



**STANDARD COMMERCIAL TERMS AND CONDITIONS  
FOR THE PURCHASE OF GOODS AND SERVICES**

BP-5-11  
REV (12)

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## 1. Definition of Terms

- 1.1 In addition to terms defined elsewhere herein, each of the following terms will have the meaning set out in this section 1.1.
- (a) “Applicable Laws” means all applicable federal, provincial, state and municipal laws, by-laws, codes, rules, regulations and statutes, including Environmental Laws and Nuclear Laws, and all CNSC Licences or orders, all orders, orders-in-council, decisions, injunctions, directives, rulings and writs of any court, tribunal, arbitrator, Governmental Authority or other person having jurisdiction, including legally enforceable policies and guidelines of any Governmental Authority having jurisdiction.
  - (b) “Bruce Power” means Bruce Power L.P., a limited partnership existing under the laws of the Province of Ontario.
  - (c) “Bruce Power Collective Agreements” means the labour agreements, as may be amended from time to time, entered into by Bruce Power with each of the Power Workers’ Union, The Society of Energy Professionals, the International Association of Machinists and Aerospace Workers, the Canadian Union of Skilled Workers, the Brick & Allied Craft Union of Canada, and any other labour agreements applicable to the Work of which Bruce Power notifies Supplier in writing, and the EPSCA Agreement and the Chestnut Park Accord.
  - (d) “Bruce Power Group” means Bruce Power L.P., its general and limited partners and each of their respective (i) officers; (ii) directors; (iii) partners; and (iv) the shareholders.
  - (e) “Bruce Power Nuclear Generating Station” means the nuclear power facility operated by Bruce Power and located near Tiverton, Ontario.
  - (f) “Business Day” means a day other than a Saturday, Sunday or statutory holiday in the Province of Ontario.
  - (g) “Chestnut Park Accord” means the agreement dated November 15, 1994, including the addendum thereto dated March 21, 1995, between Ontario Hydro, the Power Workers' Union and various building trades unions which describes the historical division of trades work and jurisdictional agreement between the Power Workers' Union and such building trades unions and provides for a protocol by which trades work is to be assigned and disputes resolved between the Power Workers' Union and such building trades unions in respect of trades work performed by or for Ontario Hydro on Ontario Hydro property (including the Bruce Power Nuclear Generating Station), which agreement and addendum are binding on Bruce Power as a successor employer to the primary business operating out of the Bruce Power Nuclear Generating Station.
  - (h) “CNSC” means the Canadian Nuclear Safety Commission established pursuant to the *Nuclear Safety and Control Act* (Canada) and any successor agency, board or commission and, where applicable, its predecessor, the Atomic Energy Control Board established pursuant to the *Atomic Energy Control Act* (Canada).
  - (i) “CNSC Licence” means the licence issued to Bruce Power and its successors and assigns for the operation of the Bruce Power Nuclear Generating Station.

- (j) “Commodity Taxes” means all Customs Duties and all other Taxes levied on or measured by, or referred to as HST, value-added, consumption, sales, use, transfer, land transfer, registration charges, gross receipt, turnover, excise or stamp.
- (k) “Confidential Information” means any information relating to or disclosed in the course of a Contract, which is or should be reasonably understood to be confidential or proprietary to the disclosing Party (including third party information provided to disclosing Party in confidence). Confidential Information will not include information (a) already lawfully known to the receiving Party without obligation of confidentiality, (b) disclosed in published materials without fault of the receiving Party, (c) generally known to the public without fault of the receiving Party, (d) lawfully obtained from a third party not under any obligation to maintain the confidentiality of either Party, (e) required by Applicable Laws or regulations to be released, or (f) independently developed by receiving Party, provided the person or persons developing the same have not had access to relevant proprietary information of disclosing Party.
- (l) “Contract” is defined in section 3.1.
- (m) “Contract Effective Date” is defined in section 4.1.
- (n) “Contract Price” means the price and fees charged to and payable by Bruce Power to the Supplier for the Work (including the Goods) as indicated in the Purchase Order or if not indicated in the Purchase Order as indicated elsewhere in each Contract.
- (o) “Correction” is defined in section 10.3(a)(i).
- (p) “Costs” means any out-of-pocket, direct costs or expenses to be paid by one Party pursuant to these Terms and Conditions, including third party costs and fees.
- (q) “Customs Duties” means customs duties, countervail, anti-dumping, special import measures, or import or export taxes, plus any interest or penalties, including any administrative monetary penalties or similar penalties imposed by any Governmental Authority.
- (r) “Defect” or “Defective” means any aspect of the Work that is (i) inoperative, (ii) fails because of any defect in materials or workmanship, (iii) is non-conforming or does not comply with the applicable Contract, including any failure to comply with any Scoping Document, requirement of any submittal, reference standard, inspection, test, any Applicable Law or permits, licences or approvals required for the Site or otherwise referred to in the applicable Contract.
- (s) “Deliverable” means any item delivered, or to be delivered, by Supplier to Bruce Power under the applicable Contract. If the Deliverables include any item(s) of software, then the Deliverables will be deemed to include, in both source code and object code forms, the final version and all preliminary versions of the software and all routines and subroutines, as well as all program material, flowcharts, models, notes, outlines, work papers, descriptions and other documents created or developed in connection therewith, the resulting screen formats and other visual effects of the software, unless otherwise specified in the applicable Contract.
- (t) “Dispute” is defined in section 49.1.

- (u) “Environmental Laws” means all Applicable Laws relating to the protection of the environment, including the *Environmental Protection Act* (Ontario), the *Ontario Water Resources Act*, the *Fisheries Act* (Canada), the *Canadian Environmental Protection Act, 1999* (Canada), the *Transportation of Dangerous Goods Act* (Canada) and the *Dangerous Goods Transportation Act* (Ontario).
- (v) “EPSCA” means the Electrical Power Systems Construction Association.
- (w) “EPSCA Agreement” means the labour agreement between EPSCA and certain trade unions or counsels of trade unions governing construction trade work performed at electrical power generation facilities, including the Bruce Power Nuclear Generating Station, as the same may be amended, restated, supplemented or replaced from time to time.
- (x) “ETA” means Part IX of the *Excise Tax Act* (Canada).
- (y) “Event of Default” is defined in section 31.2.
- (z) “Fixed Price Work” means the portion of the Work for which the fees payable to the Supplier in respect of such portion of the Work are specified in the Purchase Order or elsewhere in applicable Contract as being fixed, and for greater certainty, “fixed” in relation to the Contract Price means not subject to adjustment on the basis of the Supplier’s costs in respect of provision of the Work.
- (aa) “Force Majeure Event” is defined in Article 29.
- (bb) “Good Engineering Practices” means any of the practices, methods and activities adopted by a significant portion of the North American electric generating industry as good practices applicable to, as the context in a Contract requires, the refurbishment, asset management, operation, or all of the foregoing, of nuclear generating facilities of similar design, size and capacity as those on the Site or any of the practices, methods or activities which, in the exercise of skill, diligence, prudence and judgment by a prudent nuclear electric generator in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost.
- (cc) “Goods” means the tools, equipment, machinery, supplies, parts, materials, and all other goods to be supplied, fabricated or erected by the Supplier, and includes all inputs, materials, and products that form part of the same, as set out in the Purchase Order.
- (dd) “Governmental Authority” means (i) any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of the foregoing exercising or entitled to exercise any contractual, administrative, executive, judicial, ministerial, prerogative, legislative, regulatory or taxing authority or power of any nature; or (ii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.
- (ee) “HST” means the harmonized sales tax and goods and services tax as imposed under the ETA.

- (ff) “IESO” means Bruce Power’s counterparty to the Amended and Restated Bruce Power Refurbishment Implementation Agreement dated as of December 3, 2015, as may be amended or supplemented from time to time, currently being the Independent Electricity System Operator.
- (gg) “Intellectual Property” means trade-marks, service marks, certification marks, official marks, trade names, trade dress, distinguishing guises and other distinguishing features used in association with wares or services, whether or not registered or the subject of an application for registration and whether or not registrable, and associated goodwill; inventions, processes, articles of manufacture, compositions of matter, business methods, formulæ, developments and improvements, whether or not patented or the subject of an application for patent and whether or not patentable, methods and processes for making any of them, and related documentation (whether in written or electronic form) and know-how; software in source code or object code form, documentation, literary works, artistic works, pictorial works, graphic works, musical works, dramatic works, audio visual works, performances, sound recordings and signals, including their content, and any compilations of any of them, whether or not registered or the subject of an application for registration and whether or not registrable; domain names, whether registered primary domain names or secondary or other higher level domain names; industrial designs and all variants of industrial designs, whether or not registered or the subject of an application for registration and whether or not registrable; and trade secrets, technical expertise, and research data and other Confidential Information.
- (hh) “Intellectual Property Rights” means all rights, under statute, regulation, common law or otherwise, in or connected with Intellectual Property.
- (ii) “IP Works” is defined in section 18.2.
- (jj) “ITA” means the *Income Tax Act* (Canada) and the *Income Tax Regulations*, as amended from time to time.
- (kk) “Losses” means any and all claims, demands, losses, liabilities, damages, obligations, payments, fines and penalties, costs and expenses, including accrued interest thereon, and the costs and expenses of any and all related actions, suits, proceedings, assessments, judgments, settlements and compromises, and reasonable lawyers’ fees and disbursements.
- (ll) “Nuclear Law” means all Applicable Laws relating specifically to the regulation of nuclear power plants and nuclear material, including the *Nuclear Energy Act* (Canada), *Nuclear Liability and Compensation Act* (Canada), *Nuclear Safety and Control Act* (Canada), *Canadian Environmental Assessment Act* (Canada) and *Transportation of Dangerous Goods Act* (Canada) and the respective regulations thereunder and any legally enforceable regulatory guidance documents, directives, standards and policies issued from time to time by the CNSC or its predecessor, including in respect of the CNSC Licence.
- (mm) “Party” means Bruce Power or the Supplier and “Parties” means Bruce Power and the Supplier.
- (nn) “Personal Information” includes any information in any form, recorded or not, about an identifiable individual, such as: age, name, ID numbers, income, ethnic origin, blood type, opinions, evaluations, comments, social status, credit records, loan records, medical records, existence of a dispute between a consumer and a merchant and intentions (for

example, to acquire goods or services, or change jobs), provided that Personal Information does not include the name, title, business address or telephone number of an employee of an organization.

- (oo) “Prime Rate” means the rate of interest per annum established and reported by the Bank of Nova Scotia to the Bank of Canada from time to time as the reference rate of interest for determination of interest rates that the Bank of Nova Scotia charges to its customers for Canadian dollar commercial loans made in Canada.
- (pp) “Purchase Order” means a purchase order that references these Terms and Conditions, and is issued by Bruce Power and executed and delivered by the Supplier and Bruce Power, as such purchase order may be amended, restated, supplemented or otherwise modified by written agreement of the Parties.
- (qq) “RFP” is defined in section 3.1(d).
- (rr) “Schedules” means the schedule to these Terms and Conditions listed in section 2.7, and includes all exhibits and appendices.
- (ss) “Services” means all the services to be performed by the Supplier under the applicable Contract, as specified in the Statement of Work and/or the Purchase Order; and “Services” also includes the delivery to Bruce Power of all Deliverables identified in the applicable Contract.
- (tt) “Site” means the land or actual place designated by Bruce Power in the applicable Contract for the performance of the Work; if no such place is designated in the applicable Contract the Site is the Bruce Power Nuclear Generating Station.
- (uu) “Spare Parts” means Goods which do not initially form part of equipment to be provided by Supplier under the applicable Contract, but which are required to be delivered by the Supplier to Bruce Power as spare parts, in accordance with the applicable Contract, and which are listed in the same.
- (vv) “Statement of Work” is defined in section 3.1(c).
- (ww) “Subcontractor” means an individual, firm, partnership, corporation, joint venture or other entity however designated or constituted having a contract with the Supplier for provision of any part of the Work.
- (xx) “Supplier” means the individual or entity specified in the Purchase Order as the supplier of the Work.
- (yy) “Taxes” means all taxes, duties, fees, premiums, assessments, imposts, levies, rates, withholdings, dues, government contributions and other charges of any kind whatsoever, whether direct or indirect, together with all interest, penalties, fines, additions to tax or other additional amounts, imposed by any Governmental Authority.
- (zz) “Term” is defined in section 4.1.

