing business as a sole proprietor or, if the Contractor is a partnership or corporation, to an officer thereof.

GC12 MATERIAL, PLANT AND REAL PROPERTY SUPPLIED BY HER MAJESTY

- **12.1** Subject to GC12.2, the Contractor is liable to Her Majesty for any loss of or damage to material, plant or real property that is supplied or placed in the care, custody and control of the Contractor by Her Majesty for use in connection with the Contract, whether or not that loss or damage is attributable to causes beyond the Contractor's control.
- **12.2** The Contractor is not liable to Her Majesty for any loss or damage to material, plant or real property referred to in GC12.1 if that loss or damage results from and is directly attributable to reasonable wear and tear.
- **12.3** The Contractor shall not use any material, plant or real property referred to in GC12.1 except for the

purpose of performing this Contract.

- 12.4 If the Contractor fails to make good any loss or damage for which he is liable under GC12.1 within a reasonable time after being required to do so by the Departmental Representative, the Departmental Representative may cause the loss or damage to be made good at the Contractor's expense, and the Contractor shall thereupon be liable to Her Majesty for the cost thereof and shall, on demand, pay to Her Majesty an amount equal to that cost.
- 12.5 The Contractor shall keep such records of all material, plant and real property referred to in GC12.1 as the Departmental Representative from time to time requires and shall satisfy the Departmental Representative, when requested, that such material, plant and real property are at the place and in the condition in which they ought to be.

GC13 MATERIAL, PLANT AND REAL PROPERTY BECOME PROPERTY OF HER MAJESTY

- **13.1** Subject to GC14.7 all material and plant and the interest of the Contractor in all real property, licences, powers and privileges purchased, used or consumed by the Contractor for the Contract shall become the property of Her Majesty for the purposes of the Work and they shall continue to be the property of Her Majesty:
 - **13.1.1** In the case of material, until the Departmental Representative indicates that he is satisfied that it will not be required for the Work; and
 - **13.1.2** In the case of plant, real property, licenses, powers and privileges, until the Departmental Representative indicates that he is satisfied that the interest vested in Her Majesty therein is no longer required for the purposes of the Work.
- **13.2** Material or plant that is the property of Her Majesty by virtue of GC13.1 shall not be taken away from the work site or used or disposed of except for the purposes of the Work without the written consent of the Departmental Representative.
- **13.3** Her Majesty is not liable for loss of or damage from any cause to the material or plant referred to in GC13.1 and the Contractor is liable for such loss or damage notwithstanding that the material or plant is the property of Her Majesty.

GC14 PERMITS AND TAXES PAYABLE

- **14.1** The Contractor shall, within fifteen (15) days after the date of the Contract, tender to a municipal authority an amount equal to all fees and charges that would be lawfully payable to that municipal authority in respect of building permits as if the Work were being performed for a person other than Her Majesty.
 - **14.1.1** The Contractor shall be responsible for obtaining and pay for all necessary permits for all the Work to be undertaken under the Contract. He shall give all notices and comply with all laws, rules and regulations bearing on the conduct of the Work as drawn and

specified.

- **14.2** Within ten (10) days of making a tender pursuant to GC14.1, the Contractor shall notify the Departmental Representative of his action and of the amount tendered and whether or not the municipal authority has accepted that amount.
- **14.3** If the municipal authority does not accept the amount tendered pursuant to GC14.1 the Contractor shall pay that amount to Her Majesty within six (6) days after the time stipulated in GC14.2.
- **14.4** For the purposes of GC14.1 to GC14.3 "municipal authority" means any authority that would have jurisdiction respecting permission to perform the Work if the owner were not Her Majesty.
- 14.5 The Contractor shall pay any and all applicable taxes arising from or relating to the performance of the Work under the Contract. The Contractor shall also determine the extent of, and apply for, any and all exemptions that are, or may be, available due to the status of Her Majesty as a sovereign entity. Where the Contractor procures goods for incorporation into the Work, for such purposes, the Contractor shall be an agent of Her Majesty. Any such exemptions that are available shall be applied to the benefit of Her Majesty. The Contractor shall obtain and provide sufficient documentation from the relevant authorities as to the availability of such exemptions.
- **14.6** In performing the Work under the Contract, the Contractor shall abide by all of the laws in force in the local jurisdiction. Should the Contractor fail to pay any dues or taxes payable under those laws, the Minister, after giving the Contractor seven (7) days prior written notice of his intention so to do, shall have the right to pay directly any such dues or taxes claimed, and deduct same from any payment due to the Contractor.
- 14.7 For the purpose of the payment of any and all applicable taxes or the furnishing of security for the payment of any and all applicable taxes arising from or related to the performance of the Work under the Contract, the Contractor shall, notwithstanding the fact that all material, plant and interest of the Contractor in all real property, licences, powers and privileges, have become the property of Her Majesty after the time of purchase, be liable, as a user or consumer, for the payment or for the furnishing of security for the payment of any and all applicable taxes payable, at the time of the use or consumption of that material, plant or interest of the Contractor in accordance with the relevant legislation.

GC15 PERFORMANCE OF WORK UNDER DIRECTION OF DEPARTMENTAL REPRESENTATIVE The Contractor shall:

- **15.1.1** Permit the Departmental Representative to have access to the Work and its site at all times during the performance of the Contract;
- **15.1.2** Furnish the Departmental Representative with such information respecting the performance of the Contract as he may require; and
- **15.1.3** Give the Departmental Representative every

possible assistance to enable the Departmental Representative to carry out his duty to see that the Work is performed in accordance with the Contract and to carry out any other duties and exercise any powers specially imposed or conferred on the Departmental Representative under the Contract.

DRAFT

GC16 COOPERATION WITH OTHER CONTRACTORS

- 16.1 Where, in the opinion of the Departmental Representative, it is necessary that other contractors or workers with or without plant and material, be sent onto the Work or its site, the Contractor shall, to the satisfaction of the Departmental Representative, allow them access and cooperate with them in the carrying out of their duties and obligation. If:
- 16.2
 - 16.2.1 the sending onto the Work or its site of other contractors or workers pursuant to GC16.1 could not have been reasonably foreseen or anticipated by the Contractor when entering into the Contract;
 - 16.2.2 the Contractor incurs, in the opinion of the Departmental Representative, extra expense in complying with GC16.1; and
 - 16.2.3 the Contractor has given the Departmental Representative written notice of his claim for the extra expense referred to in GC16.2.2 within thirty (30) days of the date that the other contractors or workers were sent onto the Work or its site;
- 16.3 Her Majesty shall pay the Contractor the cost, calculated in accordance with GC48 to GC50, of the extra labour, plant and material that was necessarily incurred.

GC17 EXAMINATION OF WORK

- 17.1 If, at any time after the commencement of the Work but prior to the expiry of the warranty or guarantee period, the Departmental Representative has reason to believe that the Work or any part thereof has not been performed in accordance with the Contract, the Departmental Representative may have that Work examined by an expert of his choice.
- 17.2 If, as a result of an examination of the Work referred to in GC17.1, it is established that the Work was not performed in accordance with the Contract, then, in addition to and without limiting or otherwise affecting any of Her Majesty's rights and remedies under the Contract either at law or in equity, the Contractor shall pay Her Majesty, on demand, all reasonable costs and expenses that were incurred by Her Majesty in having that examination performed.

GC18 CLEARING OF SITE

- 18.1 The Contractor shall maintain the Work and its site in a tidy condition and free from the accumulation of waste material and debris, in accordance with any directions of the Departmental Representative.
- 18.2 Before the issue of an Interim Certificate of

Completion referred to in GC44.2, the Contractor shall remove all the plant and material not required for the performance of the remaining Work, and all waste material and other debris, and shall cause the Work and its site to be clean and suitable for occupancy by Her Majesty's servants, unless otherwise stipulated in the Contract.

- 18.3 Before the issue of a Final Certificate of Completion referred to in GC44.1, the Contractor shall remove from the Work and its site all of the surplus plant and material and any waste material and other debris.
- 18.4 The Contractor's obligations described in GC18.1 to GC18.3 do not extend to waste material and other debris caused by Her Majesty's servants or contractors and workers referred to in GC16.1

GC19 **CONTRACTOR'S SUPERINTENDENT**

- The Contractor shall, forthwith upon the award of 19.1 the Contract, designate a superintendent.
- 19.2 The Contractor shall forthwith notify the Departmental Representative of the name, address and telephone number of a superintendent designated pursuant to GC19.1.
- 19.3 A superintendent designated pursuant to GC19.1 shall be in full charge of the operations of the Contractor in the performance of the Work and is authorized to accept any notice, consent, order, direction, decision or other communication on behalf of the Contractor that may be given to the superintendent under the Contract.
- 19.4 The Contractor shall, until the Work has been completed, keep a competent superintendent at the work site during working hours.
- 19.5 The Contractor shall, upon the request of the Departmental Representative, remove any superintendent who, in the opinion of the Departmental Representative, is incompetent or has been conducting himself improperly and shall forthwith designate another superintendent who is acceptable to the Departmental Representative.
- 19.6 Subject to GCl9.5, the Contractor shall not substitute a superintendent without the written consent of the Departmental Representative.
- 19.7 A breach by the Contractor of GC19.6 entitles the Departmental Representative to refuse to issue any certificate referred to in GC44 until the superintendent has returned to the work site or another superintendent who is acceptable to the Departmental Representative has been substituted.

GC20 NATIONAL SECURITY

- If the Minister is of the opinion that the Work is of 20.1 a class or kind that involves the national security of Canada, he may order the Contractor:
 - **20.1.1** To provide him with any information concerning persons employed or to be employed by him for purposes of the Contract; and
 - 20.1.2 To remove any person from the Work and its site if, in the opinion of the Minister, that person may be a risk to the national security.
- 20.2 The Contractor shall, in all contracts with persons who are to be employed in the performance of the

Contract, make provision for his performance of any obligation that may be imposed upon him under GC19 to GC21.

20.3 The Contractor shall comply with an order of the Minister under GC20.1.

GC21 UNSUITABLE WORKERS

The Contractor shall, upon the request of the Departmental Representative, remove any person employed by him for purposes of the Contract who, in the opinion of the Departmental Representative, is incompetent or has conducted himself improperly, and the Contractor shall not permit a person who has been removed to return to the work site.

GC22 INCREASED OR DECREASED COSTS

- **22.1** The amount set out in the Articles of Agreement shall not be increased or decreased by reason of any increase or decrease in the cost of the Work that is brought about by an increase or decrease in the cost of labour, plant or material or any wage adjustment.
- 22.2 Notwithstanding GC22.1 and GC35, an amount set out in the Articles of Agreement shall be adjusted in the manner provided in GC22.3, if any change occurs in a tax imposed under any sales tax legislation applicable under the governing law of this Contract relative to the purchase of tangible personal property to be incorporated into Real Property:
 - **22.2.1** Occurs after the date of the submission by the Contractor of his tender for the Contract;
 - **22.2.2** Applies to material; and
 - **22.2.3** Affects the cost to the Contractor of that material.
- **22.3** If a change referred to in GC22.2 occurs, the appropriate amount set out in the Articles of Agreement shall be increased or decreased by an amount equal to the amount that is established by an examination of the relevant records of the Contractor referred to in GC51 to be the increase or decrease in the cost incurred that is directly attributable to that change.
- **22.4** For the purpose of GC22.2, where a tax is changed after the date of submission of the tender but public notice of the change has been given by the appropriate local tax authorities before that date, the change shall be deemed to have occurred before the date of submission of the tender.

GC23 LABOUR AND MATERIAL

- **23.1** The Contractor shall at all time enforce strict discipline and good order amongst his employees, professional consultants and subcontractors and shall not employ on the Work any unfit person nor anyone unskilled in the Work assigned to him.
- **23.2** The Contractor warrants that all materials and workmanship to be supplied by him shall be of a quality consistent with the specifications of the Contract.

GC24 PROTECTION OF WORK AND DOCUMENTS

24.1 The Contractor shall guard or otherwise protect

the Work and its site, and protect the Contract, specifications, plans, drawings, information, material, plant and real property, whether or not they are supplied by Her Majesty to the Contractor, against loss or damage from any cause, and he shall not use, issue, disclose or dispose of them without the written consent of the Minister, except as may be essential for the performance of the Work.

- 24.2 If any document or information given or disclosed to the Contractor is assigned a security rating by the person who gave or disclosed it, the Contractor shall take all measures directed by the Departmental Representative to be taken to ensure the maintenance of the degree of security that is ascribed to that rating.
- **24.3** The Contractor shall provide all facilities necessary for the purpose of maintaining security, and shall assist any person authorized by the Minister to inspect or to take security measures in respect of the Work and its site.
- 24.4 The Departmental Representative may direct the Contractor to do such things and to perform such additional Work as the Departmental Representative considers reasonable and necessary to ensure compliance with or to remedy a breach of GC24.1 to GC24.3.

GC25 PUBLIC CEREMONIES AND SIGNS

- **25.1** The Contractor shall not permit any public ceremony in connection with the Work without the prior written consent of the Departmental Representative.
- **25.2** The Contractor shall not erect or permit the erection of any sign or advertising on the Work or its site without the prior written consent of the Departmental Representative.

GC26 PRECAUTIONS AGAINST DAMAGE, INFRINGEMENT OF RIGHTS, FIRE, AND OTHER HAZARDS

- **26.1** The Contractor shall, at his own expense, do whatever is necessary to ensure that:
 - **26.1.1** No person, property, right, easement or privilege is injured, damaged or infringed by reasons of the Contractor's activities in performing the Contract;
 - **26.1.2** Pedestrian and other traffic on any public or private road or waterway is not unduly impeded, interrupted or endangered by the performance or existence of the Work or plant;
 - **26.1.3** Fire hazards in or about the Work or its site are eliminated and, subject to any direction that may be given by the Departmental Representative, any fire is promptly extinguished;
 - **26.1.4** The health and safety of all persons employed in the performance of the Work are not endangered by the method or means of its performance;
 - **26.1.5** Adequate medical services are available to all persons employed on the Work or its site at all times during the performance of the Work;
 - **26.1.6** Adequate sanitation measures are taken in

respect of the Work and its site; and

- **26.1.7** All stakes, buoys and marks placed on the Work or its site by or under the authority of the Departmental Representative are protected and are not removed, defaced, altered or destroyed.
- 26.2 The Departmental Representative may direct the Contractor to do such things and to perform such additional Work as the Departmental Representative considers reasonable and necessary to ensure compliance with or to remedy a breach of GC26.1.
- **26.3** The Contractor shall, at his own expense, comply with a direction of the Departmental Representative made under GC26.2.

GC27 INSURANCE

- 27.1 The Contractor shall, at his own expense, obtain and maintain insurance contracts in respect of the Work and shall provide evidence thereof to the Departmental Representative in accordance with the requirements of the Insurance Conditions in Section "IV."
- **27.2** The insurance Contracts referred to in GC27.1 shall:
 - **27.2.1** be in a form, of the nature, in the amounts, for the periods and containing the terms and conditions specified in Insurance Conditions in Section "IV"; and
 - **27.2.2** Provide for the payment of claims under such insurance Contracts in accordance with GC28.

GC28 INSURANCE PROCEEDS

- **28.1** In the case of a claim payable under a Builders Risk/Installation (All Risks) insurance Contract maintained by the Contractor pursuant to GC27, the proceeds of the claim shall be paid directly to Her Majesty, and:
 - **28.1.1** the monies so paid shall be held by Her Majesty for the purposes of the Contract; or
 - **28.1.2** Her Majesty elects, shall be retained by Her Majesty, in which event they vest in Her Majesty absolutely.
- **28.2** In the case of a claim payable under a General Liability insurance Contract maintained by the Contractor pursuant to GC27, the proceeds of the claim shall be paid by the insurer directly to the claimant.
- **28.3** If an election is made pursuant to GC28.1, the Minister may cause an audit to be made of the accounts of the Contractor and of Her Majesty in respect of the part of the Work that was lost, damaged or destroyed for the purpose of establishing the difference, if any, between:
 - **28.3.1** the aggregate of the amount of the loss or damage suffered or sustained by Her Majesty, including any costs incurred in respect of the clearing and cleaning of the Work and its site and any other amount that is payable by the Contractor to Her Majesty under the Contract, minus any monies retained pursuant to GC28.1.2; and
 - 28.3.2 The aggregate of the amounts payable by Her

Majesty to the Contractor pursuant to the Contract up to the date of the loss or damage.

- **28.4** A difference that is established pursuant to GC28.3 shall be paid forthwith by the party who is determined by the audit to be the debtor to the party who is determined by the audit to be the creditor.
- **28.5** When payment of a deficiency has been made pursuant to GC28.4, all rights and obligations of Her Majesty and the Contractor under the Contract shall, with respect only to the part of the Work that was the subject of the audit referred to in GC28.3, be deemed to have been expended and discharged.
- **28.6** If an election is not made pursuant to GC28.1.2 the Contractor shall, subject to GC28.7, clear and clean the Work and its site and restore and replace the part of the Work that was lost, damaged or destroyed at his own expense as if that part of the Work had not yet been performed.
- **28.7** When the Contractor clears and cleans the Work and its site and restores and replaces the Work referred to in GC28.6, Her Majesty shall pay him out of the monies referred to in GC28.1 so far as they will there unto extend.
- **28.8** Subject to GC28.7, payment by Her Majesty pursuant to GC28.7 shall be made in accordance with the Contract but the amount of each payment shall be one hundred percent (100%) of the amount claimed notwithstanding TP4.4.

GC29 CONTRACT SECURITY

- **29.1** The Contractor shall obtain and deliver contract security to the Departmental Representative in accordance with the provisions of the document attached hereto, marked Section "V" and entitled Contract Security Conditions.
- **29.2** If the whole or a part of the contract security referred to in GC29.1 is in the form of a security deposit, it shall be held and disposed of in accordance with GC43 and GC45.
- **29.3** If a part of the contract security referred to in GC29.1 is in the form of a labour and material payment bond, the Contractor shall post a copy of that bond on the work site.

GC30 CHANGES IN THE WORK

- **30.1** Subject to GC5, the Departmental Representative may, at any time before he issues the Final Certificate of Completion:
 - **30.1.1** Order Work or material in addition to that provided for in the Plans and Specifications; and
 - **30.1.2** Delete or change the dimensions, character, quantity, quality, description, location or position of the whole or any part of the Work or material provided for in the Plans and Specifications or in any order made pursuant to GC30.1.1, if that additional Work or material, deletion, or change is, in his opinion, consistent with the general intent of the original Contract.
- **30.2** The Contractor shall perform the Work in accordance with such orders, deletions and changes that are made by the Departmental Representative

pursuant to GC30.1 from time to time as if they had appeared in and been part of the Plans and Specifications.

- **30.3** The Departmental Representative shall determine whether or not anything done or omitted by the Contractor pursuant to an order, deletion or change referred to in GC30. 1 increased or decreased the cost of the Work to the Contractor.
- **30.4** If the Departmental Representative determines pursuant to GC30.3 that the cost of the Work to the Contractor has been increased, Her Majesty shall pay the Contractor the increased cost that the Contractor necessarily incurred for the additional Work calculated in accordance with GC49 or GC50.
- **30.5** If the Departmental Representative determines pursuant to GC30.3 that the cost of the Work to the Contractor has been decreased, Her Majesty shall reduce the amount payable to the Contractor under the contract by an amount equal to the decrease in the cost caused by the deletion or change referred to in GC30.1.2 and calculated in accordance with GC49.
- **30.6** GC30.3 to GC30.5 are applicable only to a contract or a portion of a contract for which a Fixed Price Arrangement is stipulated in the Contract.
- **30.7** An order, deletion or change referred to in GC30. 1 shall be in writing, signed by the Departmental Representative and given to the Contractor in accordance with GC11.

