

**CCDC 17**

# Stipulated Price Contract between Owner and Trade Contractor for Construction Management Projects

# 2 0 1 0

Name of Project

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## AGREEMENT BETWEEN OWNER AND TRADE CONTRACTOR FOR CONSTRUCTION MANAGEMENT PROJECTS

**This Agreement** made on the                      day of                      in the year                      .  
**by and between the parties**

and hereinafter called the *Owner*

The *Owner* and the *Trade Contractor* agree as follows:

## ARTICLE A-1 THE WORK

The *Trade Contractor* shall:

1.1 perform the *Work* required by the *Contract Documents* for

for the *Project* insert above the description of the Work

located at \_\_\_\_\_ *insert above the title of the Project*

for which the Agreement has been signed by the parties, and for which

is acting as and is hereinafter called the *Construction Manager*, and for which

is acting as and is hereinafter called the *Consultant*, and for which

the *Construction Manager*\* / *Consultant*\* is acting as the *Payment Certifier*, and (\* *Strike out inapplicable term.*)

1.2 do and fulfill everything indicated by the *Contract Documents*, and

1.3 perform the *Work*:

.1 in accordance with a schedule provided by the *Owner* at the time of signing the *Contract*, or

~~.2 in accordance with a schedule mutually agreed upon if provided by the *Owner* after the signing of the *Contract*, or~~

~~.3 if no schedule is provided by the *Owner*, commence the *Work* by the       day of       in the year       and, subject to adjustment in *Contract Time* as provided for in the *Contract Documents*, attain *Substantial Performance of the Work*, by the       day of       in the year       :~~

## ARTICLE A-2 AGREEMENTS AND AMENDMENTS

2.1 The *Contract* supersedes all prior negotiations, representations or agreements, either written or oral, relating in any manner to the *Work*, including the bidding documents that are not expressly listed in Article A-3 of the Agreement – CONTRACT DOCUMENTS.

2.2 The *Contract* may be amended only as provided in the *Contract Documents*.

## ARTICLE A-3 CONTRACT DOCUMENTS

3.1 The following are the *Contract Documents* referred to in Article A-1 of the Agreement – THE WORK:

- Agreement Between *Owner* and *Trade Contractor*
- Definitions
- The General Conditions of the *Contract*

\*

\* (Insert here, attaching additional pages if required, a list identifying all other *Contract Documents* e.g. supplementary conditions; information documents; specifications, giving a list of contents with section numbers and titles, number of pages, and date; material finishing schedules; drawings, giving drawing number, title, date, revision date or mark; addenda, giving title, number, date; schedule)

## ARTICLE A-4 CONTRACT PRICE

4.1 The *Contract Price*, which excludes *Value Added Taxes*, is:

/100 dollars \$

4.2 *Value Added Taxes* (at                    %) payable by the *Owner* to the *Trade Contractor* are:

/100 dollars \$

4.3 Total amount payable by the *Owner* to the *Trade Contractor* for the *Work* is:

/100 dollars \$

4.4 These amounts shall be subject to adjustments as provided in the *Contract Documents*.

4.5 All amounts are in Canadian funds.

## ARTICLE A-5 PAYMENT

5.1 Subject to the provisions of the *Contract Documents*, and in accordance with legislation and statutory regulations respecting holdback percentages and, where such legislation or regulations do not exist or apply, subject to a holdback of

percent (            %), the *Owner* shall:

- .1 make progress payments to the *Trade Contractor* on account of the *Contract Price* when due in the amount certified by the *Payment Certifier* together with such *Value Added Taxes* as may be applicable to such payment, and
- .2 upon *Substantial Performance of the Work*, pay to the *Trade Contractor* the unpaid balance of the holdback amount when due together with such *Value Added Taxes* as may be applicable to such payment, and
- .3 upon the issuance of the final certificate for payment, pay to the *Trade Contractor* the unpaid balance of the *Contract Price* when due together with such *Value Added Taxes* as may be applicable to such payment.

5.2 In the event of loss or damage occurring where payment becomes due under the property and boiler insurance policies, payments shall be made to the *Trade Contractor* in accordance with the provisions of GC 11.1 – INSURANCE.

5.3 Interest

- .1 Should either party fail to make payments as they become due under the terms of the *Contract* or in an award by arbitration or court, interest at the following rates on such unpaid amounts shall also become due and payable until payment:

(1) 2% per annum above the prime rate for the first 60 days.

(2) 4% per annum above the prime rate after the first 60 days.

Such interest shall be compounded on a monthly basis. The prime rate shall be the rate of interest quoted by

(Insert name of chartered lending institution whose prime rate is to be used)

for prime business loans as it may change from time to time.

- .2 Interest shall apply at the rate and in the manner prescribed by paragraph 5.3.1 of this Article on the settlement amount of any claim in dispute that is resolved either pursuant to Part 8 of the General Conditions – DISPUTE RESOLUTION or otherwise, from the date the amount would have been due and payable under the *Contract*, had it not been in dispute, until the date it is paid.

## ARTICLE A-6 COMMUNICATION

6.1 Except for the direct communications described in paragraph 6.2 of this Article, all communications between the *Trade Contractor*, and the *Owner*, the *Consultant* or the *Payment Certifier* that relate to the *Contract* shall be forwarded through the *Construction Manager*.

6.2 The parties shall inform the *Construction Manager* of the following direct communications:

- .1 between the *Payment Certifier* and the *Owner*, *Consultant* or *Trade Contractor* as described in Part 5 of the General Conditions – PAYMENT;
- .2 among the *Owner*, *Consultant* and *Trade Contractor* with respect to *Notices in Writing*; and
- .3 as otherwise expressly specified in the *Contract Documents*.

## ARTICLE A-7 RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING

- 7.1 *Notices in Writing* will be addressed to the recipient at the address set out below.
- 7.2 The delivery of a *Notice in Writing* will be by hand, by courier, by prepaid first class mail, or by facsimile or other form of electronic communication during the transmission of which no indication of failure of receipt is communicated to the sender.
- 7.3 A *Notice in Writing* delivered by one party in accordance with this *Contract* will be deemed to have been received by the other party on the date of delivery if delivered by hand or courier, or if sent by mail it shall be deemed to have been received five calendar days after the date on which it was mailed, provided that if either such day is not a *Working Day*, then the *Notice in Writing* shall be deemed to have been received on the *Working Day* next following such day.
- 7.4 A *Notice in Writing* sent by facsimile or other form of electronic communication shall be deemed to have been received on the date of its transmission provided that if such day is not a *Working Day* or if it is received after the end of normal business hours on the date of its transmission at the place of receipt, then it shall be deemed to have been received at the opening of business at the place of receipt on the first *Working Day* next following the transmission thereof.
- 7.5 An address for a party may be changed by *Notice in Writing* to the other party setting out the new address in accordance with this Article.

### Owner

*name of Owner\**

*address*

*facsimile number*

*email address*

### Trade Contractor

*name of Trade Contractor\**

*address*

*facsimile number*

*email address*

### Construction Manager

*name of Construction Manager\**

*address*

*facsimile number*

*email address*

## Consultant

*name of Consultant \**

*address*

*facsimile number*

*email address*

*\* If it is intended that a specific individual must receive the notice, that individual's name shall be indicated.*

### ARTICLE A-8 LANGUAGE OF THE CONTRACT

8.1 When the *Contract Documents* are prepared in both the English and French languages, it is agreed that in the event of any apparent discrepancy between the English and French versions, the English / French\* language shall prevail.

*\* Complete this statement by striking out inapplicable term.*

8.2 This Agreement is drawn in English at the request of the parties hereto. La présente convention est rédigée en anglais à la demande des parties.

## ARTICLE A-9 SUCCESSION

9.1 The *Contract* shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, legal representatives, successors, and assigns.

**In witness whereof** the parties hereto have executed this Agreement by the hands of their duly authorized representatives.

### SIGNED AND DELIVERED

In the presence of:

#### WITNESS

#### OWNER

*name of Owner*

*signature of witness*

*signature*

*name of person signing*

*name and title of person signing*

*signature of witness*

*signature*

*name of person signing*

*name and title of person signing*

#### WITNESS

#### TRADE CONTRACTOR

*name of Trade Contractor*

*signature of witness*

*signature*

*name of person signing*

*name and title of person signing*

*signature of witness*

*signature*

*name of person signing*

*name and title of person signing*

*N.B. Where legal jurisdiction, local practice or Owner or Trade Contractor requirement calls for:*

- (a) proof of authority to execute this document, attach such proof of authority in the form of a certified copy of a resolution naming the representative(s) authorized to sign the Agreement for and on behalf of the corporation or partnership; or*
- (b) the affixing of a corporate seal, this Agreement should be properly sealed.*



## DEFINITIONS

The following Definitions shall apply to all *Contract Documents*. References in the definition to the singular shall be considered to include the plural as the context requires.

### Change Directive

A *Change Directive* is a written instruction issued by the *Owner* through the *Construction Manager* and signed by the *Owner* directing the *Trade Contractor* to proceed with a change in the *Work* within the general scope of the *Contract Documents* prior to the *Owner* and the *Trade Contractor* agreeing upon adjustments in the *Contract Price* and the *Contract Time*.

### Change Order

A *Change Order* is a written amendment to the *Contract* issued by the *Construction Manager* and signed by the *Owner* and the *Trade Contractor* stating their agreement upon:

- a change in the *Work*;
- the method of adjustment or the amount of the adjustment in the *Contract Price*, if any; and
- the extent of the adjustment in the *Contract Time*, if any.

### Construction Equipment

*Construction Equipment* means all machinery and equipment, either operated or not operated, that is required for preparing, fabricating, conveying, erecting, or otherwise performing the *Work* but is not incorporated into the *Work*.

### Construction Manager

The *Construction Manager* is the person or entity engaged by the *Owner* and identified as such in the Agreement.

### Consultant

The *Consultant* is the person or entity engaged by the *Owner* and identified as such in the Agreement. The *Consultant* is the Architect, the Engineer or entity licensed to practise in the province or territory of the *Place of the Project*.

### Contract

The *Contract* is the undertaking by the parties to perform their respective duties, responsibilities and obligations as prescribed in the *Contract Documents* and represents the entire agreement between the parties.

### Contract Documents

The *Contract Documents* consist of those documents listed in Article A-3 of the Agreement – CONTRACT DOCUMENTS and amendments agreed upon between the parties.

### Contract Price

The *Contract Price* is the amount stipulated in Article A-4 of the Agreement – CONTRACT PRICE.

### Contract Time

The *Contract Time* is the time stipulated in paragraph 1.3 of Article A-1 of the Agreement – THE WORK from commencement of the *Work* to *Substantial Performance of the Work*.

### Drawings

The *Drawings* are the graphic and pictorial portions of the *Contract Documents*, wherever located and whenever issued, showing the design, location and dimensions of the *Work*, generally including plans, elevations, sections, details, and diagrams.

### Notice in Writing

A *Notice in Writing*, where identified in the *Contract Documents*, is a written communication between the parties or between them and the *Construction Manager* or the *Consultant* that is transmitted in accordance with the provisions of Article A-7 of the Agreement – RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING.

### Owner

The *Owner* is the person or entity identified as such in the Agreement.

### Payment Certifier

The *Payment Certifier* is either the *Construction Manager* or the *Consultant* identified as such in the Agreement.

### Place of the Project

The *Place of the Project* is the designated site or location of the *Project* identified in the *Contract Documents*.

**Product**

*Product* means material, machinery, equipment, and fixtures incorporated into the *Work*, but does not include *Construction Equipment*.

**Project**

The *Project* means the total construction contemplated of which the *Work* may be the whole or a part.

**Project In-Use Date**

*Project In-Use Date* shall have been reached when the *Project* is ready for use or is being used for the purpose intended and is so confirmed in writing by the *Construction Manager* in consultation with the *Consultant* and the *Owner*.

**Provide**

*Provide* means to supply and install.

**Shop Drawings**

*Shop Drawings* are drawings, diagrams, illustrations, schedules, performance charts, brochures, *Product* data, and other data which the *Trade Contractor* provides to illustrate details of portions of the *Work*.

**Specifications**

The *Specifications* are that portion of the *Contract Documents*, wherever located and whenever issued, consisting of the written requirements and standards for *Products*, systems, workmanship, quality, and the services necessary for the performance of the *Work*.

**Substantial Performance of the Work**

*Substantial Performance of the Work* is as defined in the lien legislation applicable to the *Place of the Project*. If such legislation is not in force or does not contain such definition, or if the *Work* is governed by the Civil Code of Quebec, *Substantial Performance of the Work* shall have been reached when the *Work* is ready for use or is being used for the purpose intended and is so certified by the *Payment Certifier*.

**Supplemental Instruction**

A *Supplemental Instruction* is an instruction, not involving adjustment in the *Contract Price* or *Contract Time*, in the form of *Specifications*, *Drawings*, schedules, samples, models or written instructions, consistent with the intent of the *Contract Documents*. It is to be issued by the *Construction Manager* to supplement the *Contract Documents* as required for the performance of the *Work*.

**Supplier**

A *Supplier* is a person or entity having a direct contract with the *Trade Contractor* to supply *Products*.

**Temporary Work**

*Temporary Work* means temporary supports, structures, facilities, services, and other temporary items, excluding *Construction Equipment*, required for the execution of the *Work* but not incorporated into the *Work*.

**Trade Contractor**

The *Trade Contractor* is the person or entity identified as such in the Agreement.

**Trade Subcontractor**

A *Trade Subcontractor* is a person or entity having a direct contract with the *Trade Contractor* to perform a part or parts of the *Work* at the *Place of the Project*.

**Value Added Taxes**

*Value Added Taxes* means such sum as shall be levied upon the *Contract Price* by the Federal or any Provincial or Territorial Government and is computed as a percentage of the *Contract Price* and includes the Goods and Services Tax, the Quebec Sales Tax, the Harmonized Sales Tax, and any similar tax, the collection and payment of which have been imposed on the *Trade Contractor* by tax legislation.

**Work**

The *Work* means the total construction and related services required by the *Contract Documents*.

**Working Day**

*Working Day* means a day other than a Saturday, Sunday, statutory holiday, or statutory vacation day that is observed by the construction industry in the area of the *Place of the Project*.

## GENERAL CONDITIONS OF THE CONTRACT

### PART 1 GENERAL PROVISIONS

#### GC 1.1 CONTRACT DOCUMENTS

- 1.1.1 The intent of the *Contract Documents* is to include the labour, *Products*, and services necessary for the performance of the *Work* by the *Trade Contractor* in accordance with these documents. It is not intended, however, that the *Trade Contractor* shall supply products or perform work not consistent with, not covered by, or not properly inferable from the *Contract Documents*.
- 1.1.2 Nothing contained in the *Contract Documents* shall create any contractual relationship between:
- .1 the *Owner* and a *Trade Subcontractor*, a *Supplier*, or their agent, employee, or other person performing any of the *Work*. ;
  - .2 the *Construction Manager* and the *Trade Contractor*, a *Trade Subcontractor*, a *Supplier*, or their agent, employee, or other person performing any portion of the *Work*; or
  - .3 the *Consultant* and the *Trade Contractor*, a *Trade Subcontractor*, a *Supplier*, or their agent, employee, or other person performing any portion of the *Work*.
- 1.1.3 The *Contract Documents* are complementary, and what is required by any one shall be as binding as if required by all.
- 1.1.4 Words and abbreviations which have well known technical or trade meanings are used in the *Contract Documents* in accordance with such recognized meanings.
- 1.1.5 Neither the organization of the *Specifications* nor the arrangement of *Drawings* shall control the *Trade Contractor* in dividing the work among *Trade Subcontractors* and *Suppliers*.
- 1.1.6 If there is a conflict within the *Contract Documents*:
- .1 the order of priority of documents, from highest to lowest, shall be
    - the Agreement between the *Owner* and *Trade Contractor*,
    - the Definitions,
    - Supplementary Conditions,
    - the General Conditions of the *Contract*,
    - Division 1 of the *Specifications*,
    - technical *Specifications*,
    - material and finishing schedules,
    - the *Drawings*.
  - .2 *Drawings* of larger scale shall govern over those of smaller scale of the same date.
  - .3 dimensions shown on *Drawings* shall govern over dimensions scaled from *Drawings*.
  - .4 later dated documents shall govern over earlier documents of the same type.
  - .5 noted materials and annotations shall govern over graphic indications.
- 1.1.7 The *Owner* shall provide the *Trade Contractor*, without charge, sufficient copies of the *Contract Documents* to perform the *Work*.
- 1.1.8 *Specifications*, *Drawings*, models, and copies thereof furnished by the *Consultant* are and shall remain the *Consultant's* property. Signed *Contract* sets shall belong to each party to the *Contract*. All *Specifications*, *Drawings* and models prepared by the *Consultant* and issued to the *Trade Contractor* are to be used only with respect to the *Work* and are not to be used on other work. These *Specifications*, *Drawings* and models are not to be copied or altered in any manner without the written authorization of the *Consultant*.
- 1.1.9 Models furnished by the *Trade Contractor* at the *Owner's* expense are the property of the *Owner*.

#### GC 1.2 LAW OF THE CONTRACT

- 1.2.1 The law of the *Place of the Project* shall govern the interpretation of the *Contract*.

### GC 1.3 RIGHTS AND REMEDIES

- 1.3.1 Except as expressly provided in the *Contract Documents*, the duties and obligations imposed by the *Contract Documents* and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law.
- 1.3.2 No action or failure to act by the *Owner*, *Construction Manager*, *Consultant*, *Payment Certifier*, or *Trade Contractor* shall constitute a waiver of any right or duty afforded any of them under the *Contract*, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

### GC 1.4 ASSIGNMENT

- 1.4.1 Neither party to the *Contract* shall assign the *Contract* or a portion thereof without the written consent of the other, which consent shall not be unreasonably withheld.

## PART 2 ADMINISTRATION OF THE CONTRACT

### GC 2.1 AUTHORITY OF THE CONSTRUCTION MANAGER AND THE CONSULTANT

- 2.1.1 The *Construction Manager* and the *Consultant* will have authority to act on behalf of the *Owner* only to the extent provided in the *Contract Documents*, unless otherwise modified by written agreement as provided in paragraph 2.1.2.
- 2.1.2 The duties, responsibilities and limitations of authority of the *Construction Manager* and the *Consultant* as set forth in the *Contract Documents* shall be modified or extended only with the written consent of the *Owner* and the *Trade Contractor*.
- 2.1.3 If the employment of the *Construction Manager* or the *Consultant* is terminated, the *Owner* shall immediately appoint or reappoint those against whom the *Trade Contractor* makes no reasonable objection and whose duties, responsibilities and limitations of authority under the *Contract Documents* will be that of the former *Construction Manager* or the former *Consultant*, as the case may be.
- 2.1.4 If the employment of the *Construction Manager* or the *Consultant* as the *Payment Certifier* is terminated, the *Owner* shall immediately appoint or reappoint the *Construction Manager* or the *Consultant* as the *Payment Certifier*.