- (aaa) “Terms and Conditions” means these Standard Commercial Terms and Conditions for the Purchase of Goods and Services, as amended, restated, supplemented or otherwise modified from time to time by written agreement of the Parties.
- (bbb) “Time and Materials Work” means the portion of the Work for which the fees payable to the Supplier in respect of such Work are specified in the Purchase Order or elsewhere in the applicable Contract as being charged on a time and materials basis pursuant to rates and adjustments (if any) set forth in the applicable Contract.
- (ccc) “Warranty” is defined in section 10.1(a).
- (ddd) “Warranty Period” is defined in section 10.2(a).
- (eee) “Withholding Taxes” means Taxes that Bruce Power is required by any Applicable Laws to deduct, withhold and remit from any fees or other amounts paid or credited or under the applicable Contract or in respect of the Work, including all Taxes required to be withheld and remitted under Part XIII of the ITA, or under section 105 of the Income Tax Regulations, in respect of amounts paid or credited to a non-resident of Canada.
- (fff) “Work” means all work to be performed by the Supplier under any applicable Contract, including the provision to Bruce Power of all Goods and/or Services and all associated Deliverables, as applicable, and all activities to be done by Supplier in the course of same.

## 2. **Interpretation**

- 2.1 **Headings** - The division of these Terms and Conditions into sections and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of each Contract.
- 2.2 **Gender and Number** - Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders.
- 2.3 **Including and Includes** - Every use of the words “including” or “includes” in these Terms and Conditions is to be construed as meaning “including, without limitation” or “includes, without limitation”, respectively.
- 2.4 **Currency** - Except where otherwise expressly provided, all amounts in the applicable Contract are stated and paid in Canadian currency.
- 2.5 **Statutes** - Any reference in the applicable Contract to a statute or to a regulation or rule promulgated under a statute or to any provision of a statute, or regulation is a reference to such statute, regulation, rule or provision, as amended, re-enacted or replaced from time to time.
- 2.6 **Business Days** - Whenever any action or payment to be taken or made under each Contract will be stated to be required to be taken or made on a day other than a Business Day, then such payment is made or such action is taken on the next succeeding Business Day.
- 2.7 **Schedule** – The following Schedule forms an integral part of these Terms and Conditions, and is used in connection with the administration of each Contract.



Schedule	Description
Schedule A	Supplier Code of Conduct

### 3. Order of Precedence

- 3.1 For the purposes of interpretation of each Contract, the following documents have a descending order of precedence:
- (a) a Purchase Order;
  - (b) these Terms and Conditions;
  - (c) any other document(s) (the “**Statement of Work**”) accepted by both Parties and referenced in the Purchase Order which describe, among other things, the Goods, Services, scope of Work, deadlines, deliverables, assumptions, location of the Work, responsibilities of the Parties, key personnel, fees/rates, estimates, expenses, technical specifications or any quality assurance/program requirements, other than the RFP; and
  - (d) the Request for Proposal (“**RFP**”) or similar document, if any, provided by Bruce Power to Supplier with respect to the Work;

provided that any document executed subsequently to any other document may override a prior document, to the extent such subsequently executed document expressly so provides,

(collectively, a “**Contract**”).

### 4. Acceptance and Term

- 4.1 The term of each Contract begins on the later of (a) the date of the Purchase Order and (b) the date specified in the Purchase Order to be the effective date of the Contract (the “**Contract Effective Date**”), and continues until the end of the term identified in the Purchase Order (the “**Term**”). If no such Term is specified in a Purchase Order, the Term of the applicable Contract will terminate on the 45th day after Bruce Power makes its final payment on account of the Contract Price (including, for certainty, any amount held back from payment of the Contract Price pursuant to these Terms and Conditions).
- 4.2 All terms and conditions of a Contract which, by their nature, extend beyond termination or expiry of the applicable Contract will survive such termination or expiry in accordance with their terms.

### 5. Fees

- 5.1 Bruce Power will pay Supplier the fees and other amounts payable as set forth in the applicable Contract plus HST, if applicable.
- 5.2 The Contract Price for Fixed Price Work is the fixed amount payable for the entire performance of such Work. Any Costs incurred by the Supplier in the performance of the Work in excess of the Fixed Price are born solely by the Supplier.

- 5.3 For Time and Materials Work Supplier may invoice Bruce Power for all reasonable and necessary Costs incurred by the Supplier directly in the performance of the Work, all in accordance with (as applicable):
- (a) the fully burdened labour rates of the Supplier set out in the Purchase Order;
  - (b) the subcontract price invoiced to, and paid by the Supplier to Subcontractor, provided that the Supplier is not entitled to charge Bruce Power for (i) any charges in excess of what Bruce Power would have been charged under the applicable Contract, had the Supplier performed the Work; or (ii) that are not permitted to be charged under the Purchase Order; and
  - (c) any other applicable provisions to the Time and Materials Work as provided for in the applicable Contract.

## **6. Taxes**

- 6.1 The fees stated in the applicable Contract are inclusive of all Withholding Taxes and all Commodity Taxes, except applicable HST.
- 6.2 Supplier will deduct all recoverable HST paid on reimbursable expenses before adding HST to the amounts to be invoiced to Bruce Power.
- 6.3 The pre-tax fees set out in the applicable Contract are not subject to adjustment for changes in the rate of Taxes. For greater certainty, Bruce Power will pay all fees plus the applicable current rate of HST in force as of the date Bruce Power issues payment to Supplier.
- 6.4 Supplier will cooperate with Bruce Power in applying for or obtaining any exemption, rebate, refund, remission or other recovery of Taxes paid or payable by Bruce Power, Supplier or Subcontractors for any portion of the Work. All amounts received by Supplier or Subcontractors by way of a rebate, refund, remission or other recovery of Taxes included in or otherwise in the fees will constitute monies held in trust for Bruce Power to which Bruce Power is exclusively entitled. Such amounts will be forwarded to Bruce Power forthwith following receipt by Supplier or Subcontractor. Upon receipt of such amounts, Supplier or Subcontractor will immediately forward the same to Bruce Power.

## **7. Withholding Taxes**

- 7.1 Bruce Power may deduct and withhold any applicable Withholding Taxes from amounts paid or credited to the Supplier to the extent and at the rate required by Applicable Laws, and will remit any such Withholding Taxes so withheld directly to the relevant Governmental Authority. Bruce Power will provide Supplier with the appropriate tax receipt for any such amounts in the first quarter of the year following the end of each calendar year as applicable.
- 7.2 Upon request, the Supplier will provide Bruce Power with evidence, satisfactory to Bruce Power, of the country of residence of the Supplier (or any Subcontractor) for purposes of determining whether any Withholding Taxes are required to be withheld and remitted.
- 7.3 In the event that Tax is directly assessed against Bruce Power in respect of any Withholding Taxes that have not been deducted or withheld from any amount paid or credited to the

Supplier or any Subcontractor, the Supplier will indemnify, defend and hold harmless Bruce Power for such Taxes.

## **8. Submission and Form of Invoices**

8.1 Each invoice will:

- (a) identify the Purchase Order number;
- (b) specifically itemize the Work, including the Goods, to which the invoice relates;
- (c) in respect of Time and Materials Work, specify the number of hours or days worked and the applicable rate (including specification of base rate and the mark-up);
- (d) in respect of Fixed Price Work, specify the milestones accomplished, as applicable;
- (e) show HST separately, identify the Supplier's HST registration number on the invoice and provide such further information as Bruce Power may require to be entitled to claim all input tax credits available under the ETA;
- (f) meet any other format requirements outlined in the applicable Contract; and
- (g) show charges for Work performed in Canada separately from Work performed outside of Canada, to the extent applicable.

8.2 Immediately upon request, the Supplier will furnish Bruce Power with a further breakdown of amounts charged in each invoice for Bruce Power's accounting or tax compliance purposes and for Bruce Power to remain compliant with its obligations to the IESO, each in a form and manner acceptable to Bruce Power, acting reasonably

8.3 Charges for Work rendered, including Goods delivered and reimbursable expenses incurred, will be invoiced by Supplier monthly unless otherwise specified in the Purchase Order.

8.4 Supplier will deliver its invoices for the Work to Bruce Power electronically at:

[BNPDAccountsPayableInquiry@brucepower.com](mailto:BNPDAccountsPayableInquiry@brucepower.com)

Supplier will retain original hard copies of such invoices for subsequent verification by Bruce Power.

## **9. Payment Terms, Interest**

9.1 Notwithstanding this Article 9, Bruce Power will not issue payment unless the Supplier has first provided an executed copy of the applicable Purchase Order.

9.2 Subject to section 9.4 of these Terms and Conditions, Bruce Power will pay all undisputed invoiced amounts within thirty (30) days of its receipt of the invoice and all disputed invoiced amounts within the later of (i) fifteen (15) days of the date of resolution of the disputed amount and (ii) thirty (30) days of Bruce Power's receipt of the invoice. If Bruce Power disputes any invoiced amount, or any portion of an invoiced amount, Bruce Power will provide the Supplier with a written explanation for the disputed amount within ten (10) days of receipt of the invoice.

- 9.3 Bruce Power will make all payments to Supplier in Canadian dollars either by wire transfer, cheque drawn on a Canadian bank account, or a credit card acceptable to Supplier.
- 9.4 If at any time during the performance of the Work Bruce Power determines that the Work is Defective Bruce Power will have the right to withhold from payment in respect of any invoice an amount that, in Bruce Power's opinion, takes into account the Defect. Any amount withheld will be paid thirty (30) days after receipt of invoice submitted after Bruce Power's approval of the correction of the Defect.
- 9.5 Should either Party fail to make payments as they become due under the applicable Contract, interest at an annual rate equal to two (2%) percent above the Prime Rate on such unpaid amounts will also become due and payable until the subject payment is made. Such interest will be calculated daily from the date on which any payment becomes due and compounded annually.
- 9.6 Supplier is not entitled to suspend deliveries of any Work as a result of any disputed sums being outstanding.

## **10. Warranties, Correction of Defects and Limited Warranties**

### **10.1 Warranty –**

- (a) The Supplier warrants that:
- (i) all Work performed will not be Defective;
  - (ii) all Goods, and all Deliverables provided in relation to, forming part of, or otherwise incorporated in the Work, are free of any liens, and title vests irrevocably, without lien or encumbrance, in Bruce Power; and
  - (iii) Bruce Power has the benefit and assignment of all warranties provided under all subcontracts executed in relation to the Work,
- (collectively, the “**Warranty**”).
- (b) This Warranty is separate from, and in addition to, the CFSI provisions set out in section 13.3.

### **10.2 Warranty Period –**

- (a) The warranty period (“**Warranty Period**”) is:
- (i) Goods: the later of two (2) years from (i) first use, and (ii) receipt of the Goods on-Site or at any other delivery destination specified in the Purchase Order,
  - (ii) Services: two (2) years from completion for original Services, and
  - (iii) The warranty period for any Correction is the later of (i) the Warranty Period, and (ii) twelve (12) months from completion of the Correction.

