CONTRACT STANDARD
CONSTRUCTION SERVICES

1. Definition of Terms

The following terms, wherever used in any Contract document, shall mean:

"**Affiliate**" means any entity that directly or indirectly controls, is controlled by, or under common control with a party, and "control" means with respect to any entity, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting shares or other ownership interest or by contract or otherwise.

"**Anti-Corruption Laws**" means: (i) the Canadian Corruption of Foreign Public Officials Act, the U.S. Foreign Corrupt Practices Act, the U.S. Bribery Act, and the U.K. Bribery Act, as such legislation is amended or replaced, and any related regulations; and (ii) laws and regulations (including conventions of the OECD or United Nations), in force in the jurisdictions in which the Contractor is providing the Work or services, manufacturing or carrying on its other activities, that prohibit bribery and corrupt activities, regulate or prohibit political donations or campaign contributions to public officials, or prescribe requirements relating to providing or accepting gifts and business entertainment.

"**Assets**" means the assets, devices, equipment, hardware, software, data, property, systems, networks and computer resources of Hydro One and its Affiliates, and includes, if applicable, any BES Cyber Asset.

"**BES Cyber Asset**" has the meaning as set out in the most recent *Glossary of Terms Used in NERC Reliability Standards*, as set out on the NERC website.

"**BES Cyber Systems Requirements**" means Hydro One's bulk electric system cyber requirements which is attached as a Contract Document, as applicable.

"**Business Day**" means a day, other than a Saturday or Sunday, on which the principal commercial banks of Toronto, Ontario, Canada are open for business during normal banking hours.

"**Change Order**" means a formal executed written document issued by Hydro One's representative authorizing changes to the Work, price, or time.

"**Change Request**" means a written document from the Contractor requesting a change to the Work, timing or pricing.

"**Competent**" means a person who: (i) is qualified because of his or her knowledge, training and experience to organize and perform the work; (ii) is familiar with the provisions of the Occupational Health and Safety Act, R.S.O. 1990, c.O.1, as amended, and Hydro One's corporate policies and procedures that apply to the Work; (iii) has the requisite knowledge of any potential or actual danger to health and safety in the workplace; (iv) is fit to perform the Work, both physically and mentally; and, (v) is at least 18 years of age or such higher age as may be prescribed by law.

"**Confidential Information**" means any information identified as confidential, sensitive or proprietary or which, given the nature of the information and circumstances of the disclosure, the Receiving Party knew or ought to have known, was or should be treated as confidential (including all documents, information and data conveyed, relayed, transmitted, received, observed, recorded or stored in any form and includes any Work and Intellectual Property related thereto, text, letter, specification, equipment, design, design standard, blueprint, memorandum, sound recording, video, film, photograph, chart, graph, map, survey, diagram, model, sketch, book of account, product, information about or related to any electrical transmission or distribution equipment, system or architecture, computer software, hardware, firmware, data bases, data processing, telecommunication, communications networking system, practices, processes or procedures or other internal systems, security, or controls (in any stage of development), used, licensed, owned, or developed (or in development) and related documentation, records, accounts, technical data, research, products, financial information, plans or strategies, forecasts or forecast assumptions, business practices, and Personal Information) regarding the Disclosing Party, its affiliates, suppliers or

customers disclosed to or discovered by the Receiving Party in connection with this Contract or in the performance of the Work.

"**Conflict of Interest**" means, but is not limited to, any situation or circumstance where, in relation to the performance of its obligations under the Contract, the Contractor'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 obligations under the Contract.

"**Construction Act**" means the Ontario *Construction Act*, R.S.O. 1990, c. C.30, as amended, and its regulations, as amended.

"**Construction Equipment**" means any and all equipment, vehicles or machines provided by the Contractor under the Contract and/or used by the Contractor or any Subcontractor in the performance of the Work, such as, without limitation, mobile cranes, trucks, air compressors, welding sets, bulldozers, drilling equipment, scrapers and tools.

"**Contract Price**" means the total of any stipulated sum(s) for the Work (or any portion thereof), excluding GST/HST, set forth in the Contract Documents as amended by any Instruction Notice.

"**Contact Person**" means the person designated by a party pursuant to section 7.1.

"**Contract**" or "**Contract Documents**" or "**Agreement**" has the meaning set out in section 2.2.

"**Contractor**" or "**Company**" means the individual, person, firm, partnership, corporation, or other entity who is the party entering into the Contract with Hydro One.

"**Disclosing Party**" means collectively, the party, its Affiliates, suppliers, outsourcers, contractors, customers and third party agents that disclose or make available Confidential Information.

"**Engineer**" means the person designated from time to time by Hydro One to exercise such power, authority or discretion as is required of such person under the Contract.

"**EPA**" means the Ontario Environmental Protection Act, R.S.O. 1990, c. E.19, as amended.

"**Field Supervisor**" means an employee of the Contractor or of a Subcontractor who is responsible for the supervision of its site labour performing Work under the Contract and who shall be available at the Project Site at all times during the performance of the Work and shall be authorized to act for, or on behalf of, the Contractor.

"**Goods and Services Tax**" or "**GST**" means the federal Goods and Services Tax chargeable in accordance with Part IX of the Excise Tax Act (Canada), as amended in respect of a supply made in a non-participating province.

"**Harmonized Sales Tax**" or "**HST**" means the federal Harmonized Sales Tax chargeable in accordance with Part IX of the Excise Tax Act (Canada), as amended, in respect of a supply made in a participating province.

"**Hydro One**" or "**Purchaser**" means Hydro One Networks Inc. or one of its Affiliates, whichever of those corporations has been designated as a contracting party in a Contract Document in relation to this Contract.

"**Instruction Notice'** means a formally executed written document issued by Hydro One's representative formally amending the Purchase Order or other Contract Document in any respect and forms part of the Contract Document it amends. An Instruction Notice may be or may document a Change Order.

"**Intellectual Property**" or "IP" means anything that is or may be protected by an Intellectual Property Right.

"**Intellectual Property Right**" means any right that is or may be granted or recognized under any common or civil law principle regarding intellectual and industrial property or Canadian or foreign legislation regarding patents, copyrights, neighbouring rights, moral rights, trade-marks, trade names, service marks, confidential information (including Confidential Information as defined herein), software, firmware, databases, data, instructions, notes, memoranda, records, plans, designs, drawings, documentation, discoveries, inventions, concepts, ideas, formulae, algorithms, methods, processes, procedures, trade secrets, know-how, industrial designs, mask works, integrated circuit topographies, whether registered or unregistered, or any other statutory provision and including rights in any

application for any of the foregoing.

"**Labour Requirements**" means the labour requirements and conditions contained in the Procurement Documents and/or the Contract Documents.

"**NERC**" means the North American Electric Reliability Corporation, which is an international regulatory authority with a mission to ensure the reliability of the bulk power system in North America, that issues standards that Hydro One is mandated to follow.

"**Notice of Project**" shall have the meaning set forth in the OHSA.

"**OHSA**" means the Ontario Occupational Health and Safety Act, R.S.O. 1990, c. O.1, as amended.

"**Personal Information**" means recorded information about an identifiable individual or that may identify an individual.

"**Personnel Risk Assessment**" or "PRA" means a documented background check that includes, at a minimum, a confirmation of identity and a seven year criminal history records check that includes current residence and all other locations the individual resided for six consecutive months during the previous seven (7) years, as well as any other verification or reviews as deemed necessary by Hydro One.

"**Personnel**" means any director, officer, employee, subcontractor, supplier or agent of the Contractor or its Affiliates or its Subcontractors.

"**PPE**" has the meaning set out in Section 22.7.

"**Privacy Laws**" has the meaning set out in Section 30.3.

"**Procurement Document(s**)" or "**RFP Documents**" or "**RFQ Documents**" or "**RFPQ Documents**" or "**RFP**" or "**RFQ**" or "**RFPQ**" means the documents issued by Hydro One calling for information, quotations, orders, responses, submissions or proposals for the supply of Work or for the prequalification to supply Work as further stated in the said document(s).

"**Product**" means the materials, machinery, equipment, hardware, assemblies, instruments, devices, goods, products, or articles furnished by the Contractor, as the case may be, or components thereof, the delivery or supply thereof, pertaining to the Contract.

"**Project Site**" means the land or actual place where the project is located and/or performance of the Work will take place.

"**Proposal**" or "**Response**" or "**Submission**" means the Contractor's proposal or response or quote or submission in response to Hydro One's Procurement Documents.

"**Qualified**" means a person who is accepted as satisfactory in reference to experience, personal competency, and familiarity with rules, procedures, apparatus, and dangers involved in the Work.

"**Quote**" means a written quote issued by Contractor in response to a request from Hydro One, based on the Contract Documents, unless otherwise agreed by Hydro One in writing.

"**Receiving Party**" means collectively, the Contractor, its Affiliates, contractors, consultants, advisors, agents, suppliers, vendors, and third party service providers of Contractor, and anyone acting for or on behalf of the Contractor, that receives Confidential Information from the Disclosing Party.

"**Special Terms and Conditions**" - means the documents that may include a description of the Work, Specifications, and other additional terms and conditions as agreed by the parties.

"**Specifications**" means the technical and other requirements, terms of reference and specifications identified or set out in the Contract Documents.

"**Statement of Work**" or **"Scope of Work"** or "**Work Order**" or "**SOW**" means a written statement of work or scope of work or work order agreed to by Hydro One and the Contractor, as may be amended by a Change Order, constituting

one of the Contract Documents.

"**Subcontractor**" means contractors, consultants, advisors, agents of Contractor, suppliers and vendors of Contractor, and includes, without limitation, Affiliates of Contractor and third party service providers of Contractor.

"**Substantial Performance of the Work**" shall have the same meaning set forth in the *Construction Act*.

"**Takeover day**" means the day on which the Work, having been completed and made ready for use, is provisionally accepted by the Engineer, subject to the Contractor's continuing obligations pursuant to the Contract.

"**Ticket**" has the meaning set out in Section 2.6.

"**Unfair Advantage**" means any conduct, direct or indirect, by the Contractor at the procurement stage that may result in gaining an unfair advantage over other parties in the procurement process, including but not limited to (i) possessing, or having access to, information in the preparation of its Proposal that is confidential to Hydro One and which is not available to other competitors, (ii) communicating with any person with a view to influencing, or being conferred preferred treatment in, the procurement process, or (iii) engaging in conduct that compromises or could be seen to compromise the integrity of the procurement process and result in any unfairness, including, without limitation, conduct, agreement, or concerted practice between the Contractor and another company or person to, among other things, create a fake submission for comparative purposes, or require a competitor to refrain from providing a proposal, or require a competitor to provide a proposal in a certain manner, or share details about their proposal, including how they intend to propose.

"**Warranty Period**" means one year from the Takeover day, unless such other time period is set out in the Contract Documents.

"**Work**" means all work, labour, materials, Construction Equipment, Contractor's equipment, appropriate documentation, structures, services, Products, tools, supplies, and acts required to be done, furnished or performed by the Contractor under the Contract.

"**WSIA**" and "**WSIB**" have the meanings set out in Section 9.1.

2. Scope, Contract Documents and Order of Precedence

2.1 This Contract sets out terms regarding the Work to be provided by the Contractor. The Contractor agrees to provide the Work in accordance with this Contract.

2.2 The "Contract Documents" which form the "Contract" shall consist of:

(1) Hydro One's Purchase Order ("Purchase Order");
(2) Tickets, Quotes, clarification and additional terms and/or documents (if any) agreed to and incorporated into or referencing the Purchase Order;
(3) Statement of Work agreed to by both parties (if applicable);
(4) Outline Agreement (if applicable);
(5) Supplemental and/or Special Terms and Conditions (including BES Cyber System Requirements), if any;
(6) this document;
(7) the Contractor's Proposal and
(8) the Procurement Documents (other than those listed above). These Contract documents shall, to the extent of any inconsistency or conflict, take precedence in the order in which they are named. Appendices and addenda to any Contract Document shall be considered part of such document. The Contract Documents form this Contract.

2.3 The parties acknowledge and agree that:

(a) this document, in and of itself, shall not be construed as Hydro One's authorization to proceed with the provision of any Work;
(b) the Work performed or provided for Hydro One under this Contract may include performing or providing Work for, and/or the benefit of, an Affiliate of Hydro One, however the parties agree that any action for enforcement by the Contractor will only be brought against the Hydro One entity entering into this

Contract, and other Hydro One Affiliates do not guarantee nor are liable for the performance of the obligations of Hydro One;

(c) by entering into this Contract, Hydro One is not making any representation, warranty or guarantee to Contractor as to the value or volume of business - the value or volume of business to Contractor under this Contract during any year or years or over the term may be zero;

(d) the arrangement expressed by this Contract is not exclusive and does not in any way restrict Hydro One's freedom to perform for itself or to contract with any third party for any services or Work, including services or Work similar to or the same as associated with this Contract at any time;

(e) in order to be given any specific business Contractor may be required to participate in a mini-rfp or other competitive process, which may alter or introduce additional terms and conditions, at the end of which: Hydro One will not be bound to commit to the provision of any Work by Contractor and / or any third party; Hydro One may agree to the provision all, or only a part of, the Work by Contractor; or Hydro One may agree to the provision of all or only a part of the Work by Contractor and by third parties concurrently;

(f) The Contract Documents will also state whether the Work is to be provided: (i) on time and materials basis in which case the rates will also be set out, (ii) on a scheduled or milestone basis, (iii) fixed price basis, or (iv) such other basis as specified; and

(g) the parties may use an electronic tool to communicate and exchange information about Hydro One requirements and Contractor's services, and enter into this Contract and legally binding Tickets, Statements of Work and changes in relation to the Work provided by the Contractor pursuant to this Contract. Hydro One will arrange for one or more userid(s) and password(s) to be issued to the Contractor to use the electronic tool and Contractor acknowledges and agrees it is solely responsible and liable for the protection, security and use of the userid and password. Contractor agrees, represents and warrants that: (A) the person using the userid has the requisite authority to legally bind the Contractor to this Contract and any Ticket, Statement of Work and changes accepted through the use of the electronic tool, (B) this Contract and any Ticket, Statement of Work, and change electronically accepted by the userid is deemed to be signed in writing by the Contractor, and (C) the Contractor is legally bound to this Contract and any Ticket, Statement of Work and change accepted using the userid issued to Contractor. This Contract, Tickets, and Statements of Work, Change Orders when agreed to by the parties electronically, may be made available for download, and will be emailed to Contractor, at the Contractor email address the Contractor sets out in the electronic tool. The Contractor may withdraw consent to entering into this Contract and electronic Tickets using the electronic tool, by providing notice to Hydro One in writing.

2.4 The Contract Documents and the Work as specified therein shall be interpreted to include all Work reasonably required to provide a result that is fit for Hydro One's purposes.

2.5 None of the conditions contained in the Contractor's standard or general (printed or otherwise) conditions of sale or any terms contained on or in any packaging or on any invoice or on any Contractor website shall be of any effect unless explicitly agreed to by Hydro One and set forth in the Contract documents or specifically referred to therein.

2.6 Hydro One will issue Purchase Orders to the Contractor and may also issue tickets ("Tickets") for Work, either:

(1) directly based on the scope, Specifications and pricing pursuant to the Contract Documents, or

(2) based on Quotes received from Contractor pursuant to the Contract. The Contractor shall perform the Work in accordance with such Purchase Orders, Tickets and the Contract. Other than Tickets, Purchase Orders and Work to be done on an emergency basis, the Contractor shall be deemed to accept and be contractually bound to perform the Work under such Purchase Orders and Tickets unless the Contractor rejects such Purchase Order or Ticket in writing within one (1) business day of the issuance of such Purchase Order or Ticket. In emergency situations Purchase Orders and/or Tickets will be issued in a timely manner once the emergency has passed.

3. **Personnel**

3.1 All Contractor Personnel shall have the knowledge, abilities, experience and qualifications required for the

Work, and shall be committed full time to the Work. It is the Contractor's responsibility to ensure the Contractor Personnel have the required skill sets, qualifications, training and credentials. The Contractor is responsible to provide all skills training and evaluation of its proposed Personnel. In all cases, Contractor shall be solely responsible for all recruitment, training, supervision, provision of appropriate tools and supplies, remuneration, work quality, performance evaluation, recognition, discipline, hiring and firing of its Personnel.

3.2 The Contractor and its Subcontractors must be able to demonstrate that he, she or it has Qualified and Competent Personnel with suitable qualifications, experience and adequate equipment and training to carry out the specified Work safely. The Contractor must provide such additional support as may be required from time to time for the proper performance of the Work, and as may be necessary for completion of the Work within any completion date.

3.3 The Contractor Personnel must at least meet industry standards for performance of the Work in both content and quality expected of the positions and their levels. The Contractor will be responsible and accountable for identifying and dealing with any issues related to the quality of workmanship and overall work ethic of the Contractor Personnel. Without limiting Contractor's responsibility and accountability, where Hydro One becomes aware of quality or work ethic issues with Contractor Personnel, Hydro One will advise the Contractor in a timely manner in order for the Contractor to address the issue. The Contractor shall rectify immediately safety rule violations by its Personnel. Refusal to do so and or repeated violations will result in permanent removal of the offender from the Work or suspension or termination of all or any part of the Contract.

3.4 All Contractor Personnel engaged to perform Work under the Contract must be bondable and shall be subject to the prior approval of Hydro One. If requested, each such individual shall complete an application (in a form supplied by Hydro One) for authorization to carry out Work under the Contract.

3.5 Hydro One may, at any time as it determines, acting reasonably in its sole discretion, require the Contractor to remove any Personnel who, in Hydro One's sole reasonable opinion, are not satisfactory and furthermore, if Hydro One also requests, the Contractor agrees to promptly replace such Contractor Personnel with Contractor Personnel that Hydro One approves. The Contractor further agrees that, in all events, the Contractor will only substitute with other Contractor Personnel who meet the qualifications, experience, requirements and the terms of this Contract. In all cases, Contractor is solely responsible for all expenses associated with any replacement Contractor Personnel.

4. Rules, Policies and Procedures

4.1 The Contractor agrees to comply with all relevant safety laws and regulations, and all rules, processes, policies and procedures (including amendments) of Hydro One regarding the Project Site and applicable to its performance of this Contract of which it is apprised, including all policies, rules, regulations, processes and procedures established by Hydro One regarding the Assets, offices, and premises to which the Contractor has access and projects and Project Site(s) for which the Contractor and Contractor Personnel perform the Work. The Contractor agrees to ensure that such Contractor Personnel complete such training as required by Hydro One related thereto.

5. Escorted Access

5.1 If any of the Work provided pursuant to the Contract requires entry to one or more of Hydro One's generation stations, transmission stations, switching stations, distribution stations or control centres by the Contractor or its Subcontractors or any person providing services to, or acting on behalf of, the Contractor or its Subcontractors (collectively, the "Entrants"), no Entrant shall be permitted entry to any of the said premises unless accompanied at all times by an employee of Hydro One or another person appointed by Hydro One to provide such accompaniment. It shall be the responsibility of the Contractor to arrange such accompaniment, and the Contractor shall ensure that no Entrant shall enter or attempt to enter the said premises without such accompaniment. Hydro One may, at its sole discretion, waive in writing the requirement for the Contractor Personnel to be escorted when entering generation stations, transmission stations, switching stations, and

distribution stations.

6. Security

6.1 The Contractor shall protect Hydro One's Assets, to which the Contractor may have access, against improper access, compromise and damage such protection to include, without limitation:

(i) informing in advance, and coordinating, including the controls, with Hydro One in respect of any Contractor access or connection to any Hydro One's Assets,

(ii) using appropriate authentication and other measures to permit and control access only to necessary individuals,

(iii) utilizing anti-virus and malicious software prevention tools to detect, deter, prevent and mitigate the introduction, exposure and propagation of malware,

(iv) utilizing appropriate means to ensure the integrity and authenticity of all software and firmware made available or delivered to Hydro One under the Contract,

(v) disclose to Hydro One any known vulnerabilities in the Contractor's Work provided to Hydro One in respect of the Contract,

(vi) be alert to and immediately notify Hydro One of any security breaches, events or incidents,

(vii) cooperate and coordinate with Hydro One in respect of the response to any security breaches, events or incidents,

(viii) follow industry standard and Hydro One procedures for protection and secure access, storage, transit, use, destruction and disposal of Hydro One information, and

(ix) follow all rules and requirements established by Hydro One for the performance of the Work, including such additional security requirements, and any applicable BES Cyber Systems Requirements, as may be set out in the applicable Contract Documents.

6.2 When any Product is provided or Work is to be performed regarding any of Hydro One's Assets, offices, premises, or Project Site(s), or any Contractor Personnel are expected to have access to any proprietary or Confidential Information of Hydro One, the Contractor:

(i) upon Hydro One's request, will provide a list of such Contractor Personnel that require access to any of Hydro One's Assets, offices or premises, Project Site(s) or proprietary or Confidential Information;

(ii) if asked by Hydro One, will complete and submit to Hydro One, a Personnel Risk Assessment in respect of relevant Contractor Personnel as requested by Hydro One; and

(iii) shall provide and shall be responsible to have Contractor Personnel provide to Hydro One such personal and other information as Hydro One's security and other authorized representatives may reasonably require for the purposes of such security and reference checks as Hydro One, in its discretion, may deem necessary.

6.3 Commencement of Work and access to Hydro One's Assets, offices, premises, Project Site(s) and / or proprietary or Confidential Information is subject to the following:

Where what is provided under the Contract involves the Contractor or Contractor Personnel having any of the following: physical access, or electronic access as a super user (including root, administrator), or access as system support, developer, system control operator or general user access to certain critical Assets, BES Cyber Assets, or information, or providing equipment, products, software, firmware, patches or updates to such Assets, BES Cyber Assets or information; then

the Contractor, after submitting a Personnel Risk Assessment to Hydro One, must have first received written approval from Hydro One that each such Contractor Personnel requiring such access has, in Hydro One's determination, acceptable security clearance before access or commencing or continuing the Work; and, shall require such Contractor Personnel to present such proof of such approval prior to access to Hydro One's Assets, offices, premises, Project Site(s) or any proprietary or Confidential Information to the extent required by Hydro One.

6.4 Notwithstanding any Hydro One approval of a Personnel Risk Assessment or permission provided by Hydro One to access any of Hydro One's Assets, offices, premises and / or any Project Site(s) or proprietary or

Confidential Information, the Contractor will remain completely responsible and liable for all actions and failures to act of all Contractor Personnel and will not be relieved of any of its obligations under this Contract.

6.5 If any Contractor Personnel cease to be employed or engaged by the Contractor, or is reassigned or no longer requires access to Hydro One's Assets, offices, premises, Project Sites(s) or proprietary or Confidential Information, or the security status of any Contractor Personnel changes during the term of the Contract, Contractor shall immediately notify Hydro One and shall revoke access and immediately cease using the Contractor Personnel to perform the Work under the Contract.

6.6 Where there is a change in the security status of any Contractor Personnel, the Contractor will immediately provide an updated Personnel Risk Assessment and shall not allow such Contractor Personnel access to Hydro One's Assets, offices, premises, Project Site(s) or proprietary or Confidential Information or utilize such Contractor Personnel for the performance of the Work until such time as the Contractor receives written approval from Hydro One. In such an event, the Contractor shall endeavour to diligently perform the Contract and complete the Work in accordance with the schedule set forth in the Contract and, if necessary, will increase the level of effort necessary to ensure the schedule is maintained. Any price or funding limitations shall not be exceeded without Hydro One's prior written authorization, notwithstanding any extra efforts required to maintain the schedule.

6.7 Hydro One retains the right to stop all or any part of the Contractor's Contract performance and the Work, remove any Contractor Personnel, revoke access at any time and / or terminate for cause the Contract should Hydro One in its sole discretion determine that any Contractor Personnel is a security risk and / or the information provided in the PRA was misleading or incorrect.

6.8 Hydro One's security staff shall have the right to examine or search equipment, tools, and materials brought to or removed from the Project Site by the Contractor or by any Subcontractor. If requested, the Contractor and each Subcontractor shall deposit with the security officer an itemized list of all equipment, tools, and materials at the time they are brought to the Project Site. The list will be used by the security staff when checking such equipment, tools, and materials into and out of the Project Site at any security gate.

6.9 Hydro One's security staff shall also have the right to examine, inspect or search at any time, in the presence of the Contractor's or the Subcontractor's representative, any Contractor or Subcontractor enclosure on the Project Site, including the Contractor's and Subcontractor's storage bins, tool cribs, boxes, vehicles and Construction Equipment.

7. Governance, Contacts, Escalation and Reporting

7.1 Each party agrees to appoint and inform the other party of the contact person ("Contact Person") to act as representative for coordination of the Work and liaison between the parties to whom all correspondence, reports and documents shall be addressed and for the communication of matters of mutual interest and concern in respect of this Contract. All Personnel of the Contractor performing under the Contract shall deal exclusively with the Hydro One Contact Person and such other persons as specifically designated by Hydro One to the exclusion of any other persons in relation to the performance of the Contract. No acceptance, instruction, approval or statement by the Contact Person or by any other representative of Hydro One shall relieve the Contractor from responsibility for proper performance of the Contract.

7.2 In the event that there are any problems or difficulties with respect to Contract performance, such problems and difficulties shall first be brought to the attention of, and to be dealt with, by the Contact Person. If the Contact Persons for the respective parties are unable to resolve such problem or difficulty, then such problem or difficulty shall be dealt with pursuant to the dispute resolution process set out in Section 39.

7.3 The Contractor agrees to report to and consult with Hydro One through its Contact Person regarding the Contractor's progress and performance with respect to performing the Contract as may be further set out in the Contract Documents.

7.4 In addition to telephone communication, the Contractor must have a dedicated fax line number and e-mail

address for communication with Hydro One. The Contractor shall reference Hydro One's project name, Work description and Purchase Order, and Ticket number in all communications with Hydro One. The Contractor agrees to provide to Hydro One such operational, performance and other reports in connection with Work as reasonably requested by Hydro One.

8. Language and Measurement

8.1 All communication between the Contractor or its Subcontractors and Hydro One, including all documents, notes on drawings, and submissions required under the Contract, shall be in English. Unless specified in the Procurement Documents, either the Imperial system of weights and measures or the International System of Units (SI) may be used for quantity measurement. When the Imperial system is used, either Imperial or US gallons may be quoted, provided that the unit is clearly defined, and any weight expressed in tons shall be the short ton of 2000 pounds. Technical abbreviations for the Imperial system shall be in accordance with CSA Standard Z85 - Abbreviations for Scientific and Engineering Terms. Preferred units in SI are those shown in Hydro One's Standard MCD-1 - Preferred Units of Measurement (SI).

9. WSIB Coverage

9.1 In connection with the performance of any Work pursuant to the Contract, the Contractor covenants and agrees it is required to comply with the requirements of the Workplace Safety and Insurance Act, 1997, S.O. 1997, as amended (the "WSIA"). In addition, before performing any Work, at the request of Hydro One, the Contractor will supply and cause any Subcontractor performing the Work to supply to Hydro One evidence that it is in good standing with the Workplace Safety and Insurance Board ("WSIB") under the WSIA by providing a copy of its most recent WSIB certificate upon initial arrival on the Project Site and that of the Subcontractors. Together with the certificate, the Contractor shall submit a list of the WSIB account numbers of the Contractor and Subcontractors who will be employed at the Project Site, and shall thereafter update the same as the Work progresses. The Contractor and each Subcontractor shall cooperate with safety associations operating under the authority of the Workplace Safety and Insurance Act ("WSIA") or the Workplace Safety and Insurance Board ("WSIB") and, in the performance of the Work, shall not in any manner endanger the safety of, or unlawfully interfere with the convenience of, other workers or the public. The Contractor shall furnish evidence of compliance with such laws and regulations to Hydro One at such times as Hydro One may reasonably request. The Contractor will be solely responsible for all Workplace Safety and Insurance Board claims related to the Contractor and its Personnel with respect to Work performed. The Contractor agrees to indemnify Hydro One in respect of any such claims.

10. Insurance

10.1 During the term of this Contract, Contractor agrees to provide and/or cause its Subcontractors to provide and maintain in full force and effect with financially responsible insurance carriers the following insurance which shall take effect as of the date of this Contract and shall remain in effect during the term hereof or any extension thereof or as otherwise specified herein:

(a) Automobile Liability Insurance, covering all licensed vehicles owned, (and non-owned auto for policies written in U.S.), rented or leased and used in connection with the work to be performed under this Contract. Coverage shall include Bodily Injury and Property Damage Liability, mandatory Accident Benefits and if applicable attached machinery, to a combined inclusive minimum limit of $5,000,000. To achieve the desired limits, Excess or Umbrella coverages may be used.

(b) Commercial General Liability Insurance with limits of $5,000,000 inclusive for both bodily injury, including death, personal injury and damage to property, including loss of use thereof, for each occurrence. To achieve the desired limits, Excess or Umbrella coverages may be used. Coverage shall specifically include but not be limited to the following:

- Blanket Contractual Liability;
- Damage to property of Hydro One including loss of use thereof,

- Liability arising out of unlicensed equipment;
- Pollution Liability coverage on at least a Sudden and Accidental basis;
- Products & Completed Operations to be continuously maintained through the operational liability insurance
- Employer's Liability;
- Non-Owned Automobile Liability; Not applicable where Contractor's auto liability insurance covers non-owned autos as in U.S. policies
- Broad Form Property Damage
- XCU endorsement (if applicable to the services being provided under the Contract)
- Blasting (if applicable to the services being provided under the Contract)
- Riggers Liability (if applicable to the services being provided in the Contract. i.e. craning)

(c) Errors and Omissions Insurance. If Contractor provides any design, engineering, contract management or other professional services and its professional errors or omissions could result in loss, damages to, or claims against, Hydro One, then the Contractor shall carry $2,000,000 per occurrence and in the annual aggregate of Errors and Omissions Insurance with insurers satisfactory to Hydro One and shall ensure that such policy or policies do not exclude any liability that could result from its professional errors or omissions in connection with the work. Without limiting the generality of the foregoing, the policy will not contain a design/build exclusion if the Contractor is carrying out designing and building activities in connection with this Contract. Coverage shall remain in effect for no less than 3 years following final completion of Work.

(d) Worker Compensation: Contractor and/or Subcontractors shall qualify under and shall satisfy all the workers compensation laws of all jurisdictions in which the Work and any portion of the Work is to be performed and any other applicable provisions of said laws. (Note: For U.S. employees, appropriate State Workers Compensation must be carded including Employees Liability for a minimum limit of $1,000,000 U.S., with a Foreign Coverage Endorsement and, to the extent applicable, Jones Act and U.S. Longshoreman's and Harbor Workers coverage and FELA).

(e) such other insurance as set out in the Contract Documents.

10.2 Certificates of Insurance. In accordance with the provisions herein, the Contractor will supply and cause its Subcontractors to supply Hydro One a certificate of insurance completed by a duly authorized representative of their respective insurers certifying that at least the minimum coverages required here are in effect and that the coverages will not be cancelled, restricted or reduced without 30 days advance written notice by registered mail, receipt required, to Hydro One's contact set out in the Contract Documents (with copy to Hydro One Inc., Risk & Insurance Department, 483 Bay Street, TCT 08, South, Toronto, Ontario. M5G 2P5).

(a) Failure of Hydro One to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Hydro One to identify a deficiency from evidence provided will not be construed as a waiver of the Contractors obligation to maintain such insurance. No one acting on behalf of Hydro One has any authority to waive the any insurance requirement herein, unless done so by making specific reference to the provision being affected, and done so in a written instrument signed by hand (and not electronically) by Hydro One's authorized signing authority.

(b) Hydro One's acceptance of delivery of any certificate of insurance evidencing the required coverages and limits does not constitute approval or agreement by Hydro One that the insurance requirements have been met or that the insurance policies shown in the certificates of insurance are in compliance with the requirements.

(c) The Contractor's failure to maintain the required insurance, or to provide such certificate or other evidence of full compliance with these insurance requirements, as set forth here may result in termination of this Contract at Hydro One's option.

(d) If any of the coverages are required to remain in force after final payment, an additional certificate evidencing continuation of such coverage will be submitted with the Contractor's final invoice.

(e) Certificates of insurance are required to be provided prior to the Work beginning.

10.3 All deductibles shall be to the account of the Contractor and/or its Subcontractors.

10.4 With the exception of Automobile Liability Insurance, all insurance noted above shall specify that it is primary coverage and not contributory with or in excess of any other insurance that may be maintained by Hydro One.

10.5 The insurance required under this Contract is not meant, nor to be interpreted, to be restricted by or to limit any other obligation of the Contractor under this Contract. All limits and deductibles are expressed in Canadian dollars.

10.6 Hydro One and its Affiliates, shall be added as an Additional Insured under coverages noted in Commercial General Liability and Excess/Umbrella Liability; Aviation Liability; Garage Auto Liability; Watercraft Liability; Pesticide Liability and / or Pollution Liability as noted in the Contract but only with respect to their rights and interest in the operations of the Contractor and shall be added a Loss Payee as Hydro One's interest may appear, under coverage All Risks' Installation Floater.

10.7 Coverages noted in Commercial General Liability and Excess/Umbrella Liability shall: i) contain a Cross Liability clause and a Severability of Interests clause and ii) contain a waiver of subrogation whether or not the damage is caused by the act, omission or negligence of Hydro One, its' employees or any of its agents.

10.8 All insurance requirements shall be in force prior to the commencement of Work under the Contract and shall remain in force during the entire term of the Contract. Notwithstanding anything else in the Contract:

(a) the Contractor shall not commence providing the said Work prior to Hydro One's receipt of a valid Standard Insurance Certificate evidencing compliance with all terms of this clause;

(b) if the required insurance coverage expires during the Contract term the Contractor shall ensure that replacement insurance coverage as required above shall be in place immediately so that coverage shall be continuously maintained ; and the Contractor shall provide a renewal certificate within 14 days of expiration evidencing continued compliance with all terms of this clause.

11. Code of Conduct; Conflict and Interested Persons

11.1 The Contractor acknowledges it has read and agrees to comply with Hydro One's Supplier Code of Conduct. A current copy of the code may be reviewed by downloading the electronic document at the following hyperlink:

https://www.HydroOne.com/SupplierCodeofConduct

11.2 The Contractor acknowledges and agrees that Hydro One's directors, officers, employees, agents, and representatives are bound by Hydro One's Code of Business Conduct and that the Contractor will not take any action to encourage Hydro One or any of its directors, officers, employees, agents, representatives, or business partners to breach any of the obligations set out in Hydro One's Code of Business Conduct. A current copy of the code may be reviewed by downloading the electronic document at the following hyperlink: http://www.HydroOne.com/CodeofConduct

11.3 In connection with this Contract, the Contractor covenants and agrees, not to offer or give directly or indirectly to any of Hydro One's employees or representatives, or their immediate family members (including their common law relationships) known to the Contractor to the best of its knowledge and belief, each of the foregoing persons an "Insider", collectively "Insiders", any of the following: (i) any form of bribe or kickback; (ii) gifts of cash, gift certificates, services, discounts, or loans; (iii) any gift, entertainment, or similar type of benefit that does not serve a legitimate business purpose; or (iv) any gift, entertainment, or similar type of benefit that may compromise or appear to compromise their ability to make business decisions in the best interest of Hydro One.

11.4 The Contractor further represents, warrants, and covenants that, at the commencement of the Contract, and throughout its term, to the best of the Contractor's knowledge and belief, no Insider has (or will have) an interest (whether directly or indirectly, or personal, or financial), in the supplies, equipment, Work, or business

to which this Contract relates, or in any portion of the profits thereof, or in any monies to be derived therefrom ("Insider's Interest"); however, there is no breach of the foregoing where: (i) at the time of entering into this Contract, the Contractor has disclosed all relevant facts known to it concerning the Insider's Interest, and Hydro One has provided the Contractor with a written determination, made at Hydro One's sole and absolute discretion, that the Insider's Interest: A. does not have potential for real or perceived Conflict of Interest, or B. has a potential for real or perceived Conflict of Interest but it can be managed in a way that protects the integrity and reputation of Hydro One, and would withstand the test of reasonable and independent scrutiny, and a suitable method of monitoring and managing such real or perceived conflict has been determined and is implemented, or (ii) the Contractor is a publicly-traded company that offers its registered securities to the general public and the Insiders, collectively, have an insignificant interest in the stock of that company, not to exceed a total of five per cent of the outstanding stock of the company.

12. Conflict of Interest and Unfair Advantage

12.1 The Contractor represents and warrants that there is no Conflict of Interest between the performance of its obligations outlined in the Contract Documents and its performance of work and provision of services and equipment to other customers, and this warranty shall survive the term of the Contract. During the performance of this Contract, should any such Conflict of Interest be discovered, the Contractor covenants to immediately advise Hydro One of same, and Hydro One may, at its discretion, terminate this Contract, or any part thereof, for cause.

12.2 The Contractor further represents, warrants, and covenants that, prior to entering into the Contract, to the best of the Contractor's knowledge and belief, no Unfair Advantage existed. Should Hydro One discover the Contractor's failure to have disclosed all material details in connection with any Unfair Advantages at the procurement stage, Hydro One may, at its discretion, terminate this Contract, or any part thereof, for cause.

13. Anti-Corruption

13.1 The Contractor agrees, during the term of this Contract: (i) to comply with all applicable Anti-Corruption Laws, including (but not limited to) when performing any duties under this Contract that require Contractor to deal with a public official; (ii) to promptly notify Hydro One upon becoming aware of any suspected or actual violation of Anti-Corruption Laws, by it or its Personnel or Subcontractors; (iii) to promptly notify Hydro One of any investigation by a public entity, or advance notice of an investigation by a public entity, relating to possible violation of Anti-Corruption Laws by it, its Personnel or Subcontractors; (iv) not to engage in bribery of public officials or others in a position of trust or other acts of corruption, not to make payments to government or private sector employees, as a personal benefit to them, to secure or speed up the performance of a routine action (such as the issuing of permits) and not to, directly or indirectly, make, promise, authorize or offer anything of value to a public official on behalf of Hydro One, including but not limited to cash or equivalents, gifts, prizes or loans.

14. Technical Specifications, Drawings and Data

14.1 Any part of the Work to be performed in accordance with any drawings and data, whether prepared by the Contractor or Hydro One, shall not be commenced until such drawings and data have been reviewed and accepted by the Engineer, unless otherwise authorized by the Engineer. Review or acceptance by the Engineer of the Contractor's drawings and data shall in no way be construed to imply relief of the Contractor from responsibility for any errors or omissions contained therein or relief from any of its obligations or liabilities under the Contract or otherwise.

14.2 The Hydro One's drawings and specifications shall be deemed to be complementary so that if anything is shown on the drawing but not mentioned in the specifications, or vice versa, it shall be furnished and built as though specifically set forth in both. In case of conflict between the Specifications and the drawings, the Specifications shall govern.