GC31 INTERPRETATION OF CONTRACT BY DEPARTMENTAL REPRESENTATIVE

- **31.1** If, at any time before the Departmental Representative has issued a Final Certificate of Completion referred to in GC44.1, any question arises between the parties about whether anything has been done as required by the Contract or about what the Contractor is required by the Contract to do, and, in particular but without limiting the generality of the foregoing, about:
 - **31.1.1** the meaning of anything in the Plans and Specifications;
 - **31.1.2** the meaning to be given to the Plans and Specifications in case of any error therein, omission therefrom, or obscurity or discrepancy in their wording or intention;
 - **31.1.3** whether or not the quality or quantity of any material or workmanship supplied or proposed to be supplied by the Contractor meets the requirements of the Contract;
 - **31.1.4** the Work and carrying out the Contract are adequate to ensure that the Work will be performed in accordance with the Contract and that the Contract will be carried out in accordance with its terms;
 - **31.1.5** what quantity of any kind of Work has been completed by the Contractor; or
 - **31.1.6** the timing and scheduling of the various phases of the performance of the Work, the question shall be decided by the Departmental Representative whose decision shall be final and conclusive in respect of the Work.

31.2 The Contractor shall perform the Work in accordance with any decisions of the Departmental Representative that are made under GC31.1 and in accordance with any consequential directions given by the Departmental Representative.

GC32 WARRANTY AND RECTIFICATION OF DEFECTS IN WORK

- **32.1** Without restricting any warranty or guarantee implied or imposed by law or contained in the contract documents, the Contractor shall, at his own expense:
 - **32.1.1** Rectify and make good any defect or fault that appears in the Work or comes to the attention of the Minister with respect to those parts of the Work accepted in connection with the Interim Certificate of Completion referred to GC44.2 within twelve (12) months from the date of the Interim Certificate of Completion; and
 - **32.1.2** Rectify and make good any defect or fault that appears in or comes to the attention of the Minister in connection with those parts of the Work described in the Interim Certificate of Completion referred to in GC44.2 within twelve (12) months from the date of the Final Certificate of Completion referred to in GC44.1.
- **32.2** The Departmental Representative may direct the Contractor to rectify and make good any defect or fault referred to in GC32.1 or covered by any other expressed or implied warranty or guarantee.
- **32.3** A direction referred to in GC32.2 shall be in writing, may include a stipulation in respect of the time within which a defect or fault is required to be rectified and made good by the Contractor, and shall be given to the Contractor in accordance with GC11.
- **32.4** The Contractor shall rectify and make good any defect or fault described in a direction given pursuant to GC32.2 within the time stipulated therein.

GC33 NON-COMPLIANCE BY CONTRACTOR

- **33.1** If the Contractor fails to comply with any decision or direction given by the Departmental Representative pursuant to GC18, GC24, GC26, GC31 or GC32, the Departmental Representative may employ such methods as he deems advisable to do that which the Contractor failed to do.
- **33.2** The Contractor shall, on demand, pay Her Majesty an amount that is equal to the aggregate of all costs, expenses and damage incurred or sustained by Her Majesty by reason of the Contractor's failure to comply with any decision or direction referred to in GC33.1, including the cost of any methods employed by the Departmental Representative pursuant to GC33.1.

GC34 PROTESTING DEPARTMENTAL REPRESENTATIVE'S DECISIONS

34.1 The Contractor may, within ten (10) days after the communication to him of any decision or direction referred to in GC30.3 or GC33.1, protest that

decision or direction.

- **34.2** A protest referred to in GC34.1 shall be in writing, contain full reasons for the protest, be signed by the Contractor and be given to Her Majesty by delivery to the Departmental Representative.
- **34.3** If the Contractor gives a protest pursuant to GC34.2, any compliance by the Contractor with the decision or direction that was protested shall not be construed as an admission by the Contractor of the correctness of that decision or direction, or prevent the Contractor from taking whatever action he considers appropriate in the circumstances.
- **34.4** The giving of a protest by the Contractor pursuant to GC34.2 shall not relieve him from complying with the decision or direction that is the subject of the protest.
- **34.5** Subject to GC34.6, the Contractor shall take any action referred to in GC34.3 within three (3) months after the date that a Final Certificate of Completion is issued under GC44.1, and not afterwards.
- **34.6** The Contractor shall take any action referred to in GC34.3 resulting from a direction under GC32 within three (3) months after the expiry of a warranty or guarantee period and not afterwards.
- **34.7** Subject to GC34.8, if Her Majesty determines that the Contractor's protest is justified, Her Majesty shall pay the Contractor the cost of the additional labour, plant and material necessarily incurred by the Contractor in carrying out the protested decision or direction.
- **34.8** Costs referred to in GC34.7 shall be calculated in accordance with GC48 to GC50.

GC35 CHANGES IN SOIL CONDITIONS AND NEGLECT OR DELAY BY HER MAJESTY

- **35.1** Subject to GC35.2 no payment, other than a payment that is expressly stipulated in the contract, shall be made by Her Majesty to the Contractor for any extra expense or any loss or damage incurred or sustained by the Contractor.
- **35.2** If the Contractor incurs or sustains any extra expense or any loss or damage that is directly attributable to:
 - **35.2.1** a substantial difference between the information relating to soil conditions at the work site that is contained in the Plans and Specifications or other documents supplied to the Contractor for his use in preparing his tender or a reasonable assumption of fact based thereon made by the Contractor, and the actual soil conditions encountered by the Contractor at the work site during the performance of the Contract; or
 - **35.2.2** Any neglect or delay that occurs after the date of the Contract on the part of Her Majesty in providing any information or in doing any act that the Contract either Her Majesty to do or that would ordinarily be done by an owner in accordance with the usage of the trade, he shall, within ten (10) days of the date the actual soil conditions described in GC35.2.1 were encountered or the neglect or delay

described in GC35.2.2 occurred, give the Departmental Representative written notice of his intention to claim for that extra expense or that loss or damage.

- **35.3** When the Contractor has given a notice referred to in GC35.2, he shall give the Departmental Representative a written claim for extra expense or loss or damage within thirty (30) days of the date that a Final Certificate of Completion referred to in GC44.1 is issued and not afterwards.
- **35.4** A written claim referred to in GC35.3 shall contain a sufficient description of the facts and circumstances of the occurrence that is the subject of the claim to enable the Departmental Representative to determine whether or not the claim is justified and the Contractor shall supply such further and other information for that purpose as the Departmental Representative requires from time to time.
- **35.5** If the Departmental Representative determines that a claim referred to in GC35.3 is justified, Her Majesty shall make an extra payment to the Contractor in an amount that is calculated in accordance with GC47 to GC50.
- **35.6** If, in the opinion of the Departmental Representative, an occurrence described in GC35.2.1 results in a savings of expenditure by the Contractor in performing the Contract, the amount set out in the Articles of Agreement shall, subject to GC35.7, be reduced by an amount that is equal to the saving.
- **35.7** The amount of the saving referred to in GC35.6 shall be determined in accordance with GC47 to GC49.
- **35.8** If the Contractor fails to give a notice referred to in GC35.2 and a claim referred to in GC35.3 within the times stipulated, an extra payment shall not be made to him in respect of the occurrence.

GC36 EXTENSION OF TIME

- **36.1** Subject to GC36.2, the Departmental Representative may, on the application of the Contractor made before the day fixed by the Articles of Agreement for completion of the Work or before any other date previously fixed under this General Condition, extend the time for its completion by fixing a new date if, in the opinion of the Departmental Representative, causes beyond the control of the Contractor have delayed its completion.
- **36.2** An application referred to in GC36.1 shall be accompanied by the written consent of the bonding company whose bond forms part of the contract security.

GC37 Assessments and Damages for Late Completion

37.1 For the purposes of this General Condition:

- **37.1.1** the Work shall be deemed to be completed on the date that an Interim Certificate of Completion referred to in GC44.2 is issued; and
 - **37.1.2** "Period of delay" means the number of days commencing on the day fixed by the Contract

for completion of the Work and ending on the day immediately preceding the day on which the Work is completed but does not include any day within a period of extension granted pursuant to GC36. 1, and any other day on which, in the opinion of the Departmental Representative, completion of the Work was delayed for reasons beyond the control of the Contractor.

- **37.2** If the Contractor does not complete the Work by the day fixed for its completion by the Articles of Agreement but completes it thereafter, the Contractor shall pay Her Majesty an amount equal to the aggregate of:
 - **37.2.1** All salaries, wages and travelling expenses incurred by Her Majesty in respect of persons overseeing the performance of the Work during the period of delay;
 - **37.2.2** The cost incurred by Her Majesty as a result of the inability to use the completed Work for the period of delay; and
 - **37.2.3** All other expenses and damages incurred or sustained by Her Majesty during the period of delay as a result of the Work not being completed by the day fixed for its completion.
- **37.3** The Minister may waive the right of Her Majesty to the whole or any part of the amount payable by the Contractor pursuant to GC37.2 if, in the opinion of the Minister, it is in the public interest to do so.
 - **37.3.1** Her Majesty may, without prejudice to any other method of recovery, deduct the amount of such damages from any monies due or become due to the Contractor. The payment or deduction of such damages shall not relieve the Contractor from his obligation to complete the Works, or from any other of his obligations and liabilities under the Contract.