### **10.3 Correction of Defects -**

- (a) Where Defective Work is discovered prior to or following the commencement of the Warranty Period:
- (i) Bruce Power will notify Supplier and Supplier will promptly (as applicable to the nature of the work) repair, replace or re-perform the Defective Work (the “**Correction**”). The means of the Correction is at Bruce Power’s sole and absolute discretion, and Supplier will perform the Correction at its sole cost and expense.
  - (ii) If in Supplier’s reasonable judgment the Goods cannot be repaired or replaced, or the Services cannot be re-performed, Supplier will refund monies paid by Bruce Power for that portion of Defective Work that cannot be remedied or, where Supplier has not yet rendered an invoice in respect of such Work, Bruce Power will have no obligation to pay any amount for the provision of such Defective Work.
  - (iii) If the Supplier, its Subcontractor, or any other third party on the Supplier’s behalf, furnished technical direction of the installation or erection of Goods, then Supplier will also be responsible for furnishing technical direction of the removal (including disassembly if required), re-installation or re-erection thereof as may be required due to the necessity of the Correction of such Goods by Supplier.

10.4 Limited Warranty –Goods or any repaired or replacement parts, are not warranted against normal wear and tear or damage caused by misuse, accident, or use will that is not in accordance with Good Engineering Practices.

10.5 This Article 10 provides the exclusive remedies for breach of the Warranty, whether the Defect arises before or during the applicable Warranty Period and whether a claim, however described, is based on contract, warranty, indemnity, tort/extra-contractual liability (including negligence), strict liability or otherwise. No implied statutory warranty or conditions of merchantability or fitness for a particular purpose applies unless expressly stated in the applicable Contract.

## **11. Inspection and Expediting Requirements**

Supplier will maintain, and cause its Subcontractors to maintain, a records system that will assure Bruce Power that each of the quality of design, material, and workmanship of the Goods complies with the requirements of the applicable Contract. The Supplier will make the necessary arrangements to facilitate surveillance and examination at the Supplier’s premises and at the premises of its Subcontractors, and will make available to Bruce Power upon Bruce Power’s request, all records required to verify compliance with ISO, CSA and other applicable codes and standards. The Supplier will promptly correct all instances of non-conformance in accordance with the Supplier’s quality assurance programme, or as otherwise specified in the applicable Contract, and will report the non-conformance and its corrective action to Bruce Power in writing. Any nonconforming item for which the Supplier proposes a disposition to “repair” or “use as is” will be brought to the attention of Bruce Power, in writing, and will clearly describe any effects on safety, interchangeability, performance, reliability, maintainability, or shelf life, as applicable. Bruce Power’s approval of such dispositions is required before the Supplier may proceed with such disposition.

## **12. Testing and Inspection**

12.1 The relevant Purchase Order will set out the testing and inspection requirements.

- 12.2 For all tests carried out by Supplier, Bruce Power is deemed to rely on the Supplier's skill and judgment in assessing Supplier's compliance with the applicable Contract and Applicable Laws.
- 12.3 Supplier shall not permit any personnel or other Representative to perform testing and inspection if such personnel or Representatives performed all or a portion of the Work.
- 12.4 Before the commencement of the Warranty Period, in the event that the Goods or Services (i) fail to pass any inspection or testing, (ii) are found not to comply in all respects with the applicable Contract or Applicable Laws, (iii) do not comply with any sample, or (iv) are not suitable for the purposes for which they are intended (which have been communicated by Bruce Power to Supplier), Bruce Power is entitled by notice in writing to the Supplier either to: (i) affirm the subject Contract and extend the period for testing and/or inspection to a date specified in the notice; (ii) accept the Goods or Services subject to an abatement of total consideration payable in respect of the particular Goods or Services, such abatement to be such an amount as, taking into account the circumstances, is reasonable; or (iii) reject the Goods or Services to the extent that they do not comply in all respects to the subject Contract, in which case Bruce Power is discharged from payment of any further amounts to the Supplier in respect of such Goods or Services.

**13. Delivery, Risk of Loss and Title Transfer, and Counterfeit, Fraudulent, Suspect or Substandard Items (CFSIs)**

13.1 Delivery

- (a) Supplier will act as the importer of record into Canada for Goods, and inputs purchased by and consumed for the Services (the “**Inputs**”).
- (b) The Supplier will act as the importer of record in respect of any tools, equipment or other goods imported or consumed pursuant to the Services.
- (c) The Supplier will deliver Goods or Inputs to, and/or perform the Services at, the premises specified in the relevant Purchase Order in accordance with any schedule outlined in the applicable Contract. If the Supplier does not deliver the Goods or Inputs and/or perform the Services in accordance with such schedule, subject to providing Supplier with seven (7) calendar days' written notice, Bruce Power is entitled to cancel the applicable Contract in whole or in part, in accordance with Article 31. In addition to the remedies provided in Article 31, Bruce Power is entitled to apply any other amounts due to Supplier on any account against the cost of remedying Supplier's breach of this section 13.1(c).
- (d) The Supplier is responsible for ensuring that any of its equipment or materials necessary to perform the Services arrive at the Site in accordance with the applicable schedules, at no extra cost to Bruce Power. Without limitation to the generality of the foregoing, the Supplier is responsible for obtaining any licences or permits required for transportation of any of its equipment or materials to the Site.
- (e) The Supplier waives all claims against Bruce Power or its employees Losses incurred in relation to Supplier's equipment and materials, notwithstanding that such Losses may arise by reason of negligence or otherwise, and the Supplier will indemnify and save harmless Bruce Power and its employees against such Losses by third parties.

13.2 Risk of Loss and Title Transfer

- (a) Risk of loss, regardless of means and method of shipment and delivery, remains with the Supplier in accordance with the following:
  - (i) for any Goods, until the Goods are accepted by Bruce Power on the Site
  - (ii) for any Inputs, until completion of the Services, as prescribed in the applicable Contract.
- (b) Title to Goods or Inputs transfers to Bruce Power on date of payment; however, as set in section 13.2(a) risk remains with Supplier until Goods are accepted by Bruce Power on the Site.
- (c) If Goods are rejected by Bruce Power after payment, title to such Goods will only revert to Supplier on receipt by Bruce Power of a full refund of the sum paid for such Goods.

13.3 Counterfeit, Fraudulent, Suspect or Substandard Items (CFSIs)

- (a) The Supplier is hereby notified and accepts that the delivery or use of counterfeit, fraudulent, suspect or substandard items (CFSIs) is of special concern to Bruce Power. If any Goods purchased or used in accordance with the applicable Contract are described using a manufacturer part number or using a product description and/or specified using an industry standard (collectively “**Goods Specifications**”), the Supplier is responsible for ensuring that the replacement Goods supplied by the Supplier meet all requirements of the latest version of the applicable Goods Specifications. If the Supplier is not the manufacturer of the Goods, the Supplier will ensure that the Goods are made by the Original Equipment Manufacturer (OEM) and meet the applicable Goods Specifications.
- (b) Supplier hereby represents and warrants that:
  - (i) the Goods are genuine, new, unused, original OEM-manufactured, unless otherwise permitted pursuant to section 13.3(c) below; and
  - (ii) if Supplier is notified of or otherwise becomes aware of the presence or likelihood of the presence of CFSI in the Goods, Supplier shall immediately notify Bruce Power in writing and shall document such non-conformance, all in accordance with the Supplier’s quality assurance program or management system.

This representation and warranty extends to labels and/or trademarks affixed or designed to be affixed to Goods supplied or delivered to Bruce Power, and to certifications, affirmations, information, or documentation related to the authenticity of items delivered to Bruce Power under the applicable Contract.

- (c) Should the Supplier desire to supply or use a Good that may not meet the requirements of section 13.3(a), the Supplier will notify Bruce Power of any exceptions and receive Bruce Power’s written approval prior to shipment to Bruce Power of such Goods.

- (d) If Supplier is made aware of or otherwise determines that, pursuant to the applicable Contract, CFSIs are furnished, or otherwise included in Goods, Supplier will immediately, and in any event, within five (5) Business Days, notify Bruce Power in writing. The Supplier will promptly replace such Goods, with Goods acceptable to Bruce Power, and the Supplier is liable for all Costs, including but not limited to Bruce Power's Third Party Costs, relating to the removal and replacement of such Goods.
- (e) To mitigate the CFSI risk, Supplier shall develop, document and implement a quality assurance program or management system that performs the following functions:
  - (i) prevents, detects and dispositions CFSIs;
  - (ii) ensures Goods are genuine, new and unused and are duly tested and verified to ensure compliance with specified requirements set out in the Contract;
  - (iii) ensures personnel are sufficiently trained to identify the following CFSI indicators:
    - (A) altered manufacturer's name, logo, serial number, manufacturing date;
    - (B) items differing in configuration, dimensions, fit, finish, colour;
    - (C) markings on items or documentation are missing, unusual, altered, or inconsistent;
    - (D) markings or documentation from a country other than the country of the Subcontractors;
    - (E) items sold as new, exhibiting evidence of prior use;
    - (F) performance inconsistent with specifications, certification or available test data; and
    - (G) documentation that is or appears to be altered, incomplete, or is not traceable or does not include necessary manufacturer's markings;
  - (iv) identifies CFSI and documents such CFSI in accordance with a documented non-conformance process; and
  - (v) incorporates all experience and industry best practices into Supplier's performance of services and supply of goods and other materials.
- (f) Supplier shall incorporate into all subcontracts, an obligation on the subcontractor to materially comply with the obligations set out in this section 13.3.
- (g) This section 13.3 survives termination and is separate and distinct from any claims and remedies available under Article 10.



**14. Payment not Acceptance**

Payment for the Work, in whole or in part, does not imply Bruce Power's acceptance of such Work.

**15. Performance Representation and Warranty**

15.1 Without limiting any other responsibility of the Supplier set out in the applicable Contract, the Supplier covenants, represents and warrants that it will, and will make all of its employees and Subcontractors:

- (a) comply with Applicable Laws;
- (b) comply with the Supplier Code of Conduct, and in particular, not engage in any criminal or otherwise fraudulent activities, both in relation to the Work and unrelated to the Work;
- (c) report any instance of criminal activity and any related ongoing investigations or charges laid against the Supplier, including any employees, affiliates, and Subcontractors; and
- (d) when on Site, comply with all Site rules and security procedures governing all activities on Site, which includes reporting to Site fit for duty and ensuring all Supplier time on-Site is devoted to performing the Work.

15.2 Supplier accepts that failure to comply with section 15.1 may, at Bruce Power's option, result in termination of all Contracts, or the applicable Contract, for default in accordance with Article 31. Non-compliance of section 15.1 by individual personnel may result in immediate suspension of the Work, or portion thereof, removal of the offending individual, or termination of the applicable Contract without prior notice.

15.3 The Supplier (and any of its Subcontractors) will provide Bruce Power with a copy of all accident reports which it is required to submit in connection with the Work and under the *Occupational Health and Safety Act* (Ontario) and the *Workplace Safety and Insurance Act, 1997* (Ontario). Accidents causing critical injuries, as defined in the regulations under the *Occupational Health and Safety Act* (Ontario) must be reported to Bruce Power immediately by phone or fax.

15.4 For certainty, Supplier acknowledges and agrees that Bruce Power will at all times maintain operational control of the Site, and may remove any individual from the Site at its sole and unfettered discretion.

**16. Liability, Limitation of Liability, Insurance and Indemnity**

16.1 Subject to section 16.3 and anything else to the contrary in the applicable Contract, neither Party is liable to the other Party for an amount that exceeds, in the aggregate for that Party, the total of all fees paid by Bruce Power under the applicable Contract.

16.2 Supplier will indemnify and save harmless each Person that is part of the Bruce Power Group against all Losses by third parties for loss, damage or injury (including death) to persons or property arising from the Supplier's negligent acts or omissions, or willful misconduct.

- 16.3 Section 16.1 will not apply to limit Supplier's liability for negligence, wilful misconduct, intentional cessation of services unless allowed hereunder, breach of section 13.3 (Counterfeit, Fraudulent, Suspect or Substandard Items (CFSIs)), Articles 10 (Warranty), 19 (Intellectual Property Warranty and Indemnity) 20 (Confidentiality), 36 (Personal Information), or Supplier's obligations under section 16.2.
- 16.4 Neither Party is liable for any special, indirect, punitive or consequential damages including the following: loss of profit, use, anticipated savings, business, revenue or goodwill. For certainty, the Parties agree that Losses suffered as a result of a breach section 13.3, and Articles 19, 20 and 36 are direct damages.

