

**FILLMORE CONSTRUCTION MANAGEMENT INC. STANDARD SUBCONTRACT AGREEMENT BETWEEN CONTRACTOR  
AND SUBCONTRACTOR**

THIS AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, A.D., \_\_\_\_\_

\_\_\_\_\_  
(Contract Number)

**BETWEEN** Fillmore Construction Management Inc.  
(hereinafter known as the "Contractor")

**AND** \_\_\_\_\_  
(hereinafter known as the "Subcontractor")

**WHEREAS** the Contractor has entered into an agreement (the "Prime Contract") dated the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_,

with \_\_\_\_\_  
(hereinafter known as the "Owner")

for the construction of \_\_\_\_\_  
(hereinafter known as the "Project")

under which \_\_\_\_\_  
(hereinafter known as the "Consultant")

has been appointed as the Consultant,

**AND WHEREAS** the Prime Contract includes the work to be performed under this Agreement (hereinafter known as the "Subcontract");

**AND WHEREAS** the Subcontractor has agreed with the Contractor to be bound by all terms and conditions of the Prime Contract including the plans, specifications, general and supplementary conditions and addenda for the Project;

**NOW THEREFORE** the Contractor and Subcontractor agree as follows:

**ARTICLE 1 - The Work**

The Subcontractor shall furnish all necessary labour, supervision, materials, tools and equipment necessary to construct, install to complete the portion(s) of the Project, as further detailed in Appendix A (the "Work") for the Subcontract Price identified in Article 2 and in accordance with the Contractor's schedule (the "Schedule").

**ARTICLE 2 - Subcontract Price**

The Contractor shall pay the Subcontractor for the performance of the Work herein contracted the amount of \$ \_\_\_\_\_ (the "Subcontract Price"), exclusive of Goods and Services Tax (GST) or Harmonized Sales Tax (HST) as applicable under the Excise Tax Act, but inclusive of all other applicable federal and provincial sales taxes in effect at the time of the Subcontractor's tender closing, in Canadian funds.

The Subcontract Price includes all costs for the performance of the Work under this Subcontract, including but not limited to labour, materials, equipment, overhead, profit, insurance, permits, and any provincial sales taxes (PST), where applicable. Where applicable, PST shall be deemed included in unit rates and lump sums provided by the Subcontractor, as these taxes are considered part of the Subcontractor's cost of Work. Where applicable, the Subcontractor shall provide a clear breakdown of any Provincial Sales Tax (PST) included in their pricing. Invoices must itemize PST separately where charged, in accordance with the tax regulations of the Governing Jurisdiction. Subcontractors are responsible for ensuring all applicable taxes are correctly applied, collected, and remitted.

The Subcontract Price shall be adjusted for any approved changes in Work and for any increase or decrease in applicable taxes (excluding GST/HST) that occur after the tender closing date. GST/HST shall be identified as a separate line item on all invoices.

**ARTICLE 3 - Contract Documents**

The Subcontractor agrees to be bound by all the terms and conditions of the Prime Contract, including all plans, specifications, general and supplementary conditions and addenda, and in interpreting the Subcontractor's obligations under the Prime Contract, terms denoting "Owner" will be read as "Contractor", and the terms denoting "Contractor" will be read as the term "Subcontractor". The terms and conditions of the Prime Contract (including without limitation any guarantees or warranties thereunder as to performance and/or quality of the Work) and the plans, specifications, general and supplementary conditions and addenda of the Prime Contract, and the Subcontract Terms and Conditions and any appendices attached, and the Schedule as herein provided for shall form part of this Subcontract and the whole shall constitute the entire Subcontract between the parties and the same are hereinafter referred to as the "Contract Documents".

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**ARTICLE 4 - Schedule**

The Subcontractor will begin the Work upon award of the Subcontract and will perform its obligations hereunder to complete the Work in accordance with the Schedule and so as not to interfere with or delay the work of the Contractor or any other subcontractor. The Contractor may amend the Schedule in consultation with the Subcontractor and the Subcontractor agrees it shall perform the Work in accordance with such revised Schedule, including any changes to the order and sequencing of the Work. If the Subcontractor fails to perform in accordance with the Schedule as may be amended from time to time, and by reason thereof, the Contractor becomes liable for damages or suffers losses, or incurs additional costs because of non-performance of the Subcontractor, the Subcontractor shall be liable to the Contractor for such damages, losses and costs.

**ARTICLE 5 - Notices and Contractor's Representative**

Addresses for notices for the parties under this Subcontract are:

Contractor's Address: \_\_\_\_\_

Contractor's Representative: \_\_\_\_\_

Subcontractor's Address: \_\_\_\_\_

The Subcontractor must promptly notify the Contractor in writing of any claim for adjusting the Subcontract Price and/or extending the time to complete the Work. This notice should be given within the earlier of (a) five (5) business days after the Subcontractor became aware or should have become aware of the event or circumstance leading to the claim, or (b) two (2) business days before the expiration of the notice period set by the Prime Contract for the Contractor's similar claims. The Subcontractor should issue this written notice before undertaking any work related to the claim, including detailed particulars of the claim's basis, the sought relief, and delivery to the Contractor's Representative. Strict compliance with these provisions is a prerequisite for any claim for adjusting the Subcontract Price or extending the time to complete the Work. The Subcontractor acknowledges that failure to adhere may harm the Contractor's ability to mitigate or seek relief under the Prime Contract, assuming the risk of non-compliance.

If the Subcontractor notifies a claim resulting from the Owner's acts or omissions or those for whom it is responsible, the Subcontractor's entitlement to relief, such as adjusting the Subcontract Price or extending time, depends on the Contractor obtaining such relief under the Prime Contract.

The parties hereto have executed this Agreement including the Terms and Conditions annexed hereto, on the date stated on the first page.

**Fillmore Construction Management Inc.**  
\_\_\_\_\_  
Contractor (Legal Name)

\_\_\_\_\_  
Subcontractor (Legal Name)

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Name and Title of Authorized Signatory)

\_\_\_\_\_  
(Name and Title of Authorized Signatory)



**FILLMORE CONSTRUCTION MANAGEMENT INC. STANDARD SUBCONTRACT AGREEMENT BETWEEN CONTRACTOR  
AND SUBCONTRACTOR – APPENDIX A**

**Scope of Work:**

**Inclusions are not limited to:**



**FILLMORE CONSTRUCTION MANAGEMENT INC. STANDARD SUBCONTRACT AGREEMENT BETWEEN CONTRACTOR  
AND SUBCONTRACTOR – APPENDIX A**

**Exclusions are limited to:**



FILLMORE CONSTRUCTION MANAGEMENT INC. STANDARD SUBCONTRACT AGREEMENT BETWEEN CONTRACTOR  
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Schedule of Values:

Item #:	FCMI Cost Code:	Description	Amount:
<hr/>	<hr/>	<hr/>	\$ <hr/>
<hr/>	<hr/>	<hr/>	\$ <hr/>
<hr/>	<hr/>	<hr/>	\$ <hr/>
<hr/>	<hr/>	<hr/>	\$ <hr/>
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<hr/>	<hr/>	<hr/>	\$ <hr/>
<hr/>	<hr/>	<hr/>	\$ <hr/>
<hr/>	<hr/>	<hr/>	\$ <hr/>
Total Subcontract Amount:			\$ <hr/>

## FILLMORE CONSTRUCTION MANAGEMENT INC. STANDARD TERMS AND CONDITIONS FOR SUBCONTRACT AGREEMENT

This Subcontract Agreement between Fillmore Construction Management Inc. as the Contractor, and the Subcontractor (referred to herein as the "Parties") will be governed by the following Terms and Conditions. Current Liability Insurance and Worker's Compensation clearance for the Governing Jurisdiction in which the Site is located and a duly executed copy of the Subcontract must be submitted before any physical work is started on the site.

### SC 1.0 – PRECEDENCE

- 1.1 In the event of any discrepancy between the various documents constituting the Contract Documents, the document imposing the higher or more restrictive standard upon the Subcontractor shall prevail.

### SC 2.0 – DEFINITIONS

- 2.1 The following definitions apply throughout this Subcontract Agreement and its Schedules.
  - "Contract Documents" has the meaning set out in SC 5.2;
  - "Governing Jurisdiction" means the province or territory in which the Project is physically located and whose laws shall apply to the interpretation, performance, and enforcement of this Contract;
  - "Prime Contract" has the meaning set out in SC 5.2;
  - "Project" means the buildings, facilities or other improvements for which the Contractor is to perform Work pursuant to the plans and specifications and other documents comprising the Prime Contract;
  - "Project Schedule" means the schedule prepared by or on behalf of the Contractor for the performance of the Contractor's scope of work for the Project pursuant to the Prime Contract, including the Subcontractor's scope of Work, which schedule includes the start and completion dates of the scope of Work pursuant to the Prime Contract, and the start and completion dates of the Subcontractor's scope of Work, which schedule may be revised by the Contractor from time to time during the course of the Subcontractor's Work;
  - "Proper Invoice" means an invoice that satisfies the requirements set out by the Contractor in Schedule A – Proper Invoice Information and Documentation Requirements;
  - "Site" means the physical place or places where the construction Work called for in the Subcontract will remain when work on it has been completed. It includes other adjacent or nearby property used by the Subcontractor in such construction which can reasonably be said to be included in the Site;
  - "Sub-subcontractor" means any person or entity, including material suppliers, equipment suppliers and providers of labour, who have a direct or indirect contract with the Subcontractor or another Sub-subcontractor in connection with any portion of the Work;
  - "Work" means to furnish all labour, services, materials, equipment, tools, supervision, supplies, permits, and all other things reasonably necessary for and incidental to the construction and completion of the scope of work described in this Subcontract, including any design or engineering services.
- 2.2 Terms not defined herein shall be interpreted in accordance with their usage in the Contract Documents or applicable legislation.

### SC 3.0 – REGULATIONS, LAWS, ETC

- 3.1 The validity, interpretation, and performance of this Subcontract shall be governed by the laws of the Governing Jurisdiction where the Project is located.
- 3.2 The laws of the Governing Jurisdiction shall govern the Work.
- 3.3 In the performance of the Work, the Subcontractor shall comply with all laws, statutes, regulations, standards and codes which are or come into force during the performance of the Work.
- 3.4 If any term or provision of this Subcontract Agreement is determined to be invalid, it shall not affect the validity and enforcement of the remaining terms and provisions of this Subcontract Agreement.

### SC 4.0 - PERMITS, LICENSES AND CERTIFICATES

- 4.1 Unless otherwise stipulated the Contractor shall obtain the building permit. The Subcontractor shall obtain all other permits, licenses and certificates relative to the Work.

### SC 5.0 – SCOPE OF SUBCONTRACT WORK

- 5.1 The Contractor employs the Subcontractor, who has represented to the Contractor that it possesses the knowledge, skills and financial stability necessary to perform the services provided for under this Subcontract Agreement, as an independent contractor, to perform all Work in a good and workmanlike manner and in strict accordance with and reasonably inferable from the Contract Documents (as defined in SC 5.2).
- 5.2 The Subcontractor agrees to be bound by all of the terms and conditions of the Construction Agreement between the Owner and the Contractor ("the Prime Contract"), including all plans, specifications, general and supplementary conditions and addenda thereto, and in construing the Subcontractors obligations under the Prime Contract, the terms denoting "Owner" will be read as "Contractor" and the terms denoting "Contractor" will be read as the term "Subcontractor". The terms and conditions of the Prime Contract (including without limitation any guarantees or warranties thereunder as to performance and quality of the Work) and the plans, specifications, general and supplementary conditions and addenda of the Prime Contract, and the Subcontract Terms and Conditions and any appendices attached hereto, and the whole shall constitute the entire Subcontract between the parties and the same are hereinafter referred to as the "Contract Documents".
- 5.3 Where not fully or clearly defined, the Subcontractor's Scope of Work shall include the applicable trade requirements or regulatory references as set out by the Governing Jurisdiction, in accordance with Schedule B – Requirements for Scope of Work.
- 5.4 The Subcontractor affirms that their scope of Work includes for any and all cost escalations that could occur regardless of schedule for work completion, delays or any other cause.
- 5.5 Should changes be made to the Contractor's Scope of Work under the Prime Contract, the Subcontractor's Scope of Work under this Subcontract shall be reduced, cancelled or otherwise changed at the sole discretion of the Contractor.
- 5.6 The Subcontractor has reviewed all the Contract Documents and has included all Work that would normally be completed by this Subcontractor regardless of where in the Contract Documents the Work is indicated.
- 5.7 Where the Contract Documents indicate a scope of work is to be completed by the Contractor, the Subcontractor confirms they have reviewed these requirements and included in their scope of work any requirements that directly pertain to the scope of work awarded to the Subcontractor.

### SC 6.0 – INVESTIGATION BY SUBCONTRACTOR

- 6.1 The Subcontractor has carefully examined and understands this Subcontract and the Contract documents and represents that it has carried out a thorough examination of the nature, locality and site of the Work and has allowed for all conditions and difficulties under which it is to be performed. The Subcontractor has reviewed all pages and sections of the Project documents fully to ensure they understand their full scope of work. The Subcontractor has taken such conditions into account in arriving at the Subcontract Amount. No additional compensation or extension of time shall be allowed because of concealed or other conditions about the project which should have reasonably been considered in the sole opinion of the Contractor.

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### SC 7.0 – RIGHT TO SUBCONTRACT PARTS OF SCOPE OF WORK

- 7.1 With prior written approval of the Contractor, the Subcontractor may enter into an agreement with a person or a legal entity to perform any portion of the Subcontractor's Scope of Work. The Subcontractor will provide a list to the Contractor of Sub-subcontractors they propose to use and for which components of the Scope of Work. The Subcontractor shall not retain as a Sub-subcontractor any person or legal entity without the prior written approval of the Contractor, which approval may be withheld at the sole discretion of the Contractor. The approval by the Contractor of a Sub-subcontractor will not relieve the Subcontractor of its obligations under this Subcontract.
- 7.2 The Subcontractor agrees to bind every Sub-subcontractor, including material suppliers, and require every Sub-subcontractor to bind its Sub-subcontractors, including material suppliers, to all provisions to this Subcontract as they apply to the Sub-subcontractor's portion of the Scope of Work.
- 7.3 The Subcontractor shall be responsible for the management of the Sub-subcontractors and the performance of the Work and for any liability resulting therefrom.

### SC 8.0 – TEMPORARY WORKS AND DELEGATED DESIGN

- 8.1 The Subcontractor is responsible to ensure all components of a delegated design scope of work or engineered temporary works that fall within the Subcontractors scope of Work are included or clearly excluded at time of tender. As part of the tender submission, the Subcontractor shall identify all engineering assumptions made in the preparation of their price and scope, and shall explicitly declare in writing any exclusions or limitations relating to delegated design responsibilities. Failure to do so may result in the Subcontractor being held responsible for all associated design and execution obligations. If additional work is required due to this Subcontractor's delegated design and/or temporary works (including without limitation, scaffolding, shoring, temporary supports, hoarding, trench boxes, or other conditions) and it is not specifically excluded then the Subcontractor will be responsible to complete the work. The Subcontractor will ensure any designs or approvals required for the design of these items are stamped by a competent professional engineer or other authority as licensed in the same Governing Jurisdiction where the Work will be implemented.

### SC 9.0 – PROJECT CONSTRUCTION SCHEDULE

- 9.1 The Subcontractor shall provide the Contractor, as and when requested, any scheduling information in relation to the Subcontractor's Work.
- 9.2 The Contractor shall submit to the Subcontractor the Project Schedule. If the Subcontractor has any concerns with the Project Schedule, the subcontractor shall provide to the Contractor written comments within ten calendar (10) days of the award of this subcontract. The Contractor will consider, but not necessarily make, revisions to the Project Schedule. If the Subcontractor does not provide comments within ten calendar (10) days of the award of this subcontract, the Subcontractor agrees that it shall complete its scope of work as required by the Project Schedule.
- 9.3 Time is of the essence in the performance of this Subcontract. The Subcontractor shall proceed with its scope of work in a prompt and diligent manner, and in accordance with the Project Schedule, as may be revised from time to time by the Contractor. If the Subcontractor or its Sub-subcontractors, either directly or indirectly negatively impact the Project Schedule, it shall be required, at no additional costs to the Contractor, to take all necessary steps including, but not limited to, additional staffing, overtime, hiring additional contractors, special equipment, and special deliveries to achieve the Project Schedule as quickly as possible. If the Subcontractor is unwilling or unable to take the required steps then the Contractor may, at its sole discretion, provide the Subcontractor with written notice that it has three (3) days to take action to return to the Project Schedule. If the Subcontractor fails to take the steps necessary to achieve the Project Schedule within three (3) days, then this Subcontract may be terminated, and the Contractor may assume responsibility for the Subcontractor Scope of Work, or portion thereof. The Subcontractor shall be solely responsible for any and all costs, direct or indirect, arising from Subcontractor failing to meet the Project Schedule.
- 9.4 If the Subcontractor is unable to complete their Work due to circumstances outside of their control the Subcontractor will complete the delayed Work in the same number of days as required in the Project Schedule.
- 9.5 If delivery of any equipment or materials may impact the Subcontractor's ability to complete their Scope of Work, the Subcontractor must notify the Contractor promptly upon award of Contract so that measures can be taken to mitigate schedule delays. If delivery issues arise, the Contractor must be informed immediately in writing. The Subcontractor may, at the discretion of the Contractor, be required to make special arrangements, at their expense, if the Project Schedule would be impacted. The Subcontractor is responsible to understand delivery timelines of their material and equipment at the time of tender. If specified materials or equipment are not available on time to complete the Project on schedule, without negatively impacting other scopes of work, the Subcontractor will provide approved alternate equivalent materials or equipment or provide express shipping or other services as necessary at their cost to complete their Scope of Work per the Schedule provided by the Contractor.
- 9.6 The Subcontractor shall not be entitled to additional compensation for compliance with schedule revisions, except to the extent the Contract Documents entitle the Contractor to additional compensation and such reimbursement is actually obtained from the Owner.

### SC 10.0 – INVOICING AND PAYMENT

- 10.1 The Parties shall comply with all applicable requirements of the prompt payment and construction lien legislation as set out by the Governing Jurisdiction, in accordance with Schedule C – Prompt Payment and Lien Legislation. Where no such legislation is in force, the Subcontractor shall adhere to the payment terms set out in this Contract and any applicable lien legislation in effect within the Governing Jurisdiction. In such cases, the Subcontractor shall invoice monthly based on progress as determined by the Contractor's Project Manager.
- 10.2 Proper Invoices, as defined in Schedule A - Proper Invoice Submission Requirements, must be received by the Contractor by submission either through the Contractor's designated project management software or by email, as required by the Contractor. Submissions must be made on or before the 25th day of each month for materials supplied or work performed during that month, including fully authorized Change Orders. Change Requests shall not be invoiced or referenced. Invoices received after the 25th will not be accepted. Invoices shall only be considered received on the date that all required components and supporting documentation have been fully and accurately provided to the Contractor's satisfaction, in accordance with Schedule A – Proper Invoice Submission Requirements, and when all components are verified to the Contractor's satisfaction.
- 10.3 Within 14 calendar days of receipt of an invoice, the Contractor may reject any invoice that does not constitute a Proper Invoice. The Contractor shall provide written reasons for rejection. No payment shall be made on any incomplete or deficient invoice. It is the Subcontractor's sole responsibility to make necessary corrections and resubmit the invoice.
- 10.4 If the Subcontractor's Workers' Compensation Board (WCB) clearance becomes non-compliant, it must be rectified immediately before any Work may proceed. Failure to obtain valid clearance within 72 hours may result in suspension or termination of the Subcontract.
- 10.5 Proper Invoices will be paid monthly for the value of Work satisfactorily completed, as verified by the Contractor's Project Manager. Unless otherwise required by law, the Contractor shall pay up to 90% of the verified value, with the remaining 10% held as statutory holdback in accordance with Schedule C – Prompt Payment and Lien Legislation and applicable lien legislation.
- 10.6 Subject to the provisions of this Subcontract and under the applicable legislation as referenced in Schedule C – Prompt Payment and Lien Legislation, each Proper Invoice shall be paid within 7 days of the Contractor receiving payment from the Owner, or within 35 calendar days after the end of the month in which the Owner received the Contractor's corresponding Proper Invoice, whichever is earlier. Exceptions apply in the following cases:
  - (a) The Owner disputes all or a portion of the Contractor's invoice and issues a Notice of Dispute, and the Contractor issues a Notice of Non-Payment to the Subcontractor within the prescribed time;

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- (b) The Contractor disputes its obligation to pay the Subcontractor and issues a Notice of Non-Payment to the Subcontractor within 7 calendar days of receiving payment from the Owner;
- (c) The Owner fails to pay the Contractor within 35 days of receiving the Contractor's invoice.
- 10.7 Final payment shall be made within 7 days of the Contractor receiving payment from the Owner, or 35 days from submission of the Contractor's final Proper Invoice, whichever is earlier, subject to clauses 10.6(a) through 10.6(c). Progressive release of holdback may be permitted at the Contractor's discretion and subject to written Owner approval, provided:
  - (a) a defined portion of the Subcontractor's Work is complete,
  - (b) all documentation in Schedule A and any additional Owner-required documentation is submitted,
  - (c) completion is verified by the Contractor's Project Manager.
- 10.8 Either Party may refer a dispute relating to payment, valuation, or lien rights to adjudication as prescribed under the applicable legislation as referenced in Schedule C – Prompt Payment and Lien Legislation. The Contractor's obligation to pay undisputed amounts shall remain unaffected during adjudication proceedings.
- 10.9 Unless explicitly agreed to in writing prior to Subcontract award, no advance payments or deposits will be made for labour, materials, equipment, or sub-subcontractors not yet delivered to the Site and incorporated into the Work.
- 10.10 The Subcontractor shall only deliver materials and equipment as scheduled. The Contractor will not approve invoices for materials delivered earlier than required on Site or not properly stored and protected.
- 10.11 In the event of an overpayment, regardless of cause, the Subcontractor shall immediately notify the Contractor and make full repayment without delay. The Contractor reserves the right to withhold future payments to recover overpaid amounts.
- 10.12 The Subcontractor shall promptly settle all accounts with its sub-subcontractors and suppliers. Under no circumstances shall the Subcontractor allow the registration of a lien or encumbrance against the Project. If a lien is filed, the Contractor may withhold payment and recover any associated legal or administrative costs from the Subcontractor.
- 10.13 Any loss or damage to the Contractor resulting from a false or misleading statutory declaration submitted by the Subcontractor shall render the Subcontractor and its directors, officers, and shareholders jointly and severally liable.
- 10.14 In any Governing Jurisdiction where prompt payment legislation is not enacted or not yet in force, the payment-related provisions of this Subcontract shall, to the extent permitted by law, align with those set out in the Prompt Payment and Construction Lien Act (Alberta), as referenced in Schedule C – Prompt Payment and Lien Legislation. This includes, but is not limited to: the issuance and content of Proper Invoices; payment deadlines; the issuance and form of notices of non-payment; interest on unpaid amounts; the preservation of lien rights; dispute resolution and adjudication processes; and any obligations relating to the flow of payment through the contractual chain. These provisions shall apply unless otherwise specified in this Subcontract or required by applicable law.

**SC 11.0 – RIGHT OF SETOFF**

- 11.1 Subject to any applicable provisions of the legislation set out by the Governing Jurisdiction, in accordance with Schedule C – Prompt Payment and Lien Legislation, the Contractor shall be entitled to set off against any amounts otherwise payable to the Subcontractor under this Subcontract, or under any other agreement between the Contractor and the Subcontractor, any liabilities or potential liabilities arising out of the Subcontractor's performance of the Work. This includes, but is not limited to, amounts required to:
  - a) Correct deficiencies in the Work,
  - b) Pay sub-subcontractors or suppliers on the Subcontractor's behalf, or
  - c) Cover any other costs incurred by the Contractor as a result of the Subcontractor's non-performance.This right of set-off extends to claims and liabilities involving the Contractor's affiliated companies.

**SC 12.0 – SURETY BONDS AND SUBCONTRACTOR PERFORMANCE SECURITY**

- 12.1 The Contractor may request in writing a performance bond and a labour and materials bond on the Subcontractor within 28 days of this Subcontract Agreement's effective date. If bonding is secured, the Contractor will compensate the Subcontractor for the exact value paid for bonding. When requested, the Subcontractor agrees to provide a surety bond in a form designated by the Contractor, naming the Contractor as the obligator or beneficiary. The subcontractor must maintain performance security in good standing until completion of the Subcontract, including the discharge of all warranty obligations.
- 12.2 The Subcontractor shall provide either the SAC Headstart Subcontractor Performance Bond or the CCDC 2024 Bond Form, without exception. No alternate bond forms will be accepted.
- 12.3 In the event the Subcontractor fails to furnish such bonds to the Contractor, such failure shall constitute a default by the Subcontractor of this agreement. Alternatively, a 10% letter of credit provided by a trusted financial institution may be accepted at the Contractor's discretion.

**SC 13.0 – SUBCONTRACTOR CHANGE REQUESTS AND DIRECTIVES**

- 13.1 When the Contractor requests in writing, the Subcontractor shall make any and all changes in the Scope of Work which are within the general scope of this Subcontract Agreement.
- 13.2 The Subcontractor shall, within the timeline indicated in the Contract Documents, or no later than seven (7) calendar days from the date of receiving a written Change Request, submit any requested adjustment in the Total Subcontract Amount.
- 13.3 Costs must be deemed reasonable by the Contractor, the Consultant and the Owner. The Subcontractor must provide a full labour, material and Sub-subcontractor breakdown and corresponding backup for all changes. In no situation will the Subcontractor charge for regular time labour at a rate higher than 50% above the publicly demonstrable industry average hourly rate paid to the worker. Written backup from suppliers for materials, consumables and equipment must be provided. The backup will be specific to this Project and the Contractor may require later confirmation of exact component costs in the form of an invoice from the supplier. General or list pricing provided by suppliers will not be acceptable as backup unless a corresponding letter is provided from the supplier indicating any discount or credits available for the material to the Subcontractor.
- 13.4 Change Requests that should result in a credit must be found reasonable by the Contractor, the Consultant and the Owner. If the Subcontractor is not willing to offer reasonable credit, then the Contractor, the Consultant and the Owner will determine a fair credit for the applicable Scope of Work and apply it to the Subcontractor's Contract.
- 13.5 If the Contract Documents indicate a percentage profit and overhead allowed on Change Requests then the Subcontractor must adhere to those rates without exception. Where the Contract Documents do not specify rates, Change Request overhead rates will not exceed 5% and profit rates will not exceed 5% of actual change costs for each of the Subcontractor and its Sub-subcontractors.
- 13.6 The Subcontractor is to note any reasonable increase in Contract duration for completing a Change Request at the time a Change Request is provided. Contract extensions must be appropriate for the changed scope and agreed upon by the Contractor, the Consultant and the Owner. If no notification of Contract extension is provided with pricing for a Change Request, then no extension will be provided.



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- 13.7 Change Request costs must be presented to the Project Manager in writing. The Site Superintendent is not able to approve Change Requests, or any costs associated to a Change Request. The Subcontractor's responsibility to provide pricing before Work proceeds can only be waived by the Project Manager in writing.
- 13.8 Force account work can only be initiated through written direction by the Project Manager. No other person can initiate a force account including the Site Superintendent. Hours spent, equipment rentals, and material used on Site must be signed off by the Site Superintendent, however, final approval of the number of billable hours, hourly rates and other costs for the Work can only be approved by the Project Manager.
- 13.9 Any adjustment in the Total Subcontract Amount, or time for performance, must be authorized by a Change Order prepared by the Contractor and signed by the Subcontractor.
- 13.10 If the Owner or Consultant requests any additional work on Site or otherwise directly to the Subcontractor, the Subcontractor must inform the Project Manager in writing of work required prior to any Work commencing. If the Project Manager is not informed, then requests for compensation may be rejected.
- 13.11 Where immediate execution of a change is required and the associated pricing or impact to the Subcontract Time cannot be agreed upon in advance, the Contractor may issue a Change Directive in writing to the Subcontractor. Upon receipt of a Change Directive, the Subcontractor shall promptly proceed with the change as directed, without delay. The value of the Work performed under a Change Directive shall be determined by one of the following methods, as applicable:
- a) A subsequently agreed lump sum price;
  - b) Unit prices established in the Subcontract or agreed upon in writing by the Contractor; or
  - c) A force account basis, subject to written daily records and signed time-and-material summaries, submitted to and reviewed by the Site Superintendent and approved by the Project Manager.
- All Work completed under a Change Directive shall be subject to the pricing breakdown, backup requirements, and limitations on overhead and profit as set out in Sections 13.3 and 13.5. Final valuation and authorization of any adjustment to the Subcontract Amount or Subcontract Time shall be formalized through a Change Order issued by the Contractor in accordance with Section 13.9. Failure by the Subcontractor to comply with a valid Change Directive may be considered a default under this Subcontract.
- 13.12 In the event of an emergency condition on Site that threatens health, safety, property, or the environment, the Contractor may issue a Change Directive verbally or in writing, instructing the Subcontractor to proceed with necessary changes or corrective measures without delay. The Subcontractor shall immediately comply with all directions issued under such Change Directive. Where initial instruction is provided verbally, written confirmation will be issued by the Project Manager as soon as practicable thereafter. Examples of emergency conditions include, but are not limited to:
- (a) Structural failure or collapse risk requiring immediate shoring or support;
  - (b) Uncontrolled water ingress or flooding;
  - (c) Fire or smoke infiltration requiring suppression measures or rework of fire-rated assemblies;
  - (d) Spill or disturbance of hazardous materials requiring immediate containment and mitigation;
  - (e) Severe weather damage requiring immediate temporary repairs;
  - (f) Immediate correction of a life-safety issue identified by Authorities having Jurisdiction.
- All Work performed under such Change Directive shall be subject to the same backup, cost breakdown, and rate limitations as outlined in Sections 13.3 and 13.5. The Subcontractor shall maintain detailed records of labour, materials, and equipment used, and submit them to the Contractor for review. These records must be signed daily by the Site Superintendent, with final approval from the Project Manager. Any adjustment to the Subcontract Amount or Subcontract Time as a result of such Change Directive shall be formalized through a Change Order, in accordance with Section 13.9. Failure to comply with a valid Change Directive may be deemed a default under this Subcontract.

**SC 14.0 – SHOP DRAWINGS AND SUBMITTALS**

- 14.1 Within one week of Project award the Subcontractor will provide a summary of all shop drawings and submittals required for their scope of work. The Subcontractor is responsible for providing and maintaining a listing of all its past, current, future, approved, submitted, resubmitted, and rejected shop drawings throughout the duration of the Project. A blank submittal listing template will be made available to the Subcontractor upon request. Timely and accurate submission of all shop drawings and submittals is imperative. Project delays due to the Subcontractor's failure to submit its shop drawings and submittals in a timely, accurate, and organized manner will not be deemed as grounds for deviation from, or alteration of, the Project Schedule. The Subcontractor will complete submittals in metric or imperial to match the Project documents at no additional cost.

**SC 15.0 – PROJECT STAFFING**

- 15.1 The Subcontractor shall employ a competent, knowledgeable, and fully dedicated supervisor, and any necessary workers, all satisfactory to the Contractor, throughout the course of the Work. The supervisor shall not be changed except with the consent of the Contractor. The supervisor shall represent the Subcontractor and direction given to the supervisor shall be deemed to be given to the Subcontractor. The Subcontractor shall not employ on the Work any unfit or unskilled person.
- 15.2 The Subcontractor will ensure their Work is completed in full, in a good and workmanlike manner, in the correct sequences per the Project Schedule and the Contractor.
- 15.3 Should the Subcontractor use piecework trades people, they will supplement these workers with hourly forces to complete work efficiently and effectively as required by the Contractor. Should temporary workers be utilized, the Subcontractor is responsible to supervise and manage these workers to ensure the Work is being performed safely and with the necessary skill set. The Contractor is not responsible for management of the Subcontractor's workforce.
- 15.4 The Subcontractor shall remove from the Project Work Site any Subcontractor employee or Sub-subcontractor who, in the reasonable opinion of the Contractor, is unfit or unskilled or persistently disrupts the activities of the Contractor or other subcontractors.
- 15.5 It is the responsibility of the Subcontractor to ensure their workers possess sufficient English language proficiency to understand all project health and safety information and general instructions provided verbally and/or in writing. All project information as well as health and safety information, orientations and meetings will be conveyed in English only. Where a worker does not possess a working knowledge of the English language it is the Subcontractor's responsibility to: provide language translation services to the worker to explain safety requirements; translate all policies, risks, safe work practices and procedures and emergency procedures; and convey general instruction and direction as required on site. The translating individual must be on site and available for translation at any time the worker requiring translation is on site.

**SC 16.0 – SPECIAL ACCREDITATION**

- 16.1 Any responsibilities for special accreditations of any sort including but not limited to LEED® and Built Green as required in the Project documentation will be enforced. The Subcontractor will provide all necessary documentation in the timelines as specified by the Project Manager and will ensure that all onsite requirements are met at all times.

## FILLMORE CONSTRUCTION MANAGEMENT INC. STANDARD TERMS AND CONDITIONS FOR SUBCONTRACT AGREEMENT

### SC 17.0 – PROJECT COMMUNICATION

- 17.1 The Subcontractor will provide the Contractor with the contact numbers and email addresses for their Project Manager, Site Manager, and their Sub-subcontractors' management upon receipt of Subcontract. Should the Contractor have concerns, and the Subcontractor is not facilitating discussion, then the Contractor will take whatever actions are necessary to mitigate the Project concern at the Subcontractor's expense.

### SC 18.0 – PROJECT MEETINGS

- 18.1 The Subcontractor and Sub-subcontractors, upon receiving notice, will participate in any and all meetings as required by the Contractor, including, but not limited to: Project Startup Meetings, Weekly Progress Review Meetings, Accident / Incident Investigation Meetings, Safe Work Plan Meetings, Daily Safety Meetings, QA/QC Meetings, Scheduling Meeting, Weekly Tool Box Meetings, Safety and Loss Management Meetings, Potential Problem Analysis Meetings, Material Planning Meetings, Project Close Out Meetings and any others as deemed required by the Contractor.

### SC 19.0 – SITE SECURITY

- 19.1 The Subcontractor is responsible for protecting their materials, tools, equipment, finishes and similar property. The Contractor is not responsible for any materials, finishes equipment or other property that are damaged or stolen from site prior to the complete installation of such components. The Contractor is not responsible for the theft of or damage to any tools or equipment the Subcontractor have furnished to the site. The Subcontractor shall be responsible for any damages or losses caused by their failure to adequately secure their materials, tools, equipment, finishes and similar property.

### SC 20.0 - SAFETY REQUIREMENTS

- 20.1 The Subcontractor will ensure that all its employees and Sub-subcontractors follow the more stringent of the Contractor's Health and Safety policy, the Subcontractor's Health and Safety Policy, the Owner's Health and Safety policy, all applicable governing Health, Safety, Environmental Legislation or any other governing legislation. The Subcontractor is responsible for reviewing the Contractor's full policies available on Site with the Contractor's Site Superintendent or in the Contractor's office.
- 20.2 The Subcontractor will ensure that their workers and Sub-subcontractors always utilize proper personal protective equipment while on Site based on the Work being performed. The Contractor's minimum personal protective equipment requirements include the use of a CSA approved Hard Hat, Steel Toe Boots, Safety Glasses, Safety Vest, gloves, full length pants and a sleeved shirt. Exceptions for some personal protective equipment may be granted when specifically accepted in writing by the Site Superintendent based on it being infeasible or unsafe to wear certain personal protective equipment in restricted areas and circumstances.
- 20.3 The Subcontractor will provide reasonable protection to prevent damage, injury or loss to: Persons, finishes, materials and equipment whether on or off the Site, and on all adjacent properties. Protection will be required for trees, shrubs, lawn, walkways, pavement, roadways, structures and utilities not designed for removal, relocation or replacement during construction.
- 20.4 The Subcontractor will ensure that any employees and Sub-subcontractors entering the Project site for the first time advise the Contractor's Site Superintendent the day before entering the Site to arrange for a site orientation by the Site Superintendent or assignee; site orientations are held once daily.
- 20.5 The Subcontractor will ensure that all its tools and equipment are used and maintained in accordance with manufacturer's specifications without alterations. All work practices must be performed in a safe manner according to the Contractor's policies, the Subcontractor's policies, the Owner's policies, the Site Superintendent, and any governing legislation. The Subcontractor will ensure that its employees and Sub-subcontractors have appropriate training and certification to use any equipment they utilize throughout the duration of the Project. The Subcontractor will be responsible to verify competency of all its employees and Sub-subcontractors on any equipment used by them regardless of who supplied the equipment. Equipment checklists must be completed by the Subcontractor a minimum of once daily when the equipment will be operated in any way. This documentation must be available for inspection at any time the equipment is on Site.
- 20.6 All workers and visitors of the Subcontractor and its Sub-subcontractors will perform daily Hazard Assessments prior to starting any task. Hazard assessments will be performed at a minimum of once per day and updated prior to any new task.
- 20.7 At least once per week the Subcontractor and its Sub-subcontractors will attend the Contractor's Tool Box Safety Meetings with all workers currently on Site. Alternatively, the Subcontractor may host their own Tool Box Safety Meeting if the Contractor does not require the Subcontractors attendance at the Contractor's Tool Box Safety Meeting. When the Subcontractor hosts its own Tool Box Safety Meetings they will provide documentation to the Site Superintendent following the meeting.
- 20.8 The Subcontractor will ensure that housekeeping is kept to a high standard at all times while performing work on the Site. The Subcontractor will ensure that such housekeeping includes, but is not limited to keeping walkways clear, removal of trash and debris, and ensuring elimination of any slip and/or trip hazards in its work area. The Subcontractor will be held directly responsible for any incident that occurs due to their poor housekeeping.
- 20.9 Consuming, being under the influence of, or being in possession of alcohol, legalized, illegal or controlled prescription drugs on any of the Contractor's premises, in vehicles or on any work site, is strictly prohibited. If the Contractor has any reason to believe that a worker may be under the influence of alcohol, legalized, illegal or controlled prescription drugs the Contractor will contact the Subcontractor. The Subcontractor will remove the worker from site immediately and will be required to complete testing to confirm if any infractions have occurred. Any worker who the Contractor believes may be under the influence will not be permitted back on Site until testing information from a certified agency has been provided to the Contractor. The Contractor will in no way be responsible for the costs of or the coordination of the above noted tests or getting the noted worker to the proper facilities for testing regardless of the test results.
- 20.10 Any worker with a medical condition which could cause a hazard to the worker or other workers on Site must bring the condition to the attention of the Site Superintendent before beginning work on Site. Only at this time may controlled prescription drugs be allowed on Site for this specific condition if accompanied by a signed doctor's note indicating that the worker is able to perform their required tasks.
- 20.11 Smoking will not be permitted inside the construction zone except in a specific zone designated by the Site Superintendent.
- 20.12 The Subcontractor will participate in any joint health and safety committee, or similar committee as required by legislation or in the Contractor's sole opinion.
- 20.13 SDS documentation must be supplied to the Site Superintendent for all controlled products immediately upon arrival of products to the Site. All safety requirements detailed in the SDS documentation must be adhered to in full. Upon request, the Subcontractor must promptly provide the Contractor with all health and safety related documentation including, but not limited to: employee training records, employee certificates of qualifications, minutes of safety meeting minutes, tool-box meeting attendance records, permits, certificates of inspection, worksite equipment inspection documents, tool or equipment operating instructions and project use instructions.
- 20.14 The Subcontractor is responsible for organizing transportation on an immediate as needed basis for their workers as required for medical care or follow up consultation.
- 20.15 The Subcontractor will ensure that the Contractor's Site Superintendent is notified immediately if any of the Subcontractor's workers are involved in a near miss, personal injury/first aid, medical aid, property damage or any other incident on any Contractor site. A full investigation and an incident report must be completed immediately and submitted to the Site Superintendent within 24 hours.
- 20.16 Failure to adhere to any of the above regulations may result in disciplinary safety warnings, suspension from Site, and/or termination of this Subcontract with prejudice.

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- 20.17 The Subcontractor and its Sub-subcontractors will follow the safety direction of the Contractor's Site Superintendent, Project Manager or Safety Officer. Anyone refusing to follow the Contractor's direction will be removed from the Site immediately.

### SC 21.0 – LEGAL COMPLIANCE: PRIVACY

- 21.1 In carrying out its obligations under the Subcontract, the Subcontractor agrees any personal information collected, used or acquired by the Subcontractor, or its Sub-subcontractors, in connection with this Subcontract shall be protected against unauthorized use, disclosure, modification or loss. The Subcontractor shall ensure its directors, officers, employees, Sub-subcontractors or agents use personal information in accordance with applicable privacy legislation, regulations, standards and codes and solely for the purposes of carrying out the Work.

### SC 22.0 – PUBLIC COMMUNICATION

- 22.1 Except as required by law, no public release of any information, or confirmation or denial of same, with respect to the Subcontract or the subject matter hereof, including photographs or videos of the Site on social media, will be made by the Subcontractor, its employees, representatives, or any Sub-subcontractor, without the prior written approval of the Contractor.

### SC 23.0 – CLEANLINESS OF WORK AREA

- 23.1 The Contractor will provide garbage and/or recycle bins for use by the Subcontractor for general waste, unless otherwise noted in the Subcontractor's quotation and/or this Subcontract. Such receptacles will be placed in a designated location, which may be revised from time to time at the Contractor's discretion over the duration of the Project. The Subcontractor is responsible for sorting recyclables and garbage into the appropriate bins on a daily basis, or more frequently if directed to do so. If debris is not removed in a timely manner, costs for clean-up or removal by the Contractor may be charged back to the Subcontractor.
- 23.2 The Subcontractor shall at all times continuously keep their work area within the Project Site in a neat, clean and safe condition and shall conduct its operations in such a way as to minimize impact upon the environment.
- 23.3 The Subcontractor is responsible to remove debris and complete all cleaning associated with their work area as they work. In addition to work area cleaning, the Subcontractor shall designate one worker for a full work day per week for every five workers to participate in general housekeeping. For contracts over \$1,000,000 the Subcontractor will ensure a worker is included for full time site cleaning. The general work site clean up will be organized by the Contractor's Site Superintendent and shall be strictly adhered to by the Subcontractor.
- 23.4 The Contractor may undertake cleanup or temporary structure removal, as the Contractor determines to be necessary, without further notice and deduct the costs from any amounts due to the Subcontractor.

### SC 24.0 – PROTECTION OF WORK

- 24.1 The Subcontractor shall take necessary precautions to properly protect its work and operations, the work of others and adjacent property from damage caused by the Subcontractor's operations and shall identify such precautions in its safety plan as appropriate. Should the Subcontractor cause damage to the work or property of the Owner, the Contractor or others, the Subcontractor shall promptly notify the Contractor and shall remedy such damages to the satisfaction of the Contractor, or the Contractor may remedy the damage and deduct its costs from any amounts due or to become due to the Subcontractor.

### SC 25.0 – DAMAGE OF OTHER TRADES' WORK

- 25.1 If the Subcontractor damages the Work of any other subcontractor or materials supplier, private property, property of the Owner or adjacent properties, then the Subcontractor that caused the damage will be responsible for all costs associated with the repair or replacement of the property or Work. If no subcontractor will accept responsibility for damages, then the Contractor will solely determine how costs for repairs will be divided or distributed amongst the subcontractors present on Site. This decision will be binding.

### SC 26.0 – PERMITS, INSPECTIONS AND CONFIRMATION OF INSTALLATION

- 26.1 The Subcontractor shall obtain and pay for all permits, licenses and certificates relative to the Scope of Work under this Subcontract.
- 26.2 The Subcontractor is responsible for ensuring that any inspections required to complete its work are ordered and completed in a timely manner to maintain the Project Schedule. These inspections include but are not limited to first call inspections, regular re-inspections as required by first call and any private inspections required in order to ensure the safety of all workers.
- 26.3 The Subcontractor is responsible to obtain and facilitate all required Consultant inspections, third party inspections, material testing, permits, municipal inspections and licenses necessary per the Project Documents and for the region in which the Project is being completed. These will be facilitated and obtained by the Subcontractor in a timely manner to facilitate the Project Schedule and other Project requirements. All costs and other consequences associated to the Subcontractor's failure to meet these requirements will be the sole responsibility of the Subcontractor including any liquidated damages, consequential damage and/or other damages for delay.
- 26.4 Any subcontractor whose scope of work includes below grade or overhead water, sanitary, storm or sprinkler lines of any sort will complete pressure tests, ball tests, other testing and/or video inspection to ensure all lines are watertight, properly sloped and per industry standards. The Subcontractor is responsible for all damages, consequential, liquidated and otherwise associated with leaks or line failures found within six years of substantial completion. The Subcontractor will be responsible for all sags, breaks, clogs and deflections in pipes regardless of their cause. The Subcontractor is responsible for ensuring all testing and inspections are complete prior to scheduling backfill and concrete/asphalt pour dates. Any financial damages to the Subcontractor, the Contractor and the Owner due to failures will be at the Subcontractor's cost. Builder's Risk or any other insurance maintained by the Contractor may be used to cover damages solely at the Contractor's discretion; however, this does not limit the Subcontractor's responsibility to cover all associated costs. Use of any such insurance shall not relieve the Subcontractor of liability, including deductibles, uninsured amounts, or costs excluded under such policies.

### SC 27.0 – QUALITY ASSURANCE / QUALITY CONTROL PROGRAM ("QA/QC PROGRAM")

- 27.1 The Subcontractor shall perform the Work in accordance with this Subcontract and implement a formal Quality Control Program to support compliance with the Contractor's Quality Assurance and Quality Control Program (QA/QC) requirements for the Project. Without limiting the generality of this obligation, the Subcontractor shall adhere to the following provisions:
- (a) The Subcontractor shall conduct progressive quality control inspections throughout the execution of the Work to ensure compliance with the contract documents.
  - (b) The Subcontractor shall maintain and provide the Contractor with timely and complete documentary evidence of all quality control inspections conducted in relation to the Project.
  - (c) Prior to commencing any Work, the Subcontractor shall submit all relevant certification and qualification documentation to the Contractor for review and record.

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- (d) All materials and equipment shall be installed, commissioned, and, where applicable, tested in strict accordance with the manufacturers' current instructions and specifications. Should any such instructions conflict with the project requirements, the Subcontractor shall promptly notify the Contractor in writing and shall refrain from undertaking any activities that may compromise the manufacturer's warranty.
- (e) The Subcontractor shall furnish the Contractor with all relevant manufacturers and suppliers' guidelines, recommendations, and requirements pertaining to the storage, handling, usage, installation, operation, and maintenance of all materials and equipment supplied by the Subcontractor.
- (f) The Subcontractor shall foster and maintain a culture of quality among its personnel and subcontractors and shall actively encourage the identification and prompt reporting of any quality-related deficiencies, non-conformances, or deviations from contractual or regulatory requirements.

**SC 28.0 – MATERIAL DELIVERIES AND STORAGE OF MATERIALS ON SITE**

- 28.1 The Contractor and their employees are not responsible for receiving or moving the Subcontractor's materials or equipment delivered to the site. The Subcontractor shall have equipment and sufficient labour on the Project to receive, move and offload its own materials. Arrangements may be made with the Contractor to receive materials or equipment on behalf of the Subcontractor, labour and equipment costs may be charged by the Contractor. In no situation will the Contractor assume responsibility for the quantity, quality, confirmation of delivery or condition of any materials received, even if materials are damaged by the Contractor during unloading and loading.
- 28.2 The Subcontractor shall provide all necessary traffic control measures, including but not limited to spotters, flag persons, signage, barriers, and barricades, in compliance with applicable local traffic control standards and all relevant Laws. These measures shall be implemented to ensure the safety of the public during the arrival and departure of delivery vehicles related to the Subcontractor's scope of work. The Subcontractor shall perform all such work in a manner that minimizes disruption to public and site traffic. Where applicable, the Subcontractor shall obtain all required permits and approvals from public or private authorities for temporary road closures, traffic redirection, or the use of public roads as haul routes.
- 28.3 It is the Subcontractor's responsibility to protect and secure their materials, tools and equipment from damage or theft. The Subcontractor will supply appropriate storage facilities to ensure protection and security of its materials. The Contractor does not assume care, custody, or control of Subcontractor materials, tools, or equipment at any point prior to their permanent installation and acceptance as defined in the Contract Documents. Temporary storage of materials on Site does not constitute acceptance by the Contractor. Risk of loss remains with the Subcontractor until formal turnover or acceptance. If materials, tools or equipment are damaged or stolen, it will be the Subcontractor's responsibility to obtain new materials as required to complete the Project on schedule at its cost. Payment of an invoice on behalf of the Subcontractor for said materials does not remove these responsibilities from the Subcontractor. The Subcontractor will not store excess or no longer required materials on Site; excess materials must be removed from the Site promptly at the sole expense of the Subcontractor.
- 28.4 The Subcontractor shall coordinate all hoisting requirements with the Contractor and shall ensure that all materials are staged and delivered to their designated locations within the construction site in advance of installation activities. The Subcontractor is responsible for ensuring proper planning and execution to avoid delays and disruptions associated with hoisting and staging.

**SC 29.0 – PARTIAL OCCUPANCY**

- 29.1 Should the Owner or the Contractor require partial occupancy of the Project, the Subcontractor will make all reasonable efforts to assist in preparing the area that is to be partially occupied.

**SC 30.0 – INSURANCE**

- 30.1 The Subcontractor shall, without limiting its obligations or liabilities as stated elsewhere in this Subcontract, obtain and continuously maintain at its own expense and cost, the following insurance coverages:
  - (a) Workers' Compensation coverage on all employees, officers and directors engaged in the Work in accordance with the statutory requirements of the Province or Territory having jurisdiction over such employees;
  - (b) General Liability insurance, including coverage for completed operations and hazard;
  - (c) Automobile Liability insurance covering all owned and non-owned motor vehicles operated or used by the Subcontractor in the performance of the Work;
  - (d) Equipment insurance covering all construction machinery, temporary buildings, equipment and materials used by the Subcontractor in the performance of the Work;
  - (e) if watercraft or aircraft are used or operated by the Subcontractor in the performance of the Work, watercraft and aircraft liability insurance;
  - (f) to the extent that the Work includes professional services including, but not limited to, design services, professional liability insurance covering the Subcontractor's professional services (and any professional services provided by a Sub-subcontractor or a consultant of the Subcontractor);
  - (g) such other insurance that may be deemed required by the Owner or the Contractor.
- 30.2 The minimum limits of insurance to be provided by the Subcontractor in SC 30.1 (b), (c) and (e) shall be the greater of the corresponding limits required by the Prime Contract and \$5 million per occurrence. Such insurance shall be maintained for at least two years following completion of the Project and, for the insurance required under SC 30.1 (b), for six years with respect to the completed operations hazards. The minimum limits of insurance to be provided by the Subcontractor under SC 30.1 (f) shall be the greater of the corresponding limits required by the Prime Contract and \$2 million per occurrence. Such insurance shall be maintained for at least two years following completion of the Project.
- 30.3 The Subcontractor's general liability insurance shall name both the Contractor and the Owner as additional insureds with respect to liability arising out of the operations of the Subcontractor in performing this Subcontract and shall provide that the insurer shall waive any right of subrogation against the Contractor and the Owner. The Subcontractor's equipment insurer shall also name both the Contractor and the Owner and as additional insureds and waive any right of subrogation against the Contractor and against the Owner.
- 30.4 On projects where the Owner or the Contractor provide Course of Construction and/or Wrap-Up Liability Insurance, such insurance may be subject to deductibles. The applicable deductible shall be the obligation of the party causing damage or injury. Notwithstanding the actual deductible stated in the Contractors policy, the Subcontractor shall be responsible for the first \$100,000 of any loss, damage, or claim caused by or arising from its acts, omissions, or Work, whether covered under the applicable insurance or not. In the event of a Course of Construction loss where no responsible party can be clearly identified, the cost up to \$100,000 shall be apportioned among the Subcontractor(s) whose Work has been damaged, in proportion to the value of such damage. It remains the Subcontractor's responsibility to satisfy itself as to the adequacy of any insurance provided by the Contractor or Owner, and to maintain any additional insurance it deems necessary to protect its own interests.
- 30.5 Prior to the commencement of the Work, and as a condition of payment, and upon request by the Contractor during the course of its completion, the Subcontractor shall provide to the Contractor a certificate of insurance in respect of the required insurance coverages, or a certified copy of the entire policy or policies, if so requested, and a clearance certificate or similar instrument of the relevant workers' compensation authority or authorities. The insurer shall provide 30 days' prior written notice of cancellation to the Contractor and the Owner of the coverage required under SC 30.1 (b), (c), (d), (e), (f) and (g).
- 30.6 The Subcontractor will adhere to all special requirements as set out by the Contractor's or the Owner's insurance provider. Any and all damages and liquidated damages incurred due to failure to adhere to these requirements will be the sole responsibility of the Subcontractor.



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### **SC 31.0 – INDEMNIFICATION**

- 31.1 The Subcontractor shall indemnify and hold harmless the Contractor, its agents, employees, affiliates, directors, officers and shareholders, from and against any and all claims, demands, losses, costs, damages, suits or proceedings by third parties (“Third Party Liabilities”) that arise out of or are attributable to the Subcontractor’s performance or non-performance or breach by the Subcontractor of the Contract Documents. Without limiting the generality of the foregoing, this includes Third Party Liabilities caused in whole or in part by any intentional or negligent act or omission of the Subcontractor or anyone directly or indirectly employed by the Subcontractor, or for any person or entity, including Sub-subcontractors, for whose acts or omissions the Subcontractor may be liable.
- 31.2 The indemnification obligations indicated in this agreement survive the completion and/or termination of the Subcontract.
- 31.3 Except as otherwise indicated in this agreement and in the Prime Contract, each party shall only be liable to the other for direct damages and shall not be liable for any loss of profits or consequential loss.

### **SC 32.0 – TERMINATION OF PRIME CONTRACT BY OWNER**

- 32.1 Should the Owner terminate the Prime Contract or any part which includes the Scope of Work of the Subcontract, this Subcontract Agreement shall be terminated, and the Subcontractor shall immediately stop Subcontract Work, follow the Contractor’s instructions and mitigate all costs. In the event of Owner termination, the liability of the Contractor to the Subcontractor shall be limited to the extent of the Contractor’s recovery on Subcontractor’s behalf under the Prime Contract.

### **SC 33.0 – DEFAULT AND TERMINATION OF SUBCONTRACT**

- 33.1 If the Subcontractor at any time shall refuse or neglect to supply a sufficient number of properly skilled workmen or sufficient materials or equipment of the proper quality, or fails in any respect to prosecute its Work with promptness and diligence, or fails to promptly correct defective Work, or causes by any act or omission the stoppage or interference with the Work of the Contractor, or other Subcontractors, or fails to pay labourers, Sub-subcontractors and suppliers when due, or shall be insolvent or unable to meet its obligations, or shall make an assignment for the benefit of creditors, or shall commence any proceeding in bankruptcy, or if any such proceedings are commenced against it, that are not discharged within fifteen (15) days, or fails in the performance of any of the obligations contained in the Subcontract, the Subcontractor shall be deemed to be in default and the Contractor may, at its option, at any time after providing written notice of such default with direction to cure in a specific period, but not less than thirty six (36) hours, and Subcontractor’s failure to cure the default, terminate this Agreement by providing written notice to the Subcontractor. Thereafter, the Contractor may take possession of the Work, materials, tools, appliances and equipment of the Subcontractor at the Project site, and through itself or others provide labour, equipment and materials to prosecute the Subcontractor’s Scope of Work on such terms and conditions as the Contractor, in its sole discretion, shall be deemed necessary, and shall deduct the costs thereof, including without restriction thereto all charges, expenses, losses, costs, damages and legal fees incurred as a result of the Subcontractor’s default from any money due or thereafter to become due to the Subcontractor under the Subcontract Agreement or any other contractual arrangement between the parties. The remedy provided in this paragraph shall not preclude any claim the Contractor may have for other damages allowable under law.
- 33.2 If the Subcontractor defaults under this Contract, or if the Contractor terminates the employment of the Subcontractor pursuant to this Standard Condition, the Subcontractor shall not be entitled to any further payments under this agreement until the Subcontractors Work has been completed and accepted by the Owner, and payment has been received by the Contractor from the Owner with respect thereto. In the event that the unpaid balance due exceeds the Contractor’s cost of completion, the difference shall be paid to the Subcontractor; but if such expense exceeds the balance due, the Subcontractor agrees promptly to pay the difference to the Contractor.
- 33.3 If the Subcontractor defaults under this Subcontract Agreement, the Subcontractor shall be liable to the Contractor for any expenses incurred by the Contractor, including legal fees, incurred in connection to this transaction and/or the enforcement of this Agreement.

### **SC 34.0 – TERMINATION FOR CONVENIENCE**

- 34.1 The Contractor shall have the right to terminate this Subcontract, without cause, for convenience, when the Contractor determines that it is in its own best interest to so terminate the Subcontract. If the Subcontract is terminated for convenience, the Subcontractor shall comply with all of the Contractor’s termination instructions and shall be entitled to receive payment for Work actually performed and a reasonable overhead and profit in connection with such Work, except if the Contractor’s Contract with the Owner is also terminated for convenience, termination settlement costs to the Subcontractor shall be as provided in the Contract Documents, and in the amount received by the Contractor on behalf of the Subcontractor from the Owner. Subcontractor shall not be entitled to any recovery of profit or unabsorbed overhead in connection with Work not actually performed or future Work.

### **SC 35.0 – WARRANTY / GUARANTEE**

- 35.1 The Subcontractor warrants to Owner and the Contractor that all materials and equipment furnished shall be new, unless otherwise specified, and that all work under this Subcontract Agreement shall be of good quality, free from faults and defects and in strict conformance with the Contract Documents. All Work not conforming to these requirements including substitutions not properly approved and authorized by the Contractor, in writing may be considered defective.
- 35.2 The Subcontractor warrants its work for the same period as the Contractor warrants the Work to the Owner under the Contract Documents and for the duration of any applicable extended warranties. If the Contract Documents do not state a specific warranty period, then for a period of one (1) year from the date of Substantial Completion of the Contractor’s full scope of work of the Project.
- 35.3 If advised by the Contractor of a warranty claim, the Subcontractor agrees to promptly make good without costs to Owner or the Contractor any and all defects due to faulty workmanship and/or materials which may appear within the warranty period. The Subcontractor further agrees to execute any special guarantees as required by the Contract Documents as a condition of final payment.
- 35.4 No payment to the Subcontractor and no partial or entire use or occupancy of the Work by the Owner shall be construed as an acceptance of any work or material not in accordance with the Contract Documents.
- 35.5 The Subcontractor will facilitate and allow the early use of new mechanical and electrical equipment at the direction of the Contractor and/or with the approval of the Owner, while ensuring that such early use does not void or limit the specified warranty.

### **SC 36.0 – REMEDIAL WORK AND DEFICIENCIES**

- 36.1 If any part of the Subcontractor’s Work is found to be defective, not in conformance with the Contract Documents, or otherwise unsatisfactory in the opinion of the Contractor or Consultant, the Subcontractor shall, at its sole cost and expense, promptly correct such work to the satisfaction of the Contractor. The Subcontractor shall commence such remedial work within 48 hours of receiving written notice and shall diligently proceed until completion.
- 36.2 Should the Subcontractor fail to commence or complete remedial work within the time prescribed, the Contractor may, without prejudice to any other rights or remedies, undertake the necessary corrective work or engage others to do so. All associated costs, including direct and indirect costs, labour, materials, supervision, consulting, testing, and overhead, will be deducted from amounts due or to become due to the Subcontractor.
- 36.3 The performance of inspections, approvals, or payments by the Contractor shall not relieve the Subcontractor from its obligations to perform the Work in accordance with the Subcontract.
- 36.4 This clause shall survive completion of the Work and final payment.

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### **SC 37.0 – CONTRACT CLOSEOUT REQUIREMENTS**

- 37.1 Between substantial completion through final acceptance and payment, including completion of all required deliverables in accordance with the Contract Documents ("Construction Closeout"), the Subcontractor shall submit a list of items to be completed and corrected (the "Subcontractor's Deficiency List") in accordance with the Contract Documents and to the satisfaction of the Contractor and the Owner and at no cost to the Contractor and subject to agreement by the Contractor as to the completion date for each Deficiency List work item.
- 37.2 The Subcontractor shall supply all as-built drawings, maintenance manuals, instructions, brochures, guarantees, warranties, certificates, and other similar documents, as required of it by the Contract Documents in a manner and at a time stipulated by the Contractor but in any event not later than the Subcontractor's final progress claim or thirty (30) days before the final inspection of the Owner or its Consultant(s), whichever is earlier. The Contractor shall designate an amount to be retained from the Subcontract Price until the Subcontractor has delivered the materials and documents so required.
- 37.3 As directed by the Contractor, the Subcontractor shall demobilize all trailers, temporary facilities and structures and equipment including, but not limited to, temporary power poles, lavatory facilities, scaffolding, storage containers, mud huts from the Work Site immediately after completion of the Work, unless expressly required or approved by the Project Manager and the Owner.
- 37.4 The Subcontractor will leave adequate maintenance materials on the Site in a location and manner acceptable to the Site Superintendent and as noted in the Project Specifications. Upon completion, it is the Subcontractor's responsibility to have the material formally signed off by the Site Superintendent in writing.
- 37.5 Until adequate maintenance manuals are provided to the Contractor in a satisfactory manner and satisfactory operations and maintenance manuals, warranty certificates and as-built drawings are submitted and deemed acceptable by the Contractor, the Consultant and the Owner, 3% of the Subcontract's total Contract value, with a minimum value of \$10,000, may be retained by the Contractor.
- 37.6 The Subcontractor is required to provide the Owner and the Contractor with any training and commissioning on Project components as requested or deemed necessary by the Contractor, the Consultant or the Owner. Written confirmation signed off by a responsible and appropriate representative of the Owner must be supplied by the Subcontractor to the Contractor if requested, or if required in the Contract Documents.

### **SC 38.0 – PAYMENT OF BILLS**

- 38.1 The Subcontractor shall promptly and satisfactorily settle and pay for all accounts or claims made by the Subcontractor's employees, hires, creditors, subcontractors, permitted assigns, or anyone for whom the Subcontractor has legal responsibility related to the Work. In no event will the Subcontractor permit a lien or encumbrance against the Project, Project lands or any other Project assets ("Encumbrance") by any entity described in this Section 36 and in the case of the Subcontractor, Encumbrances which are not bona fide. If an Encumbrance is registered, the Subcontractor will, at its own expense, promptly and, in any event, no later than the time reasonably required by the Contractor, discharge such Encumbrance. Should the Subcontractor fail to do so, the Contractor may discharge such Encumbrance at the Subcontractor's expense and may set off those expenses from any payments due to the Subcontractor. Such expenses shall include, but are not limited to, legal costs.
- 38.2 Subcontractor shall keep full and detailed accounts and records necessary for the documentation of payments made to its Sub-subcontractors and suppliers. During the term of the Project, Contractor shall be afforded reasonable access to such documentation including invoices, agreements, change orders, payment application, proof of payment documentation and any other documents that support the payments to Sub-subcontractors and suppliers.

### **SC 39.0 – RESOLUTION OF DISPUTES**

- 39.1 Any dispute, claim or controversy arising out of or relating to this agreement or the breach, termination, enforcement, interpretation or validity thereof shall be determined by arbitration to be heard in Edmonton, Alberta before a single arbitrator in accordance with the CCDC 40 Rules for Arbitration of Construction Industry Disputes in effect at the date of this Subcontract.
- 39.2 The Subcontractor shall bind all Sub-subcontractors to this arbitration provision.
- 39.3 The arbitrator may include in its award an allocation to any party of such costs and expenses, including legal fees, as the arbitrator shall deem reasonable. In making an allocation, the arbitration shall consider the relative success of the parties in respect of the dispute.
- 39.4 Notwithstanding any dispute, it shall be the responsibility of each party to continue to perform its obligations under this Subcontract pending resolution of the dispute. In the event that provisions for resolution of disputes between the Contractor and the Owner contained in the Prime Contract do not permit consolidation or joinder with dispute of third parties, such as the Subcontractor, resolution of disputes between the Subcontractor and the Contractor involving in whole or in part disputes between the Contractor and the Owner shall be stayed pending conclusion of any dispute proceeding between the Contractor and the owner.
- 39.5 In any event of litigation for any reason arising out of this Subcontract, each party agrees to waive its right to trial by jury.

### **SC 40.0 – INSOLVENCY AND BANKRUPTCY**

- 40.1 In the event of the insolvency of the Subcontractor this Subcontract shall, at the option of the Contractor, cease and terminate and, in that event, the assignees or trustees in bankruptcy of the Subcontractor shall not acquire any interest in or to this Subcontract but shall be paid (but in all cases subject to the terms of this Subcontract including without limitation the provisions of Section 33 hereof) only for such Work as the Subcontractor has performed and been unpaid for as at the date of insolvency or bankruptcy. The Contractor's determination of the amount payable as at the date of insolvency or bankruptcy shall be conclusive.

### **SC 41.0 – COORDINATION OF WORK**

- 41.1 The Subcontractor shall be responsible for conducting all required site measurements and verifying dimensions prior to the commencement of fabrication and installation activities.
- 41.2 The Subcontractor shall coordinate its work with all relevant subtrades to ensure integration with other scopes of work and to avoid impacts to the overall construction schedule. The responsibility for coordinating the installation of new work lies with the Subcontractor performing the installation. All site reviews must be scheduled with the Contractor to ensure the efficient and effective use of limited space, in a manner acceptable to the Contractor and in the best interest of the Project. The Subcontractor shall bear all costs associated with rework resulting from inadequate coordination with other trades or its own scope of work.
- 41.3 When requesting saw cutting or coring, the Subcontractor shall complete all required layout and verification to ensure that no structural elements, finishes, utilities, or access pathways on or below the surface will be impacted or damaged. The Contractor shall not be responsible for layout accuracy, any resulting damage, or remediation required due to incorrect or incomplete layout by the Subcontractor. Furthermore, the Contractor shall not be liable for rework or additional cutting and/or coring arising from improper layout.
- 41.4 The Subcontractor shall obtain accurate as-built information for previously installed work necessary to complete its scope, including but not limited to subsurface piping, utilities, and existing structures.
- 41.5 Upon request by the Contractor, the Subcontractor shall provide digital working copies and editable CAD files of relevant submittals, drawings, models, and other project documentation, as required to facilitate procurement, fabrication, coordination, or development of complementary submittals.

### **SC 42.0 – ELECTRONIC COMMUNICATION, TECHNOLOGY USE, AND CYBERSECURITY**

- 42.1 All notices, correspondence, and formal communications between the parties may be sent electronically, including by email. Communications shall be deemed

## FILLMORE CONSTRUCTION MANAGEMENT INC. STANDARD TERMS AND CONDITIONS FOR SUBCONTRACT AGREEMENT

effective upon confirmed transmission unless otherwise specified.

- 42.2 This Subcontract and any associated documents (including Change Orders, notices, and authorizations) may be executed and exchanged electronically, including through platforms such as DocuSign. Electronic copies shall be considered as legally binding as originals.
- 42.3 Where the Contractor, the Owner, or the Consultant requires the use of specific software platforms (e.g., project management, safety, or quality control systems), the Subcontractor shall, at its own cost, obtain access and use such systems as required to meet the Project's contractual obligations. The Subcontractor shall participate in any onboarding or training required to ensure competent use of such systems. Continued failure to use required systems as instructed may result in withheld approvals, delayed payments, or corrective action by the Contractor.
- 42.4 The Subcontractor shall ensure that all personnel accessing the Contractor's systems, networks, or shared software platforms do so using secure devices, protected by up-to-date antivirus software, firewalls, and operating system patches. The Subcontractor shall maintain strong password practices, refrain from sharing user credentials, and immediately report any suspected security incidents, phishing attempts, or data breaches to the Contractor. The Subcontractor shall not access, transmit, or store the Contractor's or project-related data on unsecured personal devices or cloud-based platforms without prior written approval.
- 42.5 All project data, documentation, communications, and system access credentials shall be treated as confidential and used solely for the purposes of performing the Work under this Subcontract. The Subcontractor shall take reasonable steps to protect the confidentiality, integrity, and availability of such data and shall not disclose or use it for any purpose outside the scope of this Subcontract.
- 42.6 Failure to comply with the provisions of this section may result in, without limitation:
- (a) Suspension of system access;
  - (b) Withholding of payments;
  - (c) Termination of this Subcontract for cause; or
  - (d) Claims for damages related to any breach of data security caused by the Subcontractor.

### SC 43.0 – GENERAL PROVISIONS

- 43.1 The Subcontractor shall not make any assignment of the Subcontract, either in whole or in part, without the prior written consent of the Contractor. Any assignment without that consent is void and of no effect.
- 43.2 The Subcontract shall ensure to the benefit of and be binding upon the parties hereto and their lawful heirs, executors, administrators, and successors, permitted assigns.
- 43.3 This Subcontract Agreement constitutes the entire and sole agreement between the parties with respect to the subject matter of the Subcontract and supersedes all previous negotiations, communications and other agreements, whether written or oral, relating to it, unless they are incorporated by reference in this Subcontract. There are no terms, covenants, representations, statements or conditions binding on the parties other than those contained in the Subcontract.
- 43.4 The Subcontractor agrees to be bound by, and at its own cost comply with, all federal, provincial, and local laws, ordinances and regulations applicable to the Subcontract work including but not limited to, prevailing wages, and all other laws with which the Subcontractor must comply according to this Subcontract or the Contract Documents.
- 43.5 This Subcontract may only be amended or modified by a written instrument executed by both the Contractor and the Subcontractor.
- 43.6 No failure to enforce any provisions of the Subcontract on account of any breach thereof shall be considered as a waiver of any right to enforce provisions of this Subcontract concerning any subsequent or continuing breach.
- 43.7 The Subcontract shall be governed and construed in accordance with the laws of the Governing Jurisdiction.
- 43.8 The provisions of this Subcontract are severable. In the event that a Court of competent jurisdiction holds any invalid, the remainder of this Agreement shall be interpreted as if such invalid provisions were not contained therein.
- 43.9 The Subcontractor shall be solely responsible for all site measurements, surveying, and layout necessary to complete its scope of Work.
- 43.10 Upon request by the Contractor, the Subcontractor shall provide design-assist and/or value engineering services to the Contractor and Consultant at no additional cost to the Project.
- 43.11 Prior to commencing any work, the Subcontractor shall inspect all areas designated to receive its scope of work. The Subcontractor shall promptly notify the Contractor in writing of any site conditions that may adversely affect the quality or performance of the installation. Commencement of work will be deemed acceptance of all existing conditions as suitable for installation.
- 43.12 The Subcontractor's Work shall not be considered complete until it has been inspected and formally approved by the Contractor, Consultant, and Owner. The Subcontractor shall be responsible for the protection, care, and maintenance of all materials and equipment provided under its scope until final acceptance and sign-off confirming the Work is complete and free of deficiencies.
- 43.13 Neither party shall be liable for any failure or delay in the performance of its obligations under this Subcontract where such failure or delay is caused by an event of force majeure. For the purposes of this Subcontract, a force majeure event includes, but is not limited to, acts of God, natural disasters, acts of war, terrorism, civil unrest, governmental orders or restrictions, pandemics, industry-wide labour disruptions, or any other events beyond the reasonable control of the affected party.
- 43.14 The Subcontractor agrees to comply with the Contractor's Modern Slavery Act Policy and Vendor and Supplier Code of Conduct; a copy can be found on [www.fillmoreconstruction.com](http://www.fillmoreconstruction.com)

**END OF DOCUMENT**

**FILLMORE CONSTRUCTION MANAGEMENT INC. STANDARD TERMS AND CONDITIONS FOR SUBCONTRACT AGREEMENT****SCHEDULE A – PROPER INVOICE SUBMISSION REQUIREMENTS****1. Proper Invoice Requirements**

In accordance with the governing legislation set out in Schedule C – Prompt Payment and Lien Legislation, the terms of the Subcontract, and the requirements identified the Contractor, each Proper Invoice must include the following information and supporting documentation:

- (a) The Subcontractor's legal name, business address, contact information, and GST registration number;
- (b) The name and contact information of the Contractor;
- (c) The date of the invoice and a unique invoice reference number;
- (d) A description of the work performed and/or materials supplied, clearly linked to the Subcontract scope and specific to the billing period;
- (e) The period during which the work was performed (e.g., from [start date] to [end date]);
- (f) The amount claimed for payment, including:
  - Contract value to date;
  - Approved change orders;
  - Previous amounts invoiced;
  - Holdback;
  - Net amount due this invoice;
- (g) The applicable amount of GST and the total amount payable;
- (h) The applicable amount of PST, where applicable;
- (i) Reference to the applicable Subcontract or Purchase Order number;
- (j) The name of any consultant or payment certifier, if required by the Subcontract.

**2. Required Supporting Documentation**

In addition to the information listed above, and in accordance with governing legislation and the Subcontract terms, each Proper Invoice must be accompanied by the following supporting documentation to be considered complete:

The following items are required with every invoice submission:

- (a) A Workers' Compensation Board Clearance Letter in good standing for the appropriate Governing Jurisdiction of Work, dated within 30 days of the invoice date;
- (b) A completed and sworn Statutory Declaration of Payment to Subcontractors and Suppliers (CCDC 9A or equivalent) for all invoices other than the first, confirