1. Health, Safety, Environment and Community
   1. HSEC Requirements - General
      1. In the performance of the Work, the Contractor must:
         1. implement appropriate management systems to ensure that any relevant health, safety or Environment hazards are identified and associated risks assessed and managed in accordance with the HSEC Requirements; and
         2. provide all information and assistance as the Company reasonably requires in relation to any statutory or health, safety, Environment or Governmental Authority investigation arising out of or in connection with the performance of the Work or the Project.
      2. Without limiting any other provision of the Contract, if any of the Contractor’s Personnel do not comply with any applicable HSEC Requirements then the Contractor must:
         1. notify the Company as soon as the Contractor becomes aware of the non-compliance;
         2. correct the non-compliance promptly;
         3. take any necessary steps to avoid any further non-compliance; and
         4. if directed by the Company to do so, permanently remove the person responsible for the non-compliance from the Site or other premises of the Company.
   2. Health and Safety Plan and other requirements
      1. Once access to the Site is given, until the Date of Substantial Completion, the Contractor has responsibility for health and safety at the Site and, without limiting the foregoing, the Contractor must:
         1. within five (5) Business Days after the Notice to Proceed Date, prepare and submit to the Company’s Representative for approval a draft of a health and safety plan, which includes the requirements for the Health and Safety Plan set out in the Scope of Work;
         2. coordinate and integrate the Health and Safety Plan with the health and safety programs of the Company;
         3. ensure that all persons (including its Personnel), for whom it is responsible or over whom it is capable of exercising control while upon the Site, comply with all obligations of the Contractor under, and all other requirements of, the OHS Law;
         4. comply with, and ensure that all persons (including its Personnel) for whom it is responsible or over whom it is capable of exercising control while upon the Site comply with:
            1. the requirements of the Company Standards and Procedures;
            2. any Site safety regulations issued from time to time to the Contractor by the Company’s Representative; and
            3. the requirements of the approved Health and Safety Plan;
         5. comply with any lawful direction (whether written or oral) of the Company’s Representative given in accordance with the Contract and this section 7.2;
         6. maintain appropriate safety precautions and programs so as to prevent injury to persons or damage to property on, about or adjacent to the Site;
         7. implement and comply with all necessary safety, security and environmental requirements of the Company for the Site;
         8. ensure that all Work is performed in a safe manner, including:
            1. erecting and maintaining, as required by existing conditions and the progress of the Work, the safeguards necessary for safety and protection (including barriers, lights, fences, railings and walkways); and
            2. posting danger signs and other warnings against hazards (including all such signs and other warnings required by Law) and notifying the Company and other users of any dangerous or hazardous conditions arising out of the performance of the Work;
         9. have appropriate first aid facilities available on the Site at all times and a member of its Personnel, fully qualified and experienced in occupational health and safety and familiar with occupational health and safety Law, present during the performance of the Work on the Site; and
         10. not leave any work or partly completed work in an unsafe condition or in a condition which might cause damage to other work, plant, machinery or equipment, and continue such work until it is in a safe condition.
      2. Without limiting any other provision of the Contract, the Contractor must give to the Company copies of all notices to and other written communications with any Governmental Authority and, to the extent not the subject of legal professional privilege, any insurance company with respect to any incident or accident that occurs at the Site, and thereafter provide such non-privileged written reports relating to any such incident or accident as may be requested by the Company.
      3. In addition to the other requirements of this section 7, all of the Contractor’s Personnel must be trained in the *Canadian Workplace Hazardous Materials Information System* (“**WHMIS**”) prior to commencing performance of any part of the Work at the Site. Before bringing any Hazardous Substance to the Site the Contractor must give to the Company a completed “*Material Safety Data Sheet*” (“**MSDS**”) in accordance with the requirements of WHMIS. If the Contractor fails to provide the required MSDS, then the Company may refuse to allow the commodity or substance to be brought onto the Site or require the Contractor to immediately remove it from the Site.
   3. Unsafe acts and conditions
      1. The Contractor must not cause, permit or tolerate an Unsafe act or condition over which the Contractor has control, on the Site.
      2. If the Contractor:
         1. reasonably considers that:
            1. compliance with a direction from the Company; or
            2. the circumstances are such that performance of the Work in accordance with the Contract,

will result in an Unsafe act or condition; or

* + - 1. becomes aware of an Unsafe act or condition,

then the Contractor must:

* + - 1. as soon as practicable notify the Company of the Unsafe act or condition and the action taken by the Contractor in accordance with section **Error! Reference source not found.**; and
      2. take any other steps as are necessary and agreed between the Company and the Contractor to overcome or remedy the Unsafe act or condition.
    1. If the Company observes an Unsafe act or becomes aware of a planned Unsafe act, then the Company may direct the Contractor to stop or not proceed with the Unsafe act, and the Contractor must comply with that direction and modify the Contractor's method of work in order to prevent or discontinue the Unsafe act.
    2. If the Company observes or becomes aware of an Unsafe condition, then the Company may direct the Contractor to remove or, to the extent reasonably possible, mitigate the effect of the Unsafe condition, and the Contractor must comply with that direction and modify the Contractor's method of performance of the Work in order to remove or, if it is not possible to remove, mitigate the Unsafe condition.
    3. To the extent that the Contractor or its Personnel did not cause or contribute to the Unsafe condition or perform the Unsafe act:
       1. subject to section 23, the Contractor may be entitled to an extension of the Date for Substantial Completion for any delay suffered by the Contractor as a result of complying with its obligations under this section 7.3; and
       2. if it is necessary for the Contractor to undertake additional work as a result of complying with its obligations under this section 7.3, the additional work will be treated as a Change which, subject to section 26, will entitle the Contractor to a Change Order in respect of that work.
  1. Protection of people and property
     1. The Contractor must take the measures and supply the items and things necessary to protect people (including Landowners) and property on or adjacent to the Site against injury, harm or loss.
     2. Without limiting section 7.4(1) and except as expressly provided otherwise in the Contract, the Contractor:
        1. will be solely responsible for and accepts all risk in crossing or working on, near, over or under Disclosed Subsurface Structures and surface pipelines and utilities of the Company or other persons;
        2. upon location or discovery by the Contractor of any Non-disclosed Subsurface Structures, will, subject to section 13.11, be solely responsible for and accepts all risk in crossing or working on, near, over or under Non-disclosed Subsurface Structures; and
        3. must protect:
           1. all Disclosed Subsurface Structures, existing pipelines (including the Existing Facilities), pole lines, surface utilities, guy wires, power lines, cables, bridges, culverts, private roads, fence post or other facilities or structures; and
           2. subject to section 13.11, upon location or discovery by the Contractor, all Non-disclosed Subsurface Structures,
        4. from damage by the Contractor or its Personnel and must bear all costs and responsibility for locating, moving and replacing same.
     3. Without limiting any other right or remedy of the Company under the Contract, if as a consequence of the breach by the Contractor or its Personnel of the Contractor’s obligations under section 7.4(1) or section 7.4(2) (or both, as the case may be) the Contractor or its Personnel damage, harm or destroy any property or any of the facilities, utilities, structures, property or other things described in sections 7.4(1) and section 7.4(2) then:
        1. the Contractor must promptly give notice to the Company’s Representative, with a copy to the Company, which notice must give reasonable detail of the facility, utility, structure, property or thing which has been damaged, harmed or destroyed; and
        2. the Contractor must, to the satisfaction of the Company’s Representative and at its cost and expense, promptly repair or replace or make arrangements for the prompt repair or replacement of any facility, utility, structure, property or thing which has been damaged, harmed or destroyed.
  2. Constructional Plant
     1. The Contractor must ensure that all Constructional Plant used in the performance of the Work is maintained in a safe and working order and has regular maintenance and safety checks performed by a qualified and competent person.
     2. The responsibility for the assembly, erection, maintenance and replacement of all Constructional Plant is the sole responsibility of the Contractor.
     3. If the Company or the Company’s Representative considers that any Constructional Plant is unsafe for use on the Site or is non-compliant with applicable guidelines issued by any Governmental Authority or applicable manufacturer or distributor, then the Company’s Representative may direct the Contractor, at its cost and expense, to:
        1. cease using the unsafe or non-compliant Constructional Plant until it has been brought into a safe and working order; or
        2. replace the unsafe or non-compliant Constructional Plant with Constructional Plant that is in a safe and working order.
     4. If the Contractor fails to comply with an obligation under section 7.2 or this section 7.4 then the Company may, in addition to any other remedies of the Company under the Contract, perform or have others perform the obligation on the Contractor's behalf and any cost or expense incurred by the Company will be a debt due from the Contractor to the Company.
  3. Environmental obligations
     1. The Contractor must:
        1. comply with all requirements of the Law, any Permit and the Contract for or relating to the protection of the Environment;
        2. except to the extent expressly permitted by applicable Law or by the terms of any Permit issued to the Company in respect of the Project, perform the Work in a manner that does not cause Environmental Harm of, on, under or outside the Site;
        3. without limiting section 7.6(1)(b):
           1. perform the Work in a manner so as to prevent any disturbance, damage or impairment of or to the Environment or, if disturbance is inevitable, then within the limits as prescribed by applicable Permits and applicable Law; and
           2. not alter, damage, destroy, remove or clear trees, timber or shrubs, or disturb ﬂora, fauna or watercourses, to any extent greater than is absolutely necessary for the proper performance of the Work;
        4. subject to section 7.6(2), comply with any direction (whether written or oral) of the Company or the Company’s Representative given in connection with this section 7.6; and
        5. ensure that each of its Personnel also comply with this section 7.6(1).
     2. The Contractor will not be obliged to comply with any direction given under section 7.6(1) that requires it to treat, store, remediate, remove, transport or dispose of any Hazardous Materials contained or present in, under or on the Site:
        1. where the relevant Hazardous Materials consists of or is pre-existing Hazardous Materials; or
        2. where the relevant Hazardous Materials has been generated, brought onto, discharged, spilled, disposed of or otherwise released at the Site by any person other than the Contractor or its Personnel,