## **17. Insurance**

- 17.1 The Supplier agrees to provide and/or cause its Subcontractors to provide and maintain in full force and effect with financially responsible insurance carriers acceptable to Bruce Power, or with the appropriate government agency, the following insurance which will take effect as of the date of the applicable Contract and will remain in effect during the Term of the subject Contract or any extension thereof or as otherwise specified herein:
- (a) the Supplier will carry, and will cause its Subcontractors to carry, a commercial general liability insurance policy with limits of at least \$5 million inclusive for both bodily injury, including death, personal injury and damage to property, including loss of use thereof, for each occurrence, which policy will specifically include, but not be limited to the following, where applicable:
    - (i) blanket contractual liability;
    - (ii) damage to property on Site including loss of use thereof;
    - (iii) pollution liability coverage on at least a sudden and accidental basis;
    - (iv) blasting, pile driving, caisson work, underground work;
    - (v) products and completed operations including a provision that such coverage to be maintained for a period not less than 24 months post completion of the Work;
    - (vi) errors and omissions integral to the operation of the Insured;
    - (vii) employer's liability;
    - (viii) tenant's legal liability;
    - (ix) non-owned automobile liability; and
    - (x) broad form property damage.
  - (b) Supplier will carry, and will cause the Subcontractors to carry, automobile liability insurance covering all licensed motor vehicles owned, rented or leased and used in connection with the Work, which insurance will cover (A) bodily injury and property damage liability to a combined inclusive minimum limit of \$2 million per incident and (B) mandatory accident benefits;

- (c) Supplier will ensure that any professionals engaged by it, or by its Subcontractors, to provide design, architecture or engineering aspects of the Work to Bruce Power each carry errors and omissions insurance with limits of not less than \$1 million per claim and with an aggregate limit of not less than \$2 million within any policy year;
- (d) Supplier will pay all premiums as required under the *Workplace Safety and Insurance Act, 1997* (Ontario) or similar applicable legislation covering all persons employed by the Supplier or its Subcontractors for work performed under the applicable Contract. For U.S. employees, appropriate state workers compensation must be carried including employer's liability for a minimum limit of \$1 million U.S., with a foreign coverage endorsement; and
- (e) Supplier will carry, and will cause the Subcontractors to carry, such other insurance as is mutually agreed upon between Bruce Power and the Supplier.

#### 17.2 Certificates of Insurance:

- (a) Before starting the Work, the Supplier will supply and cause its Subcontractors to supply to Bruce Power a certificate of insurance completed by a duly authorized representative of their insurer certifying that at least the minimum coverages required here are in effect and that the coverages will not be cancelled, non-renewed, or materially changed by endorsement or through issuance of other policies of insurance which restricts or reduces coverage, without thirty (30) days advance written notice by registered mail, or courier, receipt required, to: Bruce Power, Insurance Department, 177 Tie Road, P.O. Box 1540, B10 Tiverton ON N0G 2T0.
- (b) Failure of Bruce Power to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Bruce Power to identify a deficiency from evidence provided will not be construed as a waiver of the Supplier's obligation to maintain such insurance.
- (c) The acceptance of delivery by Bruce Power of any certificate of insurance evidencing the required coverages and limits does not constitute approval or agreement by Bruce Power that the insurance requirements have been met or that the insurance policies shown in the certificates of insurance are in compliance with the requirements.
- (d) If the Supplier, or Subcontractor, fails to maintain the insurance as set forth above, Bruce Power will have the right, but not the obligation, to purchase said insurance at the Supplier's expense. Alternatively, Supplier's failure, or the Subcontractor's failure, to maintain the required insurance may result in termination of the applicable Contract at Bruce Power's option.
- (e) 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 Supplier's final invoice.

17.3 All deductibles will be to the account of the Supplier and/or the Subcontractor.

17.4 With the exception of automobile liability insurance, all insurance policies noted above will specify that it is primary coverage and not contributory with or in excess of any other insurance that may be maintained by Bruce Power.

- 17.5 All insurance limits above are expressed in Canadian dollars.
- 17.6 A waiver of subrogation will be provided by the insurers to Bruce Power, the Supplier and Subcontractors.
- 17.7 All insurance policies which the Supplier and Subcontractors are required to carry will name Bruce Power as an additional insured and will contain a cross liability clause and a severability of interests clause.
- 17.8 Supplier, and Subcontractors, will provide Bruce Power with certified copies of insurance policies upon request.
- 17.9 Coverage provided for Bruce Power will not be invalidated or vitiated by actions or inactions of others.
- 17.10 Supplier will defend, indemnify and hold harmless Bruce Power, its subsidiary corporations and its employees, directors, officers, agents and assigns from and against any and all Losses, which may arise in relation to the insurable events subject to the coverages set out under this Article 17.

## **18. Intellectual Property**

- 18.1 Each Party retains its respective rights to methodology, knowledge, and data brought by it to the Work and used therein. No rights to proprietary interests existing prior to the start of the Work are passed hereunder other than rights set out in this Article 18. Supplier will not incorporate into the Work any data, software or hardware the use of which by Bruce Power violates the proprietary rights of third parties.
- 18.2 All intellectual property rights in any works created by Supplier or any employee, agent or sub-contractor of Supplier: (i) in the course of providing the Work; or (ii) exclusively for the purpose of performing the Work; will vest in Bruce Power on creation and Supplier assigns absolutely to Bruce Power all intellectual property rights in any country of the world in any such works (the "**IP Works**"). Further, Supplier agrees to cooperate with Bruce Power in the development and protection of Bruce Power's ownership rights to such IP Works, including executing applicable documents, applications and/or certificates in this regard. The IP Works will be deemed to be the Confidential Information of Bruce Power, and not the Confidential Information of Supplier.
- 18.3 Bruce Power agrees to and will grant to Supplier a royalty-free, non-transferable, non-exclusive licence to use the IP Works for the purpose of performing the Work.
- 18.4 Where in connection with the performance of the Work, Supplier provides to Bruce Power or uses any intellectual property (for example operating and service manuals, software, drawings), which is owned by Supplier or any of its parents, subsidiaries or affiliates or any third party, Supplier will grant to Bruce Power, or will otherwise ensure that Bruce Power is granted (without charge to Bruce Power and for the benefit of Bruce Power and all entities within Bruce Power Group ) a perpetual, non-exclusive, royalty-free licence to use, adapt, maintain, modify, support and make derivative works from such intellectual property. Such license will include the right for any person providing services to the Bruce Power Group to use, adapt, maintain, modify, support and make derivative works from such intellectual property for the benefit of any of the entities in the Bruce Power Group for the purposes of

and to the extent necessary to receive and obtain the full benefit of the Work. The Supplier will not do any act which may compromise or diminish Bruce Power's interests in the Work.

- 18.5 In connection with the provision of the Work, all documents and drawings furnished to Bruce Power by the Supplier will bear only Bruce Power proprietary mark(s) and copyright notices, and will include the applicable Purchase Order number.
- 18.6 Supplier waives any moral rights it may have in the IP Works it produces for Bruce Power hereunder, and, upon Bruce Power's request, agrees to obtain from its employees and deliver to Bruce Power, and cause its Subcontractors to obtain from its employees and deliver to Bruce Power, signed waivers of their moral rights in the IP Works in favour of Bruce Power.
- 18.7 Supplier will provide to Bruce Power such further documents and assurances and do such things as may be reasonably requested by Bruce Power to fully affect Bruce Power's rights hereunder.
- 18.8 This Article 18 supersedes any contrary or limiting language elsewhere including within the IP Works.

**19. Intellectual Property Warranty and Indemnity**

- 19.1 Supplier warrants specifically that: (1) Supplier has the right to pass title in the Work, including IP Works, and that all Work is free from any charge, lien or other right in favour of any third party; and (2) the provision of the Work and Bruce Power Group's use of any items developed or delivered by or on behalf of Supplier under the applicable Contract will not infringe any intellectual property rights of any third party.
- 19.2 Supplier will indemnify the Bruce Power Group in full against all Losses arising from or incurred as a result or in consequence of the infringement or alleged infringement of any patent, trade mark, trade name, design right, copyright, moral right or any other intellectual property right arising from the provision and/or use of the Work, or arising due to any one of the Bruce Power Group exercising its rights under Article 18, except where the Goods are manufactured to a design supplied by Bruce Power and any claim or allegation made results exclusively to that design and provided that:
  - (a) Bruce Power notifies Supplier in writing within a reasonable time after being informed of such Losses,
  - (b) Supplier is given control over the defense of such Losses and Bruce Power cooperates in such defense at Supplier's expense, and
  - (c) Bruce Power will not agree to the settlement of any such Losses prior to a judgment without the prior written consent of Supplier, and Supplier will not unreasonably withhold such consent.

Bruce Power will have the right to select its own counsel to participate in any such defence at the expense of Bruce Power. Bruce Power may take all necessary steps, at the expense of Supplier, to defend itself until Supplier, to the reasonable satisfaction of Bruce Power, assigns legal counsel and initiates defence or investigation of any threat, claim or action in a professional manner. For the purposes of this section 19.2, Bruce Power L.P. acts as trustee and agent for its sublicensees, and for the employees, partners, officers and directors of Bruce

Power L.P. and its general and limited partners with respect to the benefit of the obligations owed by Supplier to them hereunder.

Supplier will not accept any settlement agreement that incurs binding obligations on Bruce Power, without Bruce Power's prior express written consent. Failure to obtain such consent invalidates any obligations on Bruce Power.

- 19.3 The Supplier will pay the royalties and patent licence fees required for the performance of the applicable Contract. The Supplier will hold Bruce Power harmless from and against Losses arising out of the performance of the applicable Contract which are attributable to an infringement or an alleged infringement of a third party's patent rights by the Supplier or anyone for whose acts the Supplier may be liable.
- 19.4 If all or any part of the Work is in any action or proceeding held to constitute an infringement of a third parties' Intellectual Property Rights, the Supplier will immediately, either (i) secure for Bruce Power the right to continue using such Work, or (ii) at Bruce Power's discretion and at the Supplier's sole expense, remove the infringing items (including all associated items identified by Bruce Power as having been made useless or less useful by said removal) and refund all monies paid by Bruce Power to the Supplier.

## **20. Confidentiality**

- 20.1 Each Party agrees to maintain the Confidential Information of the other Party in confidence to at least the same extent that it protects its own similar Confidential Information and to use such information only as permitted under the applicable Contract.
- 20.2 Each Party agrees to take all reasonable precautions to prevent any unauthorized disclosure or use of Confidential Information.
- 20.3 Supplier covenants that if it becomes legally compelled by laws and/or rules of any stock exchange to disclose any Bruce Power Confidential Information, it will provide Bruce Power with immediate notice so that Bruce Power may seek a protective order or other appropriate remedy. If such protective order or other remedy is not obtained, Supplier agrees to furnish only that portion of the Confidential Information which is in the reasonable opinion of its counsel legally required and it will co-operate with Bruce Power's counsel to enable Bruce Power to obtain a protective order or other reliable reassurance that confidential treatment will be maintained.
- 20.4 Bruce Power's Confidential Information may only be used, stored, disclosed to employees of Supplier and copied by Supplier as absolutely necessary so that Supplier may perform the Work.
- 20.5 Nothing in this Article 20 restricts Bruce Power from exercising its rights in the Deliverables as intended by and pursuant to the other provisions of the applicable Contract.
- 20.6 Both Parties agree that monetary damages would not be sufficient to remedy a breach by the recipient of Confidential Information under the applicable Contract and agree that the Party that had disclosed the Confidential Information to the other Party will be entitled to permanent injunctive relief to prevent breaches of the applicable Contract and to specifically enforce the provisions hereof in addition to any other remedies available at law or in equity.

- 20.7 The obligations of the Parties under the applicable Contract will survive until the earlier of all of the disclosed information no longer qualifying as Confidential Information or the disclosing Party sending the receiving Party written notice releasing the receiving Party from this Article in particular, or the subject Contract in general.
- 20.8 Bruce Power may disclose Confidential Information to (i) any person that is part of the Bruce Power Group, (ii) to the extent necessary, to any person providing services to Bruce Power to enable Bruce Power to perform its obligations or exercise any of its rights under a Contract or as required for Bruce Power to carry on its business, and (iii) to the IESO or any crown corporation, or other corporation or other agency of the Province of Ontario; provided that such Persons are advised of the confidential nature of the Confidential Information.

**21. Publicity**

Supplier will not, without the prior written consent of Bruce Power, advertise or publicly announce or in any way publicly indicate that Supplier supplies or has supplied Goods or Services to the Bruce Power Group.

**22. Volume of Work, Non-Exclusivity**

Bruce Power gives no warranty or undertaking as to any future volume of Work to be ordered from Supplier, and Supplier acknowledges that Bruce Power may procure goods and services similar to those available by Supplier from any other person or entity.

**23. Key Personnel and Single Point of Contact**

- 23.1 Supplier will use its best efforts to ensure that key personnel named in the applicable Contract, if any, are actively involved in the provision of the Work. Should any key personnel become unavailable, Supplier will, with Bruce Power's consent, appoint a suitable replacement (such consent not to be unreasonably withheld or delayed).
- 23.2 Supplier will appoint a single individual to be Bruce Power's single point of contact for all issues related to the applicable Contract.

**24. Right to Audit**

- 24.1 The Supplier will maintain complete, accurate and current records that clearly identify all Work performed by Supplier under each Contract.
- 24.2 The Supplier will allow Bruce Power and/or its internal and external auditors and applicable Governmental Authorities, or their respective representatives, the right of reasonable access, to inspect and take copies of such records for the purpose of auditing, inspecting and reviewing the provision of Goods and/or Services and the performance by the Supplier of its obligations under the applicable Contract. To the extent that Fixed Price Work is provided under a Contract, Bruce Power and/or its internal and external auditors will not exercise such audit rights in respect of inquiry into the composition of the fixed portion of the Contract Price.
- 24.3 Accounts and records will be preserved and kept available for audit until the expiration of ten (10) years from the date of the last invoice issued by Supplier.

## **25. Assignment and Subcontracting**

- 25.1 Supplier will not, without the prior written consent of Bruce Power, sub-contract the whole or any part of the Work. Notwithstanding Bruce Power's consent, if provided, Supplier will remain fully responsible for the Work subcontracted to a Subcontractor and for all acts and omissions of its Subcontractors related to the applicable Contract, and such subcontracting will not be construed as relieving the Supplier of any obligations under the applicable Contract or imposing any liability on Bruce Power.
- 25.2 Unless Bruce Power has provided its prior written consent, such consent not to be unreasonably withheld, Supplier will not assign or novate its rights and obligations under a given Contract, in whole or in part.
- 25.3 Bruce Power is entitled to assign its benefits and obligations under each Contract to: (i) any company within the Bruce Power Group; or (ii) in connection with any merger, amalgamation, reorganisation, outsourcing, divestments, sale of all or substantially all of its assets or any similar transaction.

## **26. Viruses**

The Supplier will not introduce into Bruce Power's systems any software virus, contaminant (including bugs, worms, logic bombs and Trojan horses), self-propagating code or program which may infect or cause any damage, change or loss to the other Party's system or any data which resides on or is transmitted or processed through such system.

## **27. Severability**

If any provision of these Terms and Conditions or a given Contract is held to be invalid or unenforceable, that provision will be severed from these Terms and Conditions or the relevant Contract and the remainder of either these Terms and Conditions or the relevant Contract will continue in full force and effect.

## **28. Compliance**

### **28.1 Spills**

- (a) The Supplier will perform all acts required pursuant to Environmental Laws of the owner or controller of any contaminants spilled by it or its Subcontractors at the Site or in transit to or from the Site, including immediate notification of the public authorities, and the restoration of the environment.
- (b) The Supplier is responsible for spills arising directly or indirectly from the actions or omissions of the Supplier or its Subcontractors and will indemnify and hold harmless Bruce Power from any Losses resulting from or incurred in relation to property or environmental damage, emergency response, spill containment, mitigative measures, risk management measures and clean-up of the spilled material, and Supplier's or Subcontractor's failure to comply with Environmental Laws.
- (c) Bruce Power will also be notified promptly of all spills.



- 28.2 *Hazardous Materials*. The Supplier, when shipping to or planning to use at the Site, any product which is categorized as a controlled product under the *Hazardous Products Act* (Canada), the *Controlled Products Regulations* (Canada), the *Occupational Health and Safety Act* (Ontario) or the *Workplace Hazardous Materials Information Systems Regulations* (Ontario) (collectively “**WHMIS**”), will comply with all Applicable Laws pertaining to such controlled products. Without limiting the foregoing, the Supplier will ensure that all such materials are properly identified with WHMIS supplier labels. The Supplier will provide to Bruce Power a listing of all WHMIS controlled products it intends to utilize in the Work prior to shipment to the Site. The Supplier may ship such substances to the Site only after Bruce Power has reviewed and approved the use of the WHMIS-controlled products.

All shipments of such controlled products to the Site will include a Material Safety Data Sheet (MSDS) prepared in accordance with all Applicable Laws, including the *Occupational Health and Safety Act* (Ontario), as they may be amended from time to time, and Supplier will also deliver a copy of every such MSDS to the Project Manager.

Where any such controlled products have been shipped by or on behalf of the Supplier to the Site, the Supplier will deliver to Bruce Power an up-to-date inventory of such controlled products and the MSDSs for the controlled products no less frequently than monthly listing all such controlled products and the quantities thereof located at the Site.

- 28.3 *Notifications*: The Supplier will notify Bruce Power immediately upon the occurrence of:
- (a) an actual or threatened objection, grievance or dispute with respect to a Contract by, to, or on behalf of labour employed to perform the Work or any union in connection with the performance of the applicable Contract;
  - (b) physical injury (including death) to any Supplier personnel including Subcontractors incurred while performing Work; and
  - (c) damage to any property owned or leased by Bruce Power occasioned during the performance of the Work.
- 28.4 *Supplier's Equipment* - Supplier is responsible for the materials, tools, equipment, and supplies which are brought to Site so that Supplier may fulfill its obligations under a Contract, and for the repair and making good of all loss of and damage to such equipment, all at Supplier's sole cost and expense.

- 28.5 *Labour Requirements* - The Supplier will perform, and will cause the Subcontractors to perform, all aspects of the Work under or pursuant to the terms of any applicable Bruce Power Collective Agreement, or as otherwise directed, ordered or otherwise required by the Ontario Labour Relations Board or other Governmental Authority. If directed by Bruce Power, or directed, ordered or otherwise required by the Ontario Labour Relations Board or other Governmental Authority, the Supplier will execute and be bound by any applicable Bruce Power Collective Agreement in respect of the Work.

## 29. **Force Majeure**

Neither Party will be liable for delays that are beyond that Party's reasonable control (including acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood or epidemic) and that results in such Party being unable, wholly or partially, to

perform or comply with its obligations (other than payment obligations) under the applicable Contract (each a “**Force Majeure Event**”), provided that the affected Party gives the other Party prompt written notice of the delay and takes all commercially reasonable measures to mitigate the delay. Notwithstanding the foregoing, the following will not be considered to be a Force Majeure Event: (i) if and to the extent that the Party seeking to invoke the Force Majeure Event has caused such event by its wilful misconduct, negligence or breach of its obligations under the applicable Contract, (ii) if and to the extent the Party seeking to invoke the Force Majeure Event has failed to use commercially reasonable efforts to prevent or remedy such event, (iii) if and to the extent that the Party seeking to invoke the Force Majeure Event is doing so because of arrest or restraint by a Government Authority and such arrest or restraint was the result of a breach by the Party of Applicable Laws, (iv) lack of funds or other financial cause, (v) if and to the extent that the failure to perform or comply relates to a Subcontractor, such failure would not be a permitted ground for the Supplier to seek to invoke a Force Majeure Event under the applicable Contract, and (vi) any transportation accident, shortages of manpower or Equipment or electrical, mechanical or other breakdown unless caused by a Force Majeure Event.

### **30. Termination for Convenience**

- 30.1 Notwithstanding any other provision in a Contract, Bruce Power may terminate or suspend a Contract at any time for convenience, with such termination effective upon Supplier’s receipt of the termination notice or as otherwise specified in the notice of termination.
- 30.2 Upon termination under section 30.1, Supplier will cease performing Work and not undertake any forward commitments. Any Work performed after the effective date of the termination for convenience is at Supplier’s sole risk and expense.

### **31. Termination for Default**

- 31.1 *Fundamental Default* - If the Supplier commits any act of bankruptcy or makes a general assignment for the benefit of its creditors or if a receiver is appointed on account of its insolvency or in respect of any of its property, then, in any such case, Bruce Power may immediately terminate the applicable Contract, with such termination effective upon Supplier’s receipt of the termination notice.
- 31.2 *Events of Default* - Each of the following constitutes an event of default on the part of the Supplier (each an “**Event of Default**”):
  - (a) Supplier engages in, or is accused by the federal or provincial Crown of committing any act of fraud or bribery in the course of any business dealings, whether or not in relation to the Work, or
  - (b) Supplier neglects to prosecute the Work properly, or otherwise fails to comply with the requirements of the applicable Contract to a material degree.
- 31.3 *Termination for Event of Default* – Without limitation to Article 30 or section 31.1, if Supplier has committed an Event of Default under a Contract, Bruce Power is entitled to:
  - (a) terminate the applicable Contract if such Event of Default has not been remedied within (i) ten (10) days after the date of Supplier’s receipt of the notice of termination or (ii) such other longer period as Bruce Power may specify in the notice of termination; and

- (b) take possession of all Work then at the Site (at no additional charge for the retention or use of any equipment), eject and exclude from the Site all personnel of the Supplier and any Subcontractor, terminate Bruce Power's utilization of the Supplier to perform the Work, finish the Work by whatever means Bruce Power deems appropriate under the circumstances, and withhold any further payments to the Supplier until its liability to Bruce Power is ascertained.

Supplier will cease performing Work and not perform any billable services (unless first authorized by Bruce Power) or undertake any forward commitments after termination of the applicable Contract.

31.4 *Costs and losses* - In the event a Contract is terminated under this Article 31, the Supplier is liable to Bruce Power for:

- (a) the extra expense of finishing the Work, including compensation to Bruce Power for additional engineering, managerial and administrative services;
- (b) the cost of correcting Defects (if any) in that portion of the Work performed by the Supplier; and
- (c) all other Losses occasioned to Bruce Power by reason of the Supplier's default.

31.5 Any action by Bruce Power under this Article 31 is without prejudice to Bruce Power's rights or remedies under a Contract, Applicable Laws or otherwise.

### **32. Termination for Force Majeure Event**

32.1 If, due to the actual or likely occurrence of a Force Majeure Event, Supplier is or would be unable to perform all or any portion of the Work for an unreasonable amount of time (as determined by Bruce Power), Bruce Power may terminate the applicable Contract if such Force Majeure Event remains ongoing for at least (i) ten (10) days after the date of Supplier's receipt of a notice of termination or (ii) such other longer period as Bruce Power may specify in the notice of termination.

32.2 Supplier will cease performing Work and not perform any billable services or undertake any forward commitments after the termination date.

32.3 Any action by Bruce Power under this Article 32 is without prejudice to Bruce Power's rights or remedies under the applicable Contract, Applicable Laws or otherwise.