15. Equipment and Property Owned by Hydro One and Direction on Suppliers and Services by Hydro One

15.1 Title to equipment authorized by Hydro One for purchase by the Contractor or supplied to the Contractor by Hydro One that is handled by, or under the care, custody or control of, the Contractor on behalf of Hydro One shall be held and remain with Hydro One. Such equipment shall be clearly identified as property of Hydro One. The Contractor shall be responsible for safeguarding such equipment (including without limitation, safety of Contractor and others from the equipment) while in its care, custody or control, maintaining a system of inventory control acceptable to Hydro One. Hydro One shall have reasonable access to the premises and property of the Contractor and its Subcontractors for the purpose of verifying records and auditing inventories of such equipment.

15.2 Hydro One's equipment shall be used solely in the performance of the Work in a manner authorized by this Contract and any use of the equipment for any other purpose or manner is an improper use and is strictly prohibited. The Contractor acknowledges and agrees that it is responsible and liable to Hydro One for all damage caused by Contractor and its Personnel to Hydro One's equipment, tangible property and premises.

15.3 Following completion of the Work or early cancellation or termination of this Contract, the Contractor shall, unless otherwise directed, make all such equipment of Hydro One immediately available for pickup by Hydro One. The Contractor shall be liable for the repair or replacement of all equipment owned by Hydro One which becomes damaged or lost while in the care, custody or control of the Contractor or its Subcontractors. The Contractor shall maintain insurance, in which the Contractor and Hydro One shall be named jointly as insured, covering the full replacement value of all such equipment against the risk of loss or damage.

15.4 Where identified by Hydro One, the Contractor agrees to obtain such components and/or services as specified by Hydro One from such suppliers and contractors to be incorporated into the Work, as stated in the Contract Documents or as otherwise agreed in writing. The warranties and indemnities provided by Contractor as stated in this Contract shall supplement, but not limit, any warranty or indemnity, provided by such supplier or contractor to Hydro One in respect of such components and/or services.

16. Free-Issue Material

16.1 Should material be issued to the Contractor by Hydro One, such material shall be used exclusively for incorporation into the Work. Title to such material shall remain with Hydro One. Unless otherwise directed by the Engineer, or delegate, all excess free-issue material shall be returned to Hydro One following completion of the Work.

16.2 The Contractor shall be liable for the repair or replacement of any "free-issue" material which becomes damaged or lost while in the care, custody or control of the Contractor or its Subcontractors.

17. Construction Equipment

17.1 The Contractor shall provide adequate Construction Equipment as required by the Contract and to perform the Work in accordance with the construction schedule. Such Construction Equipment shall be subject to the approval of the Engineer and shall not be removed from the Project Site prior to the completion of the project or Work without his/her approval. The Contractor shall regularly inspect the Construction Equipment and maintain same in good working order. The Contractor will be required to furnish an up-to-date, signed and completed Hydro One's Equipment Safety Certification form each and every occasion Construction Equipment is brought on to a Project Site and at intervals as required by the Engineer. Drivers must comply with Ontario Ministry of Transportation rules. Such safety items as road signs, cone, first aid kits, wheel chalks and rotating flashing lights are expected to be standard equipment on all mobile Construction Equipment, to be used when required.

18. Shipping, Handling and Storage for Contractor's Property

18.1 The Contractor will be solely responsible for the care, custody and control of the Contractor's and its

Subcontractor's property while performing the Work at Project Site. Hydro One assumes no responsibility for the Contractor's or its or its Subcontractor's property. The Contractor shall be responsible for all tools or attachments and or equipment used in the Work. Hydro One shall not be liable for any tools or attachments and or equipment damaged, worn or lost during the term of this Contract. In the event of loss or damage to the Work during such period, the Contractor shall make good the same at its expense or pay all costs incurred by others in making good such loss or damage.

19. Project Site Physical and Labour Conditions

19.1 The Contractor understands and acknowledges that there may be errors and/or omissions in the information, representations or estimates by Hydro One or anyone acting on its behalf, whenever or however made, relative to any site physical condition, the labour conditions affecting the Work, the quantities of Work to be performed or Work scheduling, and agrees Contractor shall nonetheless perform, and such errors and/or omissions do not discharge it of, its obligations to perform the Work.

19.2 Where the Contractor is employing labour on the Project Site or performing trades work under the Contract, it agrees to adhere to all articles contained in the applicable collective agreements and associated wage schedules relating to such work, including as set out in the Labour Requirements identified in the Contract documents, and as otherwise identified to Contractor. The Contractor undertakes to obtain similar acknowledgements from each Subcontractor prior to its commencement of Work at each place where the Work is performed. Assistance regarding the interpretation of the prevailing labour conditions may be obtained from the Engineer. The Contractor and Subcontractors shall at all times maintain good order and discipline among their employees and shall not employ on the Work any unfit person or anyone not skilled in the task assigned to such person.

19.3 Living accommodations for the Contractor's Personnel will not be available on the Project Site unless specifically provided for in the Procurement Documents.

19.4 The Contractor accepts the conditions at the Project Site and the obligation to perform the Work in the condition existing at the effective date of this Contract and acknowledges that it has investigated and satisfied itself to the fullest extent through the exercise of diligence as to:(i) the nature and location of the Work; (ii) the nature and location of and all conditions relating to the Project Site, including, but not limited to, accessibility, general character, surface conditions, utilities, services, soil, structures, roads, airports, uncertainties of seasonal weather and all other physical, topographical and geographical conditions but excluding subsurface (except where the Contract is for geotechnical, drilling or excavation Work) or other physical conditions, unless disclosed by Hydro One; (iii) all environmental risks, conditions, laws and restrictions applicable to the Contractor or the Work that may affect the Work; and (iv) the magnitude of the Work.

19.5 The Contractor accepts the obligation to perform the Work and acknowledges that it has investigated and accepts: (i) the general character, quality, quantity, accessibility, and availability of equipment, materials, utilities, services, and accommodations required to execute and complete the Work; and, (ii) all conditions affecting labour, including, without limitation, availability, productivity, accessibility, labour requirements and restrictions, collective agreement requirements and restrictions, requirements and restrictions by law, and administrative practice, including those relating to safety, prevailing at or applicable to the Work.

20. Publicity/Public Relations

20.1 The Contractor and its Subcontractors shall not erect or permit the erection of any sign or advertising on the property of Hydro One without the approval of the Engineer.

20.2 Publication by the Contractor or its Subcontractors of information in connection with the Contract shall be made only with the prior written approval of Hydro One.

20.3 In no event shall the Contractor or Contractor Personnel enter upon, or allow its equipment to enter upon, private property without first obtaining approval from the respective property owner in writing and available

to Hydro One upon request.

20.4 The Contractor and Contractor Personnel shall conduct themselves in a manner conducive to the maintenance of good public relations for Hydro One.

20.5 If during the performance of the Work the Contractor or Contractor Personnel receive complaints or enquiries to which the Contractor or Contractor Personnel are not qualified to respond; the name of the complainant or the person making the enquiry shall be recorded along with his or her name, address and telephone number. The Contractor shall make a written report of the incident to the Engineer.

20.6 Access to the Project Site will be on approved access routes as determined by Hydro One. Location of the access routes are more specifically outlined in the Procurement Documents and will be more fully described at the site meeting. The Contractor shall be liable for any and all damages and or injuries incurred should the Contractor deviate from such approved access routes.

21. Project Site Performance/Other Contractors

21.1 The Contractor shall adhere strictly to the schedules specified in the Contract and shall plan the Work so that labour and materials are available at the Project Site in order to permit the Work to progress in an orderly manner. The Contractor shall coordinate its Work with other contractors as may be required and ensure that Work will not disrupt normal work at the Project Site.

21.2 Hydro One's construction manager is responsible for the general progress, scheduling, coordinating, and administration of the Work of all contractors on the Project Site. The Contractor shall coordinate its Work with that of other contractors and make such connections as are specified or shown in the Contract documents.

21.3 The Contractor shall immediately notify the Engineer of any apparent deficiencies in other contractors' work that could affect the Work under the Contract. Such notification shall be communicated immediately and confirmed in writing. Failure by the Contractor to so immediately report such deficiencies will invalidate any claims against Hydro One arising therefrom.

21.4 The Engineer shall be the interpreter of the Contract and the judge of its performance. The Contractor shall act promptly in accordance with the Engineer's decision regarding same.

21.5 Insofar as is consistent with the nature of the Work, the results to be attained and the Contract schedules, the order and methods of performance of the Work will be left to the discretion of the Contractor and are the responsibility of the Contractor.

21.6 However, the Engineer will have the right, but not the obligation, to control the order and methods of performance of the Work at the Project Site. Should the Engineer be of the opinion, and so inform the Contractor in writing, that the amount of labour, material, equipment or other items dedicated to the Work is insufficient, or that the methods employed are not such as will ensure the completion of the Work on schedule, then the Contractor shall, forthwith, increase the amount of labour, material, equipment or other items, as the case may be, or shall adopt other methods and practices, all to the satisfaction of the Engineer and at no extra cost to Hydro One. Notwithstanding the preceding, the Contractor remains ultimately responsible for the performance of the Work and the results obtained.

21.7 The Contractor shall not perform any blasting work unless expressly permitted to do so in the Procurement Documents, and any such blasting work will be limited to the express permission so provided.

22. Health & Safety, Laws, Regulations and Codes

22.1 The Contractor shall obtain and maintain all permits, certificates, licences, registrations and authorizations required for the lawful performance of the Work.

22.2 The Contractor shall be the “constructor”, as that term is defined in the OHSA, for the Work, unless expressly stated in the Procurement Documents that Hydro One or another entity is the “constructor”. As the

constructor, the Contractor shall fulfil all of its obligations under the OHSA and applicable regulations thereunder, including, without limitation, the filing of applicable notifications.

22.3 The Contractor and each Subcontractor shall comply, while working on the Project Site and in relation to the Work, at its expense, with all federal, provincial and municipal statutes, laws, regulations, bylaws, codes, and orders of governmental agencies, as well as Hydro One's safety requirements pertaining to the Work. The Contractor will provide upon arrival to the Project Site all documentation required by the Ontario Ministry of Labour, including a completed Ministry of Labour Form 1000. The Contractor shall be liable for and indemnify Hydro One for all damages, costs and expenses incurred as a result any breach of any applicable federal, provincial and municipal statutes, laws, regulations, bylaws, codes, and orders of governmental agencies, including any fines or penalties issued related thereto.

22.4 Without limiting the generality of the foregoing, the Contractor shall comply with all regulations made under the OHSA and the Workplace Hazardous Materials Information System (“WHMIS”), those relating to safety, those designed to reduce fire hazards and all regulations made under the OHSA.

22.5 The Contractor will meet the First Aid requirements of the Workplace Safety and Insurance Board as specified in Regulation 1101.

22.6 The Contractor and each Subcontractor and their respective Contractor Personnel shall participate, at its expense, in any safety orientation and electrical awareness training, pre-job safety meetings and any accident prevention program that may be established by Hydro One for Work on the Project Site prior to the Work. The Contractor will also ensure participation by all site Contractor Personnel in regular safety meetings, and where Hydro One is the "constructor" as defined in the OHSA, shall cooperate with Hydro One in the discharge of its responsibilities as such. The Contractor will ensure all Contractor Personnel provide documentation that such Contractor Personnel have completed required training upon arrival at the Project Site. Information concerning Hydro One's on-the-job safety requirements and program may be obtained from Hydro One's Project Site office or head office. Each Field Supervisor shall be responsible for the safety of all persons supervised.

22.7 The Contractor and each Subcontractor shall ensure, at no additional cost to Hydro One, that its workers are trained and equipped with all safeguards and personal protective equipment (“PPE”) necessary for the performance of the Work. Safety helmets, safety footwear and safety glasses conforming to the CSA standard selected by Hydro One must be worn by all Contractor Personnel while on Project Site and/or any Hydro One sites (including construction sites).

22.8 As a minimum, the following PPE shall be worn by all individuals and requirements be met at all times while on the Project Site and/or any Hydro One sites (including construction sites): (i) Head protection (CSA Z94.1) Class E (Type 1 or 2) (ii) Foot protection (CSA Z195) Green triangle and Omega symbol (class 1 toe protection and electrically resistant); (iii) Eye/Face Protection (CSA Z94.3) High velocity impact with side shields and no metal frames; (iv) Arc Flash/Flame Resistant Clothing (Certified to ASTM 1506 (Standard Performance Specification for Flame Resistant Textile Materials for Wearing Apparel for Use by Electrical Workers Exposed to Momentary Electric Arc and Related Thermal Hazards), Must have a minimum ATPV rating of 8 cal/cm2. Clothing can incorporate the high visibility requirements below. All clothing shall provide full body coverage (from wrists to ankles i.e., full length pants and long sleeved shirts); and,(v) High visibility clothing must meet O.Reg 213/91 sec. 69.1(1-4) sec. 106(1.1-1.4 for daytime and nighttime visibility). If certified to CSA Z96 garment must be certified to Class 2 Level 2. Vests shall be arc flash/flame resistant(vi) in the event flame and fire resistant (FR) coveralls are not the colors stated in O.Reg 213/91 sec. 69.1, the Contractor Personnel must wear a FR vest that meets the requirements (vest must be blaze orange in colour);(vii) Grounding studs are required on all transport work equipment.