GC38 TAKING THE WORK OUT OF THE CONTRACTOR'S HANDS

- **38.1** The Minister may, at his sole discretion, by giving a notice in writing to the Contractor in accordance with GC11, take all or any part of the Work out of the Contractor's hands, and may employ such means as he sees fit to have the Work completed if the Contractor:
 - 38.1.1 Has not, within six (6) days of the Minister or the Departmental Representative giving notice to the Contractor in writing in accordance with GC11, remedied any delay in the commencement or any default in the diligent performance of the Work to the satisfaction of the Departmental Representative;
 - **38.1.2** Has defaulted in the completion of any part of the Work within the time fixed for its completion by the Contract;
 - **38.1.3** Has become insolvent;
 - **38.1.4** Has committed an act of bankruptcy;
 - **38.1.5** Has abandoned the Work;
 - **38.1.6** Has made an assignment of the contract without the consent required by GC3; or
 - **38.1.7** Has otherwise failed to observe or perform any of the provisions of the Contract.
- **38.2** If the whole or any part of the Work is taken out

of the Contractor's hands pursuant to GC38.1:

- **38.2.1** the Contractor's right to any further payment that is due or accruing under the Contract is, subject only to GC38.4, extinguished; and
- **38.2.2** The Contractor is liable to pay Her Majesty, upon demand, an amount that is equal to the amount of all loss and damage incurred or sustained by Her Majesty in respect of the Contractor's failure to complete the Work.
- **38.3** If the whole or any part of the Work that is taken out of the Contractor's hands pursuant to GC38.1 is completed by Her Majesty, the Departmental Representative shall determine the amount, if any, of the holdback or a progress claim that had accrued and was due prior to the date on which the Work was taken out of the Contractor's hands and that is not required for the purposes of having the Work performed or of compensating Her Majesty for any other loss or damage incurred or sustained by reason of the Contractor's default.
- **38.4** Her Majesty shall pay the Contractor the amount determined not to be required pursuant to GC38.3.
- GC39 EFFECT OF TAKING THE WORK OUT OF THE CONTRACTOR'S HANDS
- **39.1** The taking of the Work or any part thereof out of the Contractor's hands pursuant to GC38 does not operate so as to relieve or discharge him from any obligation under the Contract or imposed upon him by law except the obligation to complete the performance of that part of the Work that was taken out of his hands.
- **39.2** If the Work or any part thereof is taken out of the Contractor's hands pursuant to GC38, all plant and material and the interest of the Contractor in all real property, licences, powers and privileges acquired, used or provided by the Contractor under the Contract shall continue to be the property of Her Majesty without compensation to the Contractor.
- **39.3** When the Departmental Representative certifies that any plant, material, or any interest of the Contractor referred to in GC39.2 is no longer required for the purposes of the Work, or that it is not in the interests of Her Majesty to retain that plant, material, or interest, it shall revert to the Contractor.

GC40 SUSPENSION OF WORK BY MINISTER

- **40.1** The Minister may, when in his opinion it is in the public interest to do so, require the Contractor to suspend performance of the Work either for a specified or an unspecified period by giving a notice of suspension in writing to the Contractor in accordance with GC11.
- **40.2** When a notice referred to in GC40.1 is received by the Contractor in accordance with GC11, he shall suspend all operations in respect of the Work except those that, in the opinion of the Departmental Representative, are necessary for the care and preservation of the Work, plant and material.
- **40.3** The Contractor shall not, during a period of suspension, remove any part of the Work, plant or

material from its site without the written consent of the Departmental Representative.

- **40.4** 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 he is entitled to be paid the extra cost, calculated in accordance with GC48 to GC50, of any labour, plant and material necessarily incurred by him as a result of the suspension.
- **40.5** If, upon the expiration of a period of suspension of more than thirty (30) days, the Minister 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 the Minister and the Contractor.
- **40.6** If, upon the expiration of a period of suspension of more than thirty (30) days, the Minister and the Contractor do not agree that performance of the Work will be continued by the Contractor or upon the terms and conditions under which the Contractor will continue the Work, the notice of suspension shall be deemed to be a notice of termination pursuant to GC41.

GC41 TERMINATION OF CONTRACT

- **41.1** The Minister may terminate the Contract at any time by giving a notice of termination in writing to the Contractor in accordance with GC11.
- **41.2** When a notice referred to in GC4l.1 is received by the Contractor in accordance with GC11, he shall, subject to any conditions stipulated in the notice, forthwith cease all operations in performance of the Contract.
- **41.3** If the Contract is terminated pursuant to GC41.1, Her Majesty shall pay the Contractor, subject to GC41.4 an amount equal to:
 - **41.3.1** the cost to the Contractor of all labour, plant and material supplied by him under the Contract up to the date of termination in respect of a contract or part thereof for which a Unit Price Arrangement is stipulated in the Contract; or the lesser of:
 - **41.3.2** An amount, calculated in accordance with the Terms of Payment, that would have been payable to the Contractor had he completed the Work; and
 - **41.3.3** An amount that is determined to be due to the Contractor pursuant to GC49 in respect of a contract or part thereof for which a Fixed Price Arrangement is stipulated in the Contract less the aggregate of all amounts that were paid to the Contractor by Her Majesty and all amounts that are due to Her Majesty from the Contractor pursuant to the Contract.
- **41.4** If Her Majesty and the Contractor are unable to agree about an amount referred to in GC41.3 that amount shall be determined by the method referred to in GC50.

GC42 CLAIMS AGAINST AND OBLIGATIONS OF THE CONTRACTOR OR SUBCONTRACTOR

42.1 Her Majesty may, in order to discharge lawful obligations of and satisfy claims against the

Contractor or a Subcontractor arising out of the performance of the Contract, pay any amount that is due and payable to the Contractor pursuant to the Contract directly to the obligees of and the claimants against the Contractor or the Subcontractor but such amount if any, as is paid by Her Majesty shall not exceed that amount which the Contractor would have been obliged to pay to such claimant pursuant to legislation applicable under the governing law of the Contract. Any such claimant need not comply with the provisions of such legislation setting out the steps by way of notice, registration or otherwise as might have been necessary to preserve or perfect any claim for lien or privilege which claimant might have had, however Her Majesty shall, prior to paying any such claims, provide the Contractor with ten (10) days prior written notice to the effect that She will be so doing.

- **42.2** Her Majesty will not make any payment as described in GC42.1 unless and until that claimant shall have delivered to Her Majesty:
 - **42.2.1** A binding and enforceable Judgment or Order of a court of competent jurisdiction setting forth such amount as would have been payable by the Contractor to the claimant pursuant to the provisions of the legislation applicable under the governing law of this Contract;
 - **42.2.2** A final and enforceable award of an arbitrator setting forth such amount as would have been payable by the Contractor to the claimant pursuant to the provisions of the legislation applicable under the governing law of this Contract; or
 - **42.2.3** The consent of the Contractor authorizing a payment.
- **42.3** For the purposes of determining the entitlement of a claimant pursuant to GC42.2.1 and GC42.2.2, the notice required by GC42.8 shall be deemed to replace the registration or provision of notice after the performance of Work as required by any applicable legislation and no claim shall be deemed to have expired, become void or unenforceable by reason of the claimant not commencing any action within the time prescribed by any applicable legislation.
- 42.4 The Contractor shall, by the execution of this Contract, be deemed to have consented to submit to binding arbitration at the request of any claimant those questions that need be answered to establish the entitlement of the claimant to payment pursuant to the provisions of GC42.1 and such arbitration shall have as parties to it any Subcontractor to whom the claimant supplied material, performed Work or rented equipment should such Subcontractor wish to be adjoined and Her Majesty shall not be a party to such arbitration and, subject to any agreement between the Contractor and the claimant to the contrary, the arbitration shall be conducted in accordance with the applicable legislation governing arbitration.
- **42.5** A payment made pursuant to GC42.1 is, to the extent of the payment, a discharge of Her Majesty's

liability to the Contractor under the Contract and may be deducted from any amount payable to the Contractor under the Contract.

- **42.6** The Contractor shall comply with all laws in force in the jurisdiction where the Work is being performed relating to payment period, mandatory holdbacks, and creation and enforcement of mechanics' liens, builder's liens, privileges or similar legislation.
- **42.7** The Contractor shall discharge all his lawful obligations and shall satisfy all lawful claims against him arising out of the performance of the Work at least as often as the Contract requires Her Majesty to pay the Contractor.
- **42.8** The Contractor shall, whenever requested to do so by the Departmental Representative, make a statutory declaration deposing to the existence and condition of any obligations and claims referred to in GC42.6.
- **42.9** GC42.1 shall only apply to claims and obligations:
 - **42.9.1** The notification of which has been received by the Departmental Representative in writing before payment is made to the Contractor pursuant to TP4.10 and within one hundred and twenty (120) days of the date on which the claimant;
 - **42.9.1.1** Should have been paid in full under the claimant's contract with the Contractor or Subcontractor where the claim is for money that was lawfully required to be held back from the claimant; or
 - **42.9.1.2** Performed the last of the services, Work or labour, or furnished the last of the material pursuant to the claimant's contract with the Contractor or Subcontractor where the claim is not for money referred to in GC42.9.1.1; and
 - **42.9.2** The proceedings to determine the right to payment of which, pursuant to GC42.2, shall have commenced within one year from the date that the notice referred to in GC42.9.1 was received by the Departmental Representative, and the notification required by GC42.9. I shall set forth the amount claimed to be owing and the person who by contract is primarily liable.
- **42.10** Her Majesty may, upon receipt of a notice of claim under GC42.9.1, withhold from any amount that is due and payable to the Contractor pursuant to the Contract the full amount of the claim or any portion thereof.
- **42.11** The Departmental Representative shall notify the Contractor in writing of receipt of any claim referred to in GC42.9.1 and of the intention of Her Majesty to withhold funds pursuant to GC42.10 and the Contractor may, at any time thereafter and until payment is made to the claimant, be entitled to post, with Her Majesty, security in a form acceptable to Her Majesty in an amount equal to the value of the claim, the notice of which is received by the Departmental Representative and upon receipt of such security Her Majesty shall

release to the Contractor any funds which would be otherwise payable to the Contractor, that were withheld pursuant to the provisions of GC42.10 in respect of the claim of any claimant for whom the security stands.

