

**STANDARD PURCHASE CONDITIONS (CANADA)
PART A - GENERAL PROVISIONS**

G.C.1. DEFINITIONS

Unless the context otherwise requires, the following terms have the meanings given when used in the Contract.

Affiliate, with respect to any entity, means any other entity that controls or is controlled by or is under common control with the first entity. For the purposes of this definition, 'control' will be deemed to exist if one of the following conditions is met:

- (a) in the case of a corporate entity, direct or indirect ownership of greater than fifty percent (50%) of the stock, shares or other securities having the right to vote for the election of directors; and
- (b) in the case of a non-corporate entity, direct or indirect ownership of greater than fifty percent (50%) of the equity interest with the power to direct the management and policies of such non-corporate entity.

Anglo American's Corporate Policies means the policies, codes and principles published by Anglo American plc, and such other policies, codes and principles notified by the Company to the Contractor, but does not include the SHE Requirements.

Anti-Corruption Laws means:

- (a) the *Corruption of Foreign Public Officials Act*, SC 1998, c 34;
- (b) the *Criminal Code*, RSC 1985, c C-46;
- (c) the *OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997)* (**OECD Convention**);
- (d) the *United Nations Convention against Corruption 2003*;
- (e) the *Foreign Corrupt Practices Act of 1977* of the United States of America (as amended by the *Foreign Corrupt Practices Act Amendments of 1988 and 1998*) (**FCPA**);
- (f) the *Bribery Act 2010* of the United Kingdom (**UK Bribery Act**);
- (g) Chapter 4, Division 70 of the Australian *Criminal Code Act 1995* (Cth); and
- (h) any other Relevant Law which:
 - (i) prohibits the offering of any gift, payment or other benefit to any person or any officer, employee, agent or adviser of such person; or
 - (ii) is broadly equivalent to the FCPA or the UK Bribery Act, is intended to enact the provisions of the OECD Convention, or has as its objective the prevention of corruption,

and is applicable in the jurisdiction in which the Company or the Contractor are registered or conduct business or in which activities relevant to the Goods, Services or Equipment hire are to be performed.

Business Day means a calendar day ending at 5.00pm, other than a Saturday, Sunday or public holiday in:

- (a) Vancouver, British Columbia; or
- (b) the location of the relevant Site.

Company means the party so named in the Contract.

Consequential Loss has the meaning given in G.C.8.3.

Constructional Plant means all plant, tools and equipment to be used by the Contractor in the performance of the Services and includes cranes, tools, machinery and temporary buildings.

Contract means the Purchase Order, these Standard Purchase Conditions and any other document stated in the Purchase Order to be part of the Contract.

Contractor means the party so named in the Contract.

Contractor's Personnel means the Contractor's employees, agents and subcontractors, and employees, agents and contractors of the subcontractors.

Default Rate means the variable annual interest rate quoted from time to time by the Royal Bank of Canada as its 'prime rate' for the calculation of interest on loans made in Canada and denominated in Canadian dollars, plus 2.0% per annum.

Equipment means the equipment hired to the Company, as specified in the Purchase Order (if any).

Goods means the items specified in the Purchase Order (if any).

Losses means losses, damages, costs, charges, expenses, penalties, interest and fines including those arising as a result of claims, demands, actions, proceedings or suits by any person.

PST has the meaning given in G.C.11.3.

Purchase Order means the order for Goods, Services and/or Equipment hire issued by the Company to the Contractor.

Services means the services specified in the Purchase Order (if any).

SHE Requirements means all relevant law and government requirements relating to workplace health and safety and the environment, and the Company's policies with respect to health and safety, the environment and positive stakeholder relationships.

Site means the areas specified in the Purchase Order for the delivery of the Goods or Equipment or the performance of the Services.

Tax Act means the *Income Tax Act*, RSC 1985, c 1 (5th Supp) and the regulations promulgated under the *Income Tax Act*, RSC 1985, c 1 (5th Supp), as amended.

Taxes means all federal, state, provincial, territorial, county, municipal, local or foreign taxes, duties, imposts, levies, assessments, customs duties and tariffs and other charges (including any fine, penalty, interest or addition to tax) imposed, assessed or collected by a governmental authority.

G.C.2. SUPPLY OF GOODS, SERVICES OR EQUIPMENT

The Contractor must supply the Goods, perform the Services and/or hire the Equipment in accordance with the Contract. If any delay in delivering the Goods, performing the Services or delivering or repairing Equipment occurs or is foreseen, the Contractor must immediately notify the Company of the cause and anticipated length of the delay.

G.C.3. SAFETY, HEALTH AND ENVIRONMENT

3.1 Contractor's obligations and acknowledgments

The Contractor:

- (a) acknowledges the extreme importance that the Company places on:
 - (i) establishing and maintaining high standards in relation to workplace health and safety, the protection of the environment and positive stakeholder relationships; and
 - (ii) compliance with Anglo American's Corporate Policies;
- (b) acknowledges that the Company is committed to eliminating work related injuries and occupational illnesses with a view to achieving the vision of 'Zero Harm';
- (c) must acquaint itself with Anglo American's Corporate Policies and use its reasonable endeavours when performing the Services to:
 - (i) comply with Anglo American's Corporate Policies; or
 - (ii) where full compliance is not immediately practicable, take action to continuously improve compliance with Anglo American's Corporate Policies; and

- (d) must acquaint itself with the SHE Requirements and when on-Site, must comply with all SHE Requirements and any direction given by the Company in respect of the SHE Requirements.

3.2 Reporting of incidents

The Contractor must:

- (a) report any incident relating to workplace health and safety or the environment or which impacts on stakeholder relationships (which is reportable under the SHE Requirements) to the Company as soon as reasonably possible, and in any event, within a time period that ensures the Company can comply with all relevant laws; and
- (b) provide the Company with reasonable assistance (including access to relevant documents and Contractor's Personnel employees) in investigating any such incident.

G.C.4. ASSIGNMENT AND SUBCONTRACTING

The Contractor must not subcontract, assign, novate, transfer, delegate or otherwise deal with the Contract or any right, obligation, duty or responsibility under it except with the prior written consent of the Company.

G.C.5. LAWS AND REGULATIONS

5.1 General

The Contractor must comply with all laws and government requirements affecting or applicable to the Goods or their supply, the performance of the Services, or the hire of the Equipment, and subject to G.C.5.2 must pay any fees, charges, levies and taxes imposed by a government entity in relation to the Goods, Services or hire of the Equipment.

5.2 Statutory premiums, remittances and charges

Any statutory remittances, or workers' compensation premiums or charges, imposed in connection with the supply of the Goods, performance of the Services or hire of the Equipment must, unless otherwise specified in the Purchase Order or agreed in writing by the parties, be paid by the Contractor and are deemed to be included in the price payable for the Goods, Services or Equipment hire (subject to G.C.11).

G.C.6. PRECEDENCE OF DOCUMENTS

If there is any discrepancy, inconsistency or ambiguity between a Purchase Order and these Standard Purchase Conditions, the Purchase Order shall prevail. The Purchase Order and these Standard Purchase Conditions shall have precedence over any other documents forming part of the Contract.

G.C.7. INTELLECTUAL PROPERTY RIGHTS

The Contractor warrants that the intellectual property rights of a third party will not be infringed by the supply of the Goods or Equipment under the Contract, the use of those Goods or Equipment by the Company or the performance of the Services by the Contractor.

G.C.8. INDEMNITY

8.1 Indemnity by the Contractor

The Contractor must indemnify the Company against all Losses arising in connection with:

- (a) any damage to the Site, the Goods or any property whether located on the Site or otherwise;
- (b) death or injury to any person whether located on the Site or otherwise;
- (c) a breach by the Contractor or Contractor's Personnel of any law in the course of, or caused by, the performance of its obligations under the Contract; and
- (d) the breach by the Contractor of an obligation under the Contract or a warranty contained in G.C.7, G.C.9.3, G.C.10.8, G.C.17.2, G.C.22, G.C.26 or G.C.34,

if the Losses arise in connection with any act, error or omission of the Contractor or Contractor's Personnel.

8.2 Extent and duration of indemnity

The indemnity given by the Contractor under G.C.8.1 is a continuing obligation, separate and independent from the other obligations of the Contractor and survives the termination of the Contract.

8.3 Exclusion of consequential loss

Notwithstanding any other provision of this Contract, a party (**First Party**) will not be liable to the other party (**Second Party**) in contract (including under any indemnity), tort (including in negligence or for breach of statutory duty) or otherwise, for any:

- (a) special, indirect or consequential loss or damage of any nature; or
- (b) loss of profit, revenue, business, contracts or anticipated savings,

(**Consequential Loss**) related to or connected with this Contract, except Consequential Loss:

- (c) incurred as a result of the fraud or wilful, reckless or deliberate breach of the Contract by the First Party, its employees, agents or contractors; or
- (d) forming part of a claim by the Second Party for contribution or indemnity from the First Party in respect of claims by third parties for personal injury, death or property damage.