22.9 The Contractor shall comply with any additional requirements stipulated in the Contract documents or as directed by the Engineer or Hydro One’s representative specific to the Project Site and/or the Work.

22.10 Metal measuring tapes, metal ladders or ladders longitudinally reinforced with wire or other metallic means shall not be used on the Project Site unless approved in writing by the Engineer.

22.11 Hydro One considers that anyone who is within two (2) meters of an unprotected edge which is over three (3) meters high is in danger of falling and consequently shall be protected by an approved "fall prevention system" consisting of either an anchored life line and body harness, or by erecting or suspending scaffolding alongside building where roofing Work is being performed. Scaffolds shall have a minimum height equal to that of the roof less one (1) meter and have fully planked top platform with approved handrails.

22.12 The Contractor is responsible for providing fall protection for Contractor Personnel working at three (3) meters above grade. The fall protection system must conform to the Construction Regulations of OHSA. Fall arrest and fall protection systems must be approved by a professional engineer certified by Ontario's Professional Engineers' Association. If a fall arrest or a travel restrict system is installed by the Contractor, the Contractor shall within 1 week of the award produce drawings detailing the type and the method of attachment to the structure. These drawings must be stamped by a professional engineer certified by Ontario's Professional Engineers' Association.

22.13 The fall protection system must be installed before any other Work can begin. The Contractor shall ensure that all workers that are working at heights successfully complete an approved working at heights training program delivered by an approved training contractor that conforms with the Occupational Health and Safety Awareness and Training Regulation of the OHSA before such workers perform any Work at heights.

22.14 Contractor is responsible to perform an equipment safety certification and provide an Equipment Safety Certificate each time and for each piece of Equipment delivered to a Project Site.

22.15 The Contractor shall be responsible for the compliance with all the provisions of this Section 22 by its Subcontractors. Any Contractor Personnel that arrive requesting access to a Project Site without the required PPE or training will be required to immediately leave the Project Site and the Contractor shall be responsible for all costs and expenses associated with any delay, including providing suitable replacement Contractor Personnel. Any failure of the Contractor to comply with the provisions of this Section 22 or any instructions, written or otherwise, issued by Hydro One hereunder, may result in immediate suspension of the Work, or any portion thereof, or termination under Article 38. Any suspension or stop work order directed or issued by any official of the Construction Health and Safety Branch, Ontario Ministry of Labour, or Hydro One shall not be grounds for any extension to the schedule or any claims for delay resulting therefrom. A copy of any "Order to Comply", or stop work order, or like notices pertaining to the Work issued by the Construction Health and Safety Branch, or other competent authority, shall be forwarded without delay to the Engineer. Work shall not recommence following the issue of stop work order without the written approval of the Engineer.

23. Health and Safety Incident Reporting

23.1 The Contractor shall notify Hydro One of any event, incident, or injury that results in or has the potential to result in:

(i) any notice to be provided to a governmental authority under the OHSA or WSIB;
(ii) any reporting to be provided to a governmental authority with respect to the environment;
(iii) any tickets, orders or charges by the Ontario Ministry of Labour or Ministry of Environment;
(iv) any Work stoppage or Work refusal.

23.2 The Contractor shall immediately verbally notify Hydro One of any events, incidents or injuries that involve a critical injury or result in a fatality. All other incidents identified in Section 23.1(i) require the Contractor to verbally notify Hydro One within twenty-four (24) hours after the occurrence of the event, incident or injury. All verbal notifications shall be followed up by a formal written report to Hydro One within forty-eight (48) hours after the event, incident or injury.

23.3 The verbal and written reports to Hydro One shall include at minimum the following information:

(i) If an event or incident with injury - the name of injured person, trade or normal occupation, company, injury type and part of body;
(ii) Where the event, incident or injury occurred and date and approximate time of occurrence;
(iii) Brief description of what happened, the work being performed at the time of the event, incident, or injury,

the events leading up to the incident and any details related to size, weight and type of materials and/ or equipment involved;

(iv) Apparent cause of the event, incident or injury and corrective actions taken; and

(v) Contractor contact for further information regarding the event, incident or injury.

23.4 The Contractor and each Subcontractor shall provide Hydro One with a copy of all notices, reports and documents which it is required to submit in accordance with the OHSA, WSIB and the EPA in respect of any event, incident or injury.

23.5 The Contractor shall be responsible for compliance with the provisions of this Section 23 by all its personnel and Subcontractors.

23.6 Failure to comply with any of the requirements under this Section 23 may result in the suspension of Work which suspension may last until Hydro One confirms the Contractor's compliance, or may result in termination for cause. Any such action shall not be grounds for an extension to the Contract time or an increase in the Contract Price.

24. Project Site Tidiness, Environmental Control; Spills

24.1 The Contractor shall confine its materials and Construction Equipment to the site location designated from time to time by Hydro One's construction manager. Temporary structures of the Contractor and its Subcontractors shall not interfere with the work of other contractors or of Hydro One, and shall be removed as soon as no longer needed. Rubbish shall be kept to a minimum and cleared away daily. After completion of the Work, the Contractor shall be responsible for tidying its work site and yard, if any, and for removing all Construction Equipment, its material and temporary structures and restoring its work site and its yard to a condition which is acceptable to Hydro One's construction manager. The Contractor shall be responsible for the safe disposal of all debris from the job site and shall notify Hydro One in writing as to where the debris is disposed.

24.2 The Contractor and each Subcontractor, while performing the Work on the Project Site, shall comply with relevant statutes, regulations, bylaws and directives of competent authorities having jurisdiction in matters of ecological protection and environmental control of soil, water and air. Without limiting the generality of the foregoing, the following legislation is called to the Contractor's attention: the *Environmental Protection Act*, R.S.O. 1990, C. E.19 the Ontario *Water Resources Act*, R.S.O. 1990, c. O.40 and the *Pesticides Act*, R.S.O. 1990, c. P.11. The discarding of waste and the dumping of hazardous materials and pollutants at the Project Site shall be prohibited.

24.3 The Contractor acknowledges and agrees that the *Environment Protection Act* requires spill incidents involving fuels, oil, hydraulic fluid, herbicides and other pollutants to be reported forthwith to the Ministry of the Environment and to the local municipality where the spill occurred.

24.4 The Contractor shall perform all acts required of the owner or controller of any spilled materials and comply with all pertinent legislation. Incidents of spills shall be reported immediately to the appropriate authorities in accordance with the legislation. Hydro One's authorized representative shall also be notified of all spills and of any proposed removal or disposal of any polluted, contaminated or hazardous materials or waste.

24.5 The Contractor shall be responsible for cleanup of its spills and of any waste, hazardous materials and pollutants and will be liable for any resulting property damage, and will indemnify Hydro One for any costs incurred by Hydro One for containment and cleanup of the waste, hazardous materials, spilled material and pollutants, and any costs, liability or penalties incurred by Hydro One due to the Contractor's failure to comply with relevant legislation.

25. Hazardous Materials

25.1 The Contractor, and each Subcontractor, when shipping to, or planning to use at, any Project Site, any product which is categorized as a hazardous material (i.e., compressed gas, flammable or combustible material,

oxidizing material, poisonous and infectious material, corrosive material or dangerously reactive material), shall conform with relevant federal and provincial legislation and regulations pertaining to such materials. The Workplace Hazardous Material Information System (WHMIS) shall apply and all such materials shall be properly identified with WHMIS type warning labels. All shipments of such material to the Project Site shall include a Safety Data Sheet (SDS), formerly known as a Material Safety Data Sheet (MSDS). The Contractor shall provide Hydro One's representative with updated SDS for products supplied to Hydro One whenever SDS data changes. The Contractor is prohibited from supplying Sulphur Hexafluoride (SF6) or bringing Sulphur Hexafluoride (SF6) gas to the Project Site without Hydro One's prior written consent.

26. Changes in the Work

26.1 Hydro One may, without invalidating the Contract, direct the Contractor to make changes in the Work. When a change causes an increase or decrease in the Work, the Contract Price shall be increased or decreased by the application of unit prices to the quantum of such increase or decrease or, in the absence of applicable unit prices, by an amount to be agreed upon between the Contractor and Hydro One.

26.2 If, during the course of completing the Work, and in the opinion of the Contractor, work is required that is in excess of that contracted, it shall be brought to the attention of Hydro One and require authorization by Hydro One. When billing for such excess work, evidence of prior authorization of Hydro One must accompany the invoice, which shall include the unit prices.

26.3 No change involving any major Subcontractor will be made without adequate cause and without Hydro One's prior written approval.

26.4 No claim for delay and no extension of time on account of delay shall be made by the Contractor unless notice of claim with a Change Request is given to Hydro One not later than 3 work days after the commencement of delay, provided however, that in the case of a continuing cause of delay only one notice of claim shall be necessary. Notwithstanding anything else, no claim for delay or extension of time, whether reasonable or not, may be made by the Contractor unless notice of claim with a Change Request is made within 3 work days after the commencement of delay, with sufficient details of the alleged delay and reasonable costs incurred to date and the reasonable costs that may be incurred if such delay were to continue.

26.5 Any changes in the Work, the Contract Price, or the time to perform the Work must be documented by a Change Order or Instruction Notice.

27. Inspection

27.1 Hydro One shall have the right at any time, and from time to time, to inspect the Work performed by the Contractor and may reject any part thereof, which is found not in accordance with the Contract. Any of the Work so rejected shall forthwith be re-executed or corrected by the Contractor at its sole expense and in a manner prescribed by the Contract; however, if in the opinion of Hydro One it's not feasible to re-execute or correct the rejected Work at the present time, Hydro One shall be bound to pay to the Contractor only such sums of money which, in the opinion of Hydro One, represents the value of the Work to Hydro One.

28. Acceptance

28.1 The decision of Hydro One as to compliance of Work with the Contract (including any milestone) shall be final. The date of acceptance will be upon completion satisfactory to Hydro One of each portion or milestone of the Work as acknowledged by Hydro One in writing.

29. Intellectual Property

29.1 Both parties retain all rights to all proprietary interests, including knowledge, experience, know-how, software, materials, technology, documents, data, modules, components, designs, utilities, subsets, objects, program listings, tools, models, methodologies, programs, systems, analysis frameworks, leading practices, and

specifications brought to the Work and used therein, or independently developed by such party (collectively "Pre-Existing IP"). The Contractor shall not knowingly incorporate into the Work any data, software or hardware the use of which by Hydro One violates the proprietary rights of third parties.

29.2 All right, title, and beneficial ownership interests to all intellectual property, including without limitation, products, methods, processes, inventions, ideas, discoveries (patented or otherwise), copyright, of any form, software, data (hard copies and machine readable) that are conceived, designed, written, produced, developed or reduced to practice in the course of the Work (excluding Pre-Existing IP) shall irrevocably vest in and remain with Hydro One and the Contractor and its Personnel hereby agree to the assignment of all such intellectual property rights to Hydro One and to provide a waiver of all moral rights for the benefit of Hydro One. Contractor shall not do any act which may compromise or diminish Hydro One's interests as aforesaid.

29.3 Unless otherwise expressly set out in a Contract Document to the contrary, the Contractor grants to Hydro One a non-exclusive, paid-up, irrevocable, perpetual license to use, copy and modify for use in conjunction with its utilization of the Work any Contractor Pre-Existing IP incorporated into the Work by the Contractor hereunder and to sublicense such rights to its Affiliates, respective contractors and vendors. Furthermore, unless otherwise set out in a Contract Document, to the extent that the Contractor incorporates any third party intellectual property into the Work, the Contractor shall ensure that such third party grants or shall have granted to the Contractor a non-exclusive, paid-up, irrevocable, perpetual license to use, copy and modify such third party's intellectual property as incorporated into the Work by the Contractor hereunder and to sublicense such rights to Hydro One, its Affiliates, respective contractors and vendors. Unless otherwise agreed in writing by Hydro One, the Contractor will pay all royalties, licence fees and other monetary amounts required in respect of Intellectual Property Rights associated with the Work. Contractor shall identify such Contractor Pre-Existing IP and third party intellectual property incorporated into such Work for acceptance by Hydro One.

30. **Confidentiality and Privacy**

30.1 The Receiving Party shall not permit disclosure or use of any Confidential Information except as expressly permitted by this Contract or as otherwise agreed in writing by the Disclosing Party. The Receiving Party shall only disclose Confidential Information to those personnel, subcontractors, advisors and Affiliates who have a need to know such Confidential Information for the purposes of the performance of the Services and for the exercise of such party's rights and obligations under this Contract and provided they have signed a written confidentiality agreement or have agreed in writing to confidentiality obligations with terms to maintain the confidentiality of Confidential Information no less strict than the terms hereof. Contractor and its Personnel shall only use and be permitted to use Confidential Information to the extent required to perform its obligations under the Contract, provide and produce the Work under this Contract, and for no other purpose. The Receiving Party shall be responsible and liable for any Confidential Information received, used or disclosed by any of its employees, subcontractors, advisors and Affiliates. At the expiry or termination of this Contract, or at any time at the Disclosing Party's request, the Receiving Party will return or securely destroy all Confidential Information in the possession of Receiving Party, including any copies or extracts of any of the foregoing in its possession or control (except that, as long as such Confidential Information is held according to the provisions of this Contract, each party may retain copies of the other party's Confidential Information to the extent necessary for its backup, archival, record keeping and legal record retention purposes). This confidentiality provision shall survive termination and expiry of this Contract. Confidential Information shall not include any information that: (1) is at the time of disclosure, or thereafter becomes, through a source other than the Receiving Party, publicly known, (2) is subsequently learned from a third party that does not impose an obligation of confidentiality on the Receiving Party, (3) was known to the Receiving Party at the time of disclosure, or (4) is developed independently by the Receiving Party.

30.2 Except as required by law, the Contractor shall not make any public statements, announcements, press releases or submissions concerning this Contract or the Work without the express written consent of Hydro One. The Contractor agrees not to use Hydro One's or any of its Affiliate(s)' name, trade-mark or logo in any way in any of its advertising or other written material provided to third parties, and agrees that it shall not

create a link, either directly or indirectly between the Contractor's web site and Hydro One's or Affiliates' web sites, without the prior written consent of Hydro One. Either party may take such actions as it deems necessary to prevent such disclosure if in its sole opinion such disclosure is not mandatory.

30.3 Contractor acknowledges that to the extent it collects, uses or discloses Personal Information, it is obliged to comply with the Personal Information Protection and Electronic Documents Act (Canada) and regulations, as amended, and/or provincial legislation and regulations, and any other legislation, regulation, statute or law of any other jurisdiction relevant to the Work that addresses the protection of Personal Information ("Privacy Laws"). Contractor shall, prior to collecting, transferring or causing to be transferred, processing or disclosing Personal Information, obtain and retain required consents of the relevant individuals to the collection, use and disclosure of their Personal Information, or shall have determined that such consents either have previously been given upon which the parties can rely or are not required under Privacy Laws. Without limiting the forgoing, Contractor acknowledges and agrees:

(a) it shall not collect from Hydro One, or use or disclose Personal Information provided to it by Hydro One except as specifically authorized by Hydro One ;
(b) to collect, use, process and disclose such Personal Information only to the extent necessary to provide the Work required under this Contract (and not to use it for any other purpose except with the consent of the affected Individual as well as approval of Hydro One) or to comply with legal and regulatory requirements;
(c) in performing the Work, it shall comply with the provisions of Hydro One's Privacy Code;
(d) hold such Personal Information as Confidential Information in accordance with this Contract;
(e) immediately notify Hydro One in the event it discovers that there has been any breach of Privacy Laws in respect of the Work under this Contract or of the confidentiality or security of any Personal Information of Hydro One employees, former employees or customers;
(f) securely destroy such Personal Information promptly when such Personal Information is no longer required, and with prior written approval of Hydro One when Personal Information of Hydro One employees, former employees or customers is involved; and
(g) coordinating with and assisting Hydro One in responding to queries or complaints regarding Personal Information and Privacy Laws, as well as with reporting to any applicable government entity or regulator any breach of the confidentiality or security of any Personal Information as it pertains to the Work.

30.4 It is not a breach of this Contract to disclose Confidential Information to the extent required by applicable law, provided if disclosure of any Confidential Information of either party or its Affiliates is required by applicable law, then as soon as practicable and to the extent legally permissible, the party being asked to disclose will provide the other party with notice of such required disclosure, and where either party desires to prevent disclosure, the parties will reasonably cooperate to prevent such disclosure and/or seek to obtain a protective order or other remedy. If either of the parties desire, but are not able to prevent disclosure of the other party's Confidential Information, such party will furnish only that portion of the other party's Confidential Information that it is legally required to disclose.

31. **Risk of Loss**

31.1 The Work shall remain at the sole risk of the Contractor up to and including Takeover day.

32. **Financial Statements, Surety Bonds, Performance, Labour and Material Payment; Other Security**

32.1 Contractor acknowledges that Hydro One, from time to time, may perform a financial assessment of Contractor and Contractor agrees, upon Hydro One's request, to deliver to Hydro One copies of Contractor's then most recent audited financial statements, unless such audited financial statements do not exist, in which case unaudited financial statements will be provided.

32.2 At Hydro One's request, at any time, and from time to time, the Contractor may be required to furnish one or more surety bonds (being a performance bond(s) and/or a labour and material payment bond) in a form satisfactory to Hydro One and in an amount up to 100 percent of the Contract Price. The surety shall be acceptable to Hydro One and licensed to issue such surety bonds in the Province of Ontario. The surety bonds

shall be in such form and terms as approved by Hydro One. The Contractor shall maintain the surety bonds in good standing until the fulfillment of its obligations under the Contract.

32.3 At Hydro One's request, at any time, and from time to time, the Contractor may be required to furnish other security for Contract performance, at Contractor's sole cost, in a form and amount satisfactory to Hydro One, such as a guarantee by a parent or affiliated company (if applicable), a bank letter of credit, bank guarantee, a monetary deposit, or personal property security documentation.

32.4 Failure to furnish the surety bonds or other security, within two weeks from the date of request, made at any time, by Hydro One, shall entitle Hydro One to treat such failure as a breach of Contract.

33. Pricing and Quotes

33.1 Hydro One will issue Purchase Orders in respect of the Work and the Contractor agrees that Contractor cannot be paid unless an applicable Purchase Order or Ticket is issued by Hydro One. Hydro One shall pay the Contractor for the Work subject to the terms set out in the Contract Documents. Where Hydro One issues a Purchase Order or Ticket without a Quote, Contractor shall invoice for the Work on the Purchase Order or Ticket based on the pricing contained in the Contract Documents.

33.2 Where Contractor provides a Quote, such Quotes are to remain valid for a period of ninety (90) days from issuance. Rates set out in Quotes to Hydro One for Work are not to exceed the rates in the pricing contained in the Contract Documents. Where a Purchase Order or Ticket is issued based on a Quote for piece work, Contractor is not permitted to bill for units or volumes of such piece work in excess of ten (10%) percent of the Quote, or invoice for things not included within the line items of Quote, unless expressly agreed in writing by Hydro One.

33.3 Where the Work is to be performed on a time and materials basis, Contractor will bill Hydro One in arrears only for actual time worked broken out by each item or Contractor Personnel, as applicable at the rates set out in the Contract Documents. Upon Hydro One's request, the Contractor Personnel will submit timesheets to Hydro One for hours of Work actually performed for approval by Hydro One.

33.4 Where the Work described under in the Contract Documents includes a payments schedule based on tasks or milestones, Hydro One is not required to pay until, and Contractor will bill Hydro One only, after the task or milestone has been reached or delivered and has been accepted by Hydro One as set out in the Contract Documents.

33.5 For all other arrangements, unless otherwise set out in the Contract Documents, Contractor will bill only after completion, delivery and acceptance by Hydro One of the Work.

33.6 Unless otherwise set out in the Contract Documents, the Contractor shall not be permitted to bill any overtime rates unless expressly approved in writing by Hydro One. Any compensation for overtime is subject to the requirements of the Work and Work location, collective agreements and Labour Requirements.

33.7 The Contractor will bill Hydro One in arrears for pre-approved expenses on a monthly basis, unless otherwise set out in the Contract Documents.

33.8 The Contract Price is deemed to include all activities required to provide the Work and all other charges of every kind respecting the Work except for GST/HST. The Contractor's prices and/or rates shall be deemed to compensate the Contractor for all corporate, executive, and management expenses, general administration expenses, including the services of a project administrator (unless otherwise expressly specified in writing and referenced in the Contract Documents), accounting, employee relations, clerical staff, secretarial support, normal stationery and office supplies, local telephone, rent, utilities, taxes, and depreciation. The Contractor Personnel designated as manager or above, including project manager or similar title or function, shall not be charged to the Work unless so indicated in the Contract Documents, and they are engaged in making a substantial direct technical contribution to the Work. Any effort which contemplates such charges shall require Hydro One's prior written authorization. The Contract Price will not be subject to adjustments for changes in

any cost of the Work to the Contractor.

33.9 All amounts will be billed and paid in Canadian dollars, unless otherwise set out in the Contract Documents. All prices and/or rates as billed are to include all applicable taxes (except for GST/HST), premiums, levies, duties, and other charges of every kind attributable to the Work, whether or not they are statutory or otherwise, including, without limitation, in relation to the following: insurance; Workplace Safety and Insurance Board (WSIB) or those of a similar body; payroll; health plan; dental plan; drug plan; employment insurance; vacation pay; sick time; bonus pay; Canada Pension Plan; any other pension plan; and, tax equalizations.

33.10 Unless the parties otherwise agree in writing in the Contract Documents, the Contractor shall be solely responsible for the payment of all expenses incurred by the Contractor and the Personnel in the performance of any Work, including, without restriction, office, tools, materials, equipment and travel expenses.

33.11 If Hydro One agrees in the Contract Documents to reimburse the Contractor for expenses incurred under the Contract, then, unless otherwise agreed, such reimbursement shall be subject to Hydro One's written approval of such expenses before they are incurred and only if such expenses are necessary and reasonable, and were directly and properly incurred for the delivery of the Work and such expenses will be reimbursed at cost ("Expenses"). Unless expressly set out in the Contract Documents, or agreed by Hydro One in writing, under no circumstances will any costs be recoverable by the Contractor from Hydro One, either directly or indirectly, for any hospitality or incidental expenses, expenses for food or beverages consumed by Contractor Personnel, or anyone acting on behalf of Contractor, including but not limited to expense in respect of: meals, snacks and beverages; gratuities; laundry, dry cleaning and valet services; dependent care; or personal telephone calls. Furthermore, unless otherwise set out in the Contract Documents, Hydro One may require delivery of a receipt for such Expenses to Hydro One at the time of the request for reimbursement.

33.12 Unless otherwise set out in the Contract Documents, reimbursable travel-related expenses and other expenses agreed to be reimbursed by Hydro One shall also be subject to Hydro One's travel and expense guidelines in effect from time-to-time and any expenses incurred that are not in accordance with the Hydro One travel and expense guideline will not be reimbursed.

33.13 In the event that a volume discount agreement is in effect between Hydro One and Contractor during the term of this Contract, then such volume discount agreement shall apply to all billing under this Contract, and this Contract is an "Other Agreement" as that term may be defined in such volume discount agreement.

33.14 Where third party contractors or agents procure Work or purchase equipment on behalf of Hydro One, the Contractor agrees to extend pricing agreed to between Hydro One and the Contractor to such Work and purchases made by such third party contractors or agents on behalf of Hydro One.

34. **Invoices**

34.1 The Contractor shall submit invoices to Hydro One for payment of fees and Expenses (if applicable) monthly unless otherwise set forth in the Contract Documents. Unless expressly stated otherwise in the Contract Documents, invoices shall only request payment of fees for Work actually performed and accepted by Hydro One, and Expenses actually incurred up to the date of the production of the invoice.

34.2 Each invoice shall include all items required to be a "proper invoice" as that term is defined under the *Construction Act*, and be in such detail and format as specified by Hydro One and for this Contract must include: Hydro One's purchase order number and purchase order release number, Purchase Order Release line number(s), Work Ticket number, Service master number and/or material master number if provided, invoice number and date, the Contractor business name, address, invoice contact name and invoice contact phone number, Contractor Personnel's name, location of the Work and a short description of the Work the charges relate to, quantity, part or reference numbers, description of suppliers, time worked (eg. number of hours or days), rate, timesheets as applicable, invoice payment amount, currency (if not Canadian dollars), terms of payment as per this Contract, remittance address, applicable tax treatment, GST/HST amount, Contractor's GST/HST number, and proof of Hydro One's authorization for amounts not included on the original Quote or

Ticket, where applicable. Invoices must match the purchase order and purchase order release in price and quantity. A copy of each invoice must also be sent to Hydro One's representative who requested the Work. Contractor must not include fees and charges from more than one purchase order or purchase order release on an invoice.

34.3 The GST/HST, and other provincial or state sales tax, if applicable, together with the registration number for same, shall be shown separately on all invoices. The Contractor shall advise Hydro One whether it has registered for GST/HST and provide such number upon request. The Contractor shall deduct all recoverable GST/HST paid from reimbursable expenses before adding GST/HST to amounts to be invoiced to Hydro One. If the Contractor incorrectly charges GST/HST or other tax to Hydro One, Hydro One shall not reimburse the Contractor for interest or penalties arising from the incorrect application of such tax.

34.4 Hydro One has implemented an on-line portal ("Portal") for submitting invoices and has enabled dynamic discounted payment and Hydro One expects Contractor to adopt and use the Portal for determining purchase order status, invoice submission, invoice status and questions related to purchase orders, invoices, and payment details. Hydro One will make available information about the Portal and for Contractor's enrolment on the Portal upon Contractor's request. If Contractor is already enrolled on the Portal, then Contractor will submit all invoices in respect of the Contract through the Portal.

34.5 In the event that the Portal cannot be used, all original invoices must be submitted to: Hydro One Networks Inc., P.O. Box 4500, Concord, Ontario, L4K 5E2, Attention: Accounts Payable. Payment will be made from an original invoice only and fax copies will not be processed.

34.6 Subject to applicable legislation, the Contract, as well as whether Contractor has chosen dynamic discounted payment terms made available on the Portal, undisputed invoices will be paid within twenty-eight (28) days after receipt, for ninety percent (90%) of all labour and materials incorporated into the Work as invoiced and the remainder shall be subject to the holdback requirements under the *Construction Act*. Subject to applicable legislation and the Contract or otherwise by written agreement of Hydro One, any unpaid balance (except where Hydro One refuses to pay as permitted by the *Construction Act* and the Contract) will be paid after the expiry of the holdback period under the *Construction Act*.

34.7 Hydro One is entitled to review invoices. Hydro One is not required to pay any invoice unless such invoice is a proper invoice that is accurate and correctly submitted, not disputed and includes the required information according to the Contract. In the event Hydro One, in good faith, disputes the accuracy or applicability of any fee, charge, amount, credit or other financial arrangement described in an invoice, Hydro One shall notify Contractor of such dispute in writing with a reasonably detailed explanation of the basis of the dispute as soon as practicable after the alleged discrepancy has been discovered. In the event of any dispute in relation to any invoice, including in the event that the Contractor has not received payment when due in respect of any invoice, the parties agree that they must follow the dispute resolution process set out in Article 39. Hydro One is under no obligation to pay any part of the invoice that is under dispute until the resolution of the dispute. Hydro One and Contractor will work in good faith to resolve such dispute expeditiously. If at any time during the performance of the Work there are deficiencies in the Work, including non-delivery of an acceptable final report, Hydro One shall have the right to withhold payment of any invoice in respect of such deficiencies. Any payment withheld will be paid after Hydro One's approval of the correction of deficiencies.

34.8 All payments are conditional, however, on the Contractor fulfilling its obligations and making satisfactory progress in the Work in respect of the amount invoiced. Hydro One will determine whether or not such obligations have been fulfilled and progress is satisfactory.

34.9 When the Work is substantially performed, the Contractor shall prepare and submit, for Hydro One's review and approval, a certificate of Substantial Performance of the Work.

34.10 Upon acceptance by Hydro One of the certificate of Substantial Performance of the Work, the Contractor shall promptly publish such certificate of Substantial Performance in accordance with the *Construction Act*.

34.11 Upon completion of the Work, or when otherwise requested by Hydro One, the Contractor shall submit to

Hydro One a sworn statement that all accounts for the labour, subcontracts, products, construction, machinery and equipment, and other indebtedness which may have been incurred by the Contractor in connection with the Work and for which Hydro One might in any way be held responsible, have been paid in full, except for amounts properly retained as a holdback or those amounts not yet paid by Hydro One to the Contractor which payment may be in dispute.

34.12 Acceptance by the Contractor of the final payment shall constitute a waiver of all claims by the Contractor against Hydro One except those previously made in writing that have been disputed in accordance with the dispute resolution process and the Contract and still unsettled.

34.13 Payments to the Contractor, including final payment, shall not relieve the Contractor from any of its obligations or liabilities under the Contract or otherwise.

34.14 There will not be any early release of holdback permitted by the Construction Act unless expressly agreed in writing by Hydro One.

34.15 For the use of Subcontractors and others that may register construction liens, the Contractor shall include in all subcontracts Hydro One's complete address. The Contractor shall promptly take all action necessary to have such lien vacated, released or discharged at the Contractor's expense.

35. Unpaid Accounts

35.1 The Contractor shall indemnify and hold harmless Hydro One from all claims arising out of unpaid accounts relating to the Work. The Engineer shall have the right, at any time, to require satisfactory evidence that the portions of the Work in respect of which any payment has been made or is to be made by Hydro One is free of construction or other liens, attachments, security interests or other encumbrances and that all claims and demands arising out of the Work have been paid. If such evidence is not submitted to the Engineer upon request therefor, Hydro One shall have the right to withhold payments due under the Contract until such submission. Before making final payment, the Engineer may require evidence that all charges and assessments under the WSIA have been fully paid.

36. Accounts, Records and Right to Audit

36.1 The Contractor shall:

(i) keep and maintain, in accordance with generally-accepted accounting principles ("GAAP"), complete and accurate books, records, and accounts of all costs and expenditures relating to the provision of the Work including invoices, receipts, time sheets and vouchers;

(ii) within five (5) Business Days of receiving a request of Hydro One, during the period set out in (iii) below, permit Hydro One to audit the Work, including compliance with any security or cyber system requirements and make available to Hydro One or its representatives for examination, reproduction, audit, review or any other reasonable purpose every such book, record, invoice, receipt, time sheet and voucher, account and any writings in support thereof during regular business hours; and

(iii) ensure that the books, records and accounts described in this Section are not destroyed without Hydro One's prior written authorization for a period of six (6) years following the expiry or earlier termination of this Contract.

37. Suspension of Work

37.1 Hydro One shall have the right, which may be exercised from time to time without invalidating this Contract to delay the start date or suspend performance by the Contractor or any Contractor Personnel of any part or the whole of the Work for such reasonable period of time as Hydro One may notify the Contractor. There shall be no charge to Hydro One associated with such suspension unless otherwise agreed in writing by the parties.

37.2 The resumption and completion of the Work after the suspension shall be as established by the parties having regard to the duration of such delay or suspension, and the nature of the Work.

38. Term, Termination and Breach

38.1 The Contract commences on the date set out in the Contract Documents and for such term if so set out in the Contract Documents and unless otherwise terminated as set out in the Contract Documents, continues until all Work is performed, completed, delivered and accepted, subject to the terms and obligations in the Contract Documents that survive termination of the Contract.

38.2 Hydro One may terminate this Contract in whole or in part, for convenience at any time on prior written notice. Unless otherwise agreed in writing in a Contract Document, upon termination for convenience by Hydro One, Hydro One shall be obligated to pay the Contractor only for Work effort reasonably expended and pre-authorized expenses incurred prior to the notice and the lesser of the following:

(i) 10% of the price of the uncompleted or unperformed portion of the Work; or

(ii) reasonable, necessary, unavoidable, and unrecoverable direct costs incurred by Contractor by reason of any undertakings or commitments by Contractor prior to the time of cancellation. Such reasonable, necessary, unavoidable, and unrecoverable direct `costs are to be supported by audit, if required by Hydro One, performed by auditors acceptable to Hydro One. The above obligation to pay shall not apply where Hydro One terminates for breach by the Contractor. Contractor shall make all reasonable efforts to mitigate all such costs and expenses. The Contractor shall not make any forward commitment after receipt of the notice of termination. Hydro One shall not be liable for loss of anticipated profit on the terminated portions of the Work, or for any incidental, indirect or consequential damage. The remedies in this Section shall be the Contractor's sole and exclusive remedies for any termination for convenience by Hydro One of this Contract. Notwithstanding termination or expiry, this Contract shall continue to remain in effect with respect to any Contract Document that remains in effect, has not expired or has not been terminated.

38.3 In the event that there is any breach by Contractor of the terms of this Contract, including any circumstance where Hydro One believe Contractor is operating in an unsafe manner, and Hydro One notifies Contractor in writing of such breach and provides a description of the breach, the Contractor agrees that it shall promptly rectify the breach. In addition, in the event of such breach, and regardless of whether Hydro One terminates the Contract, Hydro One is entitled to:

(i) halt the performance of any or all of the Work by the Contractor (and such halt shall not be treated as a suspension under Article 37);

(ii) take possession of any or all of the Work in progress, materials and Construction Equipment then at the Project Site (at no additional charge for the retention or use of the Construction Equipment);

(iii) exclude from Hydro One premises and Work sites any or all Contractor Personnel;

(iv) terminate Hydro One's utilization of the Contractor to perform any or all of the Work;

(v) finish the Work by whatever means it may deem appropriate under the circumstances;

(vi) withhold any further payments to the Contractor until its liability to Hydro One is ascertained; and

Contractor shall not be entitled to an extension of time to perform the Work, nor any increase in amounts to be paid by the Contractor, and shall be liable for all costs and damages incurred by Hydro One suffered from deficient Work and to correct any defects in the Work, and any cost and expense incurred by Hydro One to finish the Work including compensation to Hydro One for additional engineering, managerial and administrative services.

Hydro One may also terminate this Contract, in whole or in part for such breach, immediately after the written notice describing the breach is given. Hydro One may also terminate this Contract, in whole or in part, fourteen (14) days from any event of Contractor's bankruptcy, insolvency, winding up or similar proceedings, in which case no written notice will be required to be given by Hydro One. If, in the notice of breach, Hydro One provides a notice period allowing Contractor to remedy such breach, and such breach is not cured (or where bankruptcy, insolvency, winding up or similar proceedings are not dismissed) by the Contractor within such applicable period, termination shall take effect upon the expiry of such period unless otherwise mutually agreed in writing by the parties. However, any such actions taken by Hydro One are not exclusive and are without prejudice to Hydro One's other rights or remedies available under law, in equity or under any surety bond, guarantee or other security held by Hydro One for performance of this Contract by the Contractor.

38.4 For clarity and without limitation, the following actions or circumstances relating to the Contractor shall constitute breach on the part of the Contractor:

(i) failing to comply with any request, instruction or order of the Engineer;
(ii) failing to pay accounts relating to the Work as they come due;
(iii) failing to comply with or persistently disregarding statutes, regulations, bylaws or directives of competent authorities relating to the Work;
(iv) failing to prosecute the Work with skill and diligence;
(v) assigning or subletting the Contract or any portion thereof without the required consent;
(vi) failing or refusing to correct defective or deficient Work.

38.5 Upon the expiration or earlier termination of this Contract or at the request of Hydro One, the Contractor shall immediately:

(a) deliver to Hydro One all property (tangible or intangible) proprietary to Hydro One, its Affiliates and / or third-party vendors and licensors which is in the Contractor's possession, power or control;
(b) return or securely destroy any Confidential Information of Hydro One in accordance with Section 30.1; and
(c) certify to Hydro One that it has done the foregoing.

Title to all Work, regardless of the reason for termination, shall vest in Hydro One.

39. Dispute Resolution

39.1 In the event of disagreement between the parties as to the performance of the Work, compliance with the terms of the Contract, the interpretation, application or administration of the Contract, and all disputes and claims of either party arising out of the Contract and its performance, including with respect to invoicing and payment, shall be settled in accordance with this Article 39. The Contractor agrees it shall not cease performance of its obligations under the Contract while any matter is under dispute.

39.2 The parties shall make all reasonable efforts to resolve all disputes and claims by negotiation and agree to provide, without prejudice, open and timely disclosure of relevant facts, information and documents to facilitate these negotiations. The parties intend all statements made and documents provided or exchanged in connection with this dispute resolution process to be confidential. The parties shall attempt to deal with each other in good faith, and amicably and promptly. The parties shall first attempt to resolve any and all disputes under the Contract by negotiations between the Hydro One's Contact Person and the Contractor's Contact Person, provided either party may at any time, without inconsistency with this Contract, seek from a court of competent jurisdiction any equitable, interim or provisional relief only to avoid irreparable injury.

39.3 If the parties, through Hydro One's Contact Person and the Contractor's Contact Person, are unable to resolve the dispute within ten (10) Work Days (or such longer period of time as mutually agreed by the parties), the parties shall attempt to resolve the dispute by appointing a senior representative of each party, who shall meet to attempt to mutually agree upon a resolution prior to any further action or proceeding being taken by either party, including referring any matter to interim adjudication under the *Construction Act*, or commencement of any legal proceedings.

39.4 Neither party shall refer any matter to interim adjudication under the *Construction Act*, or commence any legal proceedings, until: (i) the senior representatives of the parties have met and attempted to resolve the dispute, (ii) either of the parties following the meeting have concluded that it is not possible to resolve the dispute without interim adjudication under the *Construction Act*, or commencing any legal proceedings, as applicable; and after the steps in (i) and (ii) above have been completed, the party raising the dispute has advised the other party in writing, at least thirty (30) days in advance of delivering any written notice of adjudication under the *Construction Act*, or filing any legal claim with a court of competent jurisdiction. The parties agree to only refer matters to interim adjudication under the *Construction Act* to the extent required under the *Construction Act*, and any legal proceedings shall be commenced and heard in the City of Toronto.

40. Warranty and Correction of Defects

40.1 The Contractor represents, warrants and it is a condition of this Contract that:

(a) it has all necessary capacity and authority to enter into this Contract and to carry out its obligations hereunder and that it is not a party to, bound or affected by or subject to any indenture, mortgage, lease, agreement, instrument, charter or by-law provision, statute, judgment, decree or law which would be violated, contravened, breached by, or under which default would occur as a result of, its execution and delivery of this Contract and the performance of its respective obligations hereunder;

(b) it will, within the time schedule set forth in the Contract Documents, provide the Work in a diligent, prudent, good, workmanlike and professional manner;

(c) it will provide the Work in conformance with the Specifications to the satisfaction of Hydro One;

(d) it has sufficient equipment, tools and resources to perform the Work;

(e) it has sufficient number of Personnel, each having the requisite knowledge, skill, qualifications and professional ability to perform the Work;

(f) each Contractor Personnel is capable of carrying out that portion of the Work for which such Contractor Personnel is responsible, and each Contractor Personnel is properly trained in respect thereof;

(g) the Work will comply, and it will cause its Personnel to comply, with and observe all the provisions and requirements of all federal, provincial and municipal laws, legislation, regulations, bylaws, orders, standards, codes and directives from time to time made pertaining to this Contract applicable to the Work.

