

Schedule 2 - Standard Terms and Conditions

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ARTICLE 1 – INTERPRETATION

1.01 Defined Terms

When used in the Contract, the following words or expressions have the following meanings:

“Acceptance Date” is the date on which the PRRD formally approve the delivered work, indicating their satisfaction with the quality and compliance of the deliverables.

“Acceptance Review Period” is the specified duration during which the PRRD evaluates delivered work against predefined criteria to determine if it meets their requirements and standards.

“Authority” means any government authority, agency, body or department, whether federal, provincial or municipal, having or claiming jurisdiction over the Contract; and **“Authorities”** means all such authorities, agencies, bodies and departments;

“Business Day” means any working day, Monday to Friday inclusive, but excluding statutory holidays and other days on which the PRRD has elected to be closed for business;

“Change Order” is the formal document that modifies the Contract to accommodate agreed-upon changes in scope, specifications, or terms as per the sample form in Schedule 3;

“Conflict of Interest” includes, but is not limited to, any situation or circumstance where (a) in relation to the procurement process, the Consultant had an unfair advantage or engaged in conduct, directly or indirectly, that may have given it an unfair advantage, including but not limited to (i) having access to information that is confidential to the PRRD and not available to other bidders or Consultants; (ii) communicating with any person with a view to influencing preferred treatment in the procurement process; or (iii) engaging in conduct that compromises or could be seen to compromise the integrity of the open and competitive procurement process; or (b) in relation to the performance of the Contract, the Consultant’s other commitments, relationships or financial interests (i) could or could be seen to exercise an improper influence over the objective, unbiased and impartial exercise of its independent judgment; or (ii) could or could be seen to compromise, impair or be incompatible with the effective performance of its contractual obligations;

“Contemplated Change Order” is the proposed modification by either party to the Contract that is under consideration but not yet finalized;

“Deficiency Notice” is the formal communication issued by the PRRD to the Consultant, identifying specific shortcomings or discrepancies found in the delivered work that need to be addressed before acceptance.

“Deliverables” means everything developed for or provided to the PRRD in the course of performing under the Contract or agreed to be provided to the PRRD under the Contract by the Consultant or its directors, officers, employees, agents, partners, affiliates, volunteers or subcontractors, as further defined, but not limited by, Schedule 1, including but not limited to any goods or services or any and all Intellectual Property and any and all concepts, techniques, ideas, information, documentation and other materials, however recorded, developed or provided;

“Dispute” refers to any disagreement, controversy, or claim arising between the parties under or in connection with this contract, including but not limited to disputes concerning interpretation, performance, or breach of contract terms, which remains unresolved through informal negotiations or discussions between the parties.

“Document Deliverable” is the tangible output or artifact produced as part of the Contract, typically in the form of written materials, reports, plans, or other documents specified in the scope of work;

“Effective Date” is as set out in Schedule 1 (Schedule of Deliverables, Rates and Specific Provisions);

“FOIPPA” means the *Freedom of Information and Protection of Privacy Act*

“Indemnified Parties” means the PRRD and the PRRD’s officials, directors, officers, agents, employees and volunteers;

“Industry Standards” include, but are not limited to (a) the provision of any and all labour, supplies, equipment and other goods or services that are necessary and can reasonably be understood or inferred to be included within the scope of the Contract or customarily furnished by Persons providing Deliverables of the type provided hereunder in similar situations in Canada and; (b) adherence to commonly accepted norms of ethical business practices, which shall include the Consultant establishing, and ensuring adherence to, precautions to prevent its employees or agents from providing or offering gifts or hospitality of greater than nominal value to any person acting on behalf of or employed by the PRRD;

“Intellectual Property” means any intellectual, industrial or other proprietary right of any type in any form protected or protectable under the laws of Canada, any foreign country, or any political subdivision of any country, including, without limitation, any intellectual, industrial or proprietary rights protected or protectable by legislation, by common law or at equity;

“Newly Created Intellectual Property” means any Intellectual Property created by the Consultant in the course of performance of its obligations under the Contract;

“Person” if the context allows, includes any individuals, persons, firms, partnerships or corporations or any combination thereof;

“Personal Information” means recorded information about an identifiable individual or that may identify an individual;

“PRRD Confidential Information” means all information of the PRRD that is of a confidential nature, including all confidential information in the custody or control of the PRRD, regardless of whether it is identified as confidential or not, and whether recorded or not, and however fixed, stored, expressed or embodied, which comes into the knowledge, possession or control of the Consultant in connection with the Contract. For greater certainty, PRRD Confidential Information shall: (a) include: (i) all new information derived at any time from any such information whether created by the PRRD, the Consultant or any third-party; (ii) all information (including Personal Information) that the PRRD is obliged, or has the discretion, not to disclose under provincial or federal legislation or otherwise at law; but (b) not include information that: (i) is or becomes generally available to the public without fault or breach on the part of the Consultant of any duty of confidentiality owed by the Consultant to the PRRD or to any third-party; (ii) the Consultant can demonstrate to have been rightfully obtained by the Consultant, without any

obligation of confidence, from a third-party who had the right to transfer or disclose it to the Consultant free of any obligation of confidence; (iii) the Consultant can demonstrate to have been rightfully known to or in the possession of the Consultant at the time of disclosure, free of any obligation of confidence when disclosed; or (iv) is independently developed by the Consultant; but the exclusions in this subparagraph shall in no way limit the meaning of Personal Information or the obligations attaching thereto under the Contract or at law;

“PRRD Representative” is as set out in Schedule 1 (Schedule of Deliverables, Rates and Specific Provisions);

“Proceeding” means any action, claim, demand, lawsuit, or other proceeding;

“Rates” means the applicable price, in Canadian funds, to be charged for the applicable Deliverables, as set out in Schedule 1 (Schedule of Deliverables, Rates and Specific Provisions);

“Record” means any recorded information, including any Personal Information, in any form: (a) provided by the PRRD to the Consultant, or provided by the Consultant to the PRRD, for the purposes of the Contract; or (b) created by the Consultant in the performance of the Contract;

“Rectification Notice” includes written communication issued by either party to the other party, serving to identify and address specific errors, deficiencies, or breaches within the context of this contract. The notice shall include clear details regarding the nature of the issue(s) and a reasonable timeframe within which the recipient is expected to rectify the identified matter(s).

“Requirements of Law” mean all applicable requirements, laws, statutes, codes, acts, ordinances, orders, decrees, injunctions, by-laws, rules, regulations, official plans, permits, licenses, authorizations, directions, and agreements with all Authorities that now or at any time hereafter may be applicable to either the Contract or the Deliverables or any part of them;

“Review Cycle” is the predetermined schedule or sequence of evaluations and feedback sessions conducted by the PRRD to assess the progress and quality of deliverables throughout the project lifecycle;

“Scope of Work” (SOW) refers to the specific tasks, responsibilities, deliverables, and timelines associated with the Contract. It defines the boundaries and expectations of the work to be performed by all parties involved.

“Consultant Representative” is as set out in Schedule 1 (Schedule of Deliverables, Rates and Specific Provisions);

“Consultant’s Intellectual Property” means Intellectual Property owned by the Consultant prior to its performance under the Contract or created by the Consultant during the Term of the Contract independently of the performance of its obligations under the Contract;

“Term” is as set out in Schedule 1 (Schedule of Deliverables, Rates and Specific Provisions); and

“Third-Party Intellectual Property” means any Intellectual Property owned by a party other than the PRRD or the Consultant.

ARTICLE 2 – GENERAL TERMS

2.01 **No Indemnities from the PRRD**

Notwithstanding anything else in the Contract, any express or implied reference to the PRRD providing an indemnity or any other form of indebtedness or contingent liability that would directly or indirectly increase the indebtedness or contingent liabilities of the PRRD beyond the obligation to pay the Rates in respect of Deliverables accepted by the PRRD, whether at the time of entering into the Contract or at any time during the Term, shall be void and of no legal effect.

2.02 **Entire Contract**

The Contract embodies the entire agreement between the parties with regard to the provision of the Deliverables and supersedes any prior understanding or agreement, collateral, oral or otherwise with respect to the provision of the Deliverables, existing between the parties at the Effective Date of the Contract.

2.03 **Severability**

If any term or condition of the Contract, or the application thereof to the parties or to any Persons or circumstances, is to any extent invalid or unenforceable, the remainder of the Contract, and the application of such term or condition to the parties, Persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

2.04 **Failure to Enforce Not a Waiver**

Any failure by the PRRD to insist in one or more instances upon strict performance by the Consultant of any of the terms or conditions of the Contract shall not be construed as a waiver by the PRRD of its right to require strict performance of any such terms or conditions, and the obligations of the Consultant with respect to such performance shall continue in full force and effect.

2.05 **Changes by Written Amendment Only**

Any changes to the Contract shall be by written amendment signed by the parties. No changes shall be effective or shall be carried out in the absence of such an amendment. Any such written changes shall be included in the definition of Contract.

2.06 **Force Majeure**

Neither party shall be liable for damages caused by delay or failure to perform its obligations under the Contract where such delay or failure is caused by an event beyond its reasonable control. The parties agree that an event shall not be considered beyond one's reasonable control if a reasonable business person applying due diligence in the same or similar circumstances under the same or similar obligations as those contained in the Contract would have put in place contingency plans to either materially mitigate or negate the effects of such event. Without limiting the generality of the foregoing, the parties agree that force majeure events shall include natural disasters and acts of war, insurrection and terrorism but shall not include shortages or delays relating to supplies or services. If a party seeks to excuse itself from its obligations under the Contract due to a force majeure event, that party shall immediately notify the other party of the delay or non-performance, the reason for such delay or non-performance and the anticipated period of delay or non-performance. If the anticipated or actual delay or non-performance exceeds fifteen (15) Business Days, the other party may immediately terminate the Contract by giving notice of termination and such termination shall be in addition to the other rights and remedies of the terminating party under the Contract, at law or in equity.

2.07 Notices by Prescribed Means

Notices shall be in writing and shall be delivered by postage-prepaid envelope, personal delivery or email and shall be addressed to, respectively, the PRRD Representative and the Consultant Representative. Notices shall be deemed to have been given: (a) in the case of postage-prepaid envelope, five (5) Business Days after such notice is mailed; or (b) in the case of personal delivery or email one (1) Business Day after such notice is received by the other party. In the event of a postal disruption, notices must be given by personal delivery or by email. Unless the parties expressly agree in writing to additional methods of notice, notices may only be provided by the methods contemplated in this paragraph.

2.08 Governing Law

The Contract shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

ARTICLE 3 – NATURE OF RELATIONSHIP BETWEEN PRRD AND CONSULTANT

3.01 Consultant’s Power to Contract

The Consultant represents and warrants that it has the full right and power to enter into the Contract and there is no agreement with any other Person which would in any way interfere with the rights of the PRRD under the Contract.

3.02 Representatives May Bind the Parties

The parties represent that their respective representatives have the authority to legally bind them to the extent permissible by the Requirements of Law.

3.03 Consultant Not a Partner, Agent or Employee

The Consultant shall have no power or authority to bind the PRRD or to assume or create any obligation or responsibility, express or implied, on behalf of the PRRD. The Consultant shall not hold itself out as an agent, partner or employee of the PRRD. Nothing in the Contract shall have the effect of creating an employment, partnership or agency relationship between the PRRD and the Consultant or any of the Consultant’s directors, officers, employees, agents, partners, affiliates, volunteers or subcontractors.

3.04 Non-Exclusive Contract, Work Volumes

The Consultant acknowledges that it is providing the Deliverables to the PRRD on a non-exclusive basis. The PRRD makes no representation regarding the volume of goods and services required under the Contract. The PRRD reserves the right to contract with other parties for the same or similar goods and services as those provided by the Consultant and reserves the right to obtain the same or similar goods and services internally.

3.05 Responsibility of Consultant

The Consultant agrees that it is liable for the acts and omissions of its directors, officers, employees, agents, partners, affiliates, volunteers and subcontractors. This paragraph is in addition to any and all of the Consultant’s liabilities under the Contract and under the general application of law. The Consultant shall advise these individuals and entities of their obligations under the Contract and shall ensure their compliance with the applicable terms of the Contract. In addition to any other liabilities of the Consultant pursuant to the Contract or otherwise at law or in equity, the Consultant shall be liable for all damages, costs, expenses, losses, claims or actions arising from any breach of the Contract resulting from the actions of the above-mentioned individuals and entities This paragraph shall survive the termination or expiry of the Contract.

3.06 No Subcontracting or Assignment

The Consultant shall not subcontract or assign the whole or any part of the Contract or any monies due under it without the prior written consent of the PRRD. Such consent shall be in the sole discretion of the PRRD and subject to the terms and conditions that may be imposed by the PRRD. Without limiting the generality of the conditions which the PRRD may require prior to consenting to the Consultant's use of a subcontractor, every contract entered into by the Consultant with a subcontractor shall adopt all of the terms and conditions of the Contract as far as applicable to those parts of the Deliverables provided by the subcontractor. Nothing contained in the Contract shall create a contractual relationship between any subcontractor or its directors, officers, employees, agents, partners, affiliates or volunteers and the PRRD.

3.07 Duty to Disclose Change of Control

In the event that the Consultant undergoes a change in control the Consultant shall immediately disclose such change in control to the PRRD and shall comply with any terms and conditions subsequently prescribed by the PRRD resulting from the disclosure.

3.08 Conflict of Interest

The Consultant shall: (a) avoid any Conflict of Interest in the performance of its contractual obligations; (b) disclose to the PRRD without delay any actual or potential Conflict of Interest that arises during the performance of its contractual obligations; and (c) comply with any requirements prescribed by the PRRD to resolve any Conflict of Interest. In addition to all other contractual rights or rights available at law or in equity, the PRRD may immediately terminate the Contract upon giving notice to the Consultant where: (a) the Consultant fails to disclose an actual or potential Conflict of Interest; (b) the Consultant fails to comply with any requirements prescribed by the PRRD to resolve a Conflict of Interest; or (c) the Consultant's Conflict of Interest cannot be resolved to the satisfaction of the PRRD. This paragraph shall survive any termination or expiry of the Contract.

3.09 Contract Binding

The Contract can be enforced by and is binding upon the parties and their successors, executors, administrators and their permitted assigns.

ARTICLE 4 – PERFORMANCE BY CONSULTANT

4.01 Commencement of Performance

The Consultant shall commence performance upon receipt of written instructions from the PRRD.

4.02 Deliverables Warranty

The Consultant hereby represents and warrants that the Deliverables (i) shall be provided fully and diligently in a professional and competent manner by persons qualified and skilled in their occupations; and (ii) shall be free from defects in material, workmanship and design, suitable for the purposes intended, in compliance with all applicable specifications and free from liens or encumbrance on title; and furthermore that all Deliverables shall be provided in accordance with: (a) the Contract; (b) Industry Standards; and (c) Requirements of Law. If any of the Deliverables, in the opinion of the PRRD, are inadequately provided or require corrections, the Consultant shall forthwith make the necessary corrections at its own expense as specified by the PRRD in a rectification notice.

4.03 Health and Safety

Without limiting the generality of section 4.02, the Consultant warrants and agrees that it has complied with and will comply with, and ensure that any subcontractors comply with, all applicable occupational

health and safety laws, regulations and standards in relation to the performance of the Consultant's obligations under the Contract. The Consultant shall provide the PRRD with evidence of the Consultant's compliance with this section upon request by the PRRD.

4.04 **Shipment of Goods**

To the extent that the Deliverables include the shipment of goods to the PRRD, all such goods shall be delivered F.O.B. Destination, Freight Prepaid to the PRRD's place of business or such other location as may be specified in the Contract. No transportation or delivery charges of any kind, including, without limitation, packing, boxing, storage, cartage or customs brokerage charges, shall be paid by the PRRD, unless specifically agreed by the PRRD in writing. The Deliverables will be suitably packed in such a manner as will ensure their safe transportation undamaged to their destination. The Deliverables will remain at the risk of the Consultant until the Deliverables are received by the PRRD. Receipt of the Deliverables at the PRRD's location does not constitute acceptance of the Deliverables by the PRRD. The Deliverables are subject to the PRRD's inspection and acceptance within a reasonable period of time after delivery. If any of the Deliverables, in the opinion of the PRRD, are inadequately provided or require corrections, the Consultant shall make the necessary corrections at its own expense as specified by the PRRD in a rectification notice.

4.05 **Use and Access Restrictions**

The Consultant acknowledges that unless it obtains specific written preauthorization from the PRRD, any access to or use of the PRRD property, technology or information that is not necessary for the performance of its contractual obligations with the PRRD is strictly prohibited. The Consultant further acknowledges that the PRRD may monitor the Consultant to ensure compliance with this paragraph. This paragraph is in addition to and shall not limit any other obligation or restriction placed upon the Consultant.

4.06 **Notification by Consultant of Discrepancies**

During the Term, the Consultant shall advise the PRRD promptly of: (a) any contradictions, discrepancies or errors found or noted in the Contract; (b) supplementary details, instructions or directions that do not correspond with those contained in the Contract; and (c) any omissions or other faults that become evident and should be corrected in order to provide the Deliverables in accordance with the Contract and Requirements of Law.

4.07 **Change Requests**

If at any time during the Term, should the PRRD wish for additional services from the Consultant or if the Consultant suggests providing such services in the form of additions, modifications, or changes to the scope of existing Deliverables at any point during this Agreement's term, the subsequent process shall be followed:

- (a) The PRRD or the Consultant will provide in writing any request for a change or addition to the Deliverables by completing a Contemplated Change Order (CCO) Form.
- (b) The Consultant will respond or initiate the request by completing the appropriate portions of the Contemplated Change Order (CCO) Form (a sample form can be found in Schedule 3) setting out the Consultant's personnel and resources necessary to satisfy the Contemplated Change Order and the impact, if any, on the completion date and changes in costs.
- (c) To implement the Contemplated Change Order (CCO), the PRRD shall authorize the Consultant to proceed by returning a signed copy of a Change Order (CO) Form (a sample form can be found in

Schedule 3) within 5 business days of its initial receipt. The Consultant will only provide the Deliverables in the Change Order (CO) Form once the signed form has been received, not in advance.

(d) If the PRRD does not deliver a signed copy of the Change Order (CO) Form within 5 calendar days of PRRD's initial receipt, the Consultant shall consider that the PRRD does not wish to proceed with the Contemplated Change Order.

(e) Each duly authorized Change Order (CO) Form signed by the Consultant shall be deemed incorporated into this Agreement and shall constitute a formal change to this Agreement, adjusting fees, specifications and completion date as agreed in each authorized Change Order (CO) Form. In no event shall the Deliverables be deemed altered, amended, enhanced or otherwise modified except in accordance with this Section.

4.08 **Performance by Specified Individuals Only**

The Consultant agrees that to the extent that specific individuals are named in the Contract as being responsible for the provision of the Deliverables, only those individuals shall provide the Deliverables under the Contract. The Consultant shall not replace or substitute any of the individuals named in the Contract without the prior written approval of the PRRD, which may not arbitrarily or unreasonably be withheld. Should the Consultant require the substitution or replacement of any of the individuals named in the Contract, it is understood and agreed that any proposed replacement must possess similar or greater qualifications than the individual named in the Contract. The Consultant shall not claim fees for any replacement individual greater than the Rates established under the Contract.

4.09 **Time**

Time is of the essence of the Contract.

4.10 **Rights and Remedies Not Limited to Contract**

The express rights and remedies of the PRRD and obligations of the Consultant set out in the Contract are in addition to and shall not limit any other rights and remedies available to the PRRD or any other obligations of the Consultant at law or in equity.

ARTICLE 5 – ACCEPTANCE OF DELIVERABLES

5.01 **Delivery and Acceptance Procedures**

The Consultant shall use reasonable commercial efforts to provide the Deliverables as set out in the Contract. The Consultant shall deliver to the PRRD the accompanying documentation and any other additional instructions pertaining to the Deliverables as applicable. The Consultant shall notify the PRRD in writing when the Deliverables or any portion thereof, is ready for PRRD approval. The PRRD shall have 5 business days, or the period(s) of time as specified in the SOW or any other period mutually agreed in writing (the "**Acceptance Review Period**") to inspect and evaluate the Deliverables or any portion thereof delivered to the PRRD. The Consultant shall meet the commercially reasonable requests of PRRD for assistance relating to the PRRD's acceptance of the Deliverables.

5.02 **Deficiency Notification and Correction Process**

If prior to the end of the Acceptance Review Period, the PRRD completes the acceptance review of the Deliverables, it shall provide immediate written notice of such completion to Consultant. However, if during the Acceptance Review Period, the PRRD notifies the Consultant in writing of any significant deficiency or deficiencies in the Deliverables or any portion thereof (a "**Deficiency Notice**"), the Consultant shall use commercially reasonable efforts to correct such deficiency or deficiencies within the period specified in the SOW or provide an alternative timeline if the correction is deemed to require more

than such specified period. A “significant deficiency” refers to any deficiency that renders the Deliverables or any portion thereof inoperable or otherwise materially non-complying as provided for in the SOW. In such event, the Acceptance Review Period shall be extended for the applicable period and the provisions of this subsection shall re-apply.

5.03 Acceptance Criteria and Acceptance Date

PRRD shall be deemed to have accepted the Deliverables or any portion thereof on the earlier of the following (the “**Acceptance Date**”): (a) the date the PRRD provides a written notice to Consultant specifying that PRRD has reviewed and accepted the Deliverables; or (b) the expiry date of the applicable Acceptance Review Period.

5.04 Document Deliverable Approval Process

The Consultant will notify the PRRD in writing when any document Deliverable provided (“**Document Deliverable**”) is ready for the PRRD’s approval and the following acceptance requirements shall apply:

- (a) The PRRD shall have 5 business days from receipt of the Document Deliverable or such other time mutually agreed in writing between the parties (“**Acceptance Review Period**”) to inspect and evaluate the Deliverables;
- (b) Before the end of the Acceptance Review Period, the PRRD shall provide written notice of completion of the inspection of the Document Deliverable;
- (c) If during the Acceptance Review Period, the PRRD notifies the Consultant in writing of any deficiencies in the Document Deliverable, the Consultant will provide a revised Document Deliverable within 5 business days or such other time mutually agreed in writing between the parties;
- (d) The PRRD shall have 5 business days from receipt of the revised Document Deliverable to re-inspect and re-evaluate the revised Document Deliverables;
- (e) If PRRD still considers the Document Deliverable to be deficient, the process set out in subsection 5.04 (b), (c) and (d) (a “**Review Cycle**”) may only be repeated one additional time only (thereby resulting in a maximum of 2 Review Cycles) except as otherwise mutually agreed to in writing between the parties. For avoidance of doubt, there shall be no more than 2 Review Cycles to a Document Deliverable unless otherwise mutually agreed in writing between the parties; and
- (f) The PRRD shall be deemed to have accepted the Document Deliverable on the earlier of the following dates: (i) the date of provision of written notice by PRRD to Consultant that PRRD has reviewed and accepted the Document Deliverable; or (ii) the expiry date of the applicable Acceptance Review Period.

ARTICLE 6 – PAYMENT FOR PERFORMANCE AND AUDIT

6.01 Payment According to Contract Rates

The PRRD shall, subject to the Consultant’s compliance with the provisions of the Contract, pay the Consultant for the Deliverables provided at the Rates established under the Contract.

6.02 Hold Back or Set Off

The PRRD may hold back payment or set off against payment if, in the opinion of the PRRD acting reasonably, the Consultant has failed to comply with any requirements of the Contract.

6.03 No Expenses or Additional Charges

There shall be no other charges payable by the PRRD under the Contract to the Consultant other than the Rates established under the Contract.

6.04 Payment of Taxes and Duties

Unless otherwise stated, the Consultant shall pay all applicable taxes, including excise taxes incurred by or on the Consultant's behalf with respect to the Contract.

6.05 Withholding Tax

The PRRD shall withhold any applicable withholding tax from amounts due and owing to the Consultant under the Contract and shall remit it to the appropriate government in accordance with applicable tax laws. This paragraph shall survive any termination or expiry of the Contract.

6.06 Interest on Late Payment

If a payment is in arrears through no fault of the Consultant, the interest charged by the Consultant, if any, for any late payment shall not exceed the Bank of Canada's prime rate, in effect on the date that the payment went into arrears.

6.07 Document Retention and Audit

For seven (7) years after the Expiry Date or any date of termination of the Contract, the Consultant shall maintain all necessary records to substantiate (a) all charges and payments under the Contract and (b) that the Deliverables were provided in accordance with the Contract and with Requirements of Law. During the Term, and for seven (7) years after the expiry or termination of the Contract, the Consultant shall permit and assist the PRRD in conducting audits of the operations of the Consultant to verify (a) and (b) above. The PRRD shall provide the Consultant with at least ten (10) Business Days prior notice of its requirement for such audit. The Consultant's obligations under this paragraph shall survive any termination or expiry of the Contract.

ARTICLE 7 – CONFIDENTIALITY

7.01 Confidentiality and Promotion Restrictions

Any publicity or publications related to the Contract shall be at the sole discretion of the PRRD. The PRRD may, in its sole discretion, acknowledge the Deliverables provided by the Consultant in any such publicity or publication. The Consultant shall not make use of its association with the PRRD without the prior written consent of the PRRD. Without limiting the generality of this paragraph, the Consultant shall not, among other things, at any time directly or indirectly communicate with the media in relation to the Contract unless it has first obtained the express written authorization to do so by the PRRD.

7.02 PRRD Confidential Information

During and following the Term, the Consultant shall: (a) keep all PRRD Confidential Information confidential and secure; (b) limit the disclosure of PRRD Confidential Information to only those of its directors, officers, employees, agents, partners, affiliates, volunteers or subcontractors who have a need to know it for the purpose of providing the Deliverables and who have been specifically authorized to have such disclosure; (c) not directly or indirectly disclose, destroy, exploit or use any PRRD Confidential Information (except for the purpose of providing the Deliverables, or except if required by order of a court or tribunal), without first obtaining: (i) the written consent of the PRRD and (ii) in respect of any PRRD Confidential Information about any third-party, the written consent of such third-party; (d) provide PRRD Confidential Information to the PRRD on demand; and (e) return all PRRD Confidential Information to the PRRD on or before the expiry or termination of the Contract, with no copy or portion kept by the Consultant.

