

## General Conditions

### 1. DEFINITIONS

In this Subcontract, the following capitalized terms shall have the meanings ascribed to them below:

- a. "**Prime Contract**" means the contract between Contractor and Owner with respect to the Project.
- b. "**Site**" means the location of the Project, where the Subcontract Work will be performed.
- c. "**Subcontract Documents**" means the Prime Contract, Contractor's Supplier Code of Conduct (available at [www.aecon.com](http://www.aecon.com)) and the Subcontract Agreement, with General Conditions and Appendix A attached thereto.
- d. "**Subcontract Work**" means that work described in Option 1 or Option 2 of the Subcontract to be performed by the Subcontractor.

### 2. PAYMENT TERMS

Subject to any terms in the Subcontract Agreement and applicable legislation and in accordance with this Subcontract, the Contractor shall pay the Subcontractor for the performance of the Subcontract Work as follows:

- a. All applications for payment must be submitted to the Contractor on the Contractor's application for payment form, with appropriate backup materials, as determined by the Contractor, otherwise the application will not be processed for payment.
- b. The Subcontractor must submit all monthly progress applications for payment by the twenty-fifth day (25th) of each month. Any application submitted after this day may not be processed with the current month's billing and may be postponed until the following month.
- c. Contractor shall not be obligated to make any payment to Subcontractor until the following conditions are met:
  - i. Subcontractor delivers to the Contractor
    1. a current Workplace Compensation Board (or equivalent thereof if the Site is outside of Alberta) ("WCB") clearance certificate
    2. certificates of insurance, or certified copies of policies acceptable to the Contractor, evidencing that the Subcontractor insurance required pursuant to this Subcontract is in effect;
    3. executed acknowledgment by Subcontractor of Contractor's safety policies, if required by Contractor;
  - ii. Consultant shall have certified in writing that the amount of the payment is correct; and
  - iii. there are not any claims or liens against the Project for which the Subcontractor or any sub-subcontractors are totally or partially responsible;
- d. Subject to subsection (c) above, Contractor will make payments to Subcontractor monthly on applications for payment properly submitted by the Subcontractor pursuant to subsection (a) above by the end of the month following proper submission of such application, subject to applicable lien legislation.

### 3. ENTIRE AGREEMENT

- a. This Subcontract supersedes all prior negotiations, representations, or agreements, either written or oral, relating in any manner to the Subcontract Work, and constitutes the entire agreement between the Parties. No modification or amendment hereto shall be binding on the Contractor unless evidenced in writing and signed by the Contractor. The Subcontractor shall comply with the Subcontract Documents, which Subcontractor actually reviewed or is deemed to have reviewed prior to execution of this Subcontract. Any changes or additional conditions to this Subcontract proposed by Subcontractor are hereby rejected, unless expressly stated in this Subcontract or incorporated by a duly authorized change order.
- b. Notwithstanding the foregoing, the Subcontractor represents and warrants that all information provided by Subcontractor to Contractor in any safety prequalification, financial prequalification, other prequalification and all information that may be provided from time to time to Contractor or its insurers was true and accurate at the time it was made, is true and accurate at the present time, and will remain true and accurate during the term of the Subcontract.
- c. The Subcontractor agrees to be bound by the Contractor's Supplier Code of Conduct (available at [www.aecon.com](http://www.aecon.com)).

### 4. SUBCONTRACT DOCUMENTS

- a. The requirements, terms and conditions of the Prime Contract, as far as they are applicable to the Subcontract Work, shall be binding upon the Subcontractor, *mutatis mutandis*. In the case of any conflict between the Subcontract Documents, the terms of this Subcontract shall govern, except that as applied to this Subcontract, any notice provisions in the Prime Contract shall be adjusted to require the Subcontractor to provide notice to the Contractor at least two business days before such notice is required to be delivered to the Owner or within 24 hours of the discovery of the event, whichever is longer.
- b. The Subcontractor acknowledges that the Prime Contract is available for inspection at the Contractor's offices (with certain commercial terms immaterial to this Subcontract redacted). The Subcontractor hereby acknowledges that it has either reviewed or been presented with the opportunity to review the Subcontract Documents and the Site.