### **33. Payment Upon Termination by Bruce Power**

33.1 If a Contract is terminated pursuant to Article 30, 31 or 32 of these Terms and Conditions (but subject to the specific provisions set out in Article 30, 31 or 32, as applicable), Bruce Power will pay to the Supplier any amount earned for Work completed up to the effective date of termination. For Time and Materials Work, Bruce Power will pay for all hours performed at Supplier's time and material rates contained in the applicable Contract up to termination which Supplier has not yet been paid for. For Fixed Price Work, Bruce Power will pay to the Supplier, to the extent it has not yet received payment under the applicable Contract (i) the applicable price under the subject Contract for all milestones achieved (if milestones are applicable) and/or for all other Fixed Price Work and (ii) the fair value of portion of the Work

completed prior to the effective date of termination. The fair value will be determined by agreement of the Parties, acting reasonably, provided that if the Parties fail to so agree either Party may refer the matter to dispute resolution under Article 49.

- 33.2 If Bruce Power terminates a Contract under Article 30 or Article 32, it is liable to Supplier for payments under section 33.1 and any reasonable and demonstrable demobilization costs and any other amounts outlined in the subject Contract to be payable by Bruce Power if it terminates such Contract for convenience.
- 33.3 Other than as specified in this Article 33, Bruce Power is not liable to pay the Supplier any additional compensation.

#### **34. Ownership of Deliverables, Return of Property and Transitional Assistance**

- 34.1 Bruce Power is the sole and exclusive owner of all Work and Deliverables, whether in completed or partially completed form, and partially completed Deliverables will be promptly delivered to Bruce Power by Supplier. The Supplier assigns and conveys good and valid right, title and interest therein to Bruce Power, without further consideration, free from any encumbrances, liens, Losses or rights of retention.
- 34.2 Supplier will return all Bruce Power property promptly in accordance with Article 35.
- 34.3 In preparation for and upon any termination of the applicable Contract, Bruce Power and the Supplier will provide commercially reasonable wind-up assistance to each other, with the least amount of inconvenience and disruption possible, their involvement with each other with respect to the Work.
- 34.4 Supplier will provide all reasonable assistance necessary to transition the Work to Bruce Power or to one or more service providers designated by Bruce Power.
- 34.5 Bruce Power may withhold payment to the Supplier until the Supplier completes satisfactorily all activities reasonably required by it to comply with its obligations under this Article 34.

#### **35. Bruce Power Property**

- 35.1 Upon the earliest of: (i) termination of the applicable Contract, (ii) acceptance of the Work, and (iii) Bruce Power directing the Supplier before acceptance, Supplier will return all data, records, samples, drawings, documentation, equipment/tools/materials provided by Bruce Power to Supplier and information relating to the performance of the Work which was provided by Bruce Power.
- 35.2 Equipment purchased by the Supplier at Bruce Power's expense or supplied to the Supplier by Bruce Power, will be used solely in the performance of the Work. Title to such equipment will remain with Bruce Power. The Supplier is responsible for safeguarding such equipment while in its custody and control. Bruce Power will have reasonable access to the premises of the Supplier for the purpose of verifying records and auditing inventories of such equipment.
- 35.3 The Supplier is liable for the repair or replacement of all Bruce Power owned equipment which becomes damaged or lost while in the custody or control of the Supplier. The Supplier will maintain insurance, in which the Supplier and Bruce Power will be named jointly as

insured, covering the full replacement value of all such equipment against the risk of loss or damage.

**36. Personal Information**

- 36.1 Each Party will treat all Personal Information of the other Party's employees, agents, directors, officers, and contractors and all other Personal Information collected by or on behalf of the other Party and disclosed to it, with respect to the applicable Contract, in accordance with all Applicable Laws, including all applicable privacy laws. Each Party will comply with all reasonable instructions given by the other Party from time to time in relation to such Personal Information. Such Personal Information of Bruce Power will not be transferred outside of Ontario without Bruce Power's prior written consent.
- 36.2 Supplier agrees that Personal Information of Supplier's employees and Subcontractors performing the Work at Bruce Power premises such as photographs and videotape recordings and other recordings of the images of such personnel by Bruce Power may be used, stored and disclosed by Bruce Power for reasonable business and/or security purposes including displaying such images in Bruce Power safety videos and other internal and external publications and will obtain all consents from such individuals necessary to permit same prior to permitting them to access the Site to perform the Work.

**37. Modification and Waiver**

A Contract may not be modified unless agreed to in writing by both Parties. Any consent by a Party to, or waiver of a breach by the other, whether express or implied, will not constitute a consent to or waiver of or excuse for any other different or subsequent breach unless such waiver or consent is in writing and signed by the Party claimed to have waived or consented. Except as otherwise provided, no term or provision is deemed waived and no breach excused.

**38. Instalments**

If the Work is delivered or performed in instalments, the applicable Contract is nevertheless to be treated as a single contract and not as a separate contract for each instalment.

**39. Notices**

- 39.1 Each party will provide all notices in writing by facsimile or other means of electronic transmission or by hand or courier delivery. If given by facsimile or other means of electronic transmission, notice is deemed received on the Business Day following the sending, or if delivered by hand or courier, at the time the notice is delivered to the applicable address. Either Party may, by written notice to the other, change its respective representative or the address to which notices are to be sent. Any notice will be addressed to the other Party as follows:

- (a) If to Bruce Power:

Bruce Power L.P.  
Bldg. B10, P.O. Box 1540  
177 Tie Road  
Municipality of Kincardine  
R.R. #2

Tiverton, Ontario N0G 2T0

Attention: Vice President, Supply Chain  
Facsimile: (519) 361-1920

With a copy to:

Attention: Chief Legal Officer  
Email: [generalcounsel@brucepower.com](mailto:generalcounsel@brucepower.com)

(b) If to the Supplier:

At the Supplier's last address recorded with Bruce Power.

Notwithstanding the foregoing, the Supplier will provide all invoices and day-to-day communications to Bruce Power as set out in the applicable Contract.

**40. Survival**

The following Articles survive termination: 10, 13, 16, 18, 19, 20, 21, 24, 25, 33, 34, 39, 40, 41, 49, 55 and 56.

**41. Governing Law**

Each Contract is governed by the laws applicable in Ontario (without regard to any principles of conflicts of laws) and is treated in all respects as an Ontario contract.

**42. Execution by Fax and Email**

Each Contract may be validly executed and delivered by means of transmission of signed facsimile or by email transmission of an electronically scanned original signature (such as in PDF file format).

**43. Entire Agreement**

Each Contract constitutes the only terms governing the contractual relationship between Bruce Power and Supplier in relation to the Work. Any terms or conditions quoted or offered by Supplier, whether before or after the placing of the Purchase Order are void and of no effect whatsoever unless expressly referenced in the applicable Purchase Order.

**44. Third Party Rights**

Except as expressly outlined in these Terms and Conditions, the Parties do not intend that any provision of these Terms and Conditions or of a Contract should be enforceable by any person who is not a Party to the subject Contract other than any member of the Bruce Power Group, which members will be entitled to any actions and rights of Bruce Power.

**45. Goods (Equipment) - Operating Instructions & Parts Catalogue & Service Manuals**

45.1 Unless otherwise specified in the applicable Contract, the Supplier will provide, for all equipment supplied under a Contract: Operating Instructions and Parts and Service Manuals

in loose-leaf and/or electronic forms containing complete operating instructions, maintenance and servicing instructions (including the names of recommended lubricants and routine lubrication procedures), and parts catalogue(s), together with any drawings in reduced size which are necessary to aid in the understanding of the instructions. The number of copies and/or format will be as agreed by the Parties. All documents and drawings required under this Article will be furnished by the Supplier at no additional cost to Bruce Power.

- 45.2 Manuals containing instrumentation and controls (“I&C”) will have documentation pertaining to the I&C bound separately for ease of removal.
- 45.3 Further, if agreed by the Parties in a Contract, Supplier will provide updates to the manuals previously provided incorporating information transmitted to the Supplier by Bruce Power regarding operating experience up to acceptance.

#### **46. Language and Measurement**

- 46.1 The Parties agree that communications, submissions and documents relating to a Contract will be drawn-up in English.
- 46.2 Quantity measurements will be as indicated in the Purchase Order.

#### **47. Goods (Equipment) - Spare Parts**

- 47.1 The Supplier will provide the Spare Parts, if any, specified in a Contract to Bruce Power.
- 47.2 Spare Parts will be identical to the corresponding parts in the applicable equipment. The Supplier will provide a complete list of all Spare Parts provided. The Spare Parts will be identified by the Supplier’s part number and where applicable, the manufacturer’s name and part number of parts sourced from the Supplier’s sub-supplier(s) or Subcontractors.
- 47.3 All data provided will be in sufficient detail to allow Bruce Power to purchase the Spare Parts from either the Supplier or its sub-supplier(s) or Subcontractors in the future as/if necessary.

#### **48. Goods - Shipping and Storage Instructions**

- 48.1 The receipt or taking delivery by Bruce Power of any Good or component parts or materials will not be deemed a waiver of any right, claim or remedy of Bruce Power under the applicable Contract or otherwise.
- 48.2 Where the Supplier provides service equipment, tools or other facilities for use with respect to the Goods, the provisions of this Article will apply thereto.
- 48.3 Instructions with respect to the shipping and storing of Goods will be as set out in the Purchase Order.

#### **49. Dispute Resolution**

- 49.1 Any dispute or disagreement (“**Dispute**”) between the Parties arising out of or relating to the validity, construction, meaning or performance of the terms of the Contract shall be resolved by arbitration, governed by the provisions of the *Arbitrations Act, 1991* (Ontario) and will take place before a single arbitrator in Toronto, Ontario.

49.2 The Parties agree that any Dispute will be conducted in strict confidence and that, subject to the exceptions set out in this section 49.2, there will be no disclosure to any person of the existence of the Dispute or any aspect of the Dispute except as is necessary for the resolution of the Dispute or as required by Applicable Laws. Despite the foregoing, each Party may disclose such confidential information:

- (i) to its partners and affiliates, and to each of their respective officers, directors and employees, provided that such persons have been informed of the confidentiality obligations under the Contract and have agreed to be bound similarly thereby; and
- (ii) to the extent necessary, to any financial institution or other person (from whom financing is being sought or has been obtained) or to advisors to any such financial institution or other person, provided that any such financial institution, person or advisor has been informed of the confidentiality obligations under the Contract and has agreed to be bound similarly thereby.

## **50. Nuclear Liability**

Bruce Power's general partner, Bruce Power Inc., is an operator under the *Nuclear Liability and Compensation Act* (Canada) and, as such, has absolute and exclusive liability for any damage resulting from a nuclear incident at the Bruce Power Nuclear Generating Station, all in accordance with, and subject to any exceptions set forth in, the Nuclear Liability and Compensation Act (Canada) or any successor nuclear liability legislation.

## **51. Nuclear Safety Control Act**

The Supplier acknowledges that Bruce Power is subject to the *Nuclear Safety and Control Act (Canada)* and that consequentially, among other things, certain licences may need to be obtained, including by the Supplier, before "controlled nuclear information", as defined therein, is disseminated outside of Canada in any manner, including, in any manner electronically. The Supplier will inform itself and the Subcontractors as to the compliance requirements of the *Nuclear Safety and Control Act (Canada)*, including the Nuclear Non-Proliferation Import and Export Control Regulations, and will not do or fail to do anything, and will ensure that the Subcontractors not do or fail to do anything, that causes the Supplier, any Subcontractor or Bruce Power to be in violation of such Act.

## **52. Relationship of the Parties**

52.1 Each Contract does not constitute an employer - employee arrangement, a partnership agreement, joint venture or agency relationship between the Parties. The Supplier and its employees will not have any rights to participate in any benefit plan or other employment benefits generally enjoyed by Bruce Power employees.

52.2 For certainty, Supplier acknowledges and agrees that it will be solely responsible for:

- (a) paying all salaries, wages, benefits, and other compensation which its employees or Subcontractors may be entitled to receive in connection with performing the Work hereunder;



- (b) withholding and remitting all applicable Taxes, payroll deductions and employer remittances in respect of amounts paid to its employees, including any withholding taxes applicable thereto, and all Taxes required to be withheld and remitted in respect of amounts paid or credited to any Subcontractor that is a non-resident of Canada, including, in both cases, federal and provincial income taxes, all workers' compensation payments, employment insurance premiums, and Canada, Quebec and other government pension plan contributions;
- (c) complying, at its expense, with all applicable provisions of workers' compensation laws (including supplying Bruce Power with WSIB clearance certificates), social security laws, unemployment compensation laws, and all other applicable federal, provincial, foreign and local laws and regulations relating to terms and conditions of employment required to be fulfilled by employers.

52.3 It is specifically agreed that the Supplier is not an agent of Bruce Power and Supplier will have no authority to bind Bruce Power or to assume or create any obligation or responsibility expressed or implied on Bruce Power's part, or in its name, nor will it represent to anyone that it has such power or authority.

### **53. Security Clearance**

53.1 Bruce Power's security staff are permitted by law:

- (a) examine or search vehicles, equipment, tools and materials brought to or removed from the Site by Supplier, the Subcontractors or their respective representatives. If requested, Supplier will deposit with the security officer an itemized list of all such equipment, tools, and materials at the time they are brought to the Site. The list will be used by the security staff when checking such equipment, tools, and materials into and out of the Site; and
- (b) perform reasonable and customary security/background checks, including security check on the Supplier's employees, Subcontractors, agents or representatives entering the Site.

53.2 All employees and other representatives of the Supplier and its Subcontractor will be required to pass a Canadian Security Intelligence Service ("CSIS") security clearance prior to entry on the Site.

53.3 Failure to comply with this Article 54, will result in Bruce Power's right to refuse Supplier access to the Site and, if not remedied, is a deemed event of default.

### **54. Qualified Personnel and Control of Site**

54.1 Supplier will not employ anyone for the Work who is not suitably skilled and qualified in the tasks assigned and agrees that it, and its Subcontractors, will utilize the persons (if any) named in Supplier's proposal (if any) or otherwise in the applicable Contract in the performance of the Work. In order to ensure continuity and the effective utilization of knowledge obtained by personnel in the course of performing Work, the Supplier may not, and will require its Subcontractors not to, replace, supplement or reassign such personnel without Bruce Power's prior written authorization, which will not be unreasonably withheld.

- 54.2 Supplier agrees to receive any additional training relevant to the on-Site performance of a Contract (e.g. radiation protection). Where the Work is to be performed off-Site, Supplier will be responsible to provide a safe and suitable service location.
- 54.3 Bruce Power may, by written notice to Supplier, reject or request substitution or supplementation of any such personnel engaged to perform the Services (i) on the basis of Bruce Power's assessment, acting reasonably, of such individual's experience or qualifications and/or prior or current performance of the Work, and (ii) if such individual has committed any act of fraud or is otherwise engaged in any fraudulent or corrupt conduct, such conduct defined by either industry standards or Applicable Law. Supplier will replace the subject personnel with personnel acceptable to Bruce Power, acting reasonably. If such personnel is to be replaced for no fault of Bruce Power, all expenses of such replacement will be borne by the Supplier.
- 54.4 For certainty, Supplier acknowledges and agrees that Bruce Power will at all times maintain operational control of the Site and may remove any individual from the Site at its sole and unfettered discretion.

**55. Immigration Clearance**

- 55.1 If Supplier requires foreign personnel to perform Work on Site, Supplier will provide advance written notice to Bruce Power as soon as the need to employ foreign personnel on Site is known to the Supplier.
- 55.2 Canadian immigration law requires all Foreign Nationals be authorized to work in Canada. If a Foreign National is employed and paid by the Supplier to perform Work on Site, Supplier will engage, at Bruce Power's expense, Bruce Power's preferred immigration legal services provider, to facilitate entry and permission to work in Canada. Bruce Power will identify its preferred legal services provider by written notice, or in the applicable Purchase Order.
- 55.3 Supplier failure to comply with this Article 56 is a deemed event of default, as set out in Article 31.

**56. Mandatory Notification**

Supplier will notify Bruce Power within ten (10) Business Days of the availability of any service updates or the issuance of any notice of product defect or recall of any kind, any of which may impact the functionality and/or safety of the Goods or Services purchased by Bruce Power.

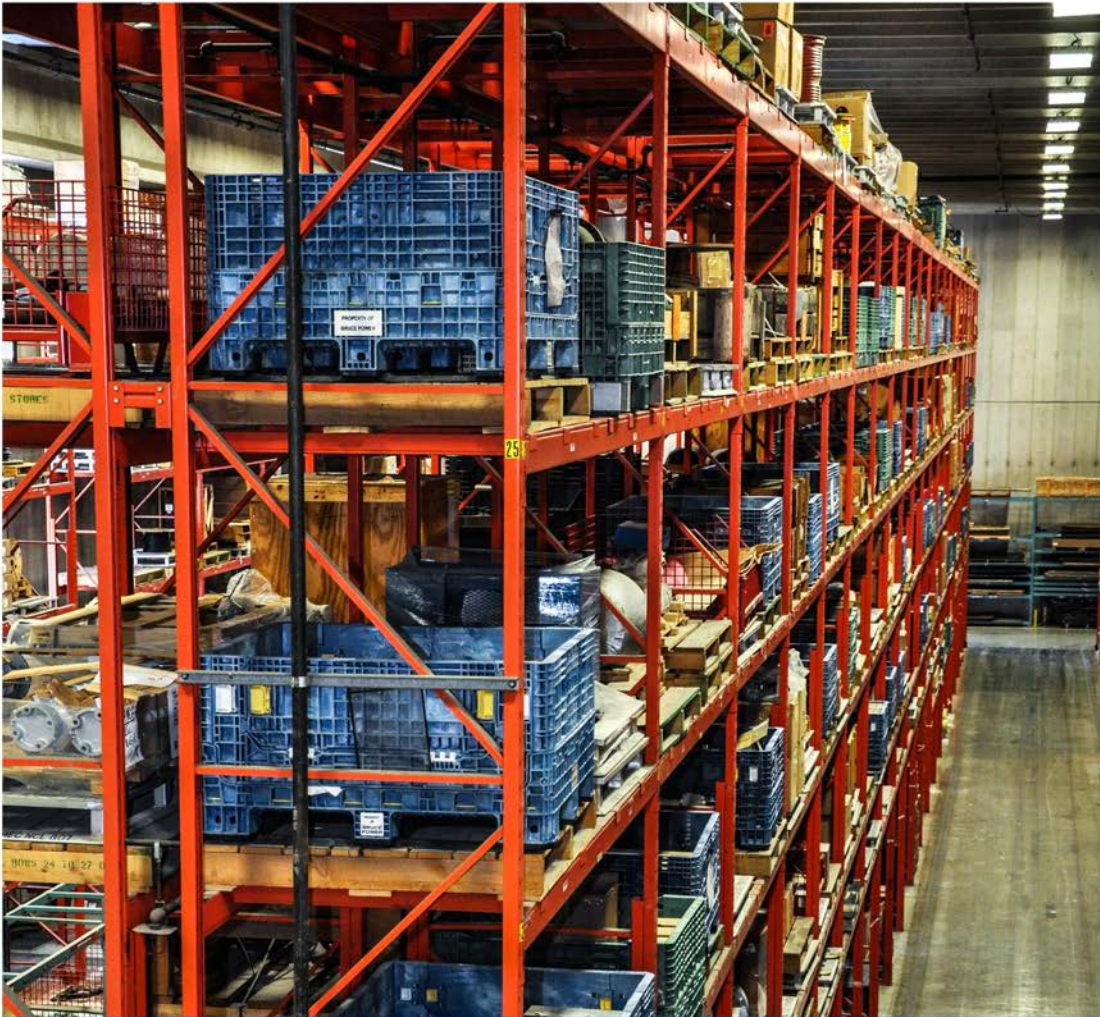
**57. Binding Authority**

The Supplier acknowledges and agrees that no agent, employee or other representative of Bruce Power has authority to make any promise, agreement, or representation not incorporated into a Contract in writing, and no promise, agreement or representation will bind Bruce Power unless so incorporated.

**SCHEDULE A**

**SUPPLIER CODE OF CONDUCT**

[See next page]



# Bruce Power's Supplier Code of Conduct

**HIGH STANDARDS & STRONG ETHICS.**  
EVERY STEP. EVERY TIME. EVERY DAY.



*Innovation at work*



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## A Message from our President and CEO **Michael W. Rencheck**



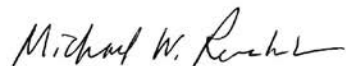
At Bruce Power we are fully committed to conducting our business safely, with professionalism and integrity, while treating each other with respect and striving to achieve excellence. We want to work with companies who also demonstrate strong values and are committed to working ethically, with integrity, and who have a passion for excellence.

Suppliers are an integral part of our team and contribute to our overall success at Bruce Power. We have high expectations for ethical leadership, behaviour and performance by our employees and representatives at Bruce Power, and we expect the same from the Suppliers we choose to work with.

The Supplier Code of Conduct applies to Bruce Power Suppliers, including their owners, employees, agents, partners and subcontractors who provide goods and/or services to Bruce Power.

Our Supplier Code of Conduct provides guidelines that pertain to our working relationship with you. We expect our Suppliers to have a system in place to ensure compliance with Bruce Power applicable policies and procedures.

We value our relationship with you and look forward to continuing to work together for many years to come.

A handwritten signature in black ink that reads "Michael W. Rencheck". The signature is fluid and cursive.

Michael W. Rencheck  
*President and Chief Executive Officer*  
Bruce Power



## Our Values

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### 1. Safety First

We embrace and practice strong nuclear safety principles recognizing that reactor safety, industrial safety, radiation safety and environmental safety are essential to the successful achievement of our long-term goals and key to our reputation.

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### 2. Passion for Excellence

We demonstrate a commitment to continuous improvement to create sustainable performance excellence, which benefits all of our stakeholders.

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### 3. Respect and Recognition

We recognize that our people are essential to our success and respect their exceptional efforts.

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### 4. Professionalism and Personal Integrity

We believe in honouring ourselves, our business and our personal commitments.

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### 5. Social Responsibility

We recognize business excellence and our financial strength as an opportunity for contributing to the greater good.

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## 1. Safety First



Bruce Power provides a safe workplace for our employees, and we expect that the occupational health and safety of employees is a priority for Suppliers throughout all significant aspects of our activities. We expect Suppliers to work safely, have appropriate policies and procedures, and follow Bruce Power safety rules while on site.

Bruce Power provides a secure workplace. Bruce Power's Security team and the rules it follows are governed by Canadian federal and provincial laws. Our nuclear security culture protects our workers and property, and Suppliers are obligated to comply with all security officers' direction.

Nuclear security regulations require that thorough searches be conducted for contraband items. Accordingly, all vehicles entering or exiting the site are subject to random searches.

No unauthorized material may be brought onto the Bruce Power site. This includes, but is not limited to, weapons, firearms, explosives, alcohol or illicit drugs. Weapons, firearms, explosives, alcohol or illicit drugs found on the Bruce Power site will be confiscated.

When entering the station protected area, everyone is required to pass through a metal detector and all items in your possession must go through an X-ray scan. Additional security measures may be mandated and everyone is expected to comply with these measures. No one is permitted to enter the stations without passing through security safeguards.

Individuals who possess a valid Bruce Power site clearance must report all criminal charges, convictions and serious Highway Traffic Act infractions (such as loss of driving privileges) to [sectionmanagersecurityclearance@brucepower.com](mailto:sectionmanagersecurityclearance@brucepower.com) within five business days in accordance with BP-PROC-00180, Security Clearances. Failure to disclose any charge may result in the revocation of a security clearance, which could lead to the termination of contract for services.





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## 2. Supplier Responsibilities

At Bruce Power, we strive to be a responsible, ethical and values-driven organization. We expect the same of our Suppliers. Bruce Power Suppliers are expected to act with integrity and conduct business in a manner that safeguards the interests of Bruce Power, our local communities, our colleagues and the environment. In so doing, Suppliers are to observe company policies, procedures and rules. These have been established to provide for the security and safety of our Suppliers, our colleagues, the site, the community and the environment, and to ensure the efficient operation of Bruce Power's business.

At a minimum, Suppliers and contractors must comply with all applicable laws, statutes and regulations of the jurisdictions in which they and Bruce Power operate. Suppliers must ensure their outsourcing or subcontractor arrangements, if applicable comply with the Supplier Code of Conduct.

Bruce Power encourages the good faith reporting of concerns, and will not tolerate anyone who engages in retaliation or reprisal against someone who has made a good faith report.

Our reputation and our Suppliers' reputations depend on ethical decision-making. Accordingly, everyone has a duty to report any actual violation or suspected

violation of the Code of Conduct that is believed in good faith to have occurred or may occur.

Anyone reporting a concern is responsible for giving all relevant details. All reports are treated confidentially to the extent possible, consistent with the law and the need to conduct an adequate investigation. If involved in an investigation, Suppliers are expected to co-operate and participate, and treat the matter confidentially. Failure to respect the confidentiality of a Code of Conduct investigation may result in consequences, up to and including possible termination of contract for services.

Anyone making a malicious or knowingly false allegation will be subject to consequences, up to and including possible termination of contract for services, with or without notice. Regardless of how the report is raised, all reports are taken seriously, and will be investigated and addressed as appropriate in accordance with BP-PROC-00276, Code of Conduct.

A failure to comply with the Supplier Code of Conduct may result in suspension or termination, in whole or in part, of the Supplier's agreement(s) with Bruce Power and may include removal of the Supplier from Bruce Power's vendor list.



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### 3. Harassment, Discrimination and Workplace Violence



Suppliers must demonstrate a commitment to providing a workplace free from harassment and discrimination. Suppliers must promote a culture of inclusion and demonstrate respect and acceptance of others.

Discrimination and harassment can take many forms, such as abuse of authority, bullying, sexual harassment, sexual solicitation and systemic discrimination. Everyone is expected to treat others with respect, courtesy and fairness, and exercise authority with responsibility.

Harassment occurs when a worker engages in a course of inappropriate comment or conduct against another worker that is known, or should reasonably be known, as unwelcome. Workplace harassment can include bullying, intimidating or offensive jokes, nicknames or innuendos, displaying or circulating offensive pictures or materials, or making offensive or intimidating phone calls.

Sexual harassment occurs when a worker engages in a course of inappropriate comment or conduct against a worker that is known, or should reasonably be known, as unwelcome because of sex, sexual orientation, gender identity or gender expression;

or making a sexual solicitation or advance where the person making the solicitation or advance is in a position of influence or authority and should be aware the solicitation or advance is unwelcome.

Bruce Power has zero tolerance for workplace violence. Individuals working for or on behalf of Bruce Power will not engage in or threaten any violence in the workplace.

Workplace violence includes the exercise of physical force or an attempt to exercise physical force against a worker in the workplace that causes or could cause physical injury to the worker and/or a statement or behaviour that a worker could reasonably interpret as a threat to exercise physical force against a worker in the workplace.

Anyone who witnesses workplace violence, or the warning signs of workplace violence, must contact Security immediately at ext. 15000 or 519-361-5000.

Suppliers must report to Security violent conduct or warning sign behaviour that occurs outside the workplace that may impact the workplace, including content found online or on social media accounts.

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## 4. Human Rights and Diversity

Bruce Power expects our Suppliers to conduct their business in a responsible, non-discriminatory manner, respecting the rights of their employees. This includes following appropriate hiring practices, adhering to applicable labour laws and ensuring that all employees are treated with dignity, respect and fairness, and ensuring that no child labour or forced labour is condoned, facilitated or used in their workplaces.

We expect our Suppliers to support and respect human rights, diversity and equal opportunity within the workplace. Suppliers shall ensure all labour practices, wage payments and benefits comply with applicable laws and regulations.



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## 5. Privacy and Confidential Information

Bruce Power is committed to respecting applicable privacy laws and to protecting personal information we collect about employees, agents, contractors and the public. Bruce Power expects our Suppliers to protect the confidentiality and privacy of business records, allowing for their use only by authorized personnel and for authorized business purposes. Suppliers must immediately disclose any clerical or accounting errors as they become known and when there may have been an inadvertent disclosure of confidential or private information.

Suppliers may have access to information which is confidential and proprietary in nature, including personal and business information about colleagues, partners, competitors, other Suppliers and third parties, and customers. Suppliers must protect confidential information belonging to Bruce Power

(and mark it accordingly), and must have a responsibility to prevent misuse, theft, fraud or improper disclosure. Suppliers must also take care in the handling, discussion or transmission of sensitive or confidential information that could affect Bruce Power employees, the business community or the general public.

If a Supplier believes they have been given access to confidential information in error, they should notify Bruce Power and refrain from any further use or distribution of the information for either personal or professional purposes.

Our Suppliers' obligation to protect confidential and proprietary personal and business information continues even after the relationship with Bruce Power ends. All information and property belonging to Bruce Power must be returned when the contract ends.

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## 6. Avoiding Conflicts of Interest

A conflict of interest is any situation where an individual or enterprise has a private or personal interest in the outcome of a decision or action which may create, or may be perceived as creating, a conflict with the interests of Bruce Power.

Suppliers must not try to gain improper advantage or improperly impact a Bruce Power employee's ability to make sound, impartial and objective decisions on behalf of Bruce Power.

It is mandatory for Suppliers or contractors of Bruce Power to declare any actual or potential conflict of interest, and discuss it with Bruce Power's Contract Manager and Supply Chain.

Suppliers must not take any action that may jeopardize the ability of former employees to meet their legal or contractual obligations to Bruce Power following the end of their employment.

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## 7. Gifts and Hospitality

Gifts and hospitality (e.g., meals, beverages, invitations to social or recreational outings) can help build strong business relationships, but they must never influence decisions. If offers of gifts and hospitality are frequent, or of substantial value, they may create the appearance of, or an actual, conflict of interest.

Suppliers may offer gifts and hospitality provided they:

- Are consistent with customary business practices or courtesies as they are relatively infrequent, not lavish or excessive in value
- Are not given or received by an active member of the Bruce Power evaluation team during a competitive procurement process
- Are not requested
- Comply with applicable laws

### How to Know?

**Gifts and Hospitality which are acceptable:**

- Modest occasional meals with someone with whom we do business
- Occasional attendance at ordinary sports, theatre and other events

- Gifts of nominal value, such as pens, calendars, or small promotional items
- Attendance at social functions at conference or trade events that are widely attended

**Gifts and Hospitality which are always unacceptable:**

- Any gift of cash or cash equivalent (such as gift certificates, gift cards or loans)
- Any gift or hospitality that is a 'quid pro quo' (offered for something in return)
- Any gift or hospitality that would be considered offensive or in poor taste, or that could damage Bruce Power's reputation
- Any gift or hospitality that would be illegal (anything offered to a government official in breach of local or international bribery laws)

These requirements do not change during traditional gift-giving seasons.

If a Supplier is unsure whether a gift or hospitality offer complies with Bruce Power's Code of Conduct and Supplier Code of Conduct, the Supplier should consult with the Contract Manager or Bruce Power's Supply Chain organization.

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## 8. Anti-Corruption

Bruce Power promotes integrity and ethics in all aspects of its activities. Bruce Power expects Suppliers to comply with all applicable laws and regulations on corruption, bribery, prohibited business practices and extortion. Furthermore, Suppliers must never make, offer, receive or approve any form of bribe, kickback or other type of improper payment under any circumstances.

Bruce Power prohibits the payment of bribes or kickbacks of any kind, whether in dealings with public officials or individuals in the private sector. We prohibit the offering or acceptance of bribes or kickbacks of any kind.

Bruce Power respects our relationship with government employees. Suppliers are expected to

be aware of and comply with relevant laws and regulations that govern relationships between government, customers and Suppliers.

Suppliers are expected to ensure that payments made to agents or other third parties are not used, in whole or part, to influence government decisions or secure any other improper advantage.

We expect our Suppliers to conduct their business fairly and in respect of competition laws, sometimes referred to as “antitrust” laws. Suppliers shall not engage in collusive bidding, price discrimination, anti-competitive, antitrust or other unfair trade practices.

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## 9. Insider Trading

Suppliers must comply with any applicable insider trading laws and regulations that govern use of sensitive information.

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## 10. Business Reporting

Bruce Power expects our Suppliers to honestly, accurately and timely record and report all business information including, without limitation, financial records, to ensure that such information is maintained in a manner consistent with applicable laws and regulations and that effective internal controls are in place to protect and comply with these same requirements.

Suppliers must not make any deliberate, false, artificial or misleading entry in any Bruce Power book, invoice,

log, record or document. This includes, but is in no way limited to, room and board/per diem claims, timesheets/Tempus, training records, expense forms, overtime meals or other allowances.

Bruce Power reserves the right to conduct an appropriate audit of Suppliers to ensure compliance with the Supplier Code of Conduct.

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## 11. Protecting Bruce Power Assets

As a Supplier of Bruce Power, you have a responsibility to protect Bruce Power assets and information. Bruce Power property should only be used for business and other approved purposes. You are responsible to immediately report the theft, loss or misuse of such property. Suppliers must not use Bruce Power assets for personal use.

Bruce Power computers, email systems and equipment should never be used for outside business purposes or for any illegal or unethical purposes.

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## 12. Information Security

All computers, wireless communication devices or other Bruce Power Information Technology (IT) equipment, including the information stored and transmitted on them, is the property of Bruce Power.

Inappropriate use of Bruce Power systems, including usage that interferes with business processes or puts a strain on business resources is unacceptable. Use of Bruce Power systems to download or distribute content that may conflict with Bruce Power values, or that may be regarded as offensive on the basis of any prohibited ground of discrimination under the Canadian Human Rights Act, is prohibited.

Suppliers must not attempt to circumvent or tamper with Bruce Power IT and information security measures. In an effort to protect our resources, Bruce Power monitors and logs IT equipment usage including all computer and wireless communication device activity. Accordingly, Suppliers should not have any expectation of privacy regarding our use of IT equipment, and are responsible for use of Bruce Power's IT accounts. Suppliers must not share their password(s) with anyone.

IT equipment and information security is the responsibility of all users. All suspicious activity must be reported to [BNPD-IT-Security@brucepower.com](mailto:BNPD-IT-Security@brucepower.com), the IT Service Desk or the Code of Conduct Office.



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## 13. Social Media

Suppliers should adopt processes to ensure that the use of social media by their workforce or representing agents does not negatively affect Bruce Power's reputation, and that representatives do not make any false, misleading or otherwise inappropriate comments about Bruce Power. Suppliers may not produce social media content on behalf of Bruce Power. Posting photographs or video taken on Bruce Power property without written Bruce Power approval is prohibited. Should you have a photo or video you would like to share on social media, contact the Communications and Media Relations Manager at [commsapproval@brucepower.com](mailto:commsapproval@brucepower.com) for approval. Refer to BP-PROC-00488, Disclosure Management for additional information.



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## 14. Applicability

The Supplier Code of Conduct applies to Bruce Power Suppliers, including their owners, employees, agents, partners and subcontractors who provide goods and/or services to Bruce Power.

## How to Raise a Concern

If you believe the Supplier Code of Conduct may have been violated, we encourage you to discuss it with your Bruce Power contract manager or another member of Bruce Power's management team.

Alternatively, you may wish to contact the Code of Conduct office by:



**Web**

[www.ethicspoint.com](http://www.ethicspoint.com)

24 hours a day, seven days a week



**Code of Conduct Help Line**

1-888-371-4692 or  
extension 14630 internally



**Email**

[BNPDCoEOfConduct@brucepower.com](mailto:BNPDCoEOfConduct@brucepower.com)

Suppliers who wish to raise a concern anonymously can use Bruce Power's Helpline, which is administered by an independent external service provider.





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