7.03 Restrictions on Copying

The Consultant shall not copy any PRRD Confidential Information, in whole or in part, unless copying is essential for the provision of the Deliverables. On each copy made by the Consultant, the Consultant must reproduce all notices which appear on the original.

7.04 Notice of Breach

The Consultant shall notify the PRRD promptly upon the discovery of loss, unauthorized disclosure, unauthorized access or unauthorized use of PRRD Confidential Information.

7.05 Injunctive and Other Relief

The Consultant acknowledges that breach of any provisions of this Article may cause irreparable harm to the PRRD or to any third-party to whom the PRRD owes a duty of confidence, and that the injury to the PRRD or to any third-party may be difficult to calculate and inadequately compensable in damages. The Consultant agrees that the PRRD is entitled to obtain injunctive relief (without proving any damage sustained by it or by any third-party) or any other remedy against any actual or potential breach of the provisions of this Article.

7.06 Notice and Protective Order

If the Consultant or any of its directors, officers, employees, agents, partners, affiliates, volunteers or subcontractors become legally compelled to disclose any PRRD Confidential Information, the Consultant will provide the PRRD with prompt notice to that effect in order to allow the PRRD to seek one or more protective orders or other appropriate remedies to prevent or limit such disclosure, and it shall co-operate with the PRRD and its legal counsel to the fullest extent. If such protective orders or other remedies are not obtained, the Consultant will disclose only that portion of PRRD Confidential Information which the Consultant is legally compelled to disclose, only to such person or persons to which the Consultant is legally compelled to disclose, and the Consultant shall provide notice to each such recipient (in cooperation with legal counsel for the PRRD) that such PRRD Confidential Information is confidential and subject to non-disclosure on terms and conditions equal to those contained in the Contract and, if possible, shall obtain each recipient's written agreement to receive and use such PRRD Confidential Information subject to those terms and conditions.

7.07 Records and Legislative Compliance

The Consultant and the PRRD acknowledge and agree that FOIPPA applies to and governs all Records and may require the disclosure of such Records to third parties. Furthermore, the Consultant agrees (a) to keep Records secure; (b) to provide Records to the PRRD within seven (7) calendar days of being directed to do so by the PRRD for any reason including an access request or privacy issue; (c) not to access any Personal Information unless the PRRD determines, in its sole discretion, that access is permitted under FOIPPA and is necessary in order to provide the Deliverables; (d) not to directly or indirectly use, collect, disclose or destroy any Personal Information for any purposes that are not authorized by the PRRD; (e) to ensure the security and integrity of Personal Information and keep it in a physically secure and separate location safe from loss, alteration, destruction or intermingling with other records and databases and to implement, use and maintain the most appropriate products, tools, measures and procedures to do so; (f) to restrict access to Personal Information to those of its directors, officers, employees, agents, partners, affiliates, volunteers or subcontractors who have a need to know it for the purpose of providing the Deliverables and who have been specifically authorized by a PRRD representative to have such access for the purpose of providing the Deliverables; (g) to implement other specific security measures that in the reasonable opinion of the PRRD would improve the adequacy and effectiveness of the Consultant's

measures to ensure the security and integrity of Personal Information and Records generally; and (h) that any confidential information supplied to the PRRD may be disclosed by the PRRD where it is obligated to do so under FOIPPA, by an order of a court or tribunal or pursuant to a legal proceeding and the provisions of this paragraph shall prevail over any inconsistent provisions in the Contract.

7.08 Survival

The provisions of this Article shall survive any termination or expiry of the Contract.

ARTICLE 8 – INTELLECTUAL PROPERTY

8.01 PRRD Intellectual Property

The Consultant agrees that all Intellectual Property and every other right, title and interest in and to all concepts, techniques, ideas, information and materials, however recorded, (including images and data) provided by the PRRD to the Consultant shall remain the sole property of the PRRD at all times.

8.02 No Use of the PRRD Insignia

The Consultant shall not use any insignia or logo of the PRRD except where required to provide the Deliverables, and only if it has received the prior written permission of the PRRD to do so.

8.03 Ownership of Intellectual Property

The PRRD shall be the sole owner of any Newly Created Intellectual Property. The Consultant irrevocably assigns to and in favour of the PRRD and the PRRD accepts every right, title and interest in and to all Newly Created Intellectual Property in the Deliverables, immediately following the creation thereof, for all time and irrevocably waives in favour of the PRRD all rights of integrity and other moral rights to all Newly Created Intellectual Property in the Deliverables, immediately following the creation thereof, for all time. To the extent that any of the Deliverables include, in whole or in part, the Consultant's Intellectual Property, the Consultant grants to the PRRD a licence to use that Consultant Intellectual Property in the manner contemplated in this Article, the total consideration for which shall be payment of the Rates to the Consultant by the PRRD.

8.04 Consultant's Grant of License

For those parts of the Deliverables that are Consultant Intellectual Property, the Consultant grants to the PRRD a perpetual, world-wide, non-exclusive, irrevocable, transferable, royalty free, fully paid up right and license: (a) to use, modify, reproduce and distribute, in any form, those Deliverables; and (b) to authorize other Persons, including agents, Consultants or sub-Consultants, to do any of the former on behalf of the PRRD.