### 5. TIME

The Subcontractor shall perform and complete the Subcontract Work in accordance with Contractor's schedule, which may be updated by Contractor from time to time.

### 6. ASSIGNMENT

The Subcontractor shall not assign or sublet his Subcontract or any portion thereof except with the prior written consent of the Contractor, except as required by the terms of the Prime Contract.

### 7. CHANGES

The Contractor shall have the right to order changes to the Subcontract Work, whether as a result of changes required by the Owner under the Prime Contract or otherwise, and the Subcontractor shall perform such changed work upon instruction. All changes to the Subcontract Price, Subcontract schedule or otherwise, must be approved in writing by the Contractor. Prior written approval by the Contractor of a change to the Subcontract Work is a condition precedent to adjustment of the Subcontract Price or Subcontract schedule.

### 8. INDEMNIFICATION AND SUBCONTRACTOR OBLIGATIONS

- a. The Subcontractor further specifically obligates itself to the Contractor in the following respects:
  - i. to defend, indemnify and save harmless the Owner, the Contractor, the Consultant, and their respective directors, officers and employees (the "**Indemnified Parties**"), from and against all damages, liabilities, losses (including, without limitation, economic losses), costs, including legal costs on a substantial indemnity basis, expenses, fees, claims, increased premiums, lien bond costs, interest charges, loss of rents or income, and any suits, or judgments incurred, brought, recovered or exacted by or against the Indemnified Parties to the extent caused by the Subcontractor's breach of any term of this Subcontract or its other acts or omissions, or any acts or omissions of any party within Subcontractor's control or in privity of contract therewith;
  - ii. to immediately discharge any and all construction or similar liens against the Site in respect of the Subcontract Work which may be filed or registered by the Subcontractor or any sub-subcontractor thereof;
  - iii. to pay for all materials furnished and work and labour performed under this Subcontract, and to pay all taxes, imposts, levies, assessments, premiums, fees or union dues relating thereto directly or indirectly;
  - iv. to comply with the provisions of the applicable lien legislation; and
  - v. to obtain and pay for all permits, licenses and official inspections made necessary by the Subcontract Work, and to comply with all laws, ordinances and regulations bearing on the Subcontract Work and the conduct thereof.
- b. The Contractor shall have the right to set off any monies due to it pursuant to this Subcontract against any monies otherwise due to Subcontractor, whether on his Project or otherwise.

### 9. CLEANUP

The Subcontractor shall be responsible for cleaning up and dust control during and after the completion of the Subcontract Work, and shall leave areas in which it is completing Subcontract Work "broom clean" daily. In addition, one (1) worker from each ten (10) people employed by the Subcontractor on the Subcontract Work, or pro-rated portion thereof, shall be assigned to the Contractor's cleanup crew one (1) day per week for the duration of the Subcontractor Work.

### 10. DEFAULT AND TERMINATION

- a. The Contractor may give the Subcontractor notice in writing, without prior notice or an opportunity to cure, that the Subcontractor is in default of its obligations under this Subcontract. Upon giving such notice of default, Contractor may, at its sole discretion, order Subcontractor to suspend the work in whole or in part, terminate the Subcontract, or terminate the Subcontractor's right to perform the Subcontract Work.
- b. Without limiting any of its other rights hereunder, Contractor shall have the right to setoff any and all costs it incurs arising from Subcontractor's default.
- c. Subject to any rights of set-off and back-charge that the Contractor may have, whether under the Subcontract Documents, at law or at equity, the Subcontractor shall be entitled, subject to and upon final completion of the Project by Contractor, to compensation for its direct site costs incurred to perform the Subcontract

## General Conditions

Work prior to the date of termination, subject to (a) the Subcontractor providing reasonable evidence of such costs sufficient to enable the Contractor to verify them within thirty (30) days of the date of termination and (b) such costs not exceeding the amount of compensation received by the Contractor for such work, further provided that in no case shall the Subcontractor be entitled to claim for loss of profits for the unperformed portion of the Subcontract Work, loss of opportunity, special or consequential damages arising from or related to such termination.

d. The Contractor may, at any time and at its sole discretion, terminate the Subcontract (in its entirety or in part) for convenience, in which case the Subcontractor shall, upon and subject to instruction from the Contractor, commence an orderly wind-down of the Subcontract Work and make all reasonable efforts to minimize costs of such wind-down and any third-party cancellation charges. The Subcontractor shall immediately advise the Contractor of all sub-subcontracts and the Contractor may, at its sole discretion, take assignment of same.