GC43 SECURITY DEPOSIT - FORFEITURE OR RETURN 43.1 If:

- **43.1.1** The Work is taken out of the Contractor's hands pursuant to GC38;
- **43.1.2** The Contract is terminated pursuant to GC41; or
- **43.1.3** The Contractor is in breach of or in default under the Contract;
- **43.2** Her Majesty may convert the security deposit, if any, to Her own use.
- **43.3** If Her Majesty converts the contract security pursuant to GC43.1, the amount realized shall be deemed to be an amount due from Her Majesty to the Contractor under the Contract.
- **43.4** Any balance of an amount referred to in GC43.3 that remains after payment of all losses, damage and claims of Her Majesty and others shall be paid by Her Majesty to the Contractor if, in the opinion of the Departmental Representative, it is not required for the purposes of the Contract.

GC44 DEPARTMENTAL REPRESENTATIVE'S CERTIFICATES

- 44.1 On the date that:
 - 44.1.1 the Work has been completed; and
 44.1.2 The Contractor has complied with the Contract and all orders and directions made pursuant thereto, both to the satisfaction of the Departmental Representative, the Departmental Representative shall issue a Final Certificate of Completion to the
- Contractor.
 44.2 If the Departmental Representative is satisfied that the Work is substantially complete he shall, at any time before he issues a certificate referred to in GC44.1, issue an Interim Certificate of Completion to the Contractor, and for the purposes of GC44.2 the Work will be considered to be substantially complete:
 - **44.2.1** When the Work under the Contract or a substantial part thereof is, in the opinion of the Departmental Representative, ready for use by Her Majesty or is being used for the purposes intended; and
 - **44.2.2** when the Work remaining to be done under the Contract is, in the opinion of the Departmental Representative, capable of completion or correction at a cost of not more than:
 - **44.2.2.1** Three percent (3%) of the first €0.00;
 - **44.2.2.2** Two percent (2%) of the next €0.00, and
 - **44.2.2.3** One percent (1%) of the balance of the value of the Contract at the time this cost is calculated.
- **44.3** For the sole purpose of GC44.2.2, where the Work or a substantial part thereof is ready for use or is

being used for the purposes intended and the remainder of the Work or a part thereof cannot be completed by the time specified in C3, or as amended pursuant to GC36, for reasons beyond the control of the Contractor or where the Departmental Representative and the Contractor agree in writing not to complete a part of the Work within the specified time, the cost of that part of the Work which was either beyond the control of

the Contractor to complete or the Departmental Representative and the Contractor have agreed in writing not to complete by the time specified shall be deducted from the value of the Contract referred to GC44.2.2 and the said cost shall not form part of the cost of the Work remaining to be done in determining substantial completion.

- 44.4 An Interim Certificate of Completion referred to in GC44.2 shall describe the parts of the Work not completed to the satisfaction of the Departmental Representative and all things that must be done by the Contractor:
 - 44.4.1 before a Final Certificate of Completion referred to in GC44.1 will be issued; and
 - 44.4.2 Before the twelve (12) month period referred to in GC32.1.2. shall commence for the said parts and all the said things.
- 44.5 The Departmental Representative may, in addition to the parts of the Work described in an Interim Certificate of Completion referred to in GC44.2, require the Contractor to rectify any other parts of the Work not completed to his satisfaction and to do any other things that are necessary for the satisfactory completion of the Work.
- 44.6 If the Contract or a part thereof is subject to a Unit Price Arrangement, the Departmental Representative shall measure and record the quantities of labour, plant and material, performed, used and supplied by the Contractor in performing the Work and shall, at the request of the Contractor, inform him of those measurements.
- 44.7 The Contractor shall assist and cooperate with the Departmental Representative in the performance of his duties referred to in GC44.6 and shall be entitled to inspect any record made by the Departmental Representative pursuant to GC44.6.
- 44.8 After the Departmental Representative has issued a Final Certificate of Completion referred to in GC44.1, he shall, if GC44.6 applies, issue a Final Certificate of Measurement.
- 44.9 A Final Certificate of Measurement referred to in GC44.8 shall:
 - 44.9.1 contain the aggregate of all measurements of quantities referred to in GC44.6; and
 - 44.9.2 Be binding upon and conclusive between Her Majesty and the Contractor as to the quantities referred to therein.

GC45 RETURN OF SECURITY DEPOSIT

After an Interim Certificate of Completion referred 45.1 to in GC44.2 has been issued, Her Majesty shall, if the Contractor is not in breach of or in default under the Contract, return to the Contractor all or any part of the security deposit that, in the opinion of the Departmental Representative, is not required for the purposes of the Contract.

- 45.2 After a Final Certificate of Completion referred to in GC44.1 has been issued, Her Majesty shall return to the Contractor the remainder of any security deposit unless the Contract stipulates otherwise.
- 45.3 If the security deposit was paid into the Consolidated Revenue Fund of Canada, Her Majesty shall pay interest thereon to the Contractor at a rate established from time to time pursuant to section 21(2) of Canada's Financial Administration Act.

GC46 CLARIFICATION OF TERMS IN GC47 TO GC50

- 46.1 For the purposes of GC47 to GC5O: 46.1.1 "Unit Price Table" means the table set out in the Contract; and
 - 46.1.2 "Plant" does not include tools customarily provided by a tradesman in practising his trade.

GC47 ADDITIONS OR AMENDMENTS TO UNIT PRICE TABLE

- 47.1 Where a Unit Price Arrangement applies to the Contract or a part thereof the Departmental Representative and the Contractor may, by an agreement in writing:
 - 47.1.1 Add classes of labour, plant or material, and units of measurement, prices per unit and estimated quantities to the Unit Price Table if any labour, plant or material that is to be included in the Final Certificate of Measurement referred to in GC44.8 is not included in any class of labour, plant or material set out in the Unit Price Table; or
 - 47.1.2 subject to GC47.2 and GC47.3, amend a price per unit set out in the Unit Price Table for any class of labour, plant or material included therein if the Final Certificate of Measurement referred to in GC44.8 shows or is expected to show that the total quantity of that class of labour, plant or material actually, used or supplied by the Contractor in performing the Work is:
 - 47.1.2.1Less than eighty-five percent (85%) of that estimated total quantity; or
 - 47.1.2.2 In excess of one hundred and fifteen percent (115%) of that estimated total quantity.
- 47.2 In no event shall the total cost of an item set out in the Unit Price Table that has been amended pursuant to GC47.1.2.1. exceed the amount that would have been payable to the Contractor had the estimated total quantity actually been performed, used or supplied.
- 47.3 An amendment that is made necessary by GC47.1.2.2 shall apply only to the quantities that are in excess of one hundred and fifteen percent (115%).
- 47.4 If the Departmental Representative and the Contractor do not agree as contemplated in GC47. 1, the Departmental Representative shall determine the class and the unit of measurement of the labour, plant or material and, subject to GC47.2

Page 36 of 49

Section "III"

and GC47.3, the price per unit therefor shall be determined in accordance with GC5O.

GC48 DETERMINATION OF COST - UNIT PRICE TABLE Whenever, for the purposes of the Contract it is necessary to determine the cost of labour, plant or material, it shall be determined by multiplying the quantity of that labour, plant or material expressed in the Unit Price Table by the price of that unit set out by agreement in a unit price table which will be included in the Contract prior to signing.

GC49 DETERMINATION OF COST - NEGOTIATION

- **49.1** If the method described in GC48 cannot be used because the labour, plant or material is of a kind or class that is not set out in the Unit Price Table, the cost of that labour, plant or material for the purposes of the Contract shall be the amount agreed upon from time to time by the Contractor and the Departmental Representative.
- **49.2** For the purposes of GC49.1, the Contractor shall submit to the Departmental Representative any necessary cost information requested by the Departmental Representative in respect of the labour, plant and material referred to in GC49.1.

GC50 DETERMINATION OF COST - FAILING NEGOTIATION

- **50.1** If the methods described in GC47, GC48 or GC49 fail for any reason to achieve a determination of the cost of labour, plant and material for the purposes referred to therein, that cost shall be equal to the aggregate of:
 - **50.1.1** all reasonable and proper amounts actually expended or legally payable by the Contractor in respect of the labour, plant and material that falls within one of the classes of expenditure described in GC50.2 that are directly attributable to the performance of the Contract;
 - **50.1.2** an allowance for profit and all other expenditures or costs, including overhead, general administration costs, financing and interest charges, and every other cost, charge and expenses, but not including those referred to in GC50.1.1 or GC50.1.3 or of a class referred to in GC50.2, in an amount that is equal to ten percent (10%) of the sum of the expenses referred to in GC50.1.1, and interest on the costs determined under GC50.1.1 and GC50.1.3, which interest shall be calculated in accordance with TP9.
 - **50.1.3** provided that the total cost of an item set out in the Unit Price Table that is subject to the provisions of GC47.1.2 does not exceed the amount that would have been payable to the Contractor had the estimated total quantity of the said item actually been performed, used or supplied.
- **50.2** For purposes of GC5O.1.1. the classes of expenditure that may be taken into account in determining the cost of labour, plant and material are:
 - **50.2.1** Payments to subcontractors;

- **50.2.2** 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 work site with the approval of the Departmental Representative;
- **50.2.3** Assessments payable under any statutory authority relating to workmen's compensation, employment insurance, pension plan or holidays with pay;
- **50.2.4** Rent that is paid for plant or an amount equivalent to the said rent if the plant 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 plant has been approved by the Departmental Representative;
- **50.2.5** Payments for maintaining and operating plant necessary for and used in the performance of the Work, and payments for effecting such repairs thereto as, in the opinion of the Departmental Representative, are necessary to the proper performance of the Contract other than payments for any repairs to the plant arising out of defects existing before its allocation to the Work;
- **50.2.6** 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;
- **50.2.7** Payments for preparation, delivery, handling, erection, installation, inspection, protection and removal of the plant and material necessary for and used in the performance of the Contract; and
- 50.3 Any other payments made by the Contractor with the written approval of the Departmental Representative that are necessary for the performance of the Contract.