G.C.9. PAYMENT

9.1 Payment by the Company

Subject to the Goods delivered, Services performed or Equipment hired complying with the Contract, the Company must pay the Contractor's invoice by the end of the calendar month following the calendar month in which the invoice is received. The time for payment is calculated from the date that an acceptable invoice is received by the Company.

9.2 Rights under *Builders Lien Act* (British Columbia)

Without limiting G.C.9.1, the parties acknowledge that, in British Columbia, contracts for the provision of certain materials or equipment (as well as services) may be subject to the provisions of the *Builders Lien Act*, SBC 1997, c 45. Prior to making any payment under this Contract, the Company will determine whether the *Builders Lien Act*, SBC 1997, c 45 applies to this Contract and, if so:

- (a) payments made under the Contract will be subject to 10% withholding, in the form of a lien holdback, to be held by the Company in accordance with the provisions of the *Builders Lien Act*, SBC 1997, c 45; and
- (b) the lien holdback will be released by the Company 56 days after the issuance of a certificate of completion in respect of this Contract, in accordance with the provisions of the *Builders Lien Act*, SBC 1997, c 45, if no liens then exist.

9.3 Warranty

When submitting an invoice, the Contractor warrants to the Company that it is not a '*non-resident*' or a partnership that is not a '*Canadian partnership*' each within the meaning of the Tax Act during the period of time for which services or goods were rendered to the Company.

9.4 Default Interest

Notwithstanding any other remedy available to a party under the Contract or at law, if a party fails to pay an amount owing to the other party on the due date for payment, that party is liable to the other party for interest at the Default Rate, from the due date for payment until the date payment is made.

G.C.10. WITHHOLDING TAX

10.1 Company's right to withhold

Notwithstanding any other provision to the contrary, if the Company considers it necessary to satisfy its obligations under any law relating to Taxes, the Company may:

- (a) withhold an amount from a payment made to the Contractor; and
- (b) pay the withheld amount directly to the relevant governmental authority.

10.2 Deemed payment to Contractor

If the amount withheld in accordance with this G.C.10 is paid by the Company to the relevant governmental authority, it is deemed to have been paid to the Contractor on the date on which the remainder of the payment to which it relates was paid to the Contractor.

10.3 No claim against Company

The Contractor agrees and acknowledges that it has no claim against the Company for any amounts withheld and paid to the relevant governmental authority in accordance with this G.C.10.

10.4 Amounts not withheld

If the Company does not withhold an amount under this G.C.10 which it is required to withhold pursuant to any laws relating to Taxes, the Contractor agrees to pay that amount to the Company, upon request by the Company.

10.5 No increase for the amount withheld

The Contractor agrees that the Company will not be required to increase the payment to the Contractor by the amount withheld by the Company under this G.C.10.

10.6 Withholding tax exemptions and variations

The Company agrees to provide all reasonable assistance to the Contractor to establish its entitlement to any exemption available from a withholding tax or any variation of the amount of a withholding tax.

10.7 Failure to withhold

If the Company fails to withhold an amount as required by any laws relating to Taxes, any penalty or interest paid by the Company for failing to withhold may be recovered from the Contractor, but only if the failure to withhold arose as a consequence of a breach of a warranty or because the Contractor did not provide information or assistance requested by the Company, or provided incorrect information, with respect to a withholding tax matter.

10.8 Agency warranty

The Contractor warrants to the Company that it has entered the Contract on its own behalf and not as agent for any other person, unless otherwise specified in the Contract.

G.C.11. GST AND PST**11.1 Interpretation**

In this G.C.11, words or expressions have the same meaning as defined in Part IX of the *Excise Tax Act*, RSC 1985, c E-15 (**ETA**), the *Provincial Sales Tax Act*, RSBC 2012, c 35 (**PSTA**) and any similar provincial sales tax legislation, unless the context makes it clear that a different meaning is intended.

11.2 GST exclusive amounts

All amounts used in this Contract, including amounts and variables in formulas, are exclusive of applicable taxes arising under the ETA (**GST**), unless it is clearly stated that they are intended to be GST inclusive. As such, and to the extent it is applicable, GST will be levied in addition to the amounts charged under the Contract.

11.3 PST exclusive amounts

All amounts used in the Contract, including amounts and variables in formulas, are exclusive of applicable taxes payable by the Company arising under the PSTA and applicable provincial sales tax legislation (**PST**). As such, and to the extent PST is payable by the Company, the PST will be levied in addition to the amounts charged under the Contract. In the event that the Company asserts that goods and/or services are otherwise exempt from PST or no PST is payable, it shall provide the Contractor with evidence as prescribed under the PSTA or similar provincial legislation and the Contractor will not charge or collect PST.

11.4 GST gross up

If any payment made by a party to the Contract is deemed by the ETA or similar provincial legislation to include GST or PST, the amount of such payment will be increased accordingly.

11.5 Reimbursements

If a party must reimburse or indemnify another party for a loss, cost or expense, the amount to be reimbursed or indemnified is first reduced by any input tax credit or similar tax refund or benefit (**Tax Benefit**) to which the other party is entitled for the loss, cost or expense. That party is assumed to be entitled to a full Tax Benefit unless it proves, before the date on which the payment must be paid, that its entitlement is otherwise.

11.6 Adequate supporting documentation

Notwithstanding any other provision of the Contract, the recipient of a taxable supply made under or in connection with the Contract need not make a payment to which GST applies until the supplier has given the recipient sufficient supporting documentation to allow a Tax Benefit to be claimed in respect of the GST component of such payment.

G.C.12. RIGHT OF SET-OFF

12.1 Company's rights

The Company may at any time, deduct from any amount due or becoming due to the Contractor under the Contract to meet:

- (a) all debts and amounts due from the Contractor to the Company whether under or in connection with the Contract or otherwise; and
- (b) the amount of any claims or liens that the Company has reasonable grounds for believing may be made against the Contractor under or in connection with the Contract.

12.2 Notice of amount deducted

The Company must notify the Contractor in writing of any amounts deducted under G.C.12.1 and the basis for the deduction, at the time that the deducted amount would otherwise be due to the Contractor.

G.C.13. DEFAULT BY CONTRACTOR

13.1 Insolvency

If the Contractor becomes insolvent or bankrupt, the Company may terminate the Contract immediately by written notice to the Contractor or the person in whom the Contract is vested.

13.2 Event of default

If the Contractor fails to perform or comply with any of its obligations under the Contract (a **Contractor Default**) then the Company may serve a notice on the Contractor specifying the Contractor Default, the time within which the Contractor Default is to be remedied and requiring the Contractor to remedy it.

13.3 Failure to remedy

If, within the time specified in a notice served under G.C.13.2, the Contractor fails to remedy the Contractor Default to the satisfaction of the Company, then the Company may terminate the Contract by written notice, without prejudice to its other rights.

13.4 Contractor's obligations on termination

On receiving a notice under G.C.13.1 or G.C.13.3, the Contractor must take any action relating to the termination of the Contract reasonably required by the Company.

G.C.14. ANTI-CORRUPTION

14.1 Receipt of benefits

A director, employee or agent of the Contractor must not:

- (a) give or receive any commission, fee, rebate, gift or entertainment of significant value from; or
- (b) enter into any business agreement with,

any director, employee or agent of the Company other than as a representative of the Company or in the ordinary and proper course of business between any of those parties.

14.2 Compliance with Anti-Corruption requirements

The Contractor must not undertake any activity that may constitute a breach of any provision of the Anti-Corruption Laws.

14.3 Conflict of interest

The Contractor represents that at the date of this Contract, there is no relationship between it and the Company, between any of the Contractor's directors or employees and the Company or between the Contractor and a director or employee of the Company that gives rise to an actual or potential conflict of interest.

The Contractor must immediately notify the Company upon becoming aware that any such relationship exists. The Contractor must take reasonable steps to eliminate or overcome the conflict of interest without in any way adversely affecting its continued performance of its obligations under the Contract.

G.C.15. CONFIDENTIALITY

A party must not, without the prior written consent of the other party disclose confidential information:

- (a) relating to the Goods, Services or hire of Equipment or a party's business or operations; or
- (b) provided by one party to the other,

or use such information for purposes unrelated to this Contract, unless disclosure is required by an applicable law, stock exchange listing rule or taxation authority.

G.C.16. NOTICES

A notice under the Contract must be in writing, in English and addressed to the receiving party, and will be deemed to have been received:

- (a) if posted, on the 3rd day after posting;
- (b) if delivered personally, upon delivery; or
- (c) if sent by facsimile or email:
 - (i) on a Business Day, on dispatch of the transmission; or
 - (ii) on a day other than a Business Day, on the next Business Day,

unless the sender's facsimile machine or server indicates a malfunction or error in transmission or the recipient immediately notifies the sender of an incomplete transmission.