8.05 No Restrictive Material in Deliverables

The Consultant shall not incorporate into any Deliverables anything that would restrict the right of the PRRD to modify, further develop or otherwise use the Deliverables in any way that the PRRD deems necessary, or that would prevent the PRRD from entering into any contract with any Consultant other than the Consultant for the modification, further development of or other use of the Deliverables.

8.06 Third-Party Intellectual Property

The Consultant represents and warrants that the provision of the Deliverables shall not infringe or induce the infringement of any Third-Party Intellectual Property rights. The Consultant further represents and warrants that it has obtained assurances with respect to any Consultant Intellectual Property and Third-

Party Intellectual Property that any rights of integrity or any other moral rights associated therewith have been waived.

8.07 Survival

The obligations contained in this Article shall survive the termination or expiry of the Contract.

ARTICLE 9 – INDEMNITIES AND INSURANCE

9.01 Consultant Indemnity

The Consultant hereby agrees to indemnify and hold harmless the Indemnified Parties from and against any and all liability, loss, costs, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings, (collectively, "Claims"), by whomever made, sustained, incurred, brought or prosecuted, including for breaches of confidentiality or privacy or Intellectual Property rights or for third party bodily injury (including death), personal injury and property damage, in any way based upon, occasioned by or attributable to anything done or omitted to be done by the Consultant, its subcontractors or their respective directors, officers, agents, employees, partners, affiliates, volunteers or independent Consultants in the course of performance of the Consultant's obligations under, or otherwise in connection with, the Contract.

9.02 Insurance

The Consultant hereby agrees to put in effect and maintain insurance for the Term, at its own cost and expense, with insurers having a secure A.M. Best rating of B + or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person in the business of the Consultant would maintain including, but not limited to, the following:

- (a) Commercial General Liability (CGL) insurance in an amount not less than **\$2,000,000** inclusive per occurrence insuring against bodily injury and property damage and including liability assumed under the Contract. The policy is to include the following:
 - a. the PRRD as an additional insured with respect to liability arising in the course of performance of the Consultant's obligations under, or otherwise in connection with, the Contract
 - b. 30 day written notice of cancellation, termination or material change
- (b) Errors and Omissions Liability (E&O) insurance, insuring liability for errors and omissions in the performance or failure to perform the services contemplated in the Agreement, in the amount of not less than **\$5,000,000** per claim and in the annual aggregate.
- (c) WorkSafe BC clearance letter.

9.03 Proof of Insurance

The Consultant shall provide the PRRD with proof of the insurance required by the Contract in the form of valid certificates of insurance that reference the Contract and confirm the required coverage. The Consultant shall provide the PRRD with renewal replacements on or before the expiry of any such insurance. The Consultant shall ensure that each of its subcontractors obtains all the necessary and appropriate insurance that a prudent person in the business of the subcontractor would maintain and that the PRRD and Indemnified Parties are named as additional insured with respect to any liability arising

in the course of performance of the subcontractor's obligations under the subcontract for the provision of the Deliverables.

9.04 **Workplace Safety and Insurance**

The Consultant warrants and agrees that it has complied and will comply with all applicable workplace safety and insurance laws and regulations and, if applicable will provide proof of valid coverage by means of a current clearance certificate to the PRRD upon request. The Consultant covenants and agrees to pay when due, and to ensure that each of its subcontractors pays when due, all amounts required to be paid by it and its subcontractors under all applicable workplace safety and insurance laws and regulations during the Term. The Consultant further agrees to indemnify the PRRD for any and all liability, loss, costs, damages and expenses (including legal fees) or other charges in connection with the Consultant's failure to comply with any applicable workplace safety and insurance laws or related to the Consultant's status with any workplace safety and insurance board or body.

- (a) The Consultant must be prepared to supply to PRRD (department head) any safety documentation that pertains to the operations being performed. All safety documentation that's identified or required relevant to contract completion (toolbox meetings, FLHA's, training, and certificates).
- (b) In the event of an incident that requires notification to WorkSafeBC or another governing body (causes bodily harm or property damage over \$5000.00) the Consultant must immediately notify both WorkSafeBC (or other governing body) and the PRRD.
- (c) If an incident investigation is required as per Workers Compensation Act or OHS Regulations, the Consultant must provide a copy of any report submitted to WorkSafeBC to the PRRD within 48 hours.
- (d) The Consultant must have available at the worksite a copy of their safety program and any safe work procedures required for the operation.
- (e) The failure to meet any of the safety requirements of this contract may result in the cancellation of this contract.

ARTICLE 10 – TERMINATION, EXPIRY AND EXTENSION

10.01 **Immediate Termination of Contract**

The PRRD may immediately terminate the Contract upon giving notice to the Consultant where (a) the Consultant is adjudged bankrupt, makes a general assignment for the benefit of its creditors or a receiver is appointed on account of the Consultant's insolvency; (b) the Consultant breaches any provision in Article 6 (Confidentiality); (c) the Consultant breaches the Conflict of Interest paragraph in Article 3 (Nature of Relationship Between PRRD and Consultant); (d) the Consultant, prior to or after entering into the Contract, makes a material misrepresentation or omission or provides materially inaccurate information to the PRRD; (e) the Consultant undergoes a change in control which adversely affects the Consultant's ability to satisfy some or all of its obligations under the Contract; (f) the Consultant subcontracts for the provision of part or all of the Deliverables or assigns the Contract without first obtaining the written approval of the PRRD; or (g) the Consultant's acts or omissions constitute a substantial failure of performance and the above rights of termination are in addition to all other rights of termination available at law, or events of termination by operation of law.