GC51 RECORDS TO BE KEPT BY CONTRACTOR

- **51.1** The Contractor shall:
 - **51.1.1** Maintain full records of his estimated and actual cost of the Work together with all tender calls, quotations, contracts, correspondence, invoices, receipts and vouchers relating thereto;
 - **51.1.2** Make all records and material referred to in GC51.1.1 available to audit and inspection by the Minister and the Deputy Receiver General for Canada or by persons acting on behalf of either or both of them, when requested;
 - **51.1.3** Allow any of the persons referred to in GC51.1.2 to make copies of and to take extracts from any of the records and material referred to in GC51.1.1; and
 - **51.1.4** Furnish any person referred to in GC51.1.2 with any information he may require from time to time in connection with such records

and material.

- **51.2** The records maintained by the Contractor pursuant to GC51.1.1 shall be kept intact by the Contractor until the expiration of two (2) years after the date that a Final Certificate of Completion referred to in GC44.1 was issued or until the expiration of such other period of time as the Minister may direct.
- **51.3** The Contractor shall cause all subcontractors and all other persons directly or indirectly controlled by or affiliated with the Contractor and all persons directly or indirectly having control of the Contractor to comply with GC51.1 and GC51.2 as if they were the Contractor.

GC52 CONFLICT OF INTEREST

It is a term of this Contract that no former public office holder who is not in compliance with the Government of Canada's Conflict of Interest and Post-Employment Code for Public Office Holders shall derive a direct benefit from this Contract.

GC53 CONTRACTOR STATUS

- **53.1** The Contractor shall be engaged under the contract as an independent Contractor.
- **53.2** The Contractor or any employee of the said Contractor is not engaged by the Contract as an employee, servant or agent of Her Majesty.
- **53.3** For the purposes of GC53.1 and GC53.2 the Contractor shall be solely responsible for any and all payments and deductions required to be made by law including those required for pension plans, employment insurance, workers' compensation or income tax.

GC54 GOVERNING LAWS The Contract shall be governed by the laws in force in the jurisdiction defined in section A13

force in the jurisdiction defined in section A13 of the Articles of Agreement.

GC55 SOVEREIGN IMMUNITY

Notwithstanding any provision in this Contract, Her Majesty the Queen in Right of Canada, does not waive any immunity to which she is or may be entitled to by virtue of domestic or international law.

GC56 HUMAN REMAINS, ARCHAEOLOGICAL REMAINS AND ITEMS OF HISTORICAL OR SCIENTIFIC INTEREST

- 56.1 For the purposes of this clause:
 - **56.1.1** Human remains means the whole or any part of a deceased human being, irrespective of the time that has elapsed since death;
 - **56.1.2** Archaeological remains are items, artefacts or things made, modified or used by human beings in antiquity and may include, but not are limited to, stone, wood, or iron structures; monuments, bump deposits, bone artifacts, weapons, tools, coins, or pottery; and
 - **56.1.3** Items of historical or scientific interest are naturally occurring or manufactured objects or things of any age that are not archaeological remains but may be of interest to society because of their historical or

scientific significance, value, rarity, natural beauty, or other quality.

- **56.2** If, during the course of the Work, the Contractor encounters any object, item or thing which is described in clause GC56.1, or which resembles any object, item or thing described in clause GC56.1, the Contractor shall:
 - **56.2.1** take all reasonable steps, including immediately stopping the Work in the affected area, to protect and preserve the object, item or thing;
 - **56.2.2** immediately notify the Departmental Representative of the circumstances in writing; and
 - **56.2.3** Take all reasonable steps to minimize additional costs which may accrue as a result of any work stoppage.
- **56.3** Upon receipt of a notification in accordance with GC56.2.2, the Departmental Representative shall, in a timely manner, determine whether the object, item, or things is one described in, or contemplated by, clause GC56.1, and shall notify the Contractor in writing of any action to be performed, or Work to be carried out, by the Contractor as a result of the Departmental Representative's determination.
- 56.4 The Departmental Representative may, at any time, enlist the services of experts, particularly an archaeologist or historian as appropriate, to assist in the investigation, examination, taking of measurements or other such recordings, placing of permanent protection around or removing of the object, item or thing encountered by the Contractor, and monitoring in case of further discoveries, and the Contractor shall, to the satisfaction of the Departmental Representative, allow them access and cooperate with them in the carrying out of their duties and obligations.
- 56.5 Human remains, archaeological remains and items of historical or scientific interest encountered at the site of the Work shall remain the property of her Majesty.
- **56.6** Accept as may be otherwise provided for in the contract, the provisions of GC30 shall apply.

GC57 CONTAMINATED SITE CONDITIONS

- **57.1** For the purposes of this clause, a contaminated site condition exists when toxic, radioactive or other hazardous substances or materials, or other pollutants, are found to be present at the site of the Work to the extent that they constitute a hazard, or potential hazard, to the environment, property, or the health or safety of any person.
- **57.2** If the Contractor encounters a contaminated site condition, or has reasonable grounds to believe that a contaminated site condition exists at the site of the Work, the Contractor shall:
 - **57.2.1** take all reasonable steps, including stopping the Work, to ensure that no person suffers injury, sickness of death, and that neither property nor the environment is injured or destroyed as a result of the contaminated site condition;
 - **57.2.2** immediately notify the Departmental Representative of the circumstances in

writing; and

- **57.2.3** Take all reasonable steps to minimize additional costs which may accrue as a result of any work stoppage.
- **57.3** Upon receipt of a notification in accordance with GC57.2.2, the Departmental Representative shall, in a timely manner, determine whether a contaminated site condition as described in, or contemplated by, clause GC57.1, exists, and shall notify the Contractor in writing of any action to be taken, or Work to be performed, by the Contractor as a result of the Departmental Representatives determination.
- 57.4 If the Contractor's services are required by the Departmental Representative, the Contractor shall follow the direction of the Departmental Representative with regard to any excavation, treatment and disposal of the contaminated substances or materials.
- 57.5 The Departmental Representative may at any time, and at the Departmental Representative's sole discretion, enlist the services of experts and specialty contractors to assist in determining the existence of, and the extent and treatment of the contaminated site condition, and the Contractor shall, to the satisfaction of the Departmental Representative, allow them access and cooperate with them in the carrying out of their duties and obligations.
- 57.6 Accept as may be otherwise provided for in the Contract, the provisions of GC30 shall apply.

GC58 CERTIFICATION - CONTINGENCY FEES

- **58.1** The Contractor certifies that it has not directly or indirectly paid or agreed to pay and covenants that it will not directly or indirectly pay or agree to pay a contingency fee for the solicitation, negotiation or obtaining of this Contract to any person other than an employee acting in the normal course of the employee's duties.
- 58.2 All accounts and records pertaining to payments of fees or other compensation for the solicitation, obtaining or negotiation of the Contract shall be subject to the accounts and audit provisions of the Contract.
- **58.3** If the Contractor certifies falsely under GC58.1 or is in default of the obligations contained therein, Her Majesty may either take the Work out of the Contractor's hands in accordance with the provisions of the Contract to recover from the Contractor by way of reduction to the Contract amount or otherwise the full amount of the contingency fee.
- **58.4** For the purposes of GC58:
 - **58.4.1** "Contingency fee" means any payment or other compensation that is contingent upon or is calculated upon the basis of a degree of success in soliciting or obtaining a Government contract or negotiation the whole or any part of its terms;
 - **58.4.2** "Employee" means a person with whom the Contractor has an employer/employee relationship; and
 - 58.4.3 "Person" includes an individual or a group of

individuals, a corporation, a partnership, an organization and an association and, without restricting the generality of the foregoing, includes any individual who is required to file a return with the registrar pursuant to section 5 of the Lobbyist Registration Act R.S. 1985 c.44 (4th Supplement) as the same may be amended from time to time.

GC59 DISPUTE SETTLEMENT 59.1 Mutual Discussions

- The Contractor and Her Majesty, which for the purpose of this GC 59.1 shall jointly be referred to as the "Parties" and severally as the "Party," agree that if any dispute arises out of or in connection with this Contract, including without limitation any question regarding its existence, validity, termination of rights or obligation of any party, the Parties shall attempt, for a period of thirty (30) days after receipt by one Party of a notice from the other Party of indicating:
- **59.1.1** the existence of the dispute
- 59.1.2 its basic substance; and
- **59.1.3** The other Party's decision to refer the dispute to arbitration in accordance with GC59 of the Contract, the Parties shall attempt to settle the dispute by mutual discussions between them.

59.2 Referral to Arbitration

Any such dispute that cannot be settled amicably by mutual discussion within the thirty (30) day period referred to above, shall be settled by arbitration under the arbitration of the Province of Ontario (the "Rules"). The venue of the arbitration shall be conducted in the province of Ontario, Canada. Any notice of arbitration, response or other communication given to or by a party to the arbitration shall be given and deemed received as provided in the Rules. The costs of the arbitration shall be determined and paid by the parties to the arbitration as provided in the Rules.

59.3 Appointments of Arbitrators

Each of the Parties has the right to appoint one (1) arbitrator. The two (2) arbitrators will in turn appoint the third arbitrator. Should either Party fail to appoint its respective arbitrator within thirty (30) days from the date requested by the other Party, or should the two (2) arbitrators so appointed fail to appoint the third arbitrator within thirty (30) days from the date of appointment of the second arbitrator then such arbitrator(s) shall be appointed by the chairman of the Attribution of the Association of Chartered Engineers in the Province of Ontario, Canada.

59.4 No Legal Proceedings

Each Party agrees that it will not institute any legal proceedings arising out of or in connection with this Contract, except only as provided in this GC34 and each party agrees that it will apply to the court having jurisdiction to homologate for legal enforcement the decision rendered by the arbitral tribunal. In the event any legal proceedings are instituted in any court to enforce any arbitration award, the person or persons against whom enforcement of that arbitration award is sought shall pay all costs, including without limitation the costs of legal counsel and translation fees, of the person or persons seeking to enforce the arbitration award.

59.5 Award Binding

The arbitration must be held within six (6) months of the date of appointment of the arbitrator and the arbitrator is authorized to assess costs against a party who has caused delay or who has failed to comply with any rules of the arbitration. The decision of the arbitrator shall be final, binding and incontestable and may be used as a basis for judgement thereon in the Province of Ontario, Canada, or elsewhere.

59.6 Waivers

The Parties expressly agree to waive Article 48.1 of Law No. 30 Year 1999 on Arbitration and Alternative Dispute Resolution, so that the mandate of the arbitrators duly constituted in accordance with the terms of this Contract shall remain in effect until a final arbitration award has been issued by the arbitrators.

59.7 Enforcement of Awards

For the purpose of enforcing any arbitration award, the Parties choose the general, permanent and notexclusive domicile of the Office of the Registrar of the Province of Ontario, Canada, without prejudice to the Parties' rights to enforce any arbitration award in any court having jurisdiction over the other Party or its assets.

GC60 FORCE MAJEURE

60.1 Relief from Performance

Neither Her Majesty nor the Contractor shall be liable to the other for any delay in or failure to render, any act or thing to be performed pursuant to this Contract, to the extent that such delay or failure is caused by an event of force majeure. The effected party must use its best endeavours to eliminate the effects of the force majeure as soon as possible and resume performance hereunder.

60.2 No termination

This Contract must not be terminated by temporary force majeure and the rights and obligations of the Contractor and Her Majesty must be restored in full after any period of force majeure has ended.

60.3 Payment of Moneys

- **60.3.1** If as a consequence of money that is required to be paid by one Party pursuant to the terms and conditions of this Contract cannot be so paid in the manner directed by this Contract due to an event of force majeure, then the Party required to pay must notify the Party entitled to receive the money of the former's inability to pay and the reasons for it.
- **60.3.2** The Party entitled to receive the money will designate to the Party required to pay an alternative place for payment and the latter will remit the funds to that place for the Party entitled to receive the funds.

60.4 Force Majeure Events

Force majeure events shall include, without limitation, any act of God, civil commotion or delays caused by governmental restriction affecting all or any portion of the Work which prevents or materially restricts either party from performing its obligations hereunder for which such party is responsible

GC61 HEALTH AND SAFETY

- **61.1** The Contractor shall ensure, in fulfilling its contractual obligations under this Contract, that its employees and agents are appropriately equipped with all safety clothing and equipment required to perform the Work.
- **61.2** The Contractor shall further ensure that its employees and agents adhere to and follow all applicable health and safety regulations, standards and procedures in force in the jurisdiction and have been trained and will use all mandatory safety equipment imposed by local law when completing the Work under this Contract.

SECTION "IV" – INSURANCE CONDITIONS

IC1 PROOF OF INSURANCE

- **1.1** The Contractor shall, at its own expense, obtain and maintain insurance as provided hereunder with companies subject to approval in writing by Her Majesty.
- **1.2** Immediately following notification of Contract award and preceding the start of any on-site Work, the Contractor shall have its insurance broker, agency or underwriter inform the Departmental Representative in writing that all insurance required hereunder is in force.
- **1.3** Within thirty (30) days after acceptance of the Contractor's tender, the Contractor shall, unless otherwise directed in writing by the Departmental Representative, deposit with the Departmental Representative an Insurer's Certificate of Insurance in the form displayed in this document and, if requested by the Departmental Representative, the originals or certified true copies of all contracts of insurance maintained by the Contractor pursuant to the Insurance Coverage Requirements shown hereunder.

IC2 RISK MANAGEMENT

2.1 The provisions of the Insurance Coverage Requirements contained hereunder are not intended to cover all of the Contractor's obligations under GC8 of the General Conditions Section "III" of the Contract. Any additional risk management measures or additional insurance coverages the Contractor may deem necessary to fulfill its obligations under GC8 shall be at its own discretion and expense.

IC3 PAYMENT OF DEDUCTIBLE

3.1 The payment of monies up to the deductible amount made in satisfaction of a claim shall be borne by the Contractor.

IC4 TYPES OF INSURANCE REQUIRED

- 4.1 The Contractor will obtain the following types of commercial insurance coverage:
 - **4.1.1** Comprehensive General Liability Insurance ("CGL"); and
 - **4.1.2** Builder's Risk Direct Damage Insurance ("BR").

IC5 ADDITIONAL NAMED INSURED

5.1 Each insurance policy shall insure the Contractor, and shall include as Additional Named Insured, the Owner, being Her Majesty the Queen in right of Canada, represented by the Minister of Foreign Affairs and the Employees or servants of both Her Majesty and the Contractor.

IC6 PERIOD OF INSURANCE COVERAGE

6.1 Unless otherwise directed in writing by the Departmental Representative, the policies required hereunder shall attach from the date of contract award and shall be maintained until the day of issue of the Final Certificate of Completion.

IC7 NOTIFICATION

7.1 Each insurance policy shall contain a provision that thirty (30) days prior written notice shall be given by the Insurer to the Departmental Representative in the event of any material change in, cancellation of, or expiration of coverage. Any notice affecting a material change in, cancellation of, or expiration of coverage received by the Contractor shall be transmitted forthwith to the Departmental Representative.

PART I - COMPREHENSIVE GENERAL LIABILITY (CGL)

CGL1 LIMITS

1.1 The policy shall be written on a form similar to that known and referred to in the insurance industry as IBC 2100 - <u>Commercial General Liability</u> policy (Occurrence form) and shall provide for limit of liability of not less than the amount stated in C9, inclusive of Bodily Injury and Property Damage for any one occurrence or series of occurrences arising out of one cause. Legal or defence costs incurred in respect of a claim or claims shall not operate to decrease the limit of liability.

CGL2 COVERAGES

- 2.1 The policy shall include but not necessarily be limited to the following coverages:
 - **2.1.1** All premises, property and operations necessary or incidental to the performance of this Contract;
 - 2.1.2 Personal injury;
 - 2.1.3 Bodily injury and Property Damage on an "occurrence" basis;
 - 2.1.4 "Broad Form" Property Damage including the loss of use of property;
 - **2.1.5** Removal or weakening of support of any property, building or land whether such support be natural or otherwise;
 - **2.1.6** Elevator Liability (including Escalators, Hoists and Similar Devices);
 - 2.1.7 Contingent Employer's Liability;
 - 2.1.8 Owner's and Contractor's Protective Liability;
 - **2.1.9** Contractual and Assumed Liabilities under this Contract;
 - **2.1.10** Completed Operations and Products Liability; The insurance shall continue for a period of at least two (2) years beyond the date of the Departmental Representative's Final Certificate of Completion for the Completed Operations Hazard.
 - **2.1.11** Cross Liability;

The clause shall be written as follows:

Cross Liability

The insurance as is afforded by this policy shall apply in respect to any claim or action brought against any one Insured by any other Insured. The coverage shall apply in the same manner and to the same extent as though a separate policy had been issued to each Insured. The inclusion herein of more than one Insured shall not operate to increase the limit of the Insurer's liability.

2.1.12 Severability of Interests Clause;

The clause shall be written as follows:

Severability of Interests

This policy, subject to the limits of liability stated herein, shall apply separately to each Insured in the same manner and to the same extent as it a separate policy had been issued to each. This inclusion herein of more than one insured shall not increase the limit of the Insurer's liability.

2.2 Period of Insurance Coverage:

The period of required insurance coverage for all insurance elements listed in CGL2: Coverages shall be from the date of execution of this contract until the date of issuance by the Departmental Representative of the Final Certificate of Completion.

CGL3 ADDITIONAL EXPOSURES

- **3.1** The policy shall be endorsed to include the following exposures or hazards if the Work is subject thereto:
 - **3.1.1** Blasting;
 - **3.1.2** Pile driving and caisson work;
 - 3.1.3 Underpinning;
 - **3.1.4** Risks associated with the activities of the contractor on an active airport;
 - **3.1.5** Radioactive contamination resulting from the use of commercial isotopes; and

3.1.6 Damage to the portion of an existing building beyond that directly associated with an addition, renovation or installation contract. (The care, custody and control exclusion shall not apply.).

CGL4 INSURANCE PROCEEDS

4.1 Insurance Proceeds from this policy are payable directly to a Claimant/Third Party.

CGL5 DEDUCTIBLE

5.1 The policy shall be issued with a deductible amount of not more than €680.00 per occurrence applying to Property Damage claims only.

PART II - BUILDER'S RISK - DIRECT DAMAGE (BR)

BR1 SCOPE OF POLICY

1.1 The policy shall be written on an "All Risks" basis granting coverage similar to that provided by the form known and referred to in the Insurance Industry as "Builders' Risk Comprehensive Form."

BR2 PROPERTY INSURED

- **2.1** The property insured shall include:
 - **2.1.1** The Work and all property, equipment and materials intended to become part of the finished Work at the site of the project while awaiting, during and after installation, erection or construction including testing;
 - **2.1.2** Expenses incurred in the removal from the construction site of debris of the property insured, including demolition of damaged property, de-icing and de-watering, occasioned by loss, destruction or damage to such property and in respect of which insurance is provided by this policy; and
 - **2.1.3** Equipment and materials required for the execution or temporary protection of the Work.

BR3 INSURANCE PROCEEDS

- **3.1** Insurance Proceeds from this policy are payable in accordance with GC28 of the General Conditions of the Contract.
- **3.2** The policy shall provide that the proceeds thereof are payable to Her Majesty or as the Minister may direct.
- **3.3** The Contractor shall do such things and execute such documents as are necessary to effect payment of the proceeds.

BR4 AMOUNT OF INSURANCE

4.1 The amount of insurance shall not be less than the sum of the contract value plus the declared value (if any) set forth in the contract documents of all material and equipment supplied by Her Majesty at the site of the project to be incorporated into and to form part of the finished Work.

BR5 DEDUCTIBLE

5.1 The policy shall be issued with a deductible amount of not more than $\notin 680.00$.

BR6 EXCLUSION QUALIFICATIONS

- 6.1 The policy may be subject to the standard exclusions but the following qualifications shall apply:
 - **6.1.1** Faulty materials, workmanship or design may be excluded only to the extent of the cost of making good thereof and shall not apply to loss or damage resulting therefrom;
 - **6.1.2** Loss or damage caused by contamination by radioactive material may be excluded except for loss or damage resulting from commercial isotopes used for industrial measurement, inspection, quality control, radiographic or photographic use; and
 - **6.1.3** Use and occupancy of the project or any part or section thereof shall be permitted where such is for the purposes for which the project is intended upon completion.

BROKER'S CERTIFICATE OF INSURANCE

(TO BE DELIVERED TO THE DEPARTMENTAL REPRESENTATIVE BEFORE THE START OF ANY ON-SITE WORK)

COVERING: DESCRIPTION OF WORK:					
LOCATION OF	WORK:				
ISSUED BY: BROKER/AGEN	NT:				
ISSUED TO: ADDRESS:	FOREIGN AFFAIRS, TRADE AND DEVELOPMENT CANADA 125 SUSSEX DRIVE, OTTAWA, ONTARIO CANADA K1A 0G2				
NAMED INSUR CONTRACTOR:					

ADDRESS:

This document certifies that the following policies of Insurance are at present in force covering all operations of the Insured, effective from ______ 20___ in connection with Foreign Affairs, Trade and Development Canada, for the _____ made between the Named Insured and Foreign Affairs, Trade and Development Canada.

TYPE	POLICY NUMBER	EXPIRY DATE OF LIABILITY				
		DAY	MONTH	YEAR	LIMITS	DEDUCTIBLE
Comprehensive General Liability						
Builder's Risk "All Risks"						

Each of these policies provides coverages as specified in Insurance Conditions Section "IV" which form part of this Contract.

The Insurer agrees to notify Her Majesty and the Named Insured in writing thirty (30) days prior to any material change in, cancellation of, or expiration of any policy or coverage.

Name - Broker/Agent's Authorized Representative Authorized Representative

Signature-Broker/Agent's

Date

Telephone Number

ISSUANCE OF THIS CERTIFICATE SHALL NOT LIMIT OR RESTRICT THE RIGHT OF HER MAJESTY TO REQUEST AT ANY TIME DUPLICATE CERTIFIED COPIES OF SAID INSURANCE POLICIES.

INSURER'S CERTIFICATE OF INSURANCE

(TO BE DELIVERED TO THE DEPARTMENTAL REPRESENTATIVE BEFORE THE START OF ANY ON-SITE WORK)

COVERING: DESCRIPTION OF WORK:					
LOCATION OF	WORK:				
ISSUED BY: BROKER/AGEN	JT:				
ADDRESS:					
ISSUED TO: ADDRESS:	FOREIGN AFFAIRS, TRADE AND DEVELOPMENT CANADA 125 SUSSEX DRIVE, OTTAWA, ONTARIO CANADA K1A 0G2				
NAMED INSURI CONTRACTOR:	ED:				

ADDRESS:

This document certifies that the following policies of Insurance are at present in force covering all operations of the Insured, effective from ______ 20___ in connection Foreign Affairs, Trade and Development Canada, for the ______ made between the Named Insured and Foreign Affairs, Trade and Development Canada.

TYPE	POLICY NUMBER	EXPIRY	DATE OF LIA			
		DAY	MONTH	YEAR	LIMITS	DEDUCTIBLE
Comprehensive General Liability						
Builder's Risk "All Risks"						

Each of these policies provides coverages as specified in Insurance Conditions Section "IV" which form part of this Contract.

The Insurer agrees to notify Her Majesty and the Named Insured in writing thirty (30) days prior to any material change in, cancellation of, or expiration of any policy or coverage.

Name - Insurer'sSignature- Insurer'sDateTelephone NumberAuthorized RepresentativeAuthorized RepresentativeTelephone Number

ISSUANCE OF THIS CERTIFICATE SHALL NOT LIMIT OR RESTRICT THE RIGHT OF HER MAJESTY TO REQUEST AT ANY TIME DUPLICATE CERTIFIED COPIES OF SAID INSURANCE POLICIES.

SECTION "V" - CONTRACT SECURITY CONDITIONS

CS1 OBLIGATION TO PROVIDE CONTRACT SECURITY

- **1.1** Where the contract amount referred to in the Contract is:
 - **1.1.1** less than €0.00, the Departmental Representative may require the Contractor to provide contract security prescribed in CS2; and
 - **1.1.2** €0.00 or more, the Contractor shall, at his own expense, provide one or more of the forms of contract security prescribed in CS2.
- **1.2** The Contractor is required to provide contract security pursuant to CS2 and such security shall be delivered to the Departmental Representative within fourteen (14) days after the date that the Contractor receives notice that his tender or offer was accepted by Her Majesty.

CS2 DESCRIPTION OF ACCEPTABLE CONTRACT SECURITY

- **2.1** If the Contractor is required to provide contract security pursuant to CS1, Her Majesty shall accept from the Contractor one or more of the forms of security prescribed in CS2.2 to CS2.6.
- **2.2** A Contractor shall deliver to the Departmental Representative:
 - **2.2.1** a performance bond and a labour and material payment bond each in an amount that is equal to not less than the amount stated in A10 of the Articles of Agreement; or
 - **2.2.2** a labour and material payment bond in an amount that is equal to not less than the amount stated in A9 of the Articles of Agreement, and a security deposit in an amount that is equal to:
 - **2.2.2.1** not less than 10% of the contract amount referred to in the Articles of Agreement where that amount does not exceed $\notin 0.00$; or
 - 2.2.2.2 €0.00 plus 5% of the part of the contract amount referred to in the Articles of Agreement that exceeds €0.00; or
 - **2.2.2.3** a security deposit in an amount prescribed by CS2.2.2 plus an additional amount that is equal to 10% of the contract amount referred to in the Articles of Agreement.
- **2.3** A performance bond and a labour and material payment bond referred to in CS2.2 shall be in a form and be issued by a bonding or surety company that is approved by Her Majesty.
- 2.4 The amount of a security deposit referred to in CS2.2.2 shall not exceed €0.00 regardless of the contract amount referred to in the Articles of Agreement.
- **2.5** A security deposit referred to in CS2.2.2 and CS2.2.2.3 shall be in the form of:
 - **2.5.1** a certified cheque payable to the Receiver General of Canada and drawn on a member of the Canadian Payments Association or a local cooperative credit society that is a member of a central cooperative credit society having membership in the Canadian Payments Association; or
 - **2.5.2** bonds of or unconditionally guaranteed as to principal and interest by the Government of Canada.
- **2.6** A bond referred to in CS2.5.2 shall be:
 - **2.6.1** payable to bearer;
 - **2.6.2** accompanied by a duly executed instrument of transfer to the Receiver General for Canada in the form prescribed by the Domestic Bonds of Canada Regulations; or
 - **2.6.3** registered as to principal or as to principal and interest in the name of the Receiver General for Canada.

SECTION "VI" – LABOUR CONDITIONS

LC1 NON-DISCRIMINATION IN HIRING AND EMPLOYMENT OF LABOUR

- **1.1** The Contractor agrees that:
 - **1.1.1** in the hiring and employment of workers to perform any Work under the Contract, the Contractor will not refuse to employ and will not discriminate in any manner against any person because:
 - 1.1.1.1 of that person's race, national origin, colour, religion, age, sex or marital status;
 - **1.1.1.2** of the race, national origin, colour, religion, age, sex, or marital status of any person having any relationship or association with that person; or
 - **1.1.1.3** a complaint has been made or information has been given by or in respect of that person relating to an alleged failure by the Contractor to comply with subparagraph (LC1.1.1.1) or (LC1.1.1.2);
- **1.2** If any question arises as to whether the Contractor has failed to comply with the provision described in paragraph (LC1.1), the Minister or any person designated by the Minister shall decide the question and his decision shall be final for the purposes of the Contract; and
- **1.3** Failure to comply with the aforementioned clauses (LC1.1.1) and (LC1.1.2) regarding nondiscrimination shall constitute a material breach of the Contract.

LC2 LABOUR

2.1 The Contractor further agrees to pay in employing labour, wages that are in conformity with all applicable legislation and norms in force in the place in which the Work is being performed.

SECTION "VII" - SECURITY REQUIREMENTS

SECURITY REQUIREMENTS

At missions abroad, the Contractor and/or all other personnel involved in the Work shall hold a valid personnel security screening level of RELIABILITY STATUS or above for Work to be performed in the Mission. The Contractor and/or all other personnel involved in the Work must be properly supervised on the premises of the Mission. Access to the restricted zones of the Mission may only be granted under the escort and constant supervision of a member of the Canada-Based Staff (CBS). Failure to obtain the security screening of Reliability Status would render the Contract null and void. The minimum security screening level required is granted by the Mission Security Officer or other CBS authorized by the Head of Mission in accordance with the procedures outlined in the Personnel Security Screening Reference Guide for Mission Managers. Missions requesting a security clearance for contractors to perform work in restricted zones of the Mission or to access classified information/assets must consult with ISR and ISC.

This document does NOT contain CLASSIFIED information; however all or part of the Work involves possible access to CLASSIFIED and/or PROTECTED information/materiel.

The Contractor shall NOT remove, without the express written approval of the Departmental Representative, any CLASSIFIED and/or PROTECTED information from the work site, and shall ensure that the Contractor's personnel are made aware of and comply with this restriction.

The Contractor shall be responsible to identify the Security Requirements of the Contract to their subcontractors and to ensure that these requirements are complied with by subcontractors.

Subcontractors who require access to CLASSIFIED and/or PROTECTED information or sensitive work sites, shall NOT be accessed without the prior, written approval of the Departmental Representative and ISC.