G.C.17. TRADE AND ECONOMIC SANCTIONS

17.1 Definitions

For the purposes of this G.C.17:

Sanction means:

- (a) the 'Specially Designated Nationals and Blocked Persons' list maintained by the United States Department of the Treasury or any similar or equivalent list maintained, amended and imposed by any Sanction Authority;
- (b) any program that prohibits or restricts:
 - (i) trade with or investment in, or the transfer of property or assets to or from, a specified country, including its government, government subdivisions, agencies and other entities under the control or acting on behalf of government; or
 - (ii) engaging in transactions that relate to investing in or the provision of advice or assistance in relation to, a specified country, maintained, amended and imposed by any Sanction Authority; and
- (c) any other similar sanctions, regulations, statutes, prohibitions and official embargo measures that relate to the enforcement of economic and trade sanctions which are maintained, amended and imposed by any Sanction Authority.

Sanction Authority means the United Nations, the European Union, Her Majesty's Treasury in the United Kingdom, the United States Department of Treasury's Office of Foreign Assets Control, the Commonwealth of Australia, Switzerland, South Africa, Canada or any replacement or other regulatory body enforcing economic and trade sanctions legislation in such countries or by any state, supranational or international government organisation.

Sanctioned Person means any person, being an individual, corporation, company, association, government or other entity who:

- (d) is the subject or target of a Sanction or in respect of which a Sanction has been imposed or targeted; or
- (e) is owned, operated or controlled by any person who is the subject or target of a Sanction or in respect of which a Sanction has been imposed or is targeted.

17.2 Warranty

As at the date of the Contract, the Contractor warrants that:

- (a) to the best of its knowledge, information and belief neither it, nor any of its employees, agents, contractors or Affiliates (including the employees, agents and contractors of such Affiliates) (together the **Contractor's Group**) is a Sanctioned Person; and
- (b) it has provided all information of which it is aware, that the Company reasonably requires in order for the Company to:
 - (i) manage the risk of Sanctions being imposed on the Company; and
 - (ii) comply with laws or regulations applying in the jurisdictions in which the Goods or Services are supplied or the Equipment hired, the parties are located or in any other country.

17.3 Provision of information regarding status

From the date of the Contract, the Contractor must:

- (a) immediately notify the Company upon becoming aware that any member of the Contractor's Group, has:
 - (i) become or is reasonably likely to become a Sanctioned Person; or
 - (ii) violated any Sanction; and
- (b) provide all information that the Company reasonably requires from time to time in order for the Company to:
 - (i) determine whether any member of the Contractor's Group has become or is reasonably likely to become a Sanctioned Person;
 - (ii) comply with any request by a regulatory authority that oversees Sanctions;
 - (iii) manage the risk of Sanctions being imposed on the Company; and
 - (iv) comply with laws or regulations applying in the jurisdictions in which the Goods or Services are supplied or the Equipment hired, the parties are located or in any other country.

17.4 Suspension by Company

If the Company suspects that any member of the Contractor's Group, has become or is reasonably likely to become a Sanctioned Person then (without limitation to any other right or remedy available to the Company), the Company may:

- (a) suspend performance of; or
 - (b) withhold any payment due and owing under,
- the Contract.

17.5 Termination by Company

If, during the term of the Contract, the Company:

- (a) is notified by any Sanction Authority or the Contractor that any member of the Contractor's Group has or is reasonably likely to become a Sanctioned Person; or
 - (b) has reasonable cause to believe that any member of the Contractor's Group is a Sanctioned Person,
- then (without limitation to any other right or remedy available to the Company) the Company may terminate the Contract with immediate effect.

17.6 Consequences of termination or suspension

Where the Company exercises its rights under G.C.17.4 or G.C.17.5:

- (a) it will not be liable for any loss suffered by any member of the Contractor's Group; and
- (b) the Contractor hereby provides a release and indemnity to the Company in respect of any loss incurred by the Company,

as a result of or in connection with the exercise of the rights by the Company.

17.7 Continuing supply obligations

The parties acknowledge and agree that where:

- (a) the Company has made payment for all or any part of the Goods, Services or Equipment hired under the Contract; and
- (b) the Contractor is prevented from receiving or accessing (or is otherwise not permitted to receive or access) that payment due to or as a result of any member of the Contractor's Group being or becoming a Sanctioned Person,

that payment is taken to have been validly made by the Company and received by the Contractor for the purposes of the Contract, and the Contractor:

- (c) is not relieved of its obligation to supply the Goods or Services or hire the Equipment (or any part of them);
- (d) must continue to supply the Goods or Services or hire the Equipment (or any part of them) in accordance with the Contract; and
- (e) will not be entitled to recover from the Company any loss or expense incurred by any member of the Contractor's Group in complying with its obligations under this G.C.17.