### GC 2.2 ROLES OF THE CONSTRUCTION MANAGER AND THE CONSULTANT

- 2.2.1 The *Construction Manager* will:
- .1 provide administration of the *Contract* as described in the *Contract Documents*;
  - .2 in the first instance, receive all questions in writing by the *Owner* or the *Trade Contractor* for interpretations and findings relating to the performance of the *Work* or the interpretation of the *Contract Documents* except with respect to GC 5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER;
  - .3 in the first instance, give interpretations and make findings on matters in question relating to the performance of the *Work* or the requirements of the *Contract Documents*, except with respect to any and all architectural and engineering aspects of the *Work* or GC 5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER; and
  - .4 during the progress of the *Work*, issue *Supplemental Instructions* to the *Trade Contractor* with reasonable promptness or in accordance with a schedule for such instructions agreed to by the *Construction Manager* and the *Trade Contractor*.
- 2.2.2 The *Consultant* will:
- .1 visit the *Place of the Project* at intervals appropriate to the progress of construction to become familiar with the progress and quality of the *Work* and to determine if the *Work* is proceeding in general conformity with the *Contract Documents*; and
  - .2 in the first instance, give interpretations and make findings on matters in question relating to the requirements of the design.
- 2.2.3 The *Construction Manager* and the *Consultant* will:
- .1 have authority to reject work which in their opinion does not conform to the requirements of the *Contract Documents* and whenever it is considered necessary or advisable, require inspection or testing of work, whether or not such work is fabricated, installed or completed. However, neither the authority of the *Construction Manager* or the *Consultant* to act nor any decision either to exercise or not to exercise such authority shall give rise to any duty or responsibility of the *Construction Manager* or the *Consultant* to the *Trade Contractor*, *Trade Subcontractors*, *Suppliers*, or their agents, employees, or other persons performing any of the *Work*; and

- .2 give interpretations and make findings that relate to the *Work*. Such interpretations and findings shall be provided in writing within a reasonable time, and unless otherwise agreed with the *Owner* and the *Trade Contractor*, no later than 5 *Working Days* of a request. In making such interpretations and findings the *Construction Manager* and the *Consultant* will not show partiality to either the *Owner* or the *Trade Contractor*.

2.2.4 The *Construction Manager* and the *Consultant* will not:

- .1 be responsible for the *Trade Contractor's* failure to carry out the *Work* in accordance with the *Contract Documents*; and
- .2 have control over, charge of or be responsible for, the acts or omissions of the *Trade Contractor*, *Trade Subcontractors*, *Suppliers*, or their agents, employees, or any other persons performing portions of the *Work*.

## **GC 2.3 REVIEW AND INSPECTION OF THE WORK**

- 2.3.1 The *Owner*, the *Construction Manager* and the *Consultant* shall have access to the *Work* at all times. The *Trade Contractor* shall provide sufficient, safe and proper facilities at all times for the review of the *Work* by the *Construction Manager* and the *Consultant* and the inspection of the *Work* by authorized agencies. If parts of the *Work* are in preparation at locations other than the *Place of the Project*, the *Owner*, the *Construction Manager* and the *Consultant* shall be given access to such work whenever it is in progress.
- 2.3.2 If work is designated for tests, inspections or approvals in the *Contract Documents*, or by the instructions of the *Construction Manager* or the *Consultant*, or by the laws or ordinances of the *Place of the Project*, the *Trade Contractor* shall give the *Construction Manager* reasonable notification of when the work will be ready for review and inspection. The *Trade Contractor* shall arrange for and shall give the *Construction Manager* reasonable notification of the date and time of inspections by other authorities.
- 2.3.3 The *Trade Contractor* shall furnish promptly to the *Construction Manager* copies of certificates and inspection reports relating to the *Work*.
- 2.3.4 If the *Trade Contractor* covers, or permits to be covered, work that has been designated for special tests, inspections or approvals before such special tests, inspections or approvals are made, given or completed, the *Trade Contractor* shall, if so directed, uncover such work, have the inspections or tests satisfactorily completed, and make good covering work at the *Trade Contractor's* expense.
- 2.3.5 The *Construction Manager* may order any portion or portions of the *Work* to be examined to confirm that such work is in accordance with the requirements of the *Contract Documents*. If the work is not in accordance with the requirements of the *Contract Documents*, the *Trade Contractor* shall correct the work and pay the cost of examination and correction. If the work is in accordance with the requirements of the *Contract Documents*, the *Owner* shall pay the cost of examination and restoration.
- 2.3.6 The *Trade Contractor* shall pay the cost of making any test or inspection if such test or inspection is designated in the *Contract Documents* to be performed by the *Trade Contractor* or is so designated by the laws or ordinances applicable to the *Place of the Project*.
- 2.3.7 The *Trade Contractor* shall pay the cost of samples required for any test or inspection to be performed by others if such test or inspection is designated in the *Contract Documents* or is required pursuant to paragraph 2.3.6.

## **GC 2.4 DEFECTIVE WORK**

- 2.4.1 The *Trade Contractor* shall promptly correct defective work that has been rejected by the *Construction Manager* or the *Consultant* as failing to conform to the *Contract Documents* whether or not the defective work has been incorporated in the *Work* and whether or not the defect is the result of poor workmanship, use of defective products or damage through carelessness or other act or omission of the *Trade Contractor*.
- 2.4.2 The *Trade Contractor* shall make good promptly other contractors' work destroyed or damaged by such corrections at the *Trade Contractor's* expense.
- 2.4.3 If in the opinion of the *Construction Manager* it is not expedient to correct defective work or work not performed as provided in the *Contract Documents*, the *Owner* may deduct from the amount otherwise due to the *Trade Contractor* the difference in value between the work as performed and that called for by the *Contract Documents*. If the *Owner* and the *Trade Contractor* do not agree on the difference in value, they shall refer the matter to the *Construction Manager* for a finding.

## PART 3 EXECUTION OF THE WORK

### GC 3.1 CONTROL OF THE WORK

- 3.1.1 The *Trade Contractor* shall have total control of the *Work* and shall effectively direct and supervise the *Work* so as to ensure conformity with the *Contract Documents*.
- 3.1.2 The *Trade Contractor*, and not the *Owner*, the *Construction Manager* or the *Consultant*, shall be responsible for construction means, methods, techniques, sequences, and procedures and for co-ordinating the various parts of the *Work* under the *Contract*.

### GC 3.2 CONSTRUCTION BY OWNER, CONSTRUCTION MANAGER OR OTHER CONTRACTORS

- 3.2.1 The *Owner* shall:
- .1 provide for the co-ordination of the activities and work of other contractors and the *Owner's* and the *Construction Manager's* own forces with the *Work* of the *Contract*;
  - .2 enter into separate contracts with other contractors under conditions of contract which are compatible with the conditions of the *Contract*; and
  - .3 ensure that insurance coverage is provided to the same requirements as are called for in GC 11.1 – INSURANCE and co-ordinate such insurance with the insurance coverage of the *Trade Contractor* as it affects the *Work*.
- 3.2.2 The *Trade Contractor* shall:
- .1 afford the *Owner*, the *Construction Manager* and other contractors reasonable opportunity to store their products and execute their work;
  - .2 co-ordinate and schedule the *Work* with the work of other contractors as identified in the *Contract Documents*;
  - .3 participate with other contractors and the *Construction Manager* in reviewing their construction schedules when directed to do so;
  - .4 report promptly to the *Construction Manager* in writing any apparent deficiencies in the work of other contractors or the *Owner's* or *Construction Manager's* own forces, where such work affects the proper execution of any portion of the *Work*, prior to proceeding with that portion of the *Work*; and
  - .5 take all reasonable precautions to avoid labour disputes or other disputes on the *Project* arising from the work of other contractors.
- 3.2.3 Where a change in the *Work* is required as a result of the co-ordination and integration of the work of other contractors or the *Owner's* or *Construction Manager's* own forces with the *Work*, the changes shall be authorized and valued as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.
- 3.2.4 Disputes and other matters in question between the *Trade Contractor* and other contractors shall be dealt with as provided in Part 8 of the General Conditions – DISPUTE RESOLUTION provided the other contractors have reciprocal obligations. The *Trade Contractor* shall be deemed to have consented to arbitration of any dispute with any other contractor whose contract with the *Owner* contains a similar agreement to arbitrate. In the absence of other contractors having reciprocal obligations, disputes and other matters in question initiated by the *Trade Contractor* against other contractors will be considered disputes and other matters in question between the *Trade Contractor* and the *Owner*.

### GC 3.3 TEMPORARY WORK

- 3.3.1 The *Trade Contractor* shall have the responsibility for the design, erection, operation, maintenance, and removal of *Temporary Work* unless otherwise specified in the *Contract Documents*.
- 3.3.2 The *Trade Contractor* shall engage and pay for registered professional engineering personnel skilled in the appropriate disciplines to perform those functions referred to in paragraph 3.3.1 where required by law or by the *Contract Documents* and in all cases where such *Temporary Work* is of such a nature that professional engineering skill is required to produce safe and satisfactory results.
- 3.3.3 Notwithstanding the provisions of GC 3.1 – CONTROL OF THE WORK, paragraphs 3.3.1 and 3.3.2 or provisions to the contrary elsewhere in the *Contract Documents* where such *Contract Documents* include designs for *Temporary Work* or specify a method of construction in whole or in part, such designs or methods of construction shall be considered to be part of the design of the *Work* and the *Trade Contractor* shall not be held responsible for that part of the design or the specified method of construction. The *Trade Contractor* shall, however, be responsible for the execution of such design or specified method of construction in the same manner as for the execution of the *Work*.

### GC 3.4 DOCUMENT REVIEW

- 3.4.1 The *Trade Contractor* shall review the *Contract Documents* and shall report promptly to the *Construction Manager* any error, inconsistency, or omission the *Trade Contractor* may discover. Such review by the *Trade Contractor* shall be to the best of the *Trade Contractor's* knowledge, information and belief and in making such review the *Trade Contractor* does not assume any responsibility to the *Owner*, the *Construction Manager*, or the *Consultant* for the accuracy of the review. The *Trade Contractor* shall not be liable for damage or costs resulting from such errors, inconsistencies or omissions in the *Contract Documents* which the *Trade Contractor* did not discover. If the *Trade Contractor* does discover any error, inconsistency or omission in the *Contract Documents*, the *Trade Contractor* shall not proceed with the work affected until the *Trade Contractor* has received corrected or missing information from the *Construction Manager*.

### GC 3.5 CONSTRUCTION SCHEDULE

- 3.5.1 The *Construction Manager* will provide to the *Trade Contractor* the *Project* schedule that indicates the timing of the major activities of the *Project* in sufficient detail for the *Trade Contractor* to schedule the *Work*.
- 3.5.2 The *Construction Manager* will monitor the progress of the *Work* relative to the *Project* schedule and update the *Project* schedule on a monthly basis.
- 3.5.3 The *Trade Contractor* shall:
- .1 prepare and submit to the *Construction Manager* within 15 calendar days after its receipt of the *Project* schedule, a construction schedule that indicates the timing of the major activities of the *Work* and provides sufficient detail of the critical events and their inter-relationship to demonstrate that the *Work* will be performed in conformity with the *Project* schedule;
  - .2 monitor the progress of the *Work* relative to the construction schedule and update the schedule on a monthly basis or as stipulated by the *Contract Documents*; and
  - .3 advise the *Construction Manager* of any revisions required to the schedule as the result of extensions of the *Contract Time* as provided in Part 6 of the General Conditions – CHANGES IN THE WORK.

### GC 3.6 SUPERVISION

- 3.6.1 The *Trade Contractor* shall provide all necessary supervision and appoint a competent representative who shall be in attendance at the *Place of the Project* while work is being performed. The appointed representative shall not be changed except for valid reason.
- 3.6.2 The appointed representative shall represent the *Trade Contractor* at the *Place of the Project*. Information and instructions provided in accordance with the *Contract* by the *Construction Manager* to the appointed representative shall be deemed to have been received by the *Trade Contractor*, except with respect to Article A-7 of the Agreement – RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING.

### GC 3.7 TRADE SUBCONTRACTORS AND SUPPLIERS

- 3.7.1 The *Trade Contractor* shall preserve and protect the rights of the parties under the *Contract* with respect to work to be performed under subcontract, and shall:
- .1 enter into contracts or written agreements with *Trade Subcontractors* and *Suppliers* to require them to perform their work as provided in the *Contract Documents*;
  - .2 incorporate the terms and conditions of the *Contract Documents* into all contracts or written agreements with *Trade Subcontractors* and *Suppliers*; and
  - .3 be as fully responsible to the *Owner* for acts and omissions of *Trade Subcontractors*, *Suppliers* and of persons directly or indirectly employed by them as for acts and omissions of persons directly employed by the *Trade Contractor*.
- 3.7.2 The *Trade Contractor* shall indicate in writing, if requested by the *Construction Manager*, those *Trade Subcontractors* or *Suppliers* whose bids have been received by the *Trade Contractor* which the *Trade Contractor* would be prepared to accept for the performance of a portion of the *Work*. Should the *Owner* not object before signing the *Contract*, the *Trade Contractor* shall employ those *Trade Subcontractors* or *Suppliers* so identified by the *Trade Contractor* in writing for the performance of that portion of the *Work* to which their bid applies.
- 3.7.3 The *Owner* may, for reasonable cause, at any time before the *Owner* has signed the *Contract*, object to the use of a proposed *Trade Subcontractor* or *Supplier* and require the *Trade Contractor* to employ one of the other trade subcontract bidders.

- 3.7.4 If the *Owner* requires the *Trade Contractor* to change a proposed *Trade Subcontractor* or *Supplier*, the *Contract Price* and *Contract Time* shall be adjusted by the difference occasioned by such required change.
- 3.7.5 The *Trade Contractor* shall not be required to employ as a *Trade Subcontractor* or *Supplier*, a person or firm to whom the *Trade Contractor* may reasonably object.
- 3.7.6 The *Owner*, through the *Construction Manager*, may provide to a *Trade Subcontractor* or *Supplier* information as to the percentage of the *Trade Subcontractor's* or *Supplier's* work which has been certified for payment.

### **GC 3.8 LABOUR AND PRODUCTS**

- 3.8.1 The *Trade Contractor* shall maintain good order and discipline among the *Trade Contractor's* employees engaged in the *Work* and shall not employ in the *Work* anyone not skilled in the tasks assigned.
- 3.8.2 The *Trade Contractor* shall provide and pay for labour, *Products*, tools, *Construction Equipment*, water, heat, light, power, transportation, and other facilities and services necessary for the performance of the *Work* in accordance with the *Contract*.
- 3.8.3 Unless otherwise specified in the *Contract Documents*, *Products* provided shall be new. *Products* which are not specified shall be of a quality consistent with those specified and their use acceptable to the *Consultant*.

### **GC 3.9 DOCUMENTS AT THE SITE**

- 3.9.1 The *Trade Contractor* shall keep one copy of current *Contract Documents*, submittals, reports, and records of meetings at the *Place of the Project*, in good order and available to the *Construction Manager* and the *Consultant*.

### **GC 3.10 SHOP DRAWINGS**

- 3.10.1 The *Trade Contractor* shall provide *Shop Drawings* as required in the *Contract Documents*.
- 3.10.2 The *Trade Contractor* shall provide *Shop Drawings* to the *Construction Manager* for review by the *Construction Manager* and the *Consultant* in orderly sequence and sufficiently in advance so as to cause no delay in the *Work* or in the work of other contractors.
- 3.10.3 The *Trade Contractor*, the *Consultant* and the *Construction Manager* shall jointly prepare a schedule of the dates for provision, review and return of *Shop Drawings* upon request by any one of them.
- 3.10.4 The *Trade Contractor* shall provide *Shop Drawings* in the form specified, or if not specified, as directed by the *Consultant*.
- 3.10.5 *Shop Drawings* provided by the *Trade Contractor* to the *Construction Manager* shall indicate by stamp, date and signature of the person responsible for the review that the *Trade Contractor* has reviewed each one of them.
- 3.10.6 The *Consultant's* review is for conformity to the design concept and for general arrangement only.
- 3.10.7 *Shop Drawings* which require approval of any legally constituted authority having jurisdiction shall be provided to such authority by the *Trade Contractor* for approval.
- 3.10.8 The *Trade Contractor* shall review all *Shop Drawings* before providing them to the *Construction Manager*. The *Trade Contractor* represents by this review that:
- .1 the *Trade Contractor* has determined and verified all field measurements, field construction conditions, *Product* requirements, catalogue numbers and similar data, or will do so; and
  - .2 the *Trade Contractor* has checked and co-ordinated each *Shop Drawing* with the requirements of the *Work* and of the *Contract Documents*.
- 3.10.9 At the time of providing *Shop Drawings*, the *Trade Contractor* shall expressly advise the *Construction Manager* in writing of any deviations in a *Shop Drawing* from the requirements of the *Contract Documents*. The *Construction Manager* shall indicate the *Consultant's* acceptance or rejection of such deviation expressly in writing.
- 3.10.10 If *Shop Drawings* are found to be in order, the *Construction Manager* will forward them to the *Consultant*. If the *Construction Manager* or the *Consultant* find the *Shop Drawings* incomplete or not in order, the *Construction Manager* may request the *Trade Contractor* to provide revised *Shop Drawings*.
- 3.10.11 The review by the *Construction Manager* and the *Consultant* shall not relieve the *Trade Contractor* of responsibility for errors or omissions in the *Shop Drawings* or for meeting all requirements of the *Contract Documents*.



- 3.10.12 The *Trade Contractor* shall provide revised *Shop Drawings* to correct those which the *Construction Manager* found to be incomplete or not in order or the *Consultant* rejects as inconsistent with the *Contract Documents*. The *Trade Contractor* shall notify the *Construction Manager* in writing of any revisions to the *Shop Drawings* other than those requested by the *Construction Manager* or the *Consultant*.
- 3.10.13 The *Construction Manager* will return *Shop Drawings* in accordance with the schedule agreed upon, or, in the absence of such schedule, with reasonable promptness so as to cause no delay in the performance of the *Work*.

### **GC 3.11 USE OF THE SITE**

- 3.11.1 The *Trade Contractor* shall confine *Construction Equipment*, *Temporary Work*, storage of *Products*, waste products and debris, and operations of employees and *Trade Subcontractors* to limits indicated by laws, ordinances, permits, or the *Contract Documents* and shall not unreasonably encumber the *Place of the Project*.
- 3.11.2 The *Trade Contractor* shall not load or permit to be loaded any part of the *Project* with a weight or force that will endanger the safety of the *Project*.

### **GC 3.12 CUTTING AND REMEDIAL WORK**

- 3.12.1 The *Trade Contractor* shall perform the cutting and remedial work required to make the affected parts of the *Work* come together properly.
- 3.12.2 The *Trade Contractor* shall co-ordinate the *Work* to ensure that the cutting and remedial work is kept to a minimum.
- 3.12.3 Should the *Owner*, the *Construction Manager*, the *Consultant*, other contractors, or anyone employed by them be responsible for ill-timed work necessitating cutting or remedial work to be performed, the *Contract Price* and the *Contract Time* shall be adjusted as provided in GC 6.2 - CHANGE ORDER and GC 6.3 - CHANGE DIRECTIVE.
- 3.12.4 Cutting and remedial work shall be performed by specialists familiar with the *Products* affected and shall be performed in a manner to neither damage nor endanger the *Project*.

### **GC 3.13 CLEANUP**

- 3.13.1 The *Trade Contractor* shall maintain the *Work* in a safe and tidy condition and free from the accumulation of waste products and debris, other than that caused by the *Owner*, the *Construction Manager*, other contractors, or their employees.
- 3.13.2 Before applying for *Substantial Performance of the Work* as provided in GC 5.4 – SUBSTANTIAL PERFORMANCE OF THE WORK, the *Trade Contractor* shall remove waste products and debris, other than that resulting from the work of the *Owner*, the *Construction Manager*, other contractors, or their employees, and shall leave the *Place of the Project* clean and suitable for use or occupancy by the *Owner*. The *Trade Contractor* shall remove products, tools, *Construction Equipment*, and *Temporary Work* not required for the performance of the remaining *Work*.
- 3.13.3 Prior to application for the final payment, the *Trade Contractor* shall remove any remaining *Products*, tools, *Construction Equipment*, *Temporary Work*, and waste products and debris, other than those resulting from the work of the *Owner*, the *Construction Manager*, other contractors, or their employees.

## **PART 4 ALLOWANCES**

### **GC 4.1 CASH ALLOWANCES**

- 4.1.1 The *Contract Price* includes the cash allowances, if any, stated in the *Contract Documents*. The scope of work or costs included in such cash allowances shall be as described in the *Contract Documents*.
- 4.1.2 The *Contract Price*, and not the cash allowances, includes the *Trade Contractor's* overhead and profit in connection with such cash allowances.
- 4.1.3 Expenditures under cash allowances shall be authorized by the *Owner* through the *Construction Manager*.

- 4.1.4 Where the actual cost of the *Work* under any cash allowance exceeds the amount of the allowance, the *Trade Contractor* shall be compensated for the excess incurred and substantiated plus an amount for overhead and profit on the excess as set out in the *Contract Documents*. Where the actual cost of the *Work* under any cash allowance is less than the amount of the allowance, the *Owner* shall be credited for the unexpended portion of the cash allowance, but not for the *Trade Contractor's* overhead and profit on such amount. Multiple cash allowances shall not be combined for the purpose of calculating the foregoing.
- 4.1.5 The *Contract Price* shall be adjusted by *Change Order* to provide for any difference between the amount of each cash allowance and the actual cost of the *Work* under that cash allowance.
- 4.1.6 The value of the work performed under a cash allowance is eligible to be included in progress payments.
- 4.1.7 The *Trade Contractor* and the *Construction Manager* shall jointly prepare a schedule that shows when items called for under cash allowances must be ordered to avoid delaying the progress of the *Work*.

#### **GC 4.2 CONTINGENCY ALLOWANCE**

- 4.2.1 The *Contract Price* includes the contingency allowance, if any, stated in the *Contract Documents*.
- 4.2.2 The contingency allowance includes the *Trade Contractor's* overhead and profit in connection with such contingency allowance.
- 4.2.3 Expenditures under the contingency allowance shall be authorized and valued as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER, and GC 6.3 – CHANGE DIRECTIVE.
- 4.2.4 The *Contract Price* shall be adjusted by *Change Order* to provide for any difference between the expenditures authorized under paragraph 4.2.3 and the contingency allowance.

### **PART 5 PAYMENT**

#### **GC 5.1 FINANCING INFORMATION REQUIRED OF THE OWNER**

- 5.1.1 The *Owner* shall, at the request of the *Trade Contractor*, before signing the *Contract*, and promptly from time to time thereafter, furnish to the *Trade Contractor* reasonable evidence that financial arrangements have been made to fulfill the *Owner's* obligations under the *Contract*.
- 5.1.2 The *Owner* shall give the *Trade Contractor Notice in Writing* of any material change in the *Owner's* financial arrangements to fulfil the *Owner's* obligations under the *Contract* during the performance of the *Contract*.

#### **GC 5.2 APPLICATIONS FOR PAYMENT**

- 5.2.1 Applications for payment on account as provided in Article A-5 of the Agreement – PAYMENT may be made monthly to the *Construction Manager* as the *Work* progresses.
- 5.2.2 Applications for payment shall be dated the last day of each payment period, which is the last day of the month or an alternative day of the month agreed in writing by the parties.
- 5.2.3 The amount claimed shall be for the value, proportionate to the amount of the *Contract*, of *Work* performed and *Products* delivered to the *Place of the Project* as of the last day of the payment period.
- 5.2.4 The *Trade Contractor* shall submit to the *Construction Manager*, at least 15 calendar days before the first application for payment, a schedule of values for the parts of the *Work*, aggregating the total amount of the *Contract Price*, so as to facilitate evaluation of applications for payment.
- 5.2.5 The schedule of values shall be made out in such form and supported by such evidence as the *Payment Certifier* may reasonably require and when accepted by the *Payment Certifier*, shall be used as the basis for applications for payment, unless it is found to be in error.
- 5.2.6 The *Trade Contractor* shall include:
- .1 with each application for payment a statement based on the schedule of values, and
  - .2 with each of the second and subsequent applications for payment a CCDC 9A 'Statutory Declaration' to state that all accounts for labour, subcontracts, *Products*, *Construction Equipment*, and other indebtedness which may have been incurred by the *Trade Contractor* as of the last day of the payment period or an alternative day agreed by the parties and for which the *Owner* might in any way be held responsible have been paid in full, except for amounts properly retained as a holdback or as an identified amount in dispute.

- 5.2.7 Applications for payment for *Products* delivered to the *Place of the Project* but not yet incorporated into the *Work* shall be supported by such evidence as the *Payment Certifier* may reasonably require to establish the value and delivery of the *Products*.

### GC 5.3 PROGRESS PAYMENT

- 5.3.1 After the *Construction Manager* receives an application for payment from the *Trade Contractor* as described in GC 5.2 – APPLICATIONS FOR PAYMENT:
- 1 the *Construction Manager* will promptly inform the *Owner* of the date of receipt of the *Trade Contractor's* application for payment and promptly forward a copy of the application for payment to the *Consultant*;
  - 2 the *Payment Certifier* will issue to the *Owner* and copy to the *Trade Contractor* and to the *Construction Manager* and the *Consultant*, as the case may be, no later than 10 calendar days after the receipt by the *Construction Manager* of the application for payment, a certificate for payment in the amount applied for, or in such other amount as the *Payment Certifier* determines to be properly due. If the *Payment Certifier* amends the application, the *Payment Certifier* will promptly advise the *Trade Contractor* in writing giving reasons for the amendment; and
  - 3 the *Owner* shall make payment to the *Trade Contractor* on account as provided in Article A-5 of the Agreement – PAYMENT on or before 20 calendar days after the later of:
    - receipt by the *Construction Manager* of the application for payment, or
    - the last day of the monthly payment period for which the application for payment is made.

### GC 5.4 SUBSTANTIAL PERFORMANCE OF THE WORK

- 5.4.1 When the *Trade Contractor* considers that the *Work* is substantially performed, or if permitted by the lien legislation applicable to the *Place of the Project* a designated portion thereof which the *Owner* agrees to accept separately is substantially performed, the *Trade Contractor* shall, within one *Working Day*, deliver to the *Construction Manager* and to the *Owner* a comprehensive list of items to be completed or corrected, together with a written application for a review and verification by the *Construction Manager* and the *Consultant* to establish *Substantial Performance of the Work* or of the designated portion of the *Work*. Failure to include an item on the list does not alter the responsibility of the *Trade Contractor* to complete the *Contract*.
- 5.4.2 The *Construction Manager* and the *Consultant* will review the *Work* to verify the validity of the application and whichever of them is the *Payment Certifier*, acting in that capacity, will promptly, and in any event, no later than 20 calendar days after the *Construction Manager's* receipt of the *Trade Contractor's* list and application:
- 1 advise the *Trade Contractor* in writing that the *Work* or the designated portion of the *Work* is not substantially performed and give reasons why, or
  - 2 state the date of *Substantial Performance of the Work* or a designated portion of the *Work* in a certificate and issue a copy of that certificate to each of the *Owner* and the *Trade Contractor*.
- 5.4.3 Immediately following the issuance of the certificate of *Substantial Performance of the Work* or a designated portion of the *Work*, the *Trade Contractor*, in consultation with the *Construction Manager*, will establish a reasonable date for completing the *Work*.

### GC 5.5 PAYMENT OF HOLDBACK UPON SUBSTANTIAL PERFORMANCE OF THE WORK

- 5.5.1 After the issuance of the certificate of *Substantial Performance of the Work*, the *Trade Contractor* shall submit to the *Construction Manager* an application for payment of the holdback amount including a CCDC 9A 'Statutory Declaration'.
- 5.5.2 After the *Construction Manager* receives an application for payment of the holdback amount from the *Trade Contractor*, whichever of the *Construction Manager* and the *Consultant* who is the *Payment Certifier*, and acting in that capacity, will issue a certificate for payment of the holdback amount.
- 5.5.3 Where the holdback amount required by the applicable lien legislation has not been placed in a separate holdback account, the *Owner* shall, 10 calendar days prior to the expiry of the holdback period stipulated in the lien legislation applicable to the *Place of the Project*, place the holdback amount in a bank account in the joint names of the *Owner* and the *Trade Contractor*.
- 5.5.4 In the common law jurisdictions, the holdback amount authorized by the certificate for payment of the holdback amount is due and payable on the first calendar day following the expiration of the holdback period stipulated in the lien legislation applicable to the *Place of the Project*. Where lien legislation does not exist or apply, the holdback amount shall be due and payable in accordance with other legislation, industry practice or provisions which may be agreed to between the parties. The *Owner* may retain out of the holdback amount any sums required by law to satisfy any liens against the *Work* or, if permitted by the lien legislation applicable to the *Place of the Project*, other third party monetary claims against the *Trade Contractor* which are enforceable against the *Owner*.

- 5.5.5 In the Province of Quebec, the holdback amount authorized by the certificate for payment of the holdback amount is due and payable 30 calendar days after the issuance of the certificate. The *Owner* may retain out of the holdback amount any sums required to satisfy any legal hypothecs that have been taken, or could be taken, against the *Work* or other third party monetary claims against the *Trade Contractor* which are enforceable against the *Owner*.

#### **GC 5.6 PROGRESSIVE RELEASE OF HOLDBACK**

- 5.6.1 In the Common Law jurisdictions, where legislation permits and where, upon application by the *Trade Contractor*, the *Payment Certifier* has certified that the work of a *Trade Subcontractor* or *Supplier* has been performed prior to *Substantial Performance of the Work*, the *Owner* shall pay the *Trade Contractor* the holdback amount retained for such subcontract work, or the *Products* supplied by such *Supplier*, on the first calendar day following the expiration of the holdback period for such work stipulated in the lien legislation applicable to the *Place of the Project*. The *Owner* may retain out of the holdback amount any sums required by law to satisfy any liens against the *Work* or, if permitted by the lien legislation applicable to the *Place of the Project*, other third party monetary claims against the *Trade Contractor* which are enforceable against the *Owner*.
- 5.6.2 In the Province of Quebec, where, upon application by the *Trade Contractor*, the *Payment Certifier* has certified that the work of a *Trade Subcontractor* or *Supplier* has been performed prior to *Substantial Performance of the Work*, the *Owner* shall pay the *Trade Contractor* the holdback amount retained for such subcontract work, or the *Products* supplied by such *Supplier*, no later than 30 calendar days after such certification by the *Payment Certifier*. The *Owner* may retain out of the holdback amount any sums required to satisfy any legal hypothecs that have been taken, or could be taken, against the *Work* or other third party monetary claims against the *Trade Contractor* which are enforceable against the *Owner*.
- 5.6.3 Notwithstanding the provisions of the preceding paragraphs, and notwithstanding the wording of such certificates, the *Trade Contractor* shall ensure that such subcontract work or *Products* are protected pending the *Substantial Performance of the Work* and be responsible for the correction of defects or work not performed regardless of whether or not such was apparent when such certificates were issued.

#### **GC 5.7 FINAL PAYMENT**

- 5.7.1 When the *Trade Contractor* considers that the *Work* is completed, the *Trade Contractor* shall submit an application for final payment to the *Construction Manager*
- 5.7.2 No later than 10 calendar days after the receipt by the *Construction Manager* an application for final payment from the *Trade Contractor*:
- .1 the *Construction Manager* and the *Consultant* will review the *Work* to verify the validity of the application, and
  - .2 the *Payment Certifier* will advise the *Trade Contractor* in writing that the application is valid or give reasons why it is not valid.
- 5.7.3 When the *Construction Manager* and the *Consultant* find the *Trade Contractor's* application for final payment valid, whichever of them is the *Payment Certifier*, and acting in that capacity, will promptly issue a final certificate for payment.
- 5.7.4 Subject to the provision of paragraph 10.4.1 of GC 10.4 – WORKERS' COMPENSATION, and any lien legislation applicable to the *Place of the Project*, the *Owner* shall, no later than 5 calendar days after the issuance of a final certificate for payment, pay the *Trade Contractor* as provided in Article A-5 of the Agreement – PAYMENT.

#### **GC 5.8 WITHHOLDING OF PAYMENT**

- 5.8.1 If because of climatic or other conditions reasonably beyond the control of the *Trade Contractor*, there are items of work that cannot be performed, payment in full for that portion of the *Work* which has been performed as certified by the *Payment Certifier* shall not be withheld or delayed by the *Owner* on account thereof, but the *Owner* may withhold, until the remaining portion of the *Work* is finished, only such an amount that the *Payment Certifier* determines is sufficient and reasonable to cover the cost of performing such remaining *Work*.

#### **GC 5.9 NON-CONFORMING WORK**

- 5.9.1 No payment by the *Owner* under the *Contract* nor partial or entire use or occupancy of the *Work* by the *Owner* shall constitute an acceptance of any portion of the *Work* or *Products* which are not in accordance with the requirements of the *Contract Documents*.

## PART 6 CHANGES IN THE WORK

### GC 6.1 OWNER'S RIGHT TO MAKE CHANGES

- 6.1.1 The *Owner* without invalidating the *Contract*, may make:
- .1 changes in the *Work* consisting of additions, deletions or other revisions to the *Work* by *Change Order* or *Change Directive*, and
  - .2 changes to the *Contract Time* for the *Work*, or any part thereof, by *Change Order*.
- 6.1.2 The *Trade Contractor* shall not perform a change in the *Work* without a *Change Order* or a *Change Directive*.

### GC 6.2 CHANGE ORDER

- 6.2.1 When a change in the *Work* is proposed or required, the *Construction Manager* will provide the *Trade Contractor* with a written description of the proposed change in the *Work*. The *Trade Contractor* shall promptly present, in a form acceptable to the *Construction Manager*, a method of adjustment or an amount of adjustment for the *Contract Price*, if any, and the adjustment in the *Contract Time*, if any, for the proposed change in the *Work*.
- 6.2.2 When the *Owner* and *Trade Contractor* agree to the adjustments in the *Contract Price* and *Contract Time* or to the method to be used to determine the adjustments, such agreement shall be effective immediately and shall be recorded in a *Change Order*. The value of the work performed as the result of a *Change Order* shall be included in the applications for progress payment.

### GC 6.3 CHANGE DIRECTIVE

- 6.3.1 If the *Owner* requires the *Trade Contractor* to proceed with a change in the *Work* prior to the *Owner* and the *Trade Contractor* agreeing upon the corresponding adjustment in *Contract Price* and *Contract Time*, the *Owner*, through the *Construction Manager*, shall issue a *Change Directive*.
- 6.3.2 A *Change Directive* shall only be used to direct a change in the *Work* which is within the general scope of the *Contract Documents*.
- 6.3.3 A *Change Directive* shall not be used to direct a change in the *Contract Time* only.
- 6.3.4 Upon receipt of a *Change Directive*, the *Trade Contractor* shall proceed promptly with the change in the *Work*.
- 6.3.5 For the purpose of valuing *Change Directives*, changes in the *Work* that are not substitutions or otherwise related to each other shall not be grouped together in the same *Change Directive*.
- 6.3.6 The adjustment in the *Contract Price* for a change carried out by way of a *Change Directive* shall be determined on the basis of the cost of the *Trade Contractor's* actual expenditures and savings attributable to the *Change Directive*, valued in accordance with paragraph 6.3.7 and as follows:
- .1 If the change results in a net increase in the *Trade Contractor's* cost, the *Contract Price* shall be increased by the amount of the net increase in the *Trade Contractor's* cost, plus the *Trade Contractor's* percentage fee on such net increase.
  - .2 If the change results in a net decrease in the *Trade Contractor's* cost, the *Contract Price* shall be decreased by the amount of the net decrease in the *Trade Contractor's* cost, without adjustment for the *Trade Contractor's* percentage fee.
  - .3 The *Trade Contractor's* fee shall be as specified in the *Contract Documents* or as otherwise agreed by the parties.
- 6.3.7 The cost of performing the work attributable to the *Change Directive* shall be limited to the actual cost of the following:
- .1 salaries, wages and benefits paid to personnel in the direct employ of the *Trade Contractor* under a salary or wage schedule agreed upon by the *Owner* and the *Trade Contractor*, or in the absence of such a schedule, actual salaries, wages and benefits paid under applicable bargaining agreements, and in the absence of a salary or wage schedule and bargaining agreement, actual salaries, wages and benefits paid by the *Trade Contractor*, for personnel:
    - (1) stationed at the *Trade Contractor's* field office, in whatever capacity employed;
    - (2) engaged in expediting the production or transportation of material or equipment, at shops or on the road;
    - (3) engaged in the preparation or review of *Shop Drawings*, fabrication drawings, and coordination drawings; or
    - (4) engaged in the processing of changes in the *Work*.
  - .2 contributions, assessments or taxes incurred for such items as employment insurance, provincial or territorial health insurance, workers' compensation, and Canada or Quebec Pension Plan, insofar as such cost is based on wages, salaries or other remuneration paid to employees of the *Trade Contractor* and included in the cost of the *Work* as provided in paragraph 6.3.7.1;

- .3 travel and subsistence expenses of the *Trade Contractor's* personnel described in 6.3.7.1;
  - .4 all *Products* including the cost of transportation thereof;
  - .5 materials, supplies, *Construction Equipment*, *Temporary Work*, and hand tools not owned by the workers, including transportation and maintenance thereof, which are consumed in the performance of the *Work*; and cost less salvage value on such items used but not consumed, which remain the property of the *Trade Contractor*;
  - .6 all tools and *Construction Equipment*, exclusive of hand tools used in the performance of the *Work*, whether rented from or provided by the *Trade Contractor* or others, including installation, minor repairs and replacements, dismantling, removal, transportation and delivery cost thereof;
  - .7 all equipment and services required for the *Trade Contractor's* field office;
  - .8 deposits lost, provided that they are not caused by negligent acts or omissions of the *Construction Manager* and the *Services* are performed in accordance with this *Contract*.
  - .9 the amounts of all subcontracts;
  - .10 quality assurance such as independent inspection and testing services;
  - .11 charges levied by authorities having jurisdiction at the *Place of the Project*;
  - .12 royalties, patent license fees and damages for infringement of patents and cost of defending suits therefor subject always to the *Trade Contractor's* obligations to indemnify the *Owner* as provided in paragraph 10.3.1 of GC 10.3 – PATENT FEES;
  - .13 any adjustment in premiums for all bonds and insurance which the *Trade Contractor* is required, by the *Contract Documents*, to purchase and maintain;
  - .14 any adjustment in taxes, other than *Value Added Taxes*, and duties for which the *Trade Contractor* is liable;
  - .15 charges for long distance communications, courier services, expressage, printing, and reproduction incurred in relation to the performance of the *Work*;
  - .16 removal and disposal of waste products and debris; and
  - .17 safety measures and requirements.
- 6.3.8 Notwithstanding any other provisions contained in the General Conditions of the *Contract*, it is the intention of the parties that the cost of any item under any cost element referred to in paragraph 6.3.7 shall cover and include any and all costs or liabilities attributable to the *Change Directive* other than those which are the result of or occasioned by any failure on the part of the *Trade Contractor* to exercise reasonable care and diligence in the *Trade Contractor's* attention to the *Work*. Any cost due to failure on the part of the *Trade Contractor* to exercise reasonable care and diligence in the *Trade Contractor's* attention to the *Work* shall be borne by the *Trade Contractor*.
- 6.3.9 The *Trade Contractor* shall keep full and detailed accounts and records necessary for the documentation of the cost of performing the work attributable to the *Change Directive* and shall provide the *Construction Manager* with copies thereof when requested.
- 6.3.10 For the purpose of valuing *Change Directives*, the *Owner* and the *Construction Manager* shall be afforded reasonable access to all of the *Trade Contractor's* pertinent documents related to the cost of performing the *Work* attributable to the *Change Directive*.
- 6.3.11 Pending determination of the final amount of a *Change Directive*, the undisputed value of the *Work* performed as the result of a *Change Directive* is eligible to be included in progress payments.
- 6.3.12 If the *Owner* and the *Trade Contractor* do not agree on the proposed adjustment in the *Contract Time* attributable to the change in the *Work*, or the method of determining it, the adjustment shall be referred to the *Construction Manager* for finding.
- 6.3.13 When the *Owner* and the *Trade Contractor* reach agreement on the adjustment to the *Contract Price* and to the *Contract Time*, this agreement shall be recorded in a *Change Order*.

#### GC 6.4 CONCEALED OR UNKNOWN CONDITIONS

- 6.4.1 If the *Owner*, the *Trade Contractor* or the *Construction Manager* discover conditions at the *Place of the Project* which are:
- .1 subsurface or otherwise concealed physical conditions which existed before the commencement of the *Work* which differ materially from those indicated in the *Contract Documents*; or
  - .2 physical conditions, other than conditions due to weather, that are of a nature which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the *Contract Documents*,
- then the observing party shall give *Notice in Writing* to the *Construction Manager* of such conditions before they are disturbed and in no event later than 5 *Working Days* after first observance of the conditions. The *Construction Manager* will promptly inform the *Owner*, the *Trade Contractor* and the *Consultant* in writing.

- 6.4.2 The *Construction Manager* will promptly investigate such conditions and make a finding. If the finding is that the conditions differ materially and this would cause an increase or decrease in the *Trade Contractor's* cost or time to perform the *Work*, the *Construction Manager*, with the *Owner's* approval, will issue appropriate instructions for a change in the *Work* as provided in GC 6.2 – CHANGE ORDER or GC 6.3 – CHANGE DIRECTIVE.
- 6.4.3 If the *Construction Manager* finds that the conditions at the *Place of the Project* are not materially different or that no change in the *Contract Price* or the *Contract Time* is justified, the *Construction Manager* will promptly inform the *Owner* and the *Trade Contractor* in writing.
- 6.4.4 If such concealed or unknown conditions relate to toxic and hazardous substances and materials, artifacts and fossils, or mould, the parties will be governed by the provisions of GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES, GC 9.3 – ARTIFACTS AND FOSSILS and GC 9.5 – MOULD.

## **GC 6.5 DELAYS**

- 6.5.1 If the *Trade Contractor* is delayed in the performance of the *Work* by an action or omission of the *Owner*, the *Construction Manager*, the *Consultant*, or anyone employed or engaged by them directly or indirectly, contrary to the provisions of the *Contract Documents*, then the *Contract Time* shall be extended for such reasonable time as the *Construction Manager* may recommend in consultation with the *Trade Contractor*. The *Trade Contractor* shall be reimbursed by the *Owner* for reasonable costs incurred by the *Trade Contractor* as the result of such delay.
- 6.5.2 If the *Trade Contractor* is delayed in the performance of the *Work* by a stop work order issued by a court or other public authority and providing that such order was not issued as the result of an act or fault of the *Trade Contractor* or any person employed or engaged by the *Trade Contractor* directly or indirectly, then the *Contract Time* shall be extended for such reasonable time as the *Construction Manager* may recommend in consultation with the *Trade Contractor*. The *Trade Contractor* shall be reimbursed by the *Owner* for reasonable costs incurred by the *Trade Contractor* as the result of such delay.
- 6.5.3 If the *Trade Contractor* is delayed in the performance of the *Work* by:
- .1 labour disputes, strikes, lock-outs (including lock-outs decreed or recommended for its members by a recognized contractors' association, of which the *Trade Contractor* is a member or to which the *Trade Contractor* is otherwise bound),
  - .2 fire, unusual delay by common carriers or unavoidable casualties,
  - .3 abnormally adverse weather conditions, or
  - .4 any cause beyond the *Trade Contractor's* control other than one resulting from a default or breach of *Contract* by the *Trade Contractor*,
- then the *Contract Time* shall be extended for such reasonable time as the *Construction Manager* may recommend in consultation with the *Trade Contractor*. The extension of time shall not be less than the time lost as the result of the event causing the delay, unless the *Trade Contractor* agrees to a shorter extension. The *Trade Contractor* shall not be entitled to payment for costs incurred by such delays unless such delays result from actions by the *Owner*, *Consultant*, *Construction Manager*, or anyone employed or engaged by them directly or indirectly.
- 6.5.4 No extension shall be made for delay unless *Notice in Writing* of the cause of delay is given to the *Construction Manager* not later than 10 *Working Days* after the commencement of delay. In the case of a continuing cause of delay only one *Notice in Writing* shall be necessary.
- 6.5.5 If no schedule is made under paragraph 2.2.1.4 of GC 2.2 – ROLE OF THE CONSTRUCTION MANAGER AND THE CONSULTANT, then no request for extension shall be made because of failure of the *Construction Manager* to furnish instructions until 10 *Working Days* after demand for such instructions has been made.

## **GC 6.6 CLAIMS FOR A CHANGE IN CONTRACT PRICE**

- 6.6.1 If the *Trade Contractor* intends to make a claim for an increase to the *Contract Price*, or if the *Owner* intends to make a claim against the *Trade Contractor* for a credit to the *Contract Price*, the party that intends to make the claim shall give timely *Notice in Writing* of intent to claim to the other party and to the *Construction Manager*.
- 6.6.2 Upon commencement of the event or series of events giving rise to a claim, the party intending to make the claim shall:
- .1 take all reasonable measures to mitigate any loss or expense which may be incurred as a result of such event or series of events, and
  - .2 keep such records as may be necessary to support the claim.

- 6.6.3 The party making the claim shall submit within a reasonable time to the *Construction Manager* a detailed account of the amount claimed and the grounds upon which the claim is based, and the *Construction Manager* shall make a finding upon such claim.
- 6.6.4 Where the event or series of events giving rise to the claim has a continuing effect, the detailed account submitted under paragraph 6.6.3 shall be considered to be an interim account and the party making the claim shall, at such intervals as the *Construction Manager* may reasonably require, submit further interim accounts giving the accumulated amount of the claim and any further grounds upon which it is based. The party making the claim shall submit a final account after the end of the effects resulting from the event or series of events.
- 6.6.5 The *Construction Manager*'s finding with respect to a claim made by either party, will be given by *Notice in Writing* to both parties within 30 *Working Days* after receipt of the claim by the *Construction Manager*, or within such other time period as may be agreed by the parties.
- 6.6.6 If such finding is not acceptable to either party, the claim shall be settled in accordance with Part 8 of the General Conditions – DISPUTE RESOLUTION.+

## **PART 7 DEFAULT NOTICE**

### **GC 7.1 OWNER'S RIGHT TO PERFORM THE WORK, TERMINATE THE TRADE CONTRACTOR'S RIGHT TO CONTINUE WITH THE WORK OR TERMINATE THE CONTRACT**

- 7.1.1 If the *Trade Contractor* is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Trade Contractor's* insolvency, or if a receiver is appointed because of the *Trade Contractor's* insolvency, the *Owner* may, without prejudice to any other right or remedy the *Owner* may have, terminate the *Trade Contractor's* right to continue with the *Work*, by giving the *Trade Contractor* or receiver or trustee in bankruptcy *Notice in Writing* to that effect.
- 7.1.2 If the *Trade Contractor* neglects to prosecute the *Work* properly or otherwise fails to comply with the requirements of the *Contract* to a substantial degree and if the *Construction Manager* has given a written statement to the *Owner* and *Trade Contractor* that sufficient cause exists to justify such action, the *Owner* may, without prejudice to any other right or remedy the *Owner* may have, give the *Trade Contractor Notice in Writing* with a copy to the *Construction Manager* that the *Trade Contractor* is in default of the *Trade Contractor's* contractual obligations and instruct the *Trade Contractor* to correct the default in the 5 *Working Days* immediately following the receipt of such *Notice in Writing*.
- 7.1.3 If the default cannot be corrected in the 5 *Working Days* specified or in such other time period as may be subsequently agreed in writing by the parties, the *Trade Contractor* shall be in compliance with the *Owner's* instructions if the *Trade Contractor*:
- .1 commences the correction of the default within the specified time, and
  - .2 provides the *Owner* with an acceptable schedule for such correction, and
  - .3 corrects the default in accordance with the *Contract* terms and with such schedule.
- 7.1.4 If the *Trade Contractor* fails to correct the default in the time specified or in such other time period as may be subsequently agreed in writing by the parties, without prejudice to any other right or remedy the *Owner* may have, the *Owner* may:
- .1 correct such default and deduct the cost thereof from any payment then or thereafter due to the *Trade Contractor* provided the *Payment Certifier* has certified such cost to the *Owner* and the *Trade Contractor*, or
  - .2 terminate the *Trade Contractor's* right to continue with the *Work* in whole or in part or terminate the *Contract*.
- 7.1.5 If the *Owner* terminates the *Trade Contractor's* right to continue with the *Work* as provided in paragraphs 7.1.1 and 7.1.4, the *Owner* shall be entitled to:
- .1 take possession of the *Work* and *Products* at the *Place of the Project*; subject to the rights of third parties, utilize the *Construction Equipment* at the *Place of the Project*; finish the *Work* by whatever method the *Construction Manager* may consider expedient, but without undue delay or expense, and
  - .2 withhold further payment to the *Trade Contractor* until a final certificate for payment is issued, and
  - .3 charge the *Trade Contractor* the amount by which the full cost of finishing the *Work* as certified by the *Payment Certifier*, including compensation to the *Construction Manager* and the *Consultant* for their additional services and a reasonable allowance as determined by the *Construction Manager* to cover the cost of corrections to work performed by the *Trade Contractor* that may be required under GC 12.3 – WARRANTY, exceeds the unpaid balance of the *Contract Price*; however, if such cost of finishing the *Work* is less than the unpaid balance of the *Contract Price*, the *Owner* shall pay the *Trade Contractor* the difference, and



- 4 on expiry of the warranty period, charge the *Trade Contractor* the amount by which the cost of corrections to the *Trade Contractor's* work under GC 12.3 – WARRANTY exceeds the allowance provided for such corrections, or if the cost of such corrections is less than the allowance, pay the *Trade Contractor* the difference.

7.1.6 The *Trade Contractor's* obligation under the *Contract* as to quality, correction and warranty of the work performed by the *Trade Contractor* up to the time of termination shall continue in force after such termination of the *Contract*.

## **GC 7.2 TRADE CONTRACTOR'S RIGHT TO SUSPEND THE WORK OR TERMINATE THE CONTRACT**

- 7.2.1 If the *Owner* is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Owner's* insolvency, or if a receiver is appointed because of the *Owner's* insolvency, the *Trade Contractor* may, without prejudice to any other right or remedy the *Trade Contractor* may have, terminate the *Contract* by giving the *Owner* or receiver or trustee in bankruptcy *Notice in Writing* to that effect.
- 7.2.2 If the *Work* should be suspended or otherwise delayed for a period of 20 *Working Days* or more under an order of a court or other public authority and providing that such order was not issued as the result of an act or fault of the *Trade Contractor* or of anyone directly or indirectly employed or engaged by the *Trade Contractor*, the *Trade Contractor* may, without prejudice to any other right or remedy the *Trade Contractor* may have, terminate the *Contract* by giving the *Owner* *Notice in Writing* to that effect.
- 7.2.3 The *Trade Contractor* may give *Notice in Writing* to the *Owner*, with a copy to the *Construction Manager* and the *Consultant*, that the *Owner* is in default of the *Owner's* contractual obligations if:
  - 1 the *Owner* fails to furnish, when so requested by the *Trade Contractor*, reasonable evidence that financial arrangements have been made to fulfill the *Owner's* obligations under the *Contract*, or
  - 2 the *Payment Certifier* fails to issue a certificate as provided in Part 5 of the General Conditions – PAYMENT, or
  - 3 the *Owner* fails to pay the *Trade Contractor* when due the amounts certified by the *Payment Certifier* or awarded by arbitration or court, or
  - 4 the *Owner* violates the requirements of the *Contract* to a substantial degree and the *Construction Manager*, except for GC 5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER, confirms by written statement to the *Trade Contractor* that sufficient cause exists.
- 7.2.4 The *Trade Contractor's* *Notice in Writing* to the *Owner* provided under paragraph 7.2.3 shall advise that if the default is not corrected within 5 *Working Days* following the receipt of the *Notice in Writing*, the *Trade Contractor* may, without prejudice to any other right or remedy the *Trade Contractor* may have, suspend the *Work* or terminate the *Contract*.
- 7.2.5 If the *Trade Contractor* terminates the *Contract* under the conditions set out above, the *Trade Contractor* shall be entitled to be paid for all work performed including reasonable profit, for loss sustained upon *Products* and *Construction Equipment*, and such other damages as the *Trade Contractor* may have sustained as a result of the termination of the *Contract*.

## **PART 8 DISPUTE RESOLUTION**

### **GC 8.1 AUTHORITY OF THE CONSTRUCTION MANAGER AND THE CONSULTANT**

- 8.1.1 Differences between the parties to the *Contract* as to the interpretation, application or administration of the *Contract* or any failure to agree where agreement between the parties is called for, herein collectively called disputes, which are not resolved in the first instance by findings of the *Construction Manager* or the *Consultant* as provided in GC 2.2 – ROLE OF THE CONSTRUCTION MANAGER AND THE CONSULTANT, shall be settled in accordance with the requirements of Part 8 of the General Conditions – DISPUTE RESOLUTION.
- 8.1.2 If a dispute arises under the *Contract* in respect of a matter in which neither the *Construction Manager* nor the *Consultant* have authority under the *Contract* to make a finding, the procedures set out in paragraph 8.1.3 and paragraphs 8.2.3 to 8.2.8 of GC 8.2 – NEGOTIATION, MEDIATION AND ARBITRATION, and in GC 8.3 – RETENTION OF RIGHTS apply to that dispute with the necessary changes to detail as may be required.
- 8.1.3 If a dispute is not resolved promptly, the *Construction Manager* will give such instructions as in the *Construction Manager's* opinion are necessary for the proper performance of the *Work* and to prevent delays pending settlement of the dispute. The parties shall act immediately according to such instructions, it being understood that by so doing neither party will jeopardize any claim the party may have. If it is subsequently determined that such instructions were in error or at variance with the *Contract Documents*, the *Owner* shall pay the *Trade Contractor* costs incurred by the *Trade Contractor* in carrying out such instructions which the *Trade Contractor* was required to do beyond what the *Contract Documents* correctly understood and interpreted would have required, including costs resulting from interruption of the *Work*.

## GC 8.2 NEGOTIATION, MEDIATION AND ARBITRATION

- 8.2.1 In accordance with the Rules for Mediation and Arbitration of Construction Disputes as provided in CCDC 40 in effect at the time of bid closing, the parties shall appoint a Project Mediator
- .1 within 20 *Working Days* after the *Contract* was awarded, or
  - .2 if the parties neglected to make an appointment within the 20 *Working Days*, within 10 *Working Days* after either party by *Notice in Writing* requests that the Project Mediator be appointed.
- 8.2.2 A party shall be conclusively deemed to have accepted a finding of the *Construction Manager* or the *Consultant* under GC 2.2 - ROLES OF THE CONSTRUCTION MANAGER AND THE CONSULTANT and to have expressly waived and released the other party from any claims in respect of the particular matter dealt with in that finding unless, within 15 *Working Days* after receipt of that finding, the party sends a *Notice in Writing* of dispute to the other party, the *Construction Manager* and the *Consultant*, which contains the particulars of the matter in dispute and the relevant provisions of the *Contract Documents*. The responding party shall send a *Notice in Writing* of reply to the dispute within 10 *Working Days* after receipt of such *Notice in Writing* setting out particulars of this response and any relevant provisions of the *Contract Documents*.
- 8.2.3 The parties shall make all reasonable efforts to resolve their dispute by amicable negotiations and agree to provide, without prejudice, frank, candid and timely disclosure of relevant facts, information and documents to facilitate these negotiations.
- 8.2.4 After a period of 10 *Working Days* following receipt of a responding party's *Notice in Writing* of reply under paragraph 8.2.2, the parties shall request the Project Mediator to assist the parties to reach agreement on any unresolved dispute. The mediated negotiations shall be conducted in accordance with the Rules for Mediation and Arbitration of Construction Disputes as provided in CCDC 40 in effect at the time of bid closing.
- 8.2.5 If the dispute has not been resolved within 10 *Working Days* after the Project Mediator was requested under paragraph 8.2.4 or within such further period agreed by the parties, the Project Mediator shall terminate the mediated negotiations by giving *Notice in Writing* to the *Owner*, the *Trade Contractor* and the *Construction Manager*.
- 8.2.6 By giving a *Notice in Writing* to the other party and the *Construction Manager*, not later than 10 *Working Days* after the date of termination of the mediated negotiations under paragraph 8.2.5, either party may refer the dispute to be finally resolved by arbitration under the latest edition of the Rules for Mediation and Arbitration of Construction Disputes as provided in CCDC 40 in effect at the time of bid closing. The arbitration shall be conducted in the jurisdiction of the *Place of the Project*.
- 8.2.7 On expiration of the 10 *Working Days*, the arbitration agreement under paragraph 8.2.6 is not binding on the parties and, if a *Notice in Writing* is not given under paragraph 8.2.6 within the required time, the parties may refer the unresolved dispute to the courts or to any other form of dispute resolution, including arbitration, which they have agreed to use.
- 8.2.8 If neither party, by *Notice in Writing*, given within 10 *Working Days* of the date of *Notice in Writing* requesting arbitration in paragraph 8.2.6, requires that a dispute be arbitrated immediately, all disputes referred to arbitration as provided in paragraph 8.2.6 shall be
- .1 held in abeyance until
    - (1) *Substantial Performance of the Work*,
    - (2) the *Contract* has been terminated, or
    - (3) the *Trade Contractor* has abandoned the *Work*,whichever is earlier, and
  - .2 consolidated into a single arbitration under the rules governing the arbitration under paragraph 8.2.6.

## GC 8.3 RETENTION OF RIGHTS

- 8.3.1 It is agreed that no act by either party shall be construed as a renunciation or waiver of any rights or recourses, provided the party has given the *Notice in Writing* required under Part 8 of the General Conditions – DISPUTE RESOLUTION and has carried out the instructions as provided in paragraph 8.1.3 of GC 8.1 – AUTHORITY OF THE CONSTRUCTION MANAGER AND THE CONSULTANT.
- 8.3.2 Nothing in Part 8 of the General Conditions – DISPUTE RESOLUTION shall be construed in any way to limit a party from asserting any statutory right to a lien under applicable lien legislation of the jurisdiction of the *Place of the Project* and the assertion of such right by initiating judicial proceedings is not to be construed as a waiver of any right that party may have under paragraph 8.2.6 of GC 8.2 – NEGOTIATION, MEDIATION AND ARBITRATION to proceed by way of arbitration to adjudicate the merits of the claim upon which such a lien is based.

## PART 9 PROTECTION OF PERSONS AND PROPERTY

### GC 9.1 PROTECTION OF WORK AND PROPERTY

- 9.1.1 The *Trade Contractor* shall protect the *Project* and the *Owner's* property and property adjacent to the *Place of the Project* from damage which may arise as the result of the *Trade Contractor's* operations under the *Contract*, and shall be responsible for such damage, except damage which occurs as the result of:
- .1 errors in the *Contract Documents*; or
  - .2 acts or omissions by the *Owner*, the *Construction Manager*, the *Consultant*, other contractors, their agents and employees.
- 9.1.2 Before commencing any *Work*, the *Trade Contractor* shall determine the location of all underground utilities and structures indicated in the *Contract Documents* or that are reasonably apparent in an inspection of the *Place of the Project*.
- 9.1.3 Should the *Trade Contractor* in the performance of the *Contract* damage the *Project*, the *Owner's* property or property adjacent to the *Place of the Project*, the *Trade Contractor* shall be responsible for making good of such damage at the *Trade Contractor's* expense.
- 9.1.4 Should damage occur to the *Work* or *Owner's* property for which the *Trade Contractor* is not responsible, as provided in paragraph 9.1.1, the *Trade Contractor* shall make good such damage to the *Work* and, if the *Construction Manager* so directs, to the *Owner's* property. The *Contract Price* and *Contract Time* shall be adjusted as provided in GC 6.1 – OWNER’S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER, and GC 6.3 – CHANGE DIRECTIVE.

### GC 9.2 TOXIC AND HAZARDOUS SUBSTANCES

- 9.2.1 For the purposes of applicable legislation related to toxic and hazardous substances, the *Owner* shall be deemed to have control and management of the *Place of the Project* with respect to existing conditions.
- 9.2.2 Prior to the *Trade Contractor* commencing the *Work*, the *Owner* shall,
- .1 take all reasonable steps to determine whether any toxic or hazardous substances are present at the *Place of the Project*, and
  - .2 provide the *Construction Manager*, the *Consultant* and the *Trade Contractor* with a written list of any such substances that are known to exist and their locations.
- 9.2.3 The *Owner* shall take all reasonable steps to ensure that no person’s exposure to any toxic or hazardous substance exceeds the time weighted levels prescribed by applicable legislation at the *Place of the Project* and that no property is damaged or destroyed as a result of exposure to, or the presence of, toxic or hazardous substances which were at the *Place of the Project* prior to the *Trade Contractor* commencing the *Work*.
- 9.2.4 Unless the *Contract* expressly provides otherwise, the *Owner* shall be responsible for taking all necessary steps, in accordance with applicable legislation in force at the *Place of the Project*, to dispose of, store or otherwise render harmless toxic or hazardous substances which were present at the *Place of the Project* prior to the *Trade Contractor* commencing the *Work*.
- 9.2.5 If the *Trade Contractor*
- .1 encounters toxic or hazardous substances at the *Place of the Project*, or
  - .2 has reasonable grounds to believe that toxic or hazardous substances are present at the *Place of the Project*, which were not brought to the *Place of the Project* by the *Trade Contractor* or anyone for whom the *Trade Contractor* is responsible and which were not disclosed by the *Owner* or which were disclosed but have not been dealt with as required under paragraph 9.2.4, the *Trade Contractor* shall
  - .3 take all reasonable steps, including stopping the *Work*, to ensure that no person’s exposure to any toxic or hazardous substance exceeds any applicable time weighted levels prescribed by applicable legislation at the *Place of the Project*, and
  - .4 immediately report the circumstances to the *Construction Manager*, the *Owner* and the *Consultant* in writing.
- 9.2.6 If the *Owner* and *Trade Contractor* do not agree on the existence, significance of, or whether the toxic or hazardous substances were brought onto the *Place of the Project* by the *Trade Contractor* or anyone for whom the *Trade Contractor* is responsible, the *Owner* shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert’s report shall be delivered to the *Owner*, the *Trade Contractor* and the *Construction Manager*.

- 9.2.7 If the *Owner* and *Trade Contractor* agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were not brought onto the *Place of the Project* by the *Trade Contractor* or anyone for whom the *Trade Contractor* is responsible, the *Owner* shall promptly at the *Owner's* own expense:
- .1 take all steps as required under paragraph 9.2.4;
  - .2 reimburse the *Trade Contractor* for the costs of all steps taken pursuant to paragraph 9.2.5;
  - .3 extend the *Contract Time* for such reasonable time as the *Construction Manager* may recommend in consultation with the *Owner*, the *Trade Contractor* and the expert referred to in 9.2.6 and reimburse the *Trade Contractor* for reasonable costs incurred as a result of the delay; and
  - .4 indemnify the *Trade Contractor* as required by paragraph GC 12.1 – INDEMNIFICATION
- 9.2.8 If the *Owner* and *Trade Contractor* agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were brought onto the *Place of the Project* by the *Trade Contractor* or anyone for whom the *Trade Contractor* is responsible, the *Trade Contractor* shall promptly at the *Trade Contractor's* own expense:
- .1 take all necessary steps in accordance with applicable legislation in force at the *Place of the Project*, to safely remove and dispose the toxic or hazardous substances;
  - .2 make good any damage to the *Work*, the *Owner's* property or property adjacent to the *Place of the Project* as provided in paragraph 9.1.3 of GC 9.1 – PROTECTION OF WORK AND PROPERTY;
  - .3 reimburse the *Owner* for reasonable costs incurred under paragraph 9.2.6; and
  - .4 indemnify the *Owner* as required by GC 12.1 – INDEMNIFICATION.
- 9.2.9 If either party does not accept the expert's findings under paragraph 9.2.6, the disagreement shall be settled in accordance with Part 8 of the General Conditions – DISPUTE RESOLUTION. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraph 9.2.7 or 9.2.8 it being understood that by so doing, neither party will jeopardize any claim that party may have to be reimbursed as provided by GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES.

### GC 9.3 ARTIFACTS AND FOSSILS

- 9.3.1 Fossils, coins, articles of value or antiquity, structures and other remains or things of scientific or historic interest discovered at the *Place of the Project* shall, as between the *Owner* and the *Trade Contractor*, be deemed to be the absolute property of the *Owner*.
- 9.3.2 The *Trade Contractor* shall take all reasonable precautions to prevent removal or damage to discoveries as identified in paragraph 9.3.1, and shall advise the *Construction Manager* upon discovery of such items.
- 9.3.3 The *Construction Manager* will investigate the impact on the *Work* of the discoveries identified in paragraph 9.3.1. If conditions are found that would cause an increase or decrease in the *Trade Contractor's* cost or time to perform the *Work*, the *Owner*, through the *Construction Manager*, will issue appropriate instructions for a change in the *Work* as provided in GC 6.2 – CHANGE ORDER or GC 6.3 – CHANGE DIRECTIVE.

### GC 9.4 CONSTRUCTION SAFETY

- 9.4.1 The *Trade Contractor* shall:
- .1 be responsible for construction health and safety relating to the *Work* at the *Place of the Project* in compliance with the rules, regulations and practices required by the applicable construction health and safety legislation;
  - .2 be responsible for establishing, initiating, maintaining, and supervising all health and safety precautions and programs in connection with the performance of the *Work*; and
  - .3 comply with all health and safety precautions and programs established at the *Place of the Project*.
- 9.4.2 The *Owner* shall be responsible for construction health and safety at the *Place of the Project* in compliance with the rules, regulations and practices required by the applicable construction health and safety legislation.
- 9.4.3 The *Construction Manager* will:
- .1 establish, initiate, maintain, and supervise the health and safety precautions and programs required to be put in place at the *Place of the Project*; and
  - .2 review with the *Owner* the *Trade Contractor's* health and safety program for compliance.

## GC 9.5 MOULD

- 9.5.1 If the *Trade Contractor*, the *Construction Manager*, the *Consultant*, or the *Owner* observes or reasonably suspects the presence of mould at the *Place of the Project*, the remediation of which is not expressly part of the *Work*,
- .1 the observing party shall promptly report the circumstances to the other parties in writing, and
  - .2 the *Trade Contractor* shall promptly take all reasonable steps, including stopping the *Work* if necessary, to ensure that no person suffers injury, sickness or death and that no property is damaged as a result of exposure to or the presence of the mould, and
  - .3 if the *Owner* and the *Trade Contractor* do not agree on the existence, significance or cause of the mould or as to what steps need be taken to deal with it, the *Owner* shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert's report shall be delivered to the *Owner* and the *Trade Contractor*.
- 9.5.2 If the *Owner* and the *Trade Contractor* agree, or if the expert referred to in paragraph 9.5.1.3 determines that the presence of mould was caused by the *Trade Contractor's* operations under the *Contract*, the *Trade Contractor* shall promptly, at the *Trade Contractor's* own expense:
- .1 take all reasonable and necessary steps to safely remediate or dispose of the mould, and
  - .2 make good any damage to the *Work*, the *Owner's* property or property adjacent to the *Place of the Project* as provided in paragraph 9.1.3 of GC 9.1 – PROTECTION OF WORK AND PROPERTY, and
  - .3 reimburse the *Owner* for reasonable costs incurred under paragraph 9.5.1.3, and
  - .4 indemnify the *Owner* as required by GC 12.1 – INDEMNIFICATION.
- 9.5.3 If the *Owner* and *Trade Contractor* agree, or if the expert referred to in paragraph 9.5.1.3 determines that the presence of mould was not caused by the *Trade Contractor's* operations under the *Contract*, the *Owner* shall promptly, at the *Owner's* own expense:
- .1 take all reasonable and necessary steps to safely remediate or dispose of the mould, and
  - .2 reimburse the *Trade Contractor* for the cost of taking the steps under paragraph 9.5.1.2 and making good any damage to the *Work* as provided in paragraph 9.1.4 of GC 9.1 – PROTECTION OF WORK AND PROPERTY, and
  - .3 extend the *Contract Time* for such reasonable time as the *Construction Manager* may recommend in consultation with the *Trade Contractor* and the expert referred to in paragraph 9.5.1.3 and reimburse the *Trade Contractor* for reasonable costs incurred as a result of the delay, and
  - .4 indemnify the *Trade Contractor* as required by GC 12.1 – INDEMNIFICATION.
- 9.5.4 If either party does not accept the expert's finding under paragraph 9.5.1.3, the disagreement shall be settled in accordance with Part 8 of the General Conditions – DISPUTE RESOLUTION. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraphs 9.5.2 or 9.5.3, it being understood that by so doing neither party will jeopardize any claim the party may have to be reimbursed as provided by GC 9.5 – MOULD.

## PART 10 GOVERNING REGULATIONS

### GC 10.1 TAXES AND DUTIES

- 10.1.1 The *Contract Price* shall include all taxes and customs duties in effect at the time of the bid closing except for *Value Added Taxes* payable by the *Owner* to the *Trade Contractor* as stipulated in Article A-4 of the Agreement – CONTRACT PRICE.
- 10.1.2 Any increase or decrease in costs to the *Trade Contractor* due to changes in such included taxes and duties after the time of the bid closing shall increase or decrease the *Contract Price* accordingly.

### GC 10.2 LAWS, NOTICES, PERMITS, AND FEES

- 10.2.1 The laws of the *Place of the Project* shall govern the *Work*.
- 10.2.2 The *Owner* shall obtain and pay for development approvals, building permit, permanent easements, rights of servitude, and all other necessary approvals and permits, except for the permits and fees referred to in paragraph 10.2.3 or for which the *Contract Documents* specify as the responsibility of the *Trade Contractor*.
- 10.2.3 The *Trade Contractor* shall be responsible for the procurement of permits, licences, inspections, and certificates, which are necessary for the performance of the *Work* and customarily obtained by contractors in the jurisdiction of the *Place of the Project* after the issuance of the building permit. The *Contract Price* includes the cost of these permits, licences, inspections, and certificates, and their procurement.

- 10.2.4 The *Trade Contractor* shall give the required notices and comply with the laws, ordinances, rules, regulations, or codes which are or become in force during the performance of the *Work* and which relate to the *Work*, to the preservation of the public health, and to construction safety.
- 10.2.5 The *Trade Contractor* shall not be responsible for verifying that the *Contract Documents* are in compliance with the applicable laws, ordinances, rules, regulations, or codes relating to the *Work*. If the *Contract Documents* are at variance therewith, or if, subsequent to the time of bid closing, changes are made to the applicable laws, ordinances, rules, regulations, or codes which require modification to the *Contract Documents*, the *Trade Contractor* shall notify the *Construction Manager* in writing requesting direction immediately upon such variance or change becoming known. The *Owner*, through the *Construction Manager*, will issue the changes required to the *Contract Documents* as provided in GC 6.1 – OWNER’S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.
- 10.2.6 If the *Trade Contractor* fails to advise the *Construction Manager* in writing, fails to obtain direction as required in paragraph 10.2.5, and performs work knowing it to be contrary to any laws, ordinances, rules, regulations or codes, the *Trade Contractor* shall be responsible for and shall correct the violations thereof; and shall bear the costs, expenses and damages attributable to the failure to comply with the provisions of such laws, ordinances, rules, regulations, or codes.
- 10.2.7 If, subsequent to the time of bid closing, changes are made to applicable laws, ordinances, rules, regulations, or codes of authorities having jurisdiction which affect the cost of the *Work*, either party may submit a claim in accordance with the requirements of GC 6.6 – CLAIMS FOR A CHANGE IN CONTRACT PRICE.

### GC 10.3 PATENT FEES

- 10.3.1 The *Trade Contractor* shall pay the royalties and patent licence fees required for the performance of the *Contract*. The *Trade Contractor* shall hold the *Owner* harmless from and against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the *Trade Contractor's* performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention by the *Trade Contractor* or anyone for whose acts the *Trade Contractor* may be liable.
- 10.3.2 The *Owner* shall hold the *Trade Contractor* harmless against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the *Trade Contractor's* performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention in executing anything for the purpose of the *Contract*, or any model, plan or design which was supplied to the *Trade Contractor* as part of the *Contract*.

### GC 10.4 WORKERS' COMPENSATION

- 10.4.1 Prior to commencing the *Work*, and again with the *Trade Contractor's* application for payment of the holdback amount following *Substantial Performance of the Work*, and again with the *Contractor's* application for final payment, the *Trade Contractor* shall provide evidence of compliance with workers' compensation legislation at the *Place of the Project*, including payments due thereunder.
- 10.4.2 At any time during the term of the *Contract*, when requested by the *Construction Manager*, the *Trade Contractor* shall provide such evidence of compliance with workers' compensation legislation at the *Place of the Project* by the *Trade Contractor* and any *Trade Subcontractors*.

## PART 11 INSURANCE AND CONTRACT SECURITY

### GC 11.1 INSURANCE

- 11.1.1 Without restricting the generality of GC 12.1 – INDEMNIFICATION, the *Trade Contractor* shall provide, maintain and pay for the following insurance coverages, the minimum requirements of which are specified in CCDC 41 – INSURANCE REQUIREMENTS in effect at the time of bid closing except as hereinafter provided:
- .1 Automobile Liability Insurance from the date of commencement of the *Work* until one year after the date of *Substantial Performance of the Work*;
  - .2 Aircraft or Watercraft Liability Insurance when owned or non-owned aircraft or watercraft are used directly or indirectly in the performance of the *Work*; and
  - .3 Contractors' Equipment Insurance from the date of commencement of the *Work* until one year after the date of *Substantial Performance of the Work*.

- 11.1.2 If the *Trade Contractor* fails to provide or maintain insurance as required by the *Contract Documents*, then the *Owner* shall have the right to provide and maintain such insurance and give evidence to the *Trade Contractor*, the *Construction Manager* and the *Consultant*. The *Trade Contractor* shall pay the cost thereof to the *Owner* on demand or the *Owner* may deduct the cost from any amount which is due or may become due to the *Trade Contractor*.
- 11.1.3 The *Owner* shall obtain, maintain and pay for 'wrap-up' general liability insurance in the joint names of the *Owner*, the *Construction Manager*, the *Consultant* and the *Trade Contractor* with limits of not less than \$10,000,000 per occurrence and a deductible not more than \$10,000. The insurance coverage shall be primary to all other insurance policies and shall not be substantially less than the insurance provided by IBC Form 2100 (including an extension for a standard provincial and territorial form of non-owned automobile liability policy) and IBC Form 2320, except for liability arising from damage to the *Project* during construction, which shall be limited to the completed operations period. The insurance shall be maintained from the date of commencement of the *Project* until 90 calendar days after the *Project In-Use Date*. The *Owner* is responsible to provide coverage for completed operations hazards from the *Project In-Use Date* for a period of 2 year. The *Trade Contractor* shall then provide, maintain and pay for liability insurance coverage for completed operations hazards with limits of not less than \$5,000,000 per occurrence and a deductible not more than \$5,000 on an ongoing basis for a further period of 4 years.
- 11.1.4 The *Owner* shall provide, maintain and pay for the following insurance coverages:
1. "Broad form" property insurance in the joint names of the *Owner*, the *Trade Contractor*, the *Construction Manager*, and the *Consultant*. The policy shall have limits of not less than the sum of 1.1 times *Contract Price*, and the full value, as stated in the *Contract*, of products and design services that are specified to be provided by the *Owner* for incorporation into the *Work*, with a deductible not exceeding \$10,000. The insurance coverage shall not be less than the insurance provided by the latest edition of IBC Forms 4042 and 4047 or their equivalent replacement. In addition to the exclusions identified in the latest edition of IBC forms 4042 and 4047, the *Owner* is not required to provide insurance coverage for Asbestos, Cyber Risk, Mould, or Terrorism. The "Broad form" property insurance shall be provided from the date of commencement of the *Work* until the earliest of:
    - (1) 10 calendar days after the date of *Substantial Performance of the Work*;
    - (2) on the commencement of use or occupancy of any part or section of *Work* unless such use or occupancy is for construction purposes, habitational, office, banking, convenience store under 465 square metres in area, or parking purposes, or for the installation, testing and commissioning of equipment forming part of the *Work*;
    - (3) when left unattended for more than 30 consecutive calendar days or when construction activity has ceased for more than 30 consecutive calendar days.
  2. Boiler and machinery insurance in the joint names of the *Owner*, the *Trade Contractor*, the *Construction Manager*, and the *Consultant*. The insurance shall have limits of not less than the replacement value of the permanent or temporary boilers and pressure vessels, and other insurable objects forming part of the *Work*. The insurance coverage shall not be less than the insurance provided by a comprehensive boiler and machinery policy. The coverage shall be maintained continuously from commencement of use or operation of the boiler and machinery objects insured by the policy and until 10 calendar days after the date of *Substantial Performance of the Work*.
  3. The "Broad form" property and boiler and machinery policies shall provide that, in the case of a loss or damage, payment shall be made to the *Owner*, the *Trade Contractor*, the *Construction Manager*, and the *Consultant* as their respective interests may appear. In the event of loss or damage:
    - (1) the *Construction Manager* shall act on behalf of the *Owner*, the *Trade Contractor* and the *Consultant* for the purpose of adjusting the amount of such loss or damage payment with the insurers. When the extent of the loss or damage is determined, the *Trade Contractor* shall proceed to restore the *Work*. Loss or damage shall not affect the rights and obligations of either party under the *Contract* except that the *Trade Contractor* shall be entitled to such reasonable extension of *Contract Time* relative to the extent of the loss or damage as the *Construction Manager* may recommend in consultation with the *Trade Contractor*;
    - (2) the *Trade Contractor* shall be entitled to receive from the *Owner*, in addition to the amount due under the *Contract*, the amount which the *Owner's* interest in restoration of the *Work* has been appraised, such amount to be paid as the restoration of the *Work* proceeds in accordance with the progress payment provisions. In addition the *Trade Contractor* shall be entitled to receive from the payments made by the insurer the amount of the *Trade Contractor's* interest in the restoration of the *Work*; and
    - (3) to the *Work* arising from the work of the *Owner*, the *Owner's* own forces or another contractor, in accordance with the *Owner's* obligations under the provisions relating to construction by *Owner* or other contractors, shall pay the *Trade Contractor* the cost of restoring the *Work* as the restoration of the *Work* proceeds and as in accordance with the progress payment provisions.

- 11.1.5 Prior to commencement of the *Work* and upon the placement, renewal, amendment, or extension of all or any part of the insurance,
- .1 the *Trade Contractor* shall promptly provide the *Construction Manager* with confirmation of coverage under the policies specified in paragraph 11.1.1 and, if required, a certified true copy of the policies certified by an authorized representative of the insurer together with copies of any amending endorsements applicable to the *Work*; and
  - .2 the *Owner*, through the *Construction Manager*, shall promptly provide the *Trade Contractor* with confirmation of coverage under the policies specified in paragraphs 11.1.3 and 11.1.4 and, if required, a certified true copy of the policies certified by an authorized representative of the insurer together with copies of any amending endorsements applicable to the *Work*.
- 11.1.6 The parties shall pay their share of the deductible amounts in direct proportion to their responsibility in regards to any loss for which the above policies are required to pay, except where such amounts may be excluded by the terms of the *Contract*.
- 11.1.7 All required insurance policies shall be with insurers licensed to underwrite insurance in the jurisdiction of the *Place of the Project*.
- 11.1.8 If a revised version of CCDC 41 – INSURANCE REQUIREMENTS is published, which specifies reduced insurance requirements, the parties shall address such reduction, prior to the insurance policy becoming due for renewal, and record any agreement in a *Change Order*.
- 11.1.9 If a revised version of CCDC 41 – INSURANCE REQUIREMENTS is published, which specifies increased insurance requirements, either party may request the increased coverage by way of a *Change Order*.
- 11.1.10 A *Change Directive* shall not be used to direct a change in the insurance requirements in response to the revision of CCDC 41 – INSURANCE REQUIREMENTS.

## GC 11.2 CONTRACT SECURITY

- 11.2.1 The *Trade Contractor* shall, prior to commencement of the *Work* or within the specified time, provide to the *Construction Manager* any *Contract* security specified in the *Contract Documents*.
- 11.2.2 If the *Contract Documents* require surety bonds to be provided, such bonds shall be issued by a duly licensed surety company authorized to transact the business of suretyship in the province or territory of the *Place of the Project* and shall be maintained in good standing until the fulfillment of the *Contract*. The form of such bonds shall be in accordance with the latest edition of the CCDC approved bond forms.

## PART 12 INDEMNIFICATION, WAIVER OF CLAIMS AND WARRANTY

### GC 12.1 INDEMNIFICATION

- 12.1.1 Without restricting the parties' obligation to indemnify as described in paragraphs 12.1.4 and 12.1.5, the *Owner* and the *Trade Contractor* shall each indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings whether in respect to losses suffered by them or in respect to claims by third parties that arise out of, or are attributable in any respect to, their involvement as parties to this *Contract*, provided such claims are:
- .1 caused by:
    - (1) the negligent acts or omissions of the party from whom indemnification is sought or anyone for whose acts or omissions that party is liable, or
    - (2) a failure of the party to the *Contract* from whom indemnification is sought to fulfill its terms or conditions; and
  - .2 made by *Notice in Writing* within a period of 6 years from the date of *Substantial Performance of the Work* as set out in the certificate of *Substantial Performance of the Work* issued pursuant to paragraph 5.4.2.2 of GC 5.4 – SUBSTANTIAL PERFORMANCE OF THE WORK or within such shorter period as may be prescribed by any limitation statute of the province or territory of the *Place of the Project*.
- The parties expressly waive the right to indemnity for claims other than those provided for in this *Contract*.
- 12.1.2 The obligation of either party to indemnify as set forth in paragraph 12.1.1 shall be limited as follows:
- .1 In respect to losses suffered by the *Owner* and the *Trade Contractor* for which insurance is to be provided by either party pursuant to GC 11.1 – INSURANCE, the insurance limit for the loss so covered in effect at the time of bid closing.
  - .2 In respect to losses suffered by the *Owner* and the *Trade Contractor* for which insurance is not required to be provided by either party in accordance with GC 11.1 – INSURANCE, the greater of the *Contract Price* as recorded in Article A-4 – CONTRACT PRICE or \$2,000,000, but in no event shall the sum be greater than \$20,000,000.



- .3 In respect to claims by third parties for direct loss resulting from bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, the obligation to indemnify is without limit. In respect to all other claims for indemnity as a result of claims advanced by third parties, the limits of indemnity set forth in paragraphs 12.1.2.1 and 12.1.2.2 shall apply.
- 12.1.3 The obligation of either party to indemnify the other as set forth in paragraphs 12.1.1 and 12.1.2 shall be inclusive of interest and all legal costs.
- 12.1.4 The *Owner* and the *Trade Contractor* shall indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of their obligations described in GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES.
- 12.1.5 The *Owner* shall indemnify and hold harmless the *Trade Contractor* from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings:
- .1 as described in paragraph 10.3.2 of GC 10.3 – PATENT FEES, and
  - .2 arising out of the *Trade Contractor's* performance of the *Contract* which are attributable to a lack of or defect in title or an alleged lack of or defect in title to the *Place of the Project*.
- 12.1.6 In respect to any claim for indemnity or to be held harmless by the *Owner* or the *Trade Contractor*:
- .1 *Notice in Writing* of such claim shall be given within a reasonable time after the facts upon which such claim is based became known;
  - .2 should either party be required, as a result of its obligation to indemnify the other, pay or satisfy a final order, judgment or award made against the party entitled by this contract to be indemnified, then the indemnifying party upon assuming all liability for any costs that might result shall have the right to appeal in the name of the party against whom such final order or judgment has been made until such rights of appeal have been exhausted.

## GC 12.2 WAIVER OF CLAIMS

- 12.2.1 Subject to any lien legislation applicable to the *Place of the Project*, as of the fifth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Project*, the *Trade Contractor* waives and releases the *Owner* from all claims which the *Trade Contractor* has or reasonably ought to have knowledge of that could be advanced by the *Trade Contractor* against the *Owner* arising from the *Trade Contractor's* involvement in the *Work*, including, without limitation, those arising from negligence or breach of contract in respect to which the cause of action is based upon acts or omissions which occurred prior to or on the date of *Substantial Performance of the Work*, except as follows:
- .1 claims arising prior to or on the date of *Substantial Performance of the Work* for which *Notice in Writing* of claim has been received by the *Owner* from the *Trade Contractor* no later than the sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Project*;
  - .2 indemnification for claims advanced against the *Trade Contractor* by third parties for which a right of indemnification may be asserted by the *Trade Contractor* against the *Owner* pursuant to the provisions of this *Contract*;
  - .3 claims for which a right of indemnity could be asserted by the *Trade Contractor* pursuant to the provisions of paragraphs 12.1.4 or 12.1.5 of GC 12.1 – INDEMNIFICATION; and
  - .4 claims resulting from acts or omissions which occur after the date of *Substantial Performance of the Work*.
- 12.2.2 The *Trade Contractor* waives and releases the *Owner* from all claims referenced in paragraph 12.2.1.4 except for those referred in paragraphs 12.2.1.2 and 12.2.1.3 and claims for which *Notice in Writing* of claim has been received by the *Owner* from the *Trade Contractor* within 395 calendar days following the date of *Substantial Performance of the Work*.
- 12.2.3 Subject to any lien legislation applicable to the *Place of the Project*, as of the fifth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Project*, the *Owner* waives and releases the *Trade Contractor* from all claims which the *Owner* has or reasonably ought to have knowledge of that could be advanced by the *Owner* against the *Trade Contractor* arising from the *Owner's* involvement in the *Work*, including, without limitation, those arising from negligence or breach of contract in respect to which the cause of action is based upon acts or omissions which occurred prior to or on the date of *Substantial Performance of the Work*, except as follows:
- .1 claims arising prior to or on the date of *Substantial Performance of the Work* for which *Notice in Writing* of claim has been received by the *Trade Contractor* from the *Owner* no later than the sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Project*;
  - .2 indemnification for claims advanced against the *Owner* by third parties for which a right of indemnification may be asserted by the *Owner* against the *Trade Contractor* pursuant to the provisions of this *Contract*;

- .3 claims for which a right of indemnity could be asserted by the *Owner* against the *Trade Contractor* pursuant to the provisions of paragraph 12.1.4 of GC 12.1 – INDEMNIFICATION;
  - .4 damages arising from the *Trade Contractor*'s actions which result in substantial defects or deficiencies in the *Work*. "Substantial defects or deficiencies" mean those defects or deficiencies in the *Work* which affect the *Work* to such an extent or in such a manner that a significant part or the whole of the *Work* is unfit for the purpose intended by the *Contract Documents*;
  - .5 claims arising pursuant to GC 12.3 – WARRANTY; and
  - .6 claims arising from acts or omissions which occur after the date of *Substantial Performance of the Work*.
- 12.2.4 The *Owner* waives and releases the *Trade Contractor* from all claims referred to in paragraph 12.2.3.4 except claims for which *Notice in Writing* of claim has been received by the *Trade Contractor* from the *Owner* within a period of six years from the date of *Substantial Performance of the Work* should any limitation statute of the Province or Territory of the *Place of the Project* permit such agreement. If the applicable limitation statute does not permit such agreement, within such shorter period as may be prescribed by:
- .1 any limitation statute of the Province or Territory of the *Place of the Project*; or
  - .2 the Civil Code of Quebec, if the *Place of the Project* is the Province of Quebec.
- 12.2.5 The *Owner* waives and releases the *Trade Contractor* from all claims referenced in paragraph 12.2.3.6 except for those referred in paragraph 12.2.3.2, 12.2.3.3 and those arising under GC 12.3 – WARRANTY and claims for which *Notice in Writing* has been received by the *Trade Contractor* from the *Owner* within 395 calendar days following the date of *Substantial Performance of the Work*.
- 12.2.6 *Notice in Writing* of claim as provided for in GC 12.2 – WAIVER OF CLAIMS to preserve a claim or right of action which would otherwise, by the provisions of GC 12.2 – WAIVER OF CLAIMS, be deemed to be waived, must include the following:
- .1 a clear and unequivocal statement of the intention to claim;
  - .2 a statement as to the nature of the claim and the grounds upon which the claim is based; and
  - .3 a statement of the estimated quantum of the claim.
- 12.2.7 The party giving *Notice in Writing* of claim as provided for in GC 12.2 – WAIVER OF CLAIMS shall submit within a reasonable time a detailed account of the amount claimed.
- 12.2.8 Where the event or series of events giving rise to a claim made under paragraphs 12.2.1 or 12.2.3 has a continuing effect, the detailed account submitted under paragraph 12.2.7 shall be considered to be an interim account and the party making the claim shall submit further interim accounts, at reasonable intervals, giving the accumulated amount of the claim and any further grounds upon which it is based. The party making the claim shall submit a final account after the end of the effects resulting from the event or series of events.
- 12.2.9 If a *Notice in Writing* of claim pursuant to paragraph 12.2.1.1 is received on the seventh or sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Project*, the period within which *Notice in Writing* of claim shall be received pursuant to paragraph 12.2.3.1 shall be extended to two calendar days before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Project*.
- 12.2.10 If a *Notice in Writing* of claim pursuant to paragraph 12.2.3.1 is received on the seventh or sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Project*, the period within which *Notice in Writing* of claim shall be received pursuant to paragraph 12.2.1.1 shall be extended to two calendar days before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Project*.

### GC 12.3 WARRANTY

- 12.3.1 Except for extended warranties as described in paragraph 12.3.7, the warranty period under the *Contract* is one year from the later of the date of *Substantial Performance of the Work* and the *Project In-Use Date*.
- 12.3.2 The *Trade Contractor* shall be responsible for the proper performance of the *Work* to the extent that the design and *Contract Documents* permit such performance.
- 12.3.3 The *Trade Contractor* shall submit to the *Construction Manager* for the *Owner*'s acceptance all written warranties and related documents required by the *Contract Documents*.
- 12.3.4 The *Owner*, through the *Construction Manager*, shall promptly give the *Trade Contractor* *Notice in Writing* of observed defects and deficiencies that occur during the one year warranty period.

- 12.3.5 Subject to paragraph 12.3.2, the *Trade Contractor* shall correct promptly, at the *Trade Contractor's* expense, defects or deficiencies in the *Work* which appear prior to and during the one year warranty period.
- 12.3.6 The *Trade Contractor* shall correct or pay for damage resulting from corrections made under the requirements of paragraph 12.3.5.
- 12.3.7 Any extended warranties beyond the one year warranty period as described in paragraph 12.3.1, shall be as specified in the *Contract Documents*. Extended warranties shall be issued by the warrantor to the benefit of the *Owner*. The *Trade Contractor's* responsibility with respect to extended warranties shall be limited to obtaining any such extended warranties from the warrantor. The obligations under such extended warranties are solely the responsibilities of the warrantor.

The following modifications are to be read in conjunction with and form part of Standard Construction Document – CCDC 17 – 2010 in regard to this *Project*.

## Agreement Between Owner and Trade Contractor for Construction Management Projects

### Article A-1    The Work

- 1.1        in the last sentence strike out the word “*Consultant*”.
- 1.3        Revise .1 to read:
- .1        in accordance with Schedule under Specification Section 00 22 00 Contract Scope of Work.
- Strike out sentences .2 and .3

### Article A-4    Contract Price

Add paragraph 4.6 as follows:

- 4.6        In paragraph 4.1, despite the phrase “which excludes *Value Added Taxes*” that appears in the first line, British Columbia Provincial Sales Tax (if applicable) is included in the *Contract Price*. In paragraph 4.2, the amount shown for *Value Added Taxes* consists only of Goods and Services Tax (GST) at [5%] and does not include British Columbia Provincial Sales Tax (which, as previously stated, is included in the *Contract Price*).

### Article A-5    Payment

- 5.1        Complete this sentence to indicate a holdback of TEN percent (10%).
- 5.3        Interest
- 5.3.1    Complete the last sentence to read:
- The prime rate shall be the rate of interest quoted by The Royal Bank of Canada, Vancouver, BC, for prime business loans as it may change from time to time.

### Article A-8    Language Of The Contract

- 8.1        Strike out the word “French”.

## Definitions

### Change Order

Revise to read:

A *Change Order* is a written amendment to the *Contract* issued by the *Construction Manager* and signed by the *Construction Manager*, as agent for the *Owner*, only after obtaining the approval of the *Owner* and the *Trade Contractor*, through a signed contemplated change notice, stating their agreement upon:

- a change in the *work*
- the method of adjustment or the amount of the adjustment in the *Contract Price*, if any; and
- the extent of the adjustment in the *Contract Time*, if any

### Payment Certifier

Revise to read:

The *Payment Certifier* is the *Construction Manager*.

### Add the following:

#### Best Trade Practice

“Best Trade Practice” means practice of the industry and not “local practice”.

## General Conditions of the Contract

### GC 1.1 CONTRACT DOCUMENTS

- 1.1.6.1 Revise the order of priority so that the Supplementary General Conditions are before the definitions.

Add the following:

- 1.1.10 All instructions given by the *Construction Manager* on behalf of the *Consultant* or the *Owner* under the *Contract Documents* shall be given to the *Trade Contractor* and the *Trade Contractor* shall be responsible for giving such instructions to *Trade Subcontractors* as may be necessary for the due and proper performance of the *Work* being performed by *Trade Subcontractors* on behalf of the *Trade Contractor*.

### GC 1.2 LAW OF THE CONTRACT

- 1.2.1 Delete and substitute the following:  
The laws of the Province of British Columbia shall govern the interpretation of the *Contract*.

### GC 1.4 ASSIGNMENT

- 1.4.1 Delete the words “, which consent shall not be unreasonably withheld”.

Add GC 1.5 as follows:

### GC 1.5 MISCELLANEOUS

- 1.5.1 As to any variance or discrepancy between the CCDC document and the terms and provisions of these Supplementary Conditions, the terms and provisions of these Supplementary Conditions shall govern and prevail.
- 1.5.2 If any term or provision of the *Contract* is held to be invalid or unenforceable, the *Owner* may elect to sever and delete such term or provision, and the remainder of the *Contract* shall remain in full force and effect.
- 1.5.3 In all provisions of the *Contract* containing a release or disclaimer or waiver or exculpatory language in favor of the *Owner* or an indemnity in favor of the *Owner*, references to the *Owner* include (whether or not expressly stated) all directors, officers, agents and employees of the *Owner*, and the *Consultant* and the directors, officers, agents and employees the *Consultant*, and the *Construction Manager* and the directors, officers, agents and employees the *Construction Manager*, it being understood and agreed that, for this clause and all such provisions of the *Contract*, the *Owner* is deemed to be acting as agent or trustee on behalf of them and for their benefit to the extent necessary for them to receive and be entitled to the benefits of this clause and such provisions."

### GC 2.4 DEFECTIVE WORK

- 2.4.3 Delete the words “the difference in value between the work as performed and that called for by the *Contract Documents*”, and replace with “the value of such work as is necessary to correct any non-compliance with the *Contract Documents*”.

### GC 3.2 CONSTRUCTION BY OWNER, CONSTRUCTION MANAGER OR OTHER CONTRACTORS

- 3.2.2 The Trade Contractor shall:
- .1 Revise to read:  
Coordinate their work on site with Specification Section 01 00 50 General Instructions and their use of the site and Construction Facilities in accordance with Specification Section 01 50 00.

Add new paragraph 3.2.5 as follows:

- 3.2.5 If the Trade Contractor has caused damage to the work of another contractor on the Project, the Trade Contractor agrees to settle the matter with the other contractor by negotiation or arbitration. If the other contractor makes a claim against the Owner on account of damage alleged to have been so sustained, the Owner shall notify the Trade Contractor and may require the Trade Contractor to defend the action at the Trade Contractor's expense. The Trade Contractor shall satisfy a final order or judgment against the Owner and pay the costs incurred by the Owner arising from such action. Paragraph 12.1.6.2 of GC 12.1 INDEMNIFICATION shall apply.

#### **GC 3.4 DOCUMENT REVIEW**

- 3.4.1 Immediately before the words "shall not proceed" in the seventh line, insert "shall promptly report the matter to the Owner, the Construction Manager and the Consultant, and the Trade Contractor".

Add new paragraph 3.4.2 as follows:

- 3.4.2 Notwithstanding paragraph 3.4.1, the Trade Contractor represents and agrees that it has examined all of the Contract Documents to fully acquaint itself with the complete scope and requirements of the Work prior to the execution of the Contract and that no claim for a change in the Work will be accepted as a result of failure of the Trade Contractor to do so.

#### **GC 3.5 CONSTRUCTION SCHEDULE**

- 3.5.2 Revise the words "on a monthly basis" to "as described in Specification 00 22 00 Contract Scope of Work".

Add new paragraphs 3.5.4 and 3.5.5 as follows:

- 3.5.4 Time is of the essence in the performance of the Contract.
- 3.5.5 The Trade Contractor shall take whatever action is necessary, including without limitation extra shift work, to ensure the completion of the Work within the Contract Time at no additional cost to the Owner.

#### **GC 3.6 SUPERVISION**

- 3.6.1 Revise the second sentence to read:  
If, for a valid reason, the Trade Contractor requires a change in its appointed representative, the Trade Contractor must provide the Construction Manager with written notice of its intention to change the appointed representative and the valid reasons for the change.

#### **GC3.7 TRADE SUBCONTRACTORS AND SUPPLIERS**

- 3.7.2 To the end of the paragraph add the following:  
The selection of Trade Subcontractors and Suppliers for the Work or parts thereof is subject to any stipulation made by the Owner or the Consultant, or agreed upon by the Owner and the Trade Contractor, regarding Trade Subcontractors or Suppliers, during the bidding process or leading up to the Contract. The Trade Contractor shall not be entitled to change any of the proposed Trade Subcontractors or Suppliers or to change any specified Product or system without the written consent of the Owner. If an approved change results in savings to the Contract Price, such savings shall be credited to the Owner.

Add new paragraph 3.7.7 as follows:

- 3.7.7 The Trade Contractor shall be responsible and accountable for its Trade Subcontractors and Suppliers. In the interpretation of the Contract, the terms and conditions of the Contract relative to the Trade Contractor will extend and apply to the Trade Subcontractors and Suppliers. The Trade Contractor will ensure compliance by the Trade Subcontractors and Suppliers with the terms and conditions of the Contract and performance by the Trade Subcontractors and Suppliers in accordance with the requirements of the Contract. Any failure, breach or default

on the part of a *Trade Subcontractor* or *Supplier* shall be treated as and shall constitute failure, breach or default by the *Trade Contractor* under the *Contract*.

**GC 3.8 LABOUR AND PRODUCTS**

**3.8.2** Revise to read:

The *Trade Contractor* shall provide and pay for labour, *Products*, tools, *Construction Equipment*, water, heat, light, power, transportation, and other facilities and services necessary for the performance of the *Work* in accordance with the *Contract*. The *Trade Contractor* shall make itself aware of Construction Facilities provided by the *Construction Manager* in accordance with Specification Section 01 50 00 Construction Facilities.

**3.8.3** Add the following:

*Products* which are not specified shall conform to current applicable specifications and regulations of the Canadian Standards Association, Technical Builders' Bulletin, Canadian Government Specifications Board, National Building Code, British Columbia Building Code, American Society for Testing and Materials, Trade Association Specifications and all authorities having jurisdiction at the *Place of the Project*.

Add the following new clauses:

**3.8.4** No person shall with relation to their employment or eligibility for employment be discriminated against by reason of their racial origin, religious views, trade union or political affiliations.

**3.8.5** The *Trade Contractor* shall supply labour that is compatible with other labour employed on the work. In event of labour disputes arising from provision of skilled or unskilled labour by *Trade Contractor* or their Subcontractors, *Trade Contractor* shall, to satisfaction of *Construction Manager*, make such arrangements as are necessary to preclude delay to the work or to the work of others at the site of the work. Refer to GC 6 Delays.

**3.8.6** Superintendents, foremen and/or mechanics whose work is unsatisfactory to the *Construction Manager*, *Owner* or *Consultant* and are considered by the *Construction Manager* to be unskilled or reasonably objectionable shall be instantly dismissed from the work upon written notice of the *Construction Manager*.

**3.8.7** All work shall at least conform to the *Contract Documents*, the National Building Code of Canada, the British Columbia Building Code, the rules and customs of *Best Trade Practice*.

**3.8.8** Only materials or articles specified or approved for substitution by the *Consultant* and authorized in writing by the *Owner*, will be permitted in the *Work*. Unspecified materials or rejected substitutions, if built into the *Work* shall be replaced with the specified material at no additional cost to the *Owner*. Should the *Trade Contractor* for any reason consider that the *Trade Contractor* will be unable to perform any section of *Work*, or will be unable to produce specified warranties if work is carried out in accordance with drawings and specifications, the *Trade Contractor* shall so advise the *Construction Manager* in writing and shall not proceed until specific written direction has been received. Failure to so advise the *Construction Manager* will be taken as acceptance that work will be complete in every respect and that specified warranties will be provided.

**3.8.9** A *Product* or construction method or system singly named in the specifications is considered exclusive and its use is mandatory unless a satisfactory alternative is approved in advance by the *Consultant*. Where multiple names are given, each named *Product* or construction method or system is approved for use under the *Contract* and the choice rests with the *Trade Contractor*. Alternatives will be considered only when submitted in sufficient time to permit proper investigation by the *Consultant*. In applying for the use of alternatives, the *Trade Contractor* shall prove to the *Consultant's* sole satisfaction that the alternative is equal to or better than the specified *Product* or construction method or system and compatible in every respect with the design of the *Project* at no additional cost to the *Owner*.

- 3.8.10 *Products* may be specified by reference to brand names, proprietary names, trademarks or catalogue numbers, designations or symbols. In such cases, the name of a manufacturer, distributor, supplier or dealer may be given to assist the *Trade Contractor* to find a source of supply. This shall not relieve the *Trade Contractor* from its responsibility for finding its own source of supply even if the source named no longer supplies the *Product* specified. If the *Trade Contractor* is unable to obtain the specified *Product*, the *Trade Contractor* shall supply an alternative *Product* as approved by the *Consultant* which is equal to or better than the specified *Product* at no additional cost to the *Owner*.
- 3.8.11 All *Products* shall be used strictly according to manufacturers' printed directions or recommendations unless specifically stated otherwise in the specifications. All *Products* shall be properly packed for delivery, must be delivered in their original containers, crates, wrappings, etc. and must be clearly identified with manufacturers' name and address, product type and name. All *Products* shall be stored as recommended by the manufacturer and kept dry at the recommended temperature where applicable. Any damaged material shall be rejected and the *Trade Contractor* shall remove such material from the Place of the *Work* at the *Trade Contractor's* own expense.

#### GC 3.10 SHOP DRAWINGS

- 3.10.9 Add the following to the end of paragraph:  
If the *Shop Drawings* deviate in any manner from the requirements for the *Work* as set out in *Contract Documents*, the *Trade Contractor* shall advise the *Consultant* of same in writing, in a communication separate from the *Shop Drawings* themselves, at the time of submission of the *Shop Drawings*, stating in detail how, where and why the *Shop Drawings* and any associated or related submissions differ from the requirements for the *Work* established by the *Contract Documents* and seeking written authorization from the *Owner* and *Consultant* for such deviation. The mere submission of *Shop Drawings* does not constitute notice of a proposed deviation from the *Contract* requirements. In the absence of such express notice, the *Owner* and *Consultant* are entitled to assume that the *Shop Drawings* comply strictly with the requirements for the *Work* as set out in the *Contract Documents*.

#### GC 3.11 USE OF THE SITE

Add the following new clauses:

- 3.11.3 The *Owner* reserves the right to take possession of and use any completed or partially completed portion of the building, regardless of the time of completion of the entire *Work*, providing that doing so does not interfere with the *Trade Contractor's Work*. Such taking possession or use of the buildings or part thereof shall not be construed as *Substantial Performance of the Work* or part thereof, or as Final Certificate for Payment, or as an acknowledgement of fulfillment of the *Contract*.
- 3.11.4 The *Trade Contractor* shall schedule the operations for completion of portions of the *Work* as designated for the *Owner's* occupancy, prior to *Substantial Performance of the Work*. There will only be one date of Substantial Performance for the *Contract*.
- 3.11.5 The *Consultant* shall prepare a list of deficiencies prior to the *Owner* taking possession of any portion of the *Work*. The *Trade Contractor* shall comply with all requirements, and correct all deficiencies notwithstanding *Owner's* possession.

#### GC 4.1 CASH ALLOWANCES

Delete this section entirely and substitute the following:

- 4.1.1 The Contract Price **DOES NOT INCLUDE ANY CASH ALLOWANCES.**

#### GC 4.2 CONTINGENCY ALLOWANCE



Delete this section entirely and substitute the following:

- 4.2.1 The Contract Price **DOES NOT INCLUDE ANY CONTINGENCY ALLOWANCE.**

#### **GC 5.2 APPLICATIONS FOR PAYMENT**

- 5.2.6 Delete entirely and substitute the following:

Each and every original application for payment (invoice) dated the last day of each month shall include:

- .1 An original progress Invoice;
- .2 Progress Breakdown describing the portion and value of *Work* completed to date, value of any *Products* delivered to the Place of the *Work* during the Payment Period to which the application refers but not yet incorporated into the *Work* only if they are scheduled to be installed within sixty (60) days of the date of that application;
- .3 A statutory declaration, Statement of Claims BC-4 completed and sworn before a Notary Public or a Commissioner for Oaths for the Province of British Columbia;
- .4 Current WorkSafe BC Clearance Letter;
- .5 In addition to the above each and every original application for payment subsequent to the first application for payment shall include a Provincial Statutory Declaration BC-2 or CCDC 9A, which shall be completed and sworn before a Notary Public or a Commissioner for Oaths for the Province of British Columbia.

All above documentation and any other documents required by the *Contract Documents*, must be received by the *Construction Manager* on or before the fifth day of the month to be eligible for processing in that month. **Emailed applications are acceptable.**

#### **GC 5.3 PROGRESS PAYMENT**

- 5.3.1 Delete entirely and substitute the following:

After the *Construction Manager* receives an application for payment from the Trade Contractor as described in GC 5.2 APPLICATIONS FOR PAYMENT:

- .1 The *Construction Manager* will, not later than the 20<sup>th</sup> day of the month, forward invoices submitted in accordance with GC 5.2 APPLICATIONS FOR PROGRESS PAYMENT to the *Owner* for payment in the amount applied for or in such other amounts as the *Construction Manager* determines to be properly due.
- .2 The *Owner* shall make payment under the Contract, by delivery to the *Construction Manager*, the amount owing to the Trade Contractor on account as *Provided* in Article A-5 of the Agreement – PAYMENT no later than the last day of the month during which the *Construction Manager* forwards the invoicing referred to in 5.2 above.
- .3 Upon receipt from the *Owner* of an amount to be paid to the Trade Contractor, the *Construction Manager* within 5 Working Days of such payment receipt shall pay the amount outstanding to the Trade Contractor.

#### **GC 5.4 SUBSTANTIAL PERFORMANCE OF THE WORK**

Add the following additional clauses:

- 5.4.4 Should the *Consultant* find significantly more incomplete or deficient *Work* than those listed by the *Trade Contractor* in their application, the *Consultant* may elect to terminate the inspection and to not issue a Certificate of Substantial Completion. If the *Consultant* terminates the inspection, the *Trade Contractor* shall compensate the *Owner* for the additional time and expenses incurred by the *Construction Manager*, *Consultant*, *Sub consultants* and *Owner* in relation to multiple inspections.
- 5.4.5 Within seven days of the issuing of a Certificate of Substantial Completion, The *Construction Manager* will deliver copies to interested parties requesting copies and will post a copy in the *Construction Manager's* site office, in accordance with the *Builders Lien Act*.

5.4.6 After declaration of *Substantial Completion* by the *Consultant*, the value of Progress Payment applications shall be limited to the value of the *Contract* less;

- .1 twice the value of any deficiencies identified and determined by the *Consultant* and/or *Construction Manager*, and
- .2 the value of incomplete *Work*; and
- .3 the amount of all previous payments.

If the Trade Contractor fails to complete or correct the items referred to in .1 and .2 above within a reasonable time, as determined by the *Consultant* and/or *Construction Manager*, the Owner may use such monies to complete or correct such items. If the balance of the Contract Price is insufficient to cover this amount or to complete or correct such items without deductions from the holdback monies, the Owner may apply sufficient monies from the holdback monies to the extent that the holdback monies are not required to satisfy lien claims.

#### GC 5.5 PAYMENT OF HOLDBACK UPON SUBSTANTIAL PERFORMANCE OF THE WORK

5.5.1 Delete entire clause and substitute the following:

After the issuance of the certificate of *Substantial Performance of the Work*, the *Trade Contractor* shall submit to the *Construction Manager* the following:

- .1 an application for payment of the holdback amount, and
- .2 Provincial Statutory Declaration BC-1 or CCDC 9A, and
- .3 current Workers' Compensation Board Letter of Good Standing, and
- .4 the specified Operation & Maintenance Manuals, and
- .5 the specified Systems Demonstration video recording, and
- .6 the specified As-Built Drawings, and
- .7 a receipt for the specified Maintenance Materials, signed by the *Owner* or *Construction Manager*
- .8 letters of assurance (professional schedules)

5.5.2 Delete entire clause and substitute the following:

After the Construction Manager receives all items listed under clause 5.5.1 above, the Construction Manager will invoice the Owner an amount equivalent to the application for payment made by the Trade Contractor and will forward it to the *Owner* for payment in accordance with GC 5.2.

5.5.3 Delete entire clause and substitute the following:

Upon receipt from the Owner of a holdback amount to be paid to the Trade Contractor, the Construction Manager within 5 Working Days of such payment receipt shall pay the amount outstanding to the Trade Contractor.

5.5.4 Between the second and third sentence, insert the following new sentence:

The *Trade Contractor* shall be responsible for making application for payment in a timely manner to permit payment when due.

#### GC 5.7 FINAL PAYMENT

5.7.1 Add the following:

Such application for payment shall be accompanied by a copy of the most recent deficiency list with each and every item initialled by the *Trade Contractor* to confirm completion of each and every deficiency.

5.7.4 Delete the words "no later than 5 days after the issuance of a final certificate for payment" and substitute "not later than the last day of the month during which the application was forwarded".

**Add the following additional General Condition to the end of PART 5 PAYMENT**

#### GC 5.10 RIGHT OF SET-OFF

- 5.10.1 Without restricting any right of set-off given or implied by law the *Owner* may set-off against any amount payable under the *Contract Documents* to the *Trade Contractor* any amount payable to the *Owner* by the *Trade Contractor*.

**GC 5.11 CONSTRUCTION MANAGER ACTING AS AGENT FOR THE OWNER**

- 5.11.1 The Trade Contractor acknowledges and agrees that the Construction Manager, in processing the payments under the Contract, is acting as stakeholder and agent for the Owner only, and not as a party to this agreement nor as a contractor or subcontractor. Accordingly, Trade Contractor agrees that:

- .1 it has no claim, and will have no claim, against the Construction Manager for any amounts owing under this Contract, nor for any other reason in respect of work undertaken by it on the Project, and that the Owner, not the Construction Manager, is liable to pay the Trade Contractor for work undertaken by the Trade Contractor on the Project;
- .2 the Construction Manager shall not pay to the Trade Contractor anything more than is actually received by the Construction Manager from the Owner as the Trade Contractor's Allocation;
- .3 the amounts delivered by the Owner to the Construction Manager in accordance with this Contract shall not be "money received by a contractor or a subcontractor on account of the price of the contract or subcontract" and shall not constitute a "trust fund" as those phrases are used in section 10(1) of the Builders Lien Act, and the Construction Manager shall not be a trustee or fiduciary in respect of such funds;
- .4 all monies paid by the Construction Manager to the Trade Contractor shall in the hands of the Trade Contractor be "money received by a contractor or subcontractor on account of the price of the" Contract, shall constitute a trust fund for the benefit of persons engaged in connection with the Project by that Trade Contractor, and the Trade Contractor is the trustee of the fund, all as contemplated by section 10(1) of the Builders Lien Act; and
- .5 The Construction Manager will keep records regarding the total lien holdbacks due to each trade, however, per the Builders Lien Act Section 5 (8) and B.C. Reg. 265/98 1 (j), the Owner is exempt from the requirement to keep a separate holdback bank account as it is designated as a public body.

**GC 6.2 CHANGE ORDER**

Add the following new clauses:

- 6.2.3 The value of a change shall be determined in one or more of the following methods:
- .1 by estimate and acceptance of a lump sum split between labour and material;
  - .2 by unit prices set out in the *Contract* or subsequently agreed upon;
  - .3 by time and material valuation plus a cost and a fixed fee pursuant to paragraph 6.3.14.

**GC 6.3 CHANGE DIRECTIVE**

- 6.3.6.3 Revise to read:

The *Trade Contractor's* fee shall be in accordance with Supplementary GC 6.3.14. unless otherwise agreed in writing by the *Owner* and *Trade Contractor*.

Delete Clause 6.3.7.1 (1) through 6.3.7.1 (4) and revise the end of clause 6.3.7.1 to read as follows:

...wages and benefits paid by the *Trade Contractor*, for personnel employed in the direct physical construction of the work on site. All management, coordination, expediting, drawing review and processing costs shall be included within the fee specified in 6.3.14.

Add the following new Clause:

- 6.3.14 The Percentage Fee to be used in valuation of changes to the *Work* as defined in paragraph 6.3.7 are as follows;
- .1 Percentage Mark-up for overhead and profit on *Trade Contractor's* own *Work* 15%.

- .2 Percentage Mark-up on *Trade Subcontractors Work* 10% (the value of the *Trade Subcontractors Work* is the actual cost of the Labour and Material plus a maximum of 15% mark-up by the *Trade Subcontractors* for the *Trade Subcontractors* overhead and profit).

*Provided* that when the changes to the *Work* occur, the Percentage Mark-up referred to above shall be calculated on the cost of the additional *Work* caused by the change minus the value of the *Work* deleted as a result of the change. If the effect of the change is a credit, the Percentage Mark-up referred to above shall not be applied.

#### GC 6.5 DELAYS

Add the following new clauses:

- 6.5.6 Any instruction which has the effect of stopping or delaying the *Work* must be made in writing by the *Construction Manager* or the *Consultant*.
- 6.5.7 In the event of a delay of the *Work*, the *Trade Contractor* shall be responsible for the care, maintenance and protection of the *Work* for the entire period of the shut down and shall be entitled to costs.
- 6.5.8 Time is of the essence of the Contract and the Trade Contractor acknowledges that the Owner will suffer damages in the event that the *Work* is not performed strictly in accordance with the construction schedule submitted under paragraph 3.5 or Substantial Performance of the *Work* is not attained by the date established therefore in Article A-1 The *Work* subject to extensions of time permitted under paragraphs 6.5.1, 6.5.2 and 6.5.3. Such damages may include without limitation loss of rental income, additional interest on financing and losses suffered as a result of the termination of leases by tenants. Accordingly, the Trade Contractor agrees to reimburse the Owner in full for all such damages as may be suffered by the Owner in the event that the Trade Contractor fails to perform the *Work* or attain Substantial Performance of the *Work* as aforesaid.
- 6.5.9 If the Trade Contractor is delayed in the execution of the *Work* for any reason other than for which an extension of time is permitted under paragraphs 6.5.1, 6.5.2 and 6.5.3 or if the Trade Contractor fails to file written notice of a claim for extension as required under paragraph 6.5.4 or if the Trade Contractor does not perform the *Work* substantially in accordance with the construction schedule submitted under paragraph 3.5, the Trade Contractor shall take whatever measures are necessary at its own expense to attain Substantial Performance of the *Work* by the date set out in Article A-1 of the Agreement - THE WORK.

#### GC 7.2 TRADE CONTRACTORS RIGHT TO SUSPEND THE WORK OR TERMINATE THE CONTRACT

Add the following:

- 7.2.6 Paragraphs 7.2.3.2 and 7.2.3.3 shall not apply if the issuance of the certificate or the payment is withheld on account of the failure of the *Trade Contractor* or a *Trade Subcontractor* to satisfy claims arising from the performance of the *Work* until such claims are satisfied by payment or the posting of security therefore such that the Owner is satisfactorily indemnified from liens arising from such claims.

Add the following addition General Conditions to the end of PART 7 DEFAULT NOTICE

#### GC 7.3 SUSPENSION OF WORK BY THE OWNER

- 7.3.1 The *Owner* may require the *Trade Contractor* to suspend execution of the *Work* either for a specified or unspecified period by giving written notice to that effect to the *Trade Contractor*.
- 7.3.2 The *Trade Contractor*, upon receiving notice of the *Owner's* requirement pursuant to paragraph 7.3.1, shall immediately suspend all operations except those which, in the *Trade Contractor's* opinion, are necessary for the

care and preservation of the *Work*, the materials and plant. During the period of suspension the *Trade Contractor* shall remain responsible for the *Work* then in place, the materials and plant to the same extent as if there were no suspension.

- 7.3.3 During the period of suspension the *Trade Contractor* shall minimise the *Trade Contractor's* payroll costs and operating expenses and within fourteen (14) days of receipt of the notice of suspension deliver to the *Owner* a schedule of net expenses in respect of which the *Trade Contractor* claims to be reimbursed. The *Trade Contractor* shall not, during the period of suspension, remove from the site any part of the *Work* or any materials, plant or *Products* without the written consent of the *Owner*.
- 7.3.4 If the period of suspension is twenty (20) *Working Days* or less, the *Trade Contractor*, upon the expiration of the period of suspension, shall resume the execution of the *Work* and be entitled to the cost, calculated in accordance with GC 6.2 - *CHANGE ORDER* of any plant, labour and material necessarily involved in complying with the suspension notice, and the *Contract Time* shall be extended for a period of not less than the period of the suspension.
- 7.3.5 If the period of suspension is more than twenty (20) *Working Days* and if, upon the expiration of the period of suspension, the *Owner* and the *Trade Contractor* agree that the execution of the *Work* shall be completed by the *Trade Contractor*, the *Trade Contractor* shall resume operations and complete the execution of the *Work* in accordance with the *Contract Documents* modified by such terms and conditions, if any, agreed upon by the *Owner* and the *Trade Contractor*, and the *Contract Time* shall be extended to reflect the period of the suspension, but for a period not less than the period of the suspension.
- 7.3.6 If upon the expiration of a period of suspension of more than twenty (20) *Working Days*, the *Owner* and the *Trade Contractor* do not agree that the *Work* shall be completed by the *Trade Contractor* or they are unable to agree upon the terms and conditions under which the *Trade Contractor* will complete the *Work*, the notice of suspension shall be deemed to be a notice of termination pursuant to GC 7.4 - *TERMINATION OF CONTRACT WITHOUT DEFAULT*.

#### **GC 7.4    TERMINATION OF *CONTRACT* WITHOUT DEFAULT**

- 7.4.1 The *Owner* may, at any time and for any reason or without reason, and notwithstanding the fact that the *Trade Contractor* may not then be in default, upon giving five (5) working days written notice to the *Trade Contractor*, terminate the *Trade Contract* in whole or in part.
- 7.4.2 If the *Owner* exercises its rights under GC 7.4.1, then the *Trade Contractor* is entitled to be paid for:
- .1 all *Work* done to the date of termination, less any amounts that the *Owner* is entitled to withhold or set off under the *Trade Contract* or at law; plus
  - .2 reasonable, direct and foreseeable actual costs incurred as a result of termination.

The *Trade Contractor* is not entitled to be paid for any loss of profits, loss of anticipated profits or other consequential losses.

- 7.4.3 If the exercise by the *Owner* of its rights under GC 7.1.4 was determined to have been wrongful, then the termination pursuant to GC 7.1.4 shall be deemed to be a termination without default pursuant to GC 7.4.1 and the *Trade Contractor's* remedy shall be limited to that which it would have been paid pursuant to GC 7.4.2.

#### **GC 7.5    CLAIMS AGAINST AND OBLIGATIONS OF THE TRADE CONTRACTOR**

- 7.5.1 The *Trade Contractor* will comply with all laws in force relating to payment periods, statutory holdbacks and creation and enforcement of lien rights.
- 7.5.2 The *Trade Contractor* will discharge all lawful obligations and will satisfy all lawful claims against the *Trade Contractor* arising out of the execution of the *Work*.
- 7.5.3 The Trade Contractor is responsible to ensure that no claims of builders liens resulting from or arising out of the *Work* are filed against the Project. If any claim of builders lien is filed the Trade Contractor will take all steps necessary to have the lien removed within seven (7) working days, failing which the Owner may withhold and deduct from any money otherwise owed to the Trade Contractor the amount of the claim of lien plus 25% and may take steps to pay such amount into court pursuant to the Builders Lien Act. The Trade Contractor shall be liable to the Owner for all costs, including legal costs, incurred by the Owner and the Owner may deduct such costs from amounts otherwise payable to the Trade Contractor under the Trade Contract.
- 7.5.4 Notwithstanding certification of any application for payment, there is no money that is or will become due or owing to the Trade Contractor (including statutory holdbacks) under this Trade Contract or at law if:
- .1 any claim of lien is filed against the Project; or
  - .2 the Owner is made aware of any claim against the Contractor's holdback; or
  - .3 the Owner becomes aware that the Trade Contractor has failed to pay its subcontractors, suppliers or workers; or
  - .4 the Owner is served with any garnishment order or third party demand claiming or asserting priority to such funds.

#### GC 8.1 AUTHORITY OF THE CONSTRUCTION MANAGER AND THE CONSULTANT

Delete clause 8.1.2 in its entirety.

Renumber clause 8.1.3 as 8.1.2 and revise to read as follows:

- 8.1.2 If a dispute is not resolved promptly the *Construction Manager* and/or the *Consultant* shall give such instructions as in the *Construction Manager's* and/or the *Consultant's* opinion are necessary for the proper performance of the *Work* and to prevent delays pending settlement of the dispute. The parties shall act immediately according to such instructions, it being understood that by so doing neither party will jeopardize any claim the party may have. If it is subsequently determined that such instructions were in error or at variance with the *Contract Documents*, the *Owner* shall pay the *Trade Contractor* costs incurred by the *Trade Contractor* in carrying out such instructions as defined in GC 6.3.2, 6.3.3 and 6.3.4, which the *Trade Contractor* was required to do beyond what the *Contract Documents*, correctly understood and interpreted, would have required, including costs resulting from interruption of the *Work*.

#### GC 8.2 NEGOTIATION, MEDIATION AND ARBITRATION

Delete all clauses in this section in their entirety and substitute the following:

- 8.2.1 A party shall be conclusively deemed to have accepted a finding of the *Construction Manager* and/or the *Consultant* under GC 2.2 - ROLE OF THE CONSTRUCTION MANAGER AND THE CONSULTANT and to have expressly waived and released the other party from any claims in respect of the particular matter dealt with in that finding unless, within ten (10) *Working Days* after receipt of that finding, the party sends a notice in writing of dispute to the other party and to the *Construction Manager*, which contains the particulars of the matter in dispute and the relevant provisions of the *Contract Documents*. The responding party shall send a notice in writing of reply to the dispute within ten (10) *Working Days* after receipt of the notice of dispute setting out particulars of this response

and any relevant provisions of the *Contract Documents*. If the responding party does not respond within ten (10) *Working Days*, the responding party shall be deemed to have accepted the finding of the *Construction Manager* and/or the *Consultant* under GC 2.2 - ROLE OF THE *CONSTRUCTION MANAGER* AND THE *CONSULTANT*.

- 8.2.2 The parties shall make all reasonable efforts to resolve their dispute by negotiations and agree to *Provide*, without prejudice, full and timely disclosure of relevant facts, information, and documents to facilitate these negotiations.
- 8.2.3 After a period of ten (10) *Working Days* following receipt of a responding party's notice in writing of reply under paragraph 8.2.1, the parties may agree to submit the dispute to mediation. If the parties agree to submit the dispute to mediation, a mediator shall be chosen who is mutually agreed to by the parties.
- 8.2.4 Unless otherwise resolved pursuant to paragraphs 8.2.3 or 8.2.5, the parties may mutually agree in writing to submit the dispute to arbitration pursuant to the provisions of the Commercial Arbitration Act, R.S.B.C. 1996, c. 55. The Guidelines for the Arbitration of Construction Disputes under the Rules of Procedure of the British Columbia International Commercial Arbitration Centre are to be used unless modified by agreement. The arbitration shall be conducted in the jurisdiction of the Place of the *Work*. The decision resulting from arbitration shall be final and binding upon the parties.
- 8.2.5 Unless otherwise agreed by the parties, all disputes referred to arbitration as provided in paragraph 8.2.4 shall be:
- .1 held in abeyance until:
    - (1) Substantial Performance of the *Work*
    - (2) the *Contract* has been terminated, or
    - (3) the *Trade Contractor* has abandoned the *Work*, whichever is earlier, and
  - .2 If mutually agreed to by the parties, the issues in dispute may be consolidated into a single arbitration under the rules governing the arbitration as set out in paragraph 8.2.4.
- 8.2.6 If a notice is not given pursuant to paragraph 8.2.4, the parties may refer the unresolved dispute to:
- .1 the courts; or
  - .2 any other form of dispute resolution which the circumstances may require.
- 8.2.7 Nothing in this part may be construed as a waiver of the remedies of a party under the *Builders Lien Act*.

## **GC 9.2 TOXIC AND HAZARDOUS SUBSTANCES**

9.2.7.4 delete in its entirety

## **GC 9.4 CONSTRUCTION SAFETY**

9.4.2 Revise to read:

The *Construction Manager* shall be the Prime Contractor and be responsible for health and safety in accordance with WorkSafe BC regulations.

9.4.3.2 delete in its entirety

## **GC 9.5 MOULD**

9.5.3.4 delete in its entirety



Add the following two new Section 9 GENERAL CONDITIONS:

**GC 9.6 MATERIALS AND PLANT BECOME PROPERTY OF THE OWNER**

- 9.6.1 All materials, *Products* and plant and the interest of the *Trade Contractor* in all licenses, powers and privileges acquired, used or Provided by the *Trade Contractor* for the *Work* shall from the time of being so acquired, used or Provided, become and are the property of the *Owner* for the purposes of the *Work* and shall continue to be the property of the *Owner*:
- .1 in the case of materials and *Products*, until the *Owner* indicates that it is satisfied that they will not be required for the *Work*; and
  - .2 in the case of plant, licenses, powers and rights, until the *Owner* indicates that it is satisfied that the interest vested in the *Owner* therein is no longer required for the purposes of the *Work*.
- 9.6.2 Materials or plant that are the property of the *Owner* by virtue of paragraph 9.4.1, shall not be taken away from the Place of the *Work*, or used or disposed of except for the purposes of the *Work* without the consent in writing of the *Owner*.
- 9.6.3 The *Owner* is not liable for loss or damage to materials or plant that are the property of the *Owner* by virtue of this General Condition and the *Trade Contractor* is liable for such loss or damage notwithstanding that the materials, *Products* or plant are the property of the *Owner*.

**GC 9.7 MATERIALS, PLANT AND REAL PROPERTY SUPPLIED BY THE OWNER**

- 9.7.1 The *Trade Contractor* is liable to the *Owner* for loss or damage to materials, plant, *Products* and real property supplied or made available by the *Owner* to the *Trade Contractor* for use in connection with the *Work*, excepting damage resulting from reasonable wear and tear and except where caused by the negligence of the *Owner*, its servants or agents.
- 9.7.2 The *Trade Contractor* shall keep written records of the materials, plant, *Products* and real property described in this GC 9.5 and will not use any of those items except for the purposes of the *Work*. Upon request and to the satisfaction of the *Owner*, the *Trade Contractor* shall show that the materials, plant, *Products* and real property to which this GC 9.5 applies are at a place and in a condition acceptable to the *Owner*.
- 9.7.3 Where the *Trade Contractor* has failed, within a reasonable time after being required in writing by the *Owner* to make good any loss or damage for which the *Trade Contractor* is liable under this GC 9.5, the *Owner* may cause that loss or damage to be made good. The *Trade Contractor* shall thereupon be liable to the *Owner* for the cost thereof and shall, upon written demand, pay to the *Owner* an amount equal to that cost.

**GC10.4 WORKERS COMPENSATION**

- 10.4.1 Insert "by the *Trade Contractors* and *Trade Subcontractors*" after "compliance" in the third line.

Add the following:

- 10.4.3 The *Trade Contractor* shall abide by and comply with all provisions of the Workers' Compensation Act with respect to the performance of the *Work* and will make all payments, contributions and other remittances and all reports, returns and statements required of employers under the said Act. The *Trade Contractor* shall ensure full compliance with the said Act by all *Trade Subcontractors* and other persons employed by the *Trade Contractor* or with whom the *Trade Contractor* may make any contract for the performance of any part of the *Work*. The *Trade Contractor* agrees to indemnify the *Construction Manager*, the *Consultant* and the *Owner* against all cost, loss,



liability, obligation and lien which may arise as a consequence of any failure by the *Trade Contractor* or any *Trade Subcontractors* or other person fully to comply with the said Act. The *Trade Contractor* agrees immediately to qualify, and shall require all *Trade Subcontractors* to qualify, as an employer or employers under the said Act.

#### GC 11.1 INSURANCE

Delete all clauses under this GC entirely and replace with the following:

11.1.1 Without restricting the generality of GC 12.1 INDEMNIFICATION, insurance and coverage will be arranged and paid for as under-noted:

(a) **Commercial General Liability Insurance**

- 1) The *Owner* shall *Provide*, maintain and pay for Commercial General Liability Insurance with a limit of Ten Million Dollars (\$10,000,000.00), inclusive per occurrence, Twenty Million Dollars (\$20,000,000.00) general aggregate for bodily injury, death, and damage to property including loss of use thereof, product/completed operations liability with a limit of Ten Million Dollars (\$10,000,000.00) annual aggregate.
- 2) The insurance shall cover the *Owner, Construction Manager, Trade Contractors, Trade Subcontractors, Architects, Engineers, Consultants* and anyone employed by them to perform a part or parts of the *Work* but excluding *Suppliers* whose only function is to supply and/or transport *Products* to the site. The insurance does not extend to any activities, *Works*, jobs, or undertakings of the Insured's other than those directly related to the *Work* of this *Contract*.
- 3) The insurance shall preclude subrogation claims by the insurer against anyone insured hereunder.
- 4) The insurance shall include coverage for:
  - .01 Premises and Operations Liability;
  - .02 *Products* or Completed Operations Liability;
  - .03 Blanket *Contractual* Liability;
  - .04 Cross Liability;
  - .05 Elevator and Hoist Liability;
  - .06 Contingent Employer's Liability;
  - .07 Personal Injury Liability;
  - .08 Shoring, Blasting, Excavating, Underpinning, Demolition, Pile driving and Caisson *Work*, *Work* Below Ground Surface, Tunnelling and Grading, as applicable;
  - .09 Liability with respect Non-Owned Licensed Vehicles; (\$5,000,000.00)
  - .10 Broad Form Property Damage;
  - .11 Broad Form Completed Operations;
  - .12 Limited Pollution Liability (\$2,000,000.00);
  - .13 Employees as Additional Insured's;
  - .14 Broad Form Tenants Legal Liability (\$10,000,000.00); and
  - .15 Operation of Attached Machinery.
- 5) Any applicable deductibles shall not exceed Ten Thousand Dollars (\$10,000.00). If the Project requires hot roofing work, the roofing *Trade Contractor* will provide, maintain and pay for a Commercial General Liability Insurance in the amount of Two Million Dollars (\$2,000,000.00) inclusive per occurrence against bodily injury and property damage. The *Owner* shall be added as an additional insured. Such insurance shall include, but not be limited to:
  - .01 Premises and Operations Liability;
  - .02 *Products* and Completed Operations;
  - .03 Owner's and Contractor's Protective Liability;
  - .04 Blanket Written Contractual Liability;
  - .05 Contingent Employer's Liability;

- .06    Personal Injury Liability;
- .07    Non-Owned Automobile Liability;
- .08    Cross Liability;
- .09    Employees as Additional Insured's; and
- .10    Broad Form Property Damage.

- 6) This insurance shall be maintained continuously from commencement of the Work until the date of final certificate for payment is issued or when the insured project is completed and accepted by or on behalf of the Owner, whichever occurs first, plus with respect to completed operations, cover a further period of twenty-four (24) months.

(b) **Property Coverage**

- 1) The *Owner* shall *Provide*, maintain and pay for Course of Construction coverage, against "All Risks" of physical loss or damage, and will cover all materials, property, structures and equipment purchased for, entering into, or forming part of the *Work* whilst located anywhere within Canada and continental United States of America (excluding Alaska), during construction, erection, installation and testing until completed and handed over and accepted by the *Owner*. Such insurance shall not include coverage for *Trade Contractor's* equipment of any description. There will be a deductible of Two Thousand Five Hundred Dollars (\$2,500.00) for each and every occurrence except for the perils of flood which shall have a deductible of Ten Thousand Dollars (\$10,000.00) and earthquake which shall have a five percent (5%) (subject to minimum One Hundred Thousand Dollars (\$100,000.00)) deductible based upon completed values at time of loss.
- 2) The coverage shall include as a protected entity, each *Trade Contractor* or *Trade Subcontractors*, *Construction Manager*, Architect or Engineer who is engaged in the *Project*.
- 3) The coverage will contain a waiver of the protection program's rights of subrogation against all protected entities except where a loss is deemed to have been caused by a resulting from any error in design or any other professional error or omission.
- 4) The *Trade Contractor* shall, at its own expense, take special precaution to prevent fires occurring in or about the Work and shall observe, and comply with, all laws and regulations in force respecting fires.

(c) **General Liability Insurance**

The *Trade Contractor* shall *Provide*, maintain and pay for, and require all *Trade Subcontractors* to *Provide*, maintain and pay for General Liability Insurance in respect of all off site works and completed operations following expiration of the owners wrap up program, subject to limits of not less than Five Million Dollars (\$5,000,000.00) inclusive per occurrence. The *Owner* and the *Construction Manager* will be named as additionally insured under these policies. The insurance shall be placed with such company or companies and in such form and deductibles as may be acceptable to Owner.

(d) **Automobile Liability Insurance**

The *Trade Contractor* shall *Provide*, maintain and pay for, and require all *Trade Subcontractors* to *Provide*, maintain and pay for Automobile Liability Insurance in respect of all owned or leased vehicles, subject to limits of not less than Two Million Dollars (\$2,000,000.00) inclusive per occurrence. The *Owner* and the *Construction Manager* will be named as additionally insured under these policies. The insurance shall be placed with such company or companies and in such form and deductibles as may be acceptable to Owner.

11.1.2 Unless specified otherwise, the duration of each coverage and insurance policy shall be from the date of commencement of the *Work* until the date of final certificate for payment.

11.1.3 The *Owner* shall, upon request, *provide* the *Trade Contractor* with proof of coverage and insurance for those coverage's and insurances required to be *provided* by the *Owner* prior to commencement of the *Work*.

- 11.1.4 The *Trade Contractor* and/or their Subcontractors, as may be applicable, shall be responsible for any deductible amounts under the policies of coverage and insurance except for perils of flood and earthquake.
- 11.1.5 The *Trade Contractor* shall *Provide*, maintain and pay for any additional insurance which they are required to *Provide*, by law or which they consider necessary to cover risks not otherwise covered by insurance specified in this section.
- 11.1.6 The *Trade Contractor* shall provide the *Owner* with proof of insurance for those insurances required to be provided by the *Trade Contractor* prior to the commencement of the *Work* in the form of a completed Certificate of Insurance.
- 11.1.7 The *Owner* shall not be responsible for any injury to the *Trade Contractor's* employees or for loss or damage to the *Trade Contractors* or to a *Trade Contractor's* employees' machinery, equipment, tools or supplies which may be temporarily used or stored in, on or about the premises during construction and which may, from time-to-time, or at the termination of the contract, be removed from the premises. The *Trade Contractor* hereby waives all rights of recourse against the *Owner* or any other contractor with regard to damage to the *Trade Contractor's* property.

#### GC 11.2 CONTRACT SECURITY

- 11.2.1 Revise to read:  
The *Trade Contractor* shall, prior to payment of any amounts due to the *Trade Contractor* under this agreement, provide to the *Construction Manager* any *Contract* security specified by the *Contract Documents*.

#### GC 12.1 INDEMNIFICATION

Delete all clauses under this GC entirely and replace with the following:

- 12.1.1 The Trade Contractor shall defend, indemnify and save harmless the Owner, including those persons identified in GC 1.5.3, from and against all claims, demands, losses, costs, damages, actions, suits or proceedings, inclusive of interest and all legal costs on a solicitor and own client basis, whether in respect of losses suffered by the Owner or in respect to claims by third parties that arise out of, or are attributable in any respect to, the Owner's involvement as a party to this Contract, provided such claims are:
- .1 caused by:
    - (1) the negligent acts or omissions of the Trade Contractor or anyone for whose acts or omissions the Trade Contractor is liable, or
    - (2) a failure of the Trade Contractor to fulfill the terms and conditions of the Contract; and
  - .2 made by Notice in Writing within a period of 2 years from the date of Substantial Performance of the Work as set out in the certificate of Substantial Performance of the Work issued pursuant to paragraph 5.4.2.2 of GC 5.4 – SUBSTANTIAL PERFORMANCE OF THE WORK.

#### GC 12.2 WAIVER OF CLAIMS

Delete this section in its entirety.

#### GC 12.3 WARRANTY

Add the following new clauses:

- 12.3.8 The Trade Contractor warrants that the Work will be constructed in a workmanlike manner and in accordance with the Contract Documents and will be free of all defects.

- 12.3.9 The *Trade Contractor* will assign to the Owner the benefit of all warranties which the *Trade Contractor* obtains from *Trade Subcontractors* and Suppliers to the extent that such warranties are not issued directly to the Owner.
- 12.3.10 Neither test results, nor selection or approval by the Owner or the *Consultant* of testing entities, nor payment by the Owner of testing entities, shall relieve the *Trade Contractor* of its responsibility for the quality, accuracy, sufficiency, completeness and performance of the *Work* in accordance with the *Contract Documents*.

Add the following new PARTS 13, 14 and 15:

#### **PART 13 FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT**

##### **GC 13.1 FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT**

- 13.1.1 All documents submitted to the Owner will be in the custody or control of, or become the property of the Owner and as such are subject to the *Freedom of Information and Protection of Privacy Act*, R.S.B.C. 1996, c.165.

#### **PART 14 CONFIDENTIALITY**

##### **GC 14.1 CONFIDENTIALITY**

- 14.1.1 Subject to Part 13 - *FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT*, the Owner and the *Trade Contractor* shall keep confidential all matters respecting technical, commercial and legal issues relating to or arising out of the *Work* of the performance of the *Contract* and shall not, without the prior written consent of the other party, disclose any such matters, except in strict confidence, to its professional advisors.
- 14.1.2 The *Trade Contractor* shall not publish any statement, paper photograph or document or hold any ceremony with respect to the *Contract* of the *Work* performed under the *Contract* without the prior written approval of the Owner.

#### **PART 15 SEVERABILITY**

##### **GC 15.1 SEVERABILITY**

- 15.1 Any provision of this *Contract* which is found to be illegal, invalid, void, prohibited or unenforceable will be:
- (a) separate and severable from this *Contract*; and
  - (b) ineffective to the extent of such illegality, invalidity, avoidance, prohibition or unenforceability; without affecting any of the remaining provisions of this *Contract* which will remain in force, be binding upon the parties and be enforceable to the fullest extent of the law.