

## SCHEDULE B

### Contract Terms and Conditions

#### DEFINITIONS

In this Agreement, unless the context otherwise requires:

**“Business Day”** means a day, other than a Saturday or Sunday, on which Regional District offices are open for normal business in British Columbia;

**“Incorporated Material”** means any material in existence prior to the start of the Term or developed independently of this Agreement, and that is incorporated or embedded in the Produced Material by the Contractor or a Subcontractor;

**“Material”** means the Produced Material and the Received Material;

**“Produced Material”** means records, software and other material, whether complete or not, that, as a result of this Agreement, are produced or provided by the Contractor or a Subcontractor and includes the Incorporated Material;

**“Received Material”** means records, software and other material, whether complete or not, that, as a result of this Agreement, are received by the Contractor or a Subcontractor from the Regional District or any other person;

**“Services”** means the services described in section 4.0;

**“Products”** means the products described in Schedule A;

**“Term”** means the term of the Agreement described in section 4.1 subject to that term ending earlier in accordance with this Agreement.

#### CONTRACTOR'S OBLIGATIONS

1. You must provide the services and Products described in Section 4.0 and Schedule A (the “Services”) in accordance with this agreement you must provide the Products and Services during the terms described in the RFQ regardless of the date of execution or delivery of this agreement.
2. Unless the parties otherwise agree in writing, you must supply and pay for all labour, materials, facilities and approvals necessary or advisable to perform your obligations under this agreement.
3. Unless otherwise specified in this agreement, you must perform the Services to a standard of care, skill and diligence maintained by persons providing, on a commercial basis, services similar to the Service.
4. You must ensure that all persons you employ or retain to perform the Services are competent to perform them and are properly trained, Instructed and supervised.
5. We may, from time to time, give you reasonable Instructions (in writing or otherwise) as to the performance of the Services. You must comply with those instructions, but, unless otherwise specified in this agreement, you may determine the manner in which the instruction, are carried out.
6. You must, upon our request, fully inform us of all work done by you or a subcontractor in connection with providing the Services.
7. During the Term and thereafter until the later of three years (or such longer period as may be required by Applicable Law) or the date all disputes or other matters relating to any Agreement that is developed from this Statement of Work are resolved, the Contractor will keep and maintain complete and accurate data, records, and documents in accordance with generally accepted accounting principles consistently applied to support and document all claims and amounts becoming payable to Contractor by the Regional District hereunder, and all data, records, and documents relating to the performance of the Services, and compliance with Contractor's obligations under this Agreement.
8. If we are investigated, you must support us at reasonable times to review and copy material that has been produced or received by you or any subcontractor as a result of this agreement (collectively the “Material”) including, without limitation, accounting records findings, software, data, specifications, drawings, reports and documents whether complete or not.
9. You must treat as confidential all Material and not permit its disclosure without our prior written consent except as required by applicable law.
10. The Material and any property we provide to you or a subcontractor is our exclusive property. You must deliver it to us immediately upon our request.
11. The copyright in the Material belongs exclusively to us. Upon our request, you must deliver to us documents satisfactory to us waiving in our favour any moral rights which you or your employees or subcontractors may have in the Material and confirming the vesting of the copyright in us.
12. You must maintain and pay for Insurance and WorkSafeBC coverage required in the terms, including form, the amounts and deductibles described in section 17 of the Request for Quotation Terms and Conditions, if any, as modified from time to time in accordance with our direction.
13. You must apply for and, immediately on receipt, remit to us any refund or remission of federal or provincial tax or duty available with respect to any items which we have paid for or agreed to pay for under this agreement.
14. You must comply with applicable laws.
15. The Contractor must indemnify and save harmless the Regional District and the Regional District's employees and agents from any losses, claims, damages, actions, causes of action, costs and expenses that the Regional District or any of the Regional District's employees or agents may sustain, incur, suffer or be put to at any time, either before or after this Agreement ends, including any claim of infringement of third-party intellectual property rights, where the same or any of them are based upon, arise out of or occur, directly or indirectly, by reason of any act or omission by the Contractor or by any of the Contractor's agents, employees, officers, directors or Subcontractors in connection with this Agreement, excepting always liability arising out of the independent acts or omissions of the Regional District and the Regional District's employees and agents.
16. You must not assign any of your rights or obligations under this agreement without our prior written consent.
17. You must not subcontract any of your obligations under this agreement, without our prior written consent. No subcontract, whether consented to or not, relieves you from any obligations under this agreement in performing the subcontracted obligations.
18. You must not provide any services to any person in circumstances which, in our reasonable opinion, could give rise to a conflict of interest between your duties to that person and your duties to us under this agreement.
19. You must not do anything that would result in personnel hired by you or a subcontractor being considered our employees.
20. You must not commit or purport to commit us to pay any money unless specifically authorized by this agreement.

## PAYMENT

21. If you comply with this agreement, we must pay you:
- The fees described in SCHEDULE A; and
  - The expenses, if any, described in SCHEDULE A, if they are supported, where applicable, by proper receipts and, in our opinion are necessarily incurred by you in providing the Services.

We are not obliged to pay you more than the 'Maximum Amount specified in SCHEDULE A on account of fees and expenses.

22. In order to obtain payment of any fees and expenses under this agreement, you must submit to us a written statement of account in a form satisfactory to us upon completion of the Services or at other times described in section 4.0.
23. We may withhold from any payment due to you an amount sufficient to indemnify us against any lien or other third party claims that could arise in connection with the provision of the Services.
24. Our obligations to pay money to you is subject to on appropriation being available by the Regional District in the fiscal year at the Regional District during which payment becomes due.
25. Unless otherwise specified in this agreement, all references to money are in Canadian dollars.
26. We certify to you that the Services purchased under this agreement use and are being purchased by us with Organization funds and are therefore subject to the Goods and Services Tax, unless specifically exempted by regulation.
27. If you are not a resident of Canada, we may be required by law to withhold income tax from the fees described in SCHEDULE A and then remit that tax to the Receiver General of Canada on your behalf.

## AUDIT

28. The Regional District will have the right upon reasonable prior written notice to audit and inspect:
- Any site, facility, vehicle or equipment relating to the performance of the Services,
  - All data, records, documentation and other information of Contractor relating to the Services.
29. Without limiting any other audit right, during the term the Regional District may conduct composition studies, without notice, of any materials collected, transported, processed, or otherwise handled under this Agreement, at any stage of the Services and regardless of the location of such materials.
30. Contractor will co-operate with and provide to the Regional District reasonable assistance in order to exercise the rights set out in this Section.

## TERMINATION

31. We may terminate this agreement:
- For your failure to comply with a this agreement, immediately on giving written notice of termination to you and;
  - For any other reason, on giving at least 15 days written notice of termination to you.

Further to paragraph (a), should the Contractor fail to comply with the terms and conditions of this Agreement or fail to satisfactorily perform the services contemplated by this Agreement, the Regional District may issue a notice of default to the Contractor who will have five days to comply or correct or make right any default or unsatisfactory performance, or, where such correction will reasonably take longer than five days, provide the Regional District with a schedule of

corrective measures. If we terminate this agreement under paragraph (b), we must pay that portion of the fees and expenses described in SCHEDULE B which equals the portion of the Services that was completed to our satisfaction before termination, that payment discharges us from all liability to you under this agreement.

32. If you fail to comply with this agreement, we may terminate it and pursue other remedies as well.

## GENERAL

33. You are an independent Contractor and not our employee, agent or partner.
34. If you are a corporation, you represent and warrant to us that you have authorized the signatory or signatories who have signed this agreement on your behalf.
35. We must make available to you all information in our possession which we consider pertinent to your performance of the Services.
36. This agreement is governed by and is to be construed in accordance with the laws of British Columbia.
37. Time is of the essence in this agreement.
38. Any notice contemplated by this agreement, to be effective, must be in writing and either;
- Delivered by hand to the addressee's address specified in this agreement, or
  - Mailed by prepaid registered mail to the addressee's address specified in this agreement.

Any notice mailed in accordance with paragraph (b) is deemed to be received 24 hours after mailing. Either of the parties may give notice to the other of a substitute address from time to time.

39. A waiver of any term of this agreement or of any breach by you of this agreement is effective only if it is in writing and signed by us and is not a waiver of any other term or any other breach.
40. This agreement, and any modification of it, constitutes the entire agreement between the parties as to the performance of the Services.
41. All disputes arising out of, or in connection with, this agreement, or in respect of any defined legal relationship associated with it or derived from it, must, unless the parties otherwise agree, be referred to and finally resolved by arbitration administered by the British Columbia Domestic Commercial Arbitration Center under its rules.
42. Unless the parties otherwise agree in writing or, in the case of an arbitration, the arbitrator otherwise orders, the parties must share equally the costs of a mediation or arbitration under section 4.2 other than those costs relating to the production of expert evidence or representation by counsel.
43. No change to the services provided under this Agreement may be made without a prior written Change Order approved by both the Contractor and the Regional District. The Regional District shall have no obligation to pay for any changes to the services without an approved Change Order. The Regional District will be issued an amendment for all Change Orders which will form part of this Agreement.
44. For Change Orders, the Contractor will provide an initial response within fifteen Business Days of receipt of a Change Order indicating if able to comply with the Change Order. If Contractor is unable to comply with the Change Order, the parties will meet to discuss, in good faith, why Contractor is unable to comply with the Change Order.

45. Where Contractor is able to comply with the Change Order, Contractor will provide a further, more detailed response (a "Change Response") within ten calendar days of providing its initial response, and such Change Response will include details of any costs or other changes required to this Agreement to comply with the Change Order.
46. Section 6 to 11, 13, 14, 24, 25, 28 to 30 and 39 continue in force indefinitely even after this agreement ends.
47. The SCHEDULES to this agreement are part of this agreement.
48. If there is a conflict between a provision in a schedule to this agreement, and any other provision of this agreement, the provision in the schedule is inoperative to the extent of the conflict, unless it states that it operates despite a conflicting provision of this agreement.
49. In this agreement, "we", "us", and "our" refer to our Organization alone and never refer to the combination of the Contractor and the organization; that combination is referred to as "the parties".
50. This agreement does not operate as a permit, license, approval or other statutory authority which you may be required to obtain from the Organization or any of its agencies in order to provide the Services. Nothing in this agreement is to be construed as interfering with the exercise by the Organization or its agencies of any statutory power or duty.
51. This agreement may be entered into by each party signing a separate copy of this agreement (including a photocopy or email copy) and delivering it to the other party.