G.C.18. MISCELLANEOUS PROVISIONS

18.1 Status of provisions

If Goods have been specified in the Purchase Order, Part B applies to this Contract. If Services have been specified in the Purchase Order, Part C applies to this Contract. If Equipment hire has been specified in the Purchase Order, Part D applies to this Contract.

18.2 Interpretation

In the Contract unless the contrary intention appears:

- (a) headings are for ease of reference only and do not affect the meaning of the Contract;
- (b) the singular includes the plural and vice versa;
- (c) words importing a gender include other genders;
- (d) the words '*include*' and '*including*' are to be construed without limitation;
- (e) other grammatical forms of defined words or expressions have corresponding meanings;
- (f) a reference to:
 - (i) a clause, schedule or appendix is a reference to a clause, schedule or appendix to the Contract and a reference to the Contract includes any schedules and appendices;
 - (ii) a document or agreement includes a reference to that document or agreement as novated, altered or replaced from time to time;
 - (iii) 'C\$', '\$C', '*dollar*' or '\$' is a reference to Canadian currency;
 - (iv) a person includes any individual, firm, body corporate, partnership, unincorporated association, government, state or agency of a state, joint venture or Authority;
 - (v) a party includes its executors, administrators, successors and permitted assigns;
 - (i) any legislation or statutory instrument or regulation is construed in accordance with the *Interpretation Act*, RSC 1985, c I-21 or the equivalent provincial legislation, as applicable;
 - (ii) a day means a period of 24 consecutive hours from midnight;
 - (iii) a week means 7 consecutive days commencing and ending at midnight on Sunday; and
 - (iv) a month means a calendar month;
- (g) where a party is more than one person the Contract binds all of them separately and each of them together;
- (h) if the due date for anything to be done under the Contract falls on a day that is not a Business Day, then it must be done on the next Business Day; and
- (i) any reference in the Contract to a number preceded by the words '*Sourcing No.*', is included only to identify the Contractor within the Company's supplier management system and does not comprise part of the Contractor's name or other formal identifiers (such as a registration or company number).

18.3 Governing law

The Contract is governed by and must be construed and enforced in accordance with the laws of the Province of British Columbia and Canada and the parties attorn to the exclusive jurisdiction of the courts of the Province of British Columbia (and courts of appeal from them).

18.4 Entire agreement

The Contract contains the entire agreement between the parties and supersedes all prior arrangements, letters of intent, memorandums of understanding, purchase orders, representations and documents (if any) relating to the Goods, Services, or Equipment (including any terms and conditions proposed or delivered to the Company by the Contractor) or the Contract.

18.5 Non-waiver

A waiver of any provision of or right under the Contract shall not constitute a waiver of any other provision or right.

18.6 Remedies Cumulative

Notwithstanding any provision to the contrary, the rights and remedies of the parties under the Contract are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that party may be entitled.

PART B - PROVISIONS APPLYING TO GOODS**G.C.19. INSURANCE FOR THE GOODS**

The Contractor must insure the Goods for the period when they are in transit to the Site against all loss or damage arising from any insurable cause, for a limit of not less than the full replacement cost of those Goods.

G.C.20. PROTECTION

The Contractor must protect the Goods from loss or damage arising from any cause, and ensure that the Goods are appropriately packed, handled and transported to the Site to prevent damage or shrinkage while in transit or storage. The Contractor must ensure that delivery documents accompany the Goods to the Site and bear the Purchase Order number.

G.C.21. PASSING OF TITLE AND RISK**21.1 Clear title**

The Contractor warrants that title in the Goods, when it passes to the Company under G.C.21.2 will be free and clear of any and all liens, restrictions, reservations, security interests and encumbrances.

21.2 Passing of title and risk

Title to the Goods passes to the Company upon the earlier of payment for the Goods and delivery of the Goods to the Site, provided that the Contractor bears the risk of loss or damage to the Goods until they are delivered to the Site.

G.C.22. QUALITY OF WORKMANSHIP**22.1 Contractor's warranty**

The Contractor warrants that the Goods will:

- (a) comply with all the requirements of the Contract, relevant laws, government requirements and any applicable codes or standards;
- (b) be of merchantable quality and fit for their intended purpose; and
- (c) be free from all defects and imperfections affecting performance.