40.2 If, at any time during the Warranty Period, any part of the Work becomes defective or fails due to defects in workmanship, construction or material (other than any supplied by Hydro One) or otherwise fails to meet the requirements of the Contract, then the Contractor, upon receipt of notification from the Engineer, shall make good every such defect or failure within the period of time specified by the Engineer and without cost to Hydro One. The Contractor shall also correct and/or pay for the correction of any damages or disturbance to work of other contractors or property of Hydro One resulting from such correction of defects.

40.3 If the Contractor, after notification of a defect or deficiency, shall delay or default in proceeding, then the Engineer may arrange to remedy the defect or deficiency and the Contractor shall be liable for all costs, charges and expenses incurred in connection therewith, all without prejudice to all other rights or remedies Hydro One may have for breach of Contract.

40.4 Any part of the Work made good under this Section shall be subject to all the provisions hereof for a period of one year from the date the same was made good, or until the end of the period set forth in the first paragraph of this Section, whichever is the longer.

40.5 All property damage caused by the Contractor will be repaired at no charge to Hydro One. Where property damage is caused by no fault of the Contractor or its Subcontractor (e.g. inherent damage or storm damage), the restoration work must be identified and agreed to by Hydro One in advance. The Contractor must submit a job-specific Quote for approval by Hydro One, based on such pricing as set out in the Contract Documents. The Work shall not be considered complete until all public and private property damage has been repaired and the property is restored to its original state.

41. Limitation of Liability

41.1 Hydro One's cumulative liability to the Contractor for all claims arising from or related to this Contract shall not exceed the Contract Price hereunder, regardless of whether such claims arise in tort, equity, warranty, strict liability or for breach of contract. In no event shall Hydro One be liable to the Contractor for any special, incidental, consequential or punitive damages, loss of revenue, loss of profits, loss of business opportunity or other indirect loss (even if Contractor has been advised of the possibility of such loss).

41.2 Except with respect to a breach of confidentiality obligations, personal injury, tangible property damage, breach of intellectual property rights, any incidents involving the contamination, spill or release of any hazardous material or pollutant, breach of applicable law or regulation, or Contractor's indemnification obligations, for each claim the total liability of Contractor, regardless of whether such liability is based on

breach of contract, tort, strict liability, breach of warranties, failure of essential purpose or otherwise, under this Contract shall be limited to three (3) times the amount paid or payable to Contractor under this Contract. Except with respect to a breach of confidentiality obligations, personal injury, tangible property damage, breach of intellectual property rights, any incidents involving the contamination, spill or release of any hazardous material or pollutant, breach of applicable law or regulation, or Contractor's indemnification obligations, in no event shall Contractor be responsible for any special, incidental, consequential or punitive damages or other indirect loss (even if Hydro One has been advised of the possibility of such loss).

42. Joint and Several Liability

42.1 If at any time there is more than one legal entity constituting the Contractor, their covenants under the contract shall be considered to be joint and several and apply to each and every entity. If the Contractor is or becomes a partnership or joint venture, each legal entity who is a member or becomes a member of the partnership or joint venture or its successors is and continues to be jointly and severally liable for the performance of the Work and all the covenants of the Contractor pursuant to the contract whether or not that entity ceases to be a member of the partnership, joint venture or its successor.

43. Indemnification

43.1 The Contractor shall indemnify and hold harmless Hydro One, its Affiliates and their respective directors, officers, employees, contractors and agents from and against all third party claims, demands, actions, suits, proceedings, damages, losses, costs, fines, (including as imposed by any federal, state, provincial or municipal government or agency), expenses (including, but not limited to court costs, legal fees and disbursements), that arise out of or result from or are attributable to the Contractor's breach, default or failure under this Contract or any breach of any covenant or warranty or misrepresentation, breach of confidentiality obligations or personal injury (including death) or damage to tangible property caused by Contractor, or relating to any environmental, health or safety hazard(s) or condition(s) attributable to Contractor, or breach of any applicable law, regulation or order of a governmental authority, or from any negligent act or omission of the Contractor or any of its Personnel and anyone for whose acts any of them may be liable, or any claim that any of the Work or the use, copying, adaptation, and translation thereof infringe upon, violate, or involve a misappropriation of any Intellectual Property Right or moral rights of any third party (hereinafter called "claims"). The said indemnification shall apply whether the claims are in tort, in Contract, under any statute, or otherwise, and whether the claims are for direct damages, indirect damages, punitive damages, economic loss, loss of revenues, loss of profits, or as a result of fines.

44. Independent Contractors

44.1 Nothing herein contained shall be construed to imply a joint venture, partnership, or principal-agent relationship or employer-employee relationship between Hydro One and the Contractor or between Hydro One and any Personnel. The Contractor agrees that the Contractor and its Personnel are being engaged by Hydro One to provide the Work as an independent contractor. The Contractor, and the Contractor's Personnel, shall not be considered to be employees of Hydro One for any purpose whatsoever. Accordingly, the Contractor agrees that:

(i) it shall, in respect of the Personnel and its other personnel, be solely responsible for the arrangement and payment of all severance, benefits, WSIB or those of a similar body, and employee taxes or any similar tax or benefit which is generally associated with the relationship between an employer and its employee and which is required by any local, provincial or federal law, ordinance or regulation; and

(ii) Hydro One shall have no liability or responsibility whatsoever for the withholding, collection or payment of income taxes, unemployment insurance, statutory or other taxes or payments of any nature on behalf of or in respect of or for the benefit of the Contractor or any Personnel of the Contractor, and the Contractor hereby agrees to indemnify and hold Hydro One harmless from and against any such liability.

44.2 The Contractor shall have no authority to bind Hydro One or to assume or create any obligation or

responsibility expressed or implied on Hydro One's part, or in its name, nor shall it represent to anyone that it has such power or authority, except as expressly provided in this Contract.

44.3 The Contractor shall enter into written agreements with Subcontractors and require them to perform their Work and related services as required by this Contract.

45. Assignment

45.1 The Contractor shall not assign nor subcontract this Contract nor any portion thereof without the prior written consent of Hydro One. Without limiting any of Hydro One's rights at law and for greater clarification, Hydro One may, without the Contractor's consent, assign this Contract or any portion thereof to any Affiliate; any entity formed by corporate reorganization, amalgamation, divestiture or merger of Hydro One; and/or any entity that acquires assets or businesses of Hydro One.

45.2 Any division, affiliate, group and/or line of business of Hydro One that is divested from the control of Hydro One by sale of shares, assets, or otherwise ("Divested Business") shall be entitled to continue to order under this Contract and use the licence, service and Equipment in accordance with the terms including pricing of this Contract for a transition period of the longer of the Contract term or eighteen (18) months from the effective date of such divestiture ("Transition Period") without being required to enter into a separate agreement or pay the Contractor a separate price to continue to receive or utilize the licence, service, and Equipment. Notwithstanding the immediately preceding sentence, the Transition Period does not commute the term of any license that has been paid for in accordance with this Contract that extends beyond the Transition Period.

45.3 Notwithstanding anything else in this Contract, during the Transition Period and at no additional charge to Hydro One or the Divested Business, Hydro One is entitled to provide services to support the Divested Business which services may include, without limitation, Hydro One purchasing licences, services and Equipment under this Contract on behalf of or for the benefit of the Divested Business, and/or allowing the Divested Business access to, and Hydro One using, the licences, services and Equipment to facilitate the business purposes of the Divested Business.

45.4 The Contractor will immediately notify Hydro One of any change in its legal status, legal entity, or name, and will provide certified copies of any official documentation that effect such change.

46. Force Majeure and Contingency Plan

46.1 Neither the Contractor nor Hydro One shall be liable to the other for loss, damage, delay in the Work, or non-performance of any contractual obligation caused by war, riot, the act or order of any competent civil or military authority, fire, flood, pandemic, strike, lockout or other labour dispute, or by any other cause which is unavoidable and beyond the party's reasonable control. Both parties shall be prompt in restoring normal conditions, re-establishing schedules, and resuming operations as soon as the interruptions have ceased. The Contractor shall take all actions available to mitigate the costs and expenses to Hydro One associated with such event, including suspending performance by its Personnel, and cancelling, suspending or delaying any applicable subcontracts for labour and materials, and shall not make any forward commitment in respect of such subcontracts during such event. The Contractor shall endeavor to find acceptable alternate means to perform the Work in light of such event. The Contractor shall not be entitled to an extension of time for any delay covered by the above paragraph unless notice of a claim therefor is given by the Contractor within 3 work days after the commencement of the delay. The length of any such extension shall be determined by the Engineer.

46.2 Damage, loss, expense or delay incurred by the Contractor in the prosecution of the Work by reason of unforeseen circumstances, unanticipated difficulties and obstructions, bad weather, or other mischances that are generally considered to be part of the usual hazards associated with construction work, shall be borne by the Contractor and shall not be considered an event of force majeure or the subject of a claim for additional compensation or schedule delay.

46.3 As of the effective date of this Contract, and continuously during the term of the Contract, Contractor shall have in place a disaster recovery and services contingency plan that addresses the continued performance of the Work and the obligations of Contractor under this Contract, to ensure that the Contractor can operate, perform and recover from unplanned incidents and events in a timely manner with minimal loss to Contractor and Hydro One (an "Operations Contingency Plan"). Contractor will maintain and comply in all respects with the Operations Contingency Plan at its sole cost and expense, including without limitation, conducting regular tests of the Operations Contingency Plan. Contractor will provide a copy of the Operations Contingency Plan to Hydro One upon request. Further terms and requirements of the Operations Contingency Plan may be set out in a Contract Document.

47. Notices

47.1 Notices to Hydro One shall be addressed to the Chief Legal Officer, Hydro One Inc., 483 Bay Street, 8th Floor, South Tower, Toronto, Ontario M5G 2P5. Such notices shall be effective upon receipt.

47.2 Notices to the Contractor shall be effective upon delivery to the Contractor or the sending of same by registered post to the Contractor's last address recorded with Hydro One.

48. Miscellaneous

48.1 The headings and captions used in this Contract are used for convenience of reference only and shall not to be considered in construing or interpreting this Contract.

48.2 This Contract constitutes the entire agreement between the parties with respect to the subject matter hereof and supersede all agreements and understandings between Hydro One and the Contractor with respect to the subject matter hereof. No agent, employee or other representative of Hydro One has authority to make any promise, agreement or representation not incorporated into a Contract Document.

48.3 The Contract Documents are subject to subsequent amendments, which shall take precedence over the Contract Documents amended thereby. No amendment or modification of this Contract or any Contract Document shall be valid unless it is in writing and signed by both parties.

48.4 The Contractor shall and shall cause all Personnel, from time to time, to deliver all such further documents and instruments and do all acts and things as Hydro One may, at any time, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Contract.

48.5 The failure of either party at any time to require performance by the other party of any provision of this Contract shall in no way affect its right thereafter to enforce such provision. Nor shall waiver by either party of any breach of any covenant, condition or proviso hereof be taken or held to be a waiver of any further breach of the same covenant, condition or proviso.

48.6 If any provision of this Contract, or the application thereof, shall for any reason and to any extent be determined by a court of competent jurisdiction to be invalid or unenforceable, such provision shall be struck from this Contract and the remaining provisions of this Contract shall be interpreted so as best to reasonably effect the intent of the parties. The parties further agree to replace any such invalid or unenforceable provisions with valid and enforceable provisions designed to achieve, to the extent possible, the business purposes and intent of such invalid and unenforceable provisions.

48.7 This Contract is entered solely by and between, and may be enforced only by, the Contractor and Hydro One. This Contract shall not be deemed to create any rights in third parties except as expressly stated herein.

48.8 Time shall be material and of the essence of this Contract.

48.9 All rights and remedies provided in this Contract are cumulative, in addition to and without prejudice to any other right or remedy that may be available to the parties, whether provided by law, equity, statute, in any other agreement between the parties or otherwise.

48.10 Hydro One shall have the right to withhold or set-off from any sum otherwise payable to the Contractor such amount as may be sufficient in Hydro One's reasonable opinion to remedy any loss occasioned by or defect or deficiency or breach in the Contractor's performance of this Contract. This right is in addition to and not a replacement for any other remedies available to Hydro One under the Contract, at law or in equity.

48.11 The provisions of this Contract that are by their nature intended to survive expiration or termination of this Contract, shall survive such expiration or termination.

48.12 The Parties have requested that this Contract and all documents contemplated by this Contract be drawn up in English. Les parties aux présentes ont exigé que cette entente et tous autres documents envisagés par les présentes soient rédigés en anglais.

48.13 This Contract shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The parties irrevocably submit to the exclusive jurisdiction of the courts of Ontario and the Federal Court of Canada. All disputes in connection with this Contract shall be commenced and heard in a court of competent jurisdiction in Toronto, Ontario.

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