### 11. WARRANTY

a. The Subcontractor shall repair and make good any defects, deficiencies, imperfections, damages or fault in the Subcontract Work that may appear within the longer of (i) the period stated in the Subcontract Agreement, (ii) within one (1) year after Substantial Performance of the Prime Contract or (iii) such longer period as stated in the Prime Contract, as the result of imperfect or defective Subcontract Work done or material furnished by the Subcontractor.

b. Until the expiration of the maintenance and warranty period as specified in subsection 11(a) above, any defects or deficiencies in the Subcontract Work shall be made good by the Subcontractor at its own expense. Should the Subcontractor fail to commence such remedial work within two (2) working days after receiving notice in writing of such defects from the Contractor and thereafter complete same within a reasonable period, the Contractor may make alternative arrangements for the remedial work to be completed and the costs thereof shall be recoverable from the Subcontractor. No payment to the Subcontractor by the Contractor and no partial or entire use or occupancy of the Subcontract Work by the Owner shall be construed as an acceptance of any work or material not in accordance with the Subcontract Documents. Any separate guarantee or warranty issued by it or by any subcontractor to the Subcontractor, which in any way limits or reduces the coverage or duration of the guarantee and warranty obligations set forth herein, shall not be binding upon the Contractor. For greater certainty, with respect to latent defects, the applicable statutory limitations period of the province in which the Site is located shall apply.

c. The Subcontractor shall provide any warranty certificates or other similar documentation as may be required by the Prime Contract.

### 12. SAFETY

a. The Subcontractor and all of its subcontractors shall respect and comply with:

i. the rules, regulations and practices required by the applicable construction health and safety and environmental legislation in the jurisdiction of the location of the Project, and

ii. all safety precautions, policies and programs of the Owner and the Contractor, including those contained in the then-current version of the Contractor's Health & Safety, and Environmental Manual, which the Subcontractor acknowledges having been received.

b. The Subcontractor shall provide to Contractor, no later than ten (10) calendar days prior to mobilization on Site, its safety program, all MSDS sheets for products expected to be used during the Project, and, if applicable, its Site specific safety plan and job hazard analysis program.

c. The Subcontractor and all of its subcontractors shall attend the Contractor's mandatory safety orientation and any training as required by the Contractor. The Subcontractor shall ensure that all workers and supervisors are competent to perform any assigned tasks and produce training documentation prior to commencing work. Failure to provide documentation or verification of competency may result in the removal of the worker, supervisor or Subcontractor/Supplier from Site. The Contractor's orientation process does not relieve the Subcontractor of its obligation as an employer to its own employees to comply with all applicable legislative requirements.

d. The Subcontractor is responsible to ensure that the Contractor has been made aware of all individuals on Site performing work at any given time, whether such individuals are in the direct employment of the Subcontractor or its subcontractors of any tier.

e. The Subcontractor shall ensure that there is a competent person available who is qualified to perform first aid and is provided with such materials as required by the local jurisdiction.

f. The Subcontractor shall conduct and provide a Site specific hazard assessment for any high risk work or work designated by the Contractor to be high risk. All assessments must be supplied and approved by the Contractor prior to commencing work. Additionally, the Subcontractor shall perform daily a task hazard assessment for routine activities. This assessment must be completed using the Aecon Job Analysis Risk Review ("JARR") and provided to the Contractor upon request. Should the Subcontractor have its own daily hazard assessment form it may utilize its own process if the assessment meets or exceeds those required by the JARR, upon written approval by the Contractor.

g. The Subcontractor is responsible to ensure all equipment, tools, machinery and safety equipment is inspected, maintained and operated as required by the manufacture, Aecon safe work practices or legislative requirements.

h. The Subcontractor shall ensure that all workers, visitors or subcontractors of the Subcontractor are wearing all of the personal protective equipment ("PPE") as required by the Contractor, the Owner or legislative requirements at all times.

i. The Subcontractor shall immediately notify the Contractor of any accident, incident, near miss or environmental issue that occurs on the day of the event and must conduct an accident/incident investigation and submit an adequate report to the Contractor within 24 hours. The Subcontractor will implement as necessary any return to work / modified duties programs for injured employees and keep the Contractor informed as to the status of the program.

j. The Subcontractor shall cause one (1) responsible and competent representative to attend the Contractor's subcontractor safety and progress meetings while its employees are working on the Project or at the request of the Contractor in preparation for upcoming work. In addition, the Subcontractor shall hold weekly "tool box" safety meetings with all of its employees and subcontractors present. The Subcontractor's representative shall ensure that all matters of safety discussed at such meetings are clearly communicated to all of its employees and subcontractors and to the Contractor and that any appropriate corrective action is immediately taken.

k. Prior to commencing work on Site, the Subcontractor shall provide evidence to the Contractor of its current Workplace Safety and Insurance Board or Workers Compensation Board ("**WSIB or WCB**") clearance certificate and shall provide a copy with each application for payment.

### 13. INSURANCE

Without restricting the generality of Section 8 - INDEMNIFICATION AND SUBCONTRACTOR OBLIGATIONS, the Subcontractor shall provide, maintain and pay for the following insurance coverages, the minimum requirements of which are specified in CCDC-41 INSURANCE REQUIREMENTS in effect at the time of contract award of the Subcontract Work except, as hereinafter provided:

a. **General Liability Insurance** in the name of the Subcontractor and include, or in the case of a single, blanket policy, be endorsed to name, the Contractor, Owner and Consultant as Additional Insured but only with respect to liability, to the extent caused by negligent or their sole negligence, arising out of the operations of the Subcontractor with regard to the Subcontract Work, not less than **\$10,000,000** and an aggregate limit for products and completed operations not less than **\$10,000,000**. Liability coverage shall be provided for completed operations hazards from the date of substantial performance of the Subcontract Work, as set out in the certificate of substantial performance of the Subcontract Work, on an ongoing basis for a period of 6 years following substantial performance of the Subcontract Work.

b. **Automobile Liability Insurance** with a limit of any one accident for bodily injury and property damage not less than **\$5,000,000** covering owned, licensed and/or leased vehicles from the date of commencement of the Subcontract Work until one (1) year after the date of completion of the Subcontract Work and for any period thereafter during which the Subcontractor is required to attend at site for remedial activities related to the Subcontract Work.

c. **"Broad form" contractors' equipment Insurance** coverage covering construction equipment used by the Subcontractor for the performance of the Subcontract Work, shall be in a form acceptable to the Contractor and shall not allow subrogation claims by the insurer against the Contractor. Coverage shall be maintained from the date of commencement of the Subcontract Work until one (1) year after the date of completion of the Subcontract Work.

1) The Parties shall pay their share of the deductible amounts in direct proportion to their responsibility in regards to any loss for which the above policies are required to pay, except where such amounts may be excluded by the terms of the Subcontract.

2) All required insurance policies shall be with insurers licensed to underwrite insurance in the jurisdiction of the Site and shall be primary and not call into contribution any insurance maintained by Contractor or others.

3) If a revised version of CCDC 41 – CCDC INSURANCE REQUIREMENTS is published, which specifies reduced insurance requirements, the Parties shall address such reduction, prior to the Subcontractor's insurance policy becoming due for renewal, and record any agreement in a change order.

4) All policies of insurance as required are to provide Contractor with a minimum thirty (30) days advance written notice of material change or cancellation.

5) The Subcontractor shall furnish evidence of compliance with all requirements of the Workplace Safety and Insurance Board (WSIB) or Worker Compensation Board (WCB), as applicable, including payments due thereafter.

**Scope of Work:**

[REDACTED]

All workers working under this scope are to sign in and out at the Aecon trailer daily and note Aecon's schedule is Monday through Thursday 7am to 5pm and any work out of those hours is to be precoordinated with Aecon.

Schedule: Mobilize to site [REDACTED].