10.02 **Dispute Resolution**

Any dispute, controversy, or claim (**a "Dispute"**) arising out of or relating to this Agreement or in respect of any defined legal relationship associated therewith or derived therefrom, shall be resolved in accordance with the provisions of this Section.

- (a) **Rectification Notice:** Either party may propose a Rectification Notice aimed at addressing any identified errors, deficiencies, or breaches contributing to the dispute in writing. This process shall involve collaborative efforts between the parties to rectify the issues in question. The Rectification Process shall commence within 10 business days following the written escalation of the dispute. Both parties agree to diligently participate in good faith negotiations to resolve the dispute during this period.

If the issues giving rise to the dispute are successfully rectified within the specified timeframe to the mutual satisfaction of both parties, the dispute shall be considered resolved, and no further escalation shall be pursued. However, if the parties are unable to reach a resolution through the Rectification Process within the specified timeframe, the mediation phase as outlined in subsection (b) shall proceed accordingly.

Any agreements reached during the Rectification Process shall be documented in writing and may be incorporated into the final resolution of the dispute, subject to the terms and conditions of this Agreement.

- (b) **Mediation.** The parties shall attempt to resolve any Dispute that has not been resolved by the procedures set forth in subsection (a) by structured negotiation with the assistance of a mediator appointed by the Vancouver International Arbitration Centre. If the Dispute cannot be settled within a period of 30 calendar days after the mediator is appointed (or such longer period as agreed to by the parties), the Dispute will be referred to, and conclusively settled by arbitration in accordance with subsection (c).

- (c) **Arbitration.** Any Dispute that has not been resolved by the procedures set forth in subsection (b) shall be referred to and settled by arbitration in accordance with the applicable provincial legislation for BC. The place of the arbitration shall be in Vancouver BC or as otherwise agreed in writing by the parties. If the arbitrator fails to render a decision within 30 calendar days following the final hearing of the arbitration, any party to the arbitration may terminate the appointment of the arbitrator and a new arbitrator shall be appointed in accordance with these provisions.

If the parties are unable to agree on an arbitrator or if the appointment of an arbitrator is terminated in the manner provided for above, then any party to this Agreement shall be entitled to apply to any applicable judge within the justice system of BC to appoint an arbitrator and the arbitrator so appointed shall proceed to settle the Dispute in accordance with the provisions of this Section. Any award or decision made by an arbitrator appointed under this Section is final and binding upon the parties to this Agreement and may be enforced in the same manner as a judgment or order to the same effect in BC and no appeal shall lie therefrom.

- (d) **Injunctive Relief.** Notwithstanding the provisions of this Section, each party shall retain the right to seek immediate injunctive relief if, in its reasonable business judgment, such relief is necessary to protect its interests prior to utilizing or completing the dispute resolution processes described in this Section, such as, for example, a claim by a party based on a breach of the confidentiality obligations under this Agreement.

10.03 **Termination on Notice**

The PRRD reserves the right to terminate the Contract, without cause, upon thirty (30) calendar days prior notice to the Consultant.

10.04 **Consultant's Obligations on Termination**

On termination of the Contract, the Consultant shall, in addition to its other obligations under the Contract and at law (a) at the request of the PRRD, provide the PRRD with any completed or partially completed Deliverables; (b) provide the PRRD with a report detailing: (i) the current state of the provision of Deliverables by the Consultant at the date of termination; and (ii) any other information requested by the

PRRD pertaining to the provision of the Deliverables and performance of the Contract; (c) execute such documentation as may be required by the PRRD to give effect to the termination of the Contract; and (d) comply with any other instructions provided by the PRRD, including but not limited to instructions for facilitating the transfer of its obligations to another Person. This paragraph shall survive any termination of the Contract.

10.05 Consultant's Payment Upon Termination

On termination of the Contract, the PRRD shall only be responsible for the payment of the Deliverables provided under the Contract up to and including the effective date of any termination. Termination shall not relieve the Consultant of its warranties and other responsibilities relating to the Deliverables performed or money paid. In addition to its other rights of hold back or set off, the PRRD may hold back payment or set off against any payments owed if the Consultant fails to comply with its obligations on termination.

10.06 Termination in Addition to Other Rights

The express rights of termination in the Contract are in addition to and shall in no way limit any rights or remedies of the PRRD under the Contract, at law or in equity.

10.07 Expiry and Extension of Contract

The Contract shall expire on the original Expiry Date, unless the PRRD exercises its option to extend the Contract, such extension to be upon the same terms (including the Rates in effect at the time of extension), conditions and covenants contained in the Contract. The option shall be exercisable by the PRRD giving notice to the Consultant not less than thirty (30) days prior to the original Expiry Date. The notice shall set forth the precise duration of the extension.

10.08 Evaluation of Performance

The Consultant will be subject to a performance evaluation during the course of, and/or at the conclusion of the assignment.

In the event that the Consultant fails to perform its obligations under the Contract, the PRRD may, in addition to any and all legal and equitable remedies available to it, place the Consultant on probation or suspend the Consultant from participating in future procurement opportunities.