but the foregoing will not apply where:

* + - 1. the relevant Hazardous Materials has been generated, brought onto the Site or caused by the Contractor or its Personnel; or
      2. the Contractor or its Personnel has aggravated or created new or additional Hazardous Materials associated with any pre-existing Hazardous Materials as a result of any act or omission of the Contractor its Personnel.
    1. The Contractor must at all times have on Site and available for immediate deployment reasonable quantities of equipment and materials, and adequately trained personnel, to respond immediately and properly to any discharge, spill, disposal of or other release of Hazardous Materials at the Site.
    2. Subject to section 7.6(5), the Contractor:
       1. is responsible for, and must, at its cost and expense, Clean Up, all Hazardous Materials and Environmental Harm which has been generated, brought onto the Site or caused by the Contractor or its Personnel;
       2. must comply with all directions of the Company and all directions of any Governmental Authority regarding the Clean Up of any Hazardous Materials and Environmental Harm described in section 7.6(4)(a); and
       3. indemnifies and must keep indemnified the Company and its Personnel from and against any Claim suffered, sustained or incurred by the Company or its Personnel which arises out of or in connection with any failure by the Contractor to comply with its obligations under this section 7.6.
    3. The Contractor has no responsibility or liability for Clean Up of pre-existing Hazardous Substances and Environmental Harm in, on, under or from the Site, except to the extent that:
       1. the Contractor, at its sole option, agrees to Clean Up same by way of Change Order; or
       2. the Contractor has aggravated or created new or additional Hazardous Substances or Environmental Harm (or both, as the case may be) associated with the pre-existing Hazardous Substances, and Environmental Harm as a result of any act or omission of the Contractor or its Personnel.
  1. Environmental Management Plan

The Contractor must comply, and cause its Personnel to comply with, the Environmental Management Plan when performing the Work.

* 1. Hazardous Substances
     1. For purposes of applicable environmental legislation, and without restricting the rights of the Company or the Contractor against either previous owners of the Site or those responsible for the presence of Hazardous Substances at the Site, as between the Company and the Contractor the Company will be deemed to have control and management of the Site with respect to Hazardous Substances existing prior to the commencement of the Work by the Contractor.
     2. The Contractor will be deemed to have knowledge of the presence of any Hazardous Substances at the Site which the Contractor could through a visual inspection of the Site reasonably have discovered. The Contract Price includes all costs, delays and impacts associated with the existence or presence of Hazardous Substances at the Site and of which the Contractor is or through a visual inspection of the Site prior to the Commencement Date should have been aware prior to commencing the Work.
     3. If pre-existing Hazardous Substances are discovered in, on or under the Site the existence of which is not as a result of any act or omission of the Contractor or its Personnel and such pre-existing Hazardous Substances are to be Cleaned Up (whether at the election of the Company, required by applicable Law or otherwise) then the Company will undertake, or cause to be undertaken, the Clean Up of such pre-existing Hazardous Substances. If pre-existing Hazardous Substances are discovered in, on or under the Site the existence of which is not as a result of any act or omission of the Contractor or its Personnel then the Contractor will be entitled to:
        1. immediately suspend performance of that part of the Work being undertaken in the vicinity where the pre-existing Hazardous Substances is discovered;
        2. evacuate any of the Contractor’s Personnel from such vicinity and advise any Company’s Personnel in the vicinity that they should also evacuate;
        3. secure the area where the pre-existing Hazardous Substances is discovered; and
        4. promptly, and in any event no later than within two (2) Business Days, give notice to the Company of the circumstances of the discovery of the pre-existing Hazardous Substances, describing, to the extent a responsible ofﬁcer of the Contractor has actual knowledge of same, the nature of the pre-existing Hazardous Substances, their location on Site and the apparent extent of contamination of the Site by the pre-existing Hazardous Substances.
     4. Upon receipt of the Contractor’s notice given in accordance with section 7.8(3)(d), the Company will cause its consultants to investigate the presence and extent of the pre-existing Hazardous Substances and the means of dealing with them. The Company will be responsible for determining the necessary steps required by any Governmental Authority to Clean Up all pre-existing Hazardous Substances the subject of the Contractor’s notice given under section 7.8(3)(d) and which pre-existing Hazardous Substances are required by any Governmental Authority to be Cleaned Up to enable the Contractor to recommence performance of the Work or the relevant part of it.
     5. If the Contractor fails to give notice to the Company in accordance with section 7.8(3)(d), then the Contractor will be solely responsible and liable for any delays and additional costs it may incur as a result of such delay in giving notice.
     6. As long as the Contractor has given notice of the discovery of pre-existing Hazardous Substances in accordance with section 7.8(3)(d), then to the extent that the Contractor is delayed by or incurs additional cost and expense as a result of the matters in sections 7.8(3) or 7.8(4) (or both, as the case may be) the Contractor will be entitled to a Change Order subject to, and in accordance with, section 26.
     7. The Contractor must not, and must not permit or allow any of its Personnel, directly or indirectly to:
        1. permit the manufacture, storage, transmission or presence of any Hazardous Substances over or upon any of the Site, except in accordance with applicable Law; or
        2. release, discharge or otherwise dispose of any Hazardous Substances brought to the Site by the Contractor or its Personnel on the Site, or into the air or any watercourse, except within the maximum limits for such releases, discharges or disposals speciﬁed in any of the following:
           1. the Environmental Management Plan; and
           2. all applicable Permits and applicable Law.
  2. Communications in relation to health and safety

Either Party may give a direction or other communication in relation to health and safety matters orally, but must confirm the direction or other communication in writing as soon as practicable thereafter.

* 1. Aboriginals
     1. The Contractor must:
        1. comply with the Stakeholder Engagement Plan; and
        2. ensure that its Personnel also comply with the Stakeholder Engagement Plan.
     2. Without limiting section 7.10(1) and subject to applicable Law, the Contractor must, to the extent that it is reasonable and technically and economically practicable, use reasonable efforts in the performance of its obligations under the Contract to:
        1. use Aboriginal labour available within the project area;
        2. if the Contractor is not able to use Aboriginal labour available in the project area, then the Contractor must give consideration to and, where possible, use Aboriginal labour available within other parts of the Province; and
        3. give Aboriginal consultants, manufacturers, suppliers and subcontractors a fair and reasonable opportunity to tender or quote for subcontracts for services, work, materials, plant, equipment and supplies.
     3. The Contractor must give the Company a written report monthly (or over such longer period as the Company approves) concerning its implementation of its obligations under section 7.10(2). Unless the Company’s Representative directs otherwise, any report made pursuant to this section 7.10(3) must be substantially in the form set out in Schedule 22 - Socioeconomic Report.
     4. The requirements of this section 7.10 do not affect or limit the Contractor’s other obligations under the Contract.
  2. Local content
     1. The Contractor must, to the extent that it is technically and economically practicable, use reasonable efforts in the performance of its obligations under the Contract to:
        1. use labour available within the project area;
        2. if the Contractor is not able to use labour available in the project area then the Contractor must give consideration to and, where possible, use labour available within other parts of the Province; and
        3. give manufacturers, suppliers and subcontractors available in the Province:
           1. a fair and reasonable opportunity to tender or quote for subcontracts for services, work, materials, plant, equipment and supplies; and
           2. proper consideration and, where possible, preference to other Canadian consultants, manufacturers, suppliers and subcontractors.
     2. If the Contractor is not able to use labour, manufacturers, suppliers or subcontractors available in the Province, then the Contractor must give consideration to and, where possible, preference to Canadian labour, manufacturers, suppliers and subcontractors.
     3. The Contractor must give the Company a written report monthly (or over such longer period as the Company approves) concerning its implementation of its obligations under this section 7.11 together with a copy of any reports given by the Contractor to the Company pursuant to section 7.10(3) during that month (or longer period as the case may be). Unless the Company’s Representative directs otherwise, any report made pursuant to this section 7.11(3) must be substantially in the form set out in Schedule 22 - Socioeconomic Report.
     4. The Contractor must:
        1. keep the Company informed from time to time of any labour, services, work, materials, plant, equipment and supplies that it proposes to obtain from or have performed or permit to be obtained from or performed outside the Province together with its reasons; and
        2. as and when required by the Company, consult with the Company in respect of any matter referred to in section 7.11(4)(a).
     5. Unless the Company agrees otherwise, the Contractor must ensure that in every Subcontract it enters into for labour, services, workers, materials, plant, equipment or supplies for the performance of the Work, the other party covenants to be bound by the terms of sections 7.10(2), 7.11(1) and 7.11(2) in the same way as the Contractor and that it will report to the Contractor on its implementation of sections 7.10(2), 7.11(1) and 7.11(2).
     6. The requirements of this section 7.11 do not affect or limit the Contractor’s other obligations under the Contract.

1. Subcontractors
   1. Subcontracts

Subject to this section 29, the Contractor may enter into subcontracts for the performance of its obligations under the Contract.

* 1. Approval and management of Subcontractors
     1. Subject to section 29.3, the Contractor must obtain the prior written approval of the Company before appointing a Subcontractor to perform any part of its obligations under the Contract.
     2. The Contractor must manage the performance of each Subcontractor to ensure the quality and timeliness of its performance meet the requirements of the Contract.
  2. Exceptions
     1. Except as otherwise directed in writing by the Company’s Representative, the Contractor may, without the prior written consent of the Company’s Representative, subcontract any part of its obligations under the Contract to a Subcontractor if:
        1. the Subcontractor is an Approved Subcontractor; or
        2. the price or sum payable by the Contractor to the Subcontractor under the Subcontract is equal to or less than $5,000,000.
     2. Where the Contractor proposes to enter into more than one Subcontract with the same Subcontractor:
        1. the price or sum payable under each Subcontract will be aggregated; and
        2. if the aggregated price or sum payable to the Subcontractor exceeds $5,000,000,

then section 29.2(1) will apply to those Subcontracts.