22.2 Defects liability period

The Contractor must, at its expense, rectify any defect discovered within 12 months of the Goods being used by the Company or 18 months from the date of delivery of the Goods, whichever is earlier.

22.3 Failure to rectify

If the Contractor fails to rectify a defect within a reasonable time after receiving notice of the defect, the Company may, without prejudice to its other rights, rectify the defect and the costs incurred in doing so will be a debt due from the Contractor to the Company.

22.4 Quality and merchantability of Goods

The Goods must comply with any applicable legislation and relevant standard of the Canadian Standards Association (CSA) and Underwriters Laboratories Canada (ULC), and must be supplied with copies of all material safety data sheets in the case of dangerous Goods.

G.C.23. INSPECTION

The Company must at all times, on giving reasonable notice, have access to the Contractor's premises and those of its subcontractors for the purpose of inspecting work in progress on the Goods.

G.C.24. ACCEPTANCE**24.1 Notification of acceptance**

Within 5 Business Days of delivery of the Goods to the Site, the Company may notify the Contractor whether the Goods are accepted or rejected, and if the Company fails to do so, the Goods will be deemed accepted.

24.2 Notice of rejection

If the Goods are rejected, the Company's notice of rejection must state the reasons for the rejection and may either:

- (a) require the Contractor to remove the Goods and refund to the Company any amount paid in relation to the Goods;
- (b) direct the Contractor to replace or rectify the Goods; or
- (c) notify the Contractor that the Company elects to accept the Goods and claim damages for the Contractor's failure to comply with the Contract.

If the Contractor is directed to replace or rectify the Goods, the Contractor must notify the Company when the replacement or rectification is completed and G.C.24.1 will apply.

24.3 No acceptance

Neither payment for Goods nor inspection of Goods under G.C.23 constitutes acceptance of Goods that do not comply with the Contract or affects the ability of the Company to subsequently reject the Goods under this G.C.24.

PART C - PROVISIONS APPLYING TO SERVICES**G.C.25. INSURANCE**

The Contractor must maintain:

- (a) workers' compensation insurance in relation to its employees;
- (b) public liability insurance for a limit of not less than \$20 million from an independent reputable insurer in respect of loss or damage that may occur to any physical property, or death or bodily injury to any person that arises out of or in connection with the performance of the Services;
- (c) third party motor vehicle liability insurance against liability for death or bodily injury to any person or damage to the Site or property located on the Site, for each of its vehicles that enter the Site during the performance of the Services; and
- (d) insurance for its Constructional Plant during its transit to the Site and throughout the period that the Constructional Plant is on or near the Site against all loss or damage arising from any insurable cause and for a limit of not less than the market value (including delivery to Site) of the Constructional Plant.

G.C.26. QUALITY OF WORKMANSHIP

The Contractor warrants that:

- (a) it will at all times be suitably qualified and experienced to perform the Services; and
- (b) the Services will be performed in accordance with:
 - (i) best practice standards of diligence, skill, care and efficiency to be expected of a competent contractor performing services of a similar nature to the Services; and
 - (ii) all the requirements of the Contract, relevant laws, government requirements and any applicable codes or standards.

G.C.27. INSPECTION

The Company must at all times, on giving reasonable notice, have access to the places where the Services are being performed for the purpose of inspecting Constructional Plant and work in progress.

G.C.28. NO ACCEPTANCE

Neither payment for Services nor an inspection under G.C.27 constitutes acceptance of Services that do not comply with the Contract.

G.C.29. CONSUMABLES

If the Company provides consumables for use by the Contractor in the performance of the Services, including electricity, gas or water, then:

- (a) the consumables must only be used by the Contractor for the Services and must not be on-sold or wasted;
- (b) the Company does not make any representations about the quality or fitness for purpose of the consumables;
- (c) risk in the consumables passes from the Company at the time that they are delivered to the Contractor;
- (d) all conditions and warranties implied by legislation are excluded to the extent permitted; and
- (e) the Company must use its best endeavours to supply consumables in a timely manner provided that the Company is not liable for any failure to ensure continuity of supply of those consumables.

G.C.30. CONSTRUCTIONAL PLANT

30.1 Contractor's obligations

Except as otherwise provided, the Contractor must:

- (a) supply all Constructional Plant necessary for the performance of the Services in accordance with the Contract;
- (b) notify the Company at least 24 hours before any fixed or mobile plant or equipment is used on-Site;
- (c) if requested to do so by the Company, certify that all Constructional Plant to be used on-Site complies with all laws and government requirements;
- (d) ensure that each item of Constructional Plant is fitted with an inspector's tag or uniquely identified by a stamp or an engine, chassis or serial number;
- (e) not remove any Constructional Plant from the Site without the prior written consent of the Company; and
- (f) on completion of the Services, remove the Constructional Plant from the Site.

30.2 Inspections of Constructional Plant

Immediately prior to bringing any Constructional Plant on Site, the Contractor must have the Constructional Plant inspected and certified as complying with all laws and government requirements by an inspector nominated by the Company.

Notwithstanding the above, the Company may:

- (a) inspect any Constructional Plant located on-Site from time to time during the performance of the Services; and

- (b) prohibit the use of any Constructional Plant that the Company considers does not meet relevant laws and government requirements, and the Contractor:
 - (i) must bear the costs associated with the removal and replacement of that Constructional Plant; and
 - (ii) is not entitled to compensation as a result of that prohibition, removal or replacement.

PART D - PROVISIONS APPLYING TO EQUIPMENT HIRE

G.C.31. INSURANCE

The Contractor must maintain:

- (a) insurance for the Equipment for the period when it is in transit to the Site against all loss or damage arising from any insurable cause, for a limit of not less than the full replacement cost of that Equipment;
- (b) workers' compensation insurance in relation to its employees or contractors; and
- (c) third party motor vehicle liability insurance against liability for death or bodily injury to any person or damage to the Site or property located on the Site, for each of its vehicles that enter the Site during the performance of the Contractor's obligations under the Contract.

G.C.32. PROTECTION

The Company must protect the Equipment from loss or damage arising from any cause, other than a breakdown, defect or malfunction of the Equipment or an act or omission of the Contractor or Contractor's Personnel.

The Contractor must ensure that the Equipment is appropriately packed, handled and transported to the Site to prevent damage while in transit and must provide all handling devices required for handling the Equipment when in transit.

G.C.33. PASSING OF TITLE AND RISK

The parties acknowledge and agree that:

- (a) the Contractor retains full title to the Equipment notwithstanding the delivery of the Equipment to, and the possession and use of the Equipment by, the Company; and
- (b) the Company will be a bailee of the Equipment only, subject to the terms and conditions of the Contract.

G.C.34. QUALITY OF WORKMANSHIP

The Contractor warrants that on delivery, the Equipment will:

- (a) comply with all the requirements of the Contract, relevant laws, government requirements and any applicable codes or standards;
- (b) be fit for its intended purpose; and
- (c) be free from all defects and imperfections affecting performance.

G.C.35. INSPECTION

35.1 Equipment condition inspection

On delivery of the Equipment to the Site, a representative of each of the Company and the Contractor must jointly inspect and, if necessary, test the Equipment.

35.2 Notice of rejection

If the Equipment is not accepted by the Company after the joint inspection, the Company may either require the Contractor to replace the rejected Equipment or direct the Contractor to repair the Equipment.

35.3 Equipment Condition Report

Within 5 Business Days of the Company's acceptance of the Equipment, the Contractor must provide to the Company a report reflecting the agreed condition of the Equipment including a genuine indication of the state of the Equipment (including existing defects) and details of all servicing requirements, attachments, accessories, tools and supporting manuals and documentation for the Equipment.

G.C.36. MAINTENANCE AND REPAIR**36.1 Contractor's Maintenance Obligations**

The Company must advise the Contractor of any defect in or damage to the Equipment and the Contractor must:

- (a) repair the defective or damaged Equipment;
- (b) supply to the Company an appropriate replacement for the Equipment while it is being repaired, if requested to do so; and
- (c) if necessary, transport the Equipment from the Site to the Contractor's premises for repairs and re-deliver the repaired or replacement Equipment.

36.2 Emergency Repairs

If emergency repairs to the Equipment are required and the Contractor fails to undertake the required repairs within a reasonable time of being requested to do so by the Company, the Company may carry out the emergency repairs to the Equipment without invalidating any warranty given by the Contractor.

36.3 Cost of repair

The Contractor is liable for all costs associated with repair of defective or damaged Equipment (including costs incurred by the Company under G.C.36.2) unless the defect or damage is the direct result of the negligent or deliberate misuse or care of the Equipment by the Company, its employees, agents or contractors.

G.C.37. PERSONAL PROPERTY SECURITIES**37.1 Company to notify of name change**

The Company must provide reasonable advance written notice to the Contractor of any change in the Company's name.

37.2 Financing statement

The Company waives all rights to receive from the Contractor a copy of any financing statement, financing statement (transition), financing change statement or verification statement filed at any time in respect of the Equipment.