* 1. Contractor's responsibility
     1. Where part of the Contractor’s obligations under the Contract are subcontracted, the Contractor will remain responsible for the performance of the Contract and for the acts, omissions and defaults of the Subcontractor and its Personnel as if they were acts, omissions or defaults of the Contractor.
     2. If default by a Subcontractor under a Subcontract results in the non-performance of any obligation of the Contractor under the Contract, then the Contractor is deemed to be in default under the Contract. In such circumstances the Company may exercise all the rights in relation to that default which it would have under the Contract if it was in fact a default by the Contractor.
     3. The Contractor must pay when due any undisputed amounts owing to a Subcontractor (whether in accordance with any Subcontract or otherwise).
  2. Requirements for Subcontracts
     1. The Contractor must ensure that all Subcontracts:
        1. contain a provision requiring each Subcontractor in the event in the Contract is terminated to provide to the Company all information about the part of the Contractor’s obligations under the Contract subcontracted to the Subcontractor which the Company reasonably requires and requests that Subcontractor to provide to the Company; and
        2. contain terms and conditions that are generally consistent with the terms and conditions of the Contract and that oblige the Subcontractor to perform its obligations under the Subcontract in a way that ensures that the Contractor complies with its obligations under the Contract;
        3. contain a provision which requires the Subcontractor to give to the Company a copy of any notice of default served upon the Contractor under the Subcontract;
        4. contain a provision which enables the Contractor, regardless of default by the Contractor or the Subcontractor, to suspend or terminate the Subcontract if the Contract is suspended or terminated for any reason;
        5. contain a provision that the Subcontractor must not assign or subcontract the part of the Contract that was subcontracted by the Contractor to the Subcontractor without the consent in writing of the Contractor;
        6. contain a provision by which the Subcontractor agrees that upon termination of the Contract or the insolvency, bankruptcy, liquidation or similar of the Contractor it will, if requested by the Company and at the Company’s option:
           1. consent to an assignment (at no cost to the Company) of the Contractor’s right, title and interest under the Subcontract to the Company or the Company’s nominee; or
           2. enter into a novation (at no cost to the Company) of the Subcontract from the Contractor to the Company or the Company’s nominee; or
           3. enter into an agreement with the Company or the Company’s nominee on the same terms and conditions as the Subcontract, with necessary changes only (such as the names of the parties) for the incomplete parts of the Contract that were originally subcontracted by the Contractor to the Subcontractor; and
        7. contain a provision which ensures that the Company obtains the direct benefit of any warranties to be provided by the Subcontractor to the Contractor.
     2. For the purposes of effecting any assignment or novation under section 29.5(1)(f), the Contractor must execute such documents as are necessary to give effect to the assignment or novation and to bind the Contractor accordingly.
     3. The assignment or novation of any Subcontract and provision of guarantees and warranties (whether by the Subcontractor or otherwise) does not limit the rights, powers and remedies of the Company under the Contract.
  3. Copy of Subcontracts and Related Matters
     1. The Contractor must supply the Company with a copy of each Subcontract (unpriced, unless the Company is paying for the relevant work, supply or services on a cost reimbursable basis) if directed to do so by the Company.
     2. The Contractor must provide to the Company’s Representative other information concerning the proposed Subcontractor or Subcontract which the Company’s Representative reasonably requests.
  4. No Contractual Relationship

Nothing in the Contract creates any contractual or fiduciary relationship between the Company and any Subcontractor or the Company and any Personnel of a Subcontractor.

* 1. Approved Subcontractors
     1. Unless the Company otherwise agrees in writing the Contractor may engage each Approved Subcontractor listed in Schedule 16 - Approved Subcontractors to perform the part of the Work that corresponds and is to be subcontracted to that Approved Subcontractor.
     2. The Contractor must not substitute or replace an Approved Subcontractor without the prior written approval of the Company.
     3. Inclusion of any Subcontractor in Schedule 16 - Approved Subcontractors will not lessen or otherwise affect the Contractor’s obligations under the Contract.
  2. Subcontractors - Other Matters

The Contractor, without the prior written consent of the Company, must not make ﬁnal payment to a Subcontractor where the value or contract price payable under the relevant Subcontract to that Subcontractor exceeds $1,000,000 until the Contractor has ﬁrst obtained from that Subcontractor and provided to the Company:

* + 1. a statutory declaration (substantially in the form prescribed in Schedule 11 - Statutory Declaration and modiﬁed as required for a Subcontractor); and
    2. a release and general waiver of claims in favour of the Company (in a form and content satisfactory to the Company) together with such additional documentation as the Contractor and the Company may reasonably require, conﬁrming that the Subcontractor has paid for all labour and material used in the performance of that part of the Work subcontracted to that Subcontractor and that there are no outstanding liens or claims by the Subcontractor or its Personnel in connection with the performance of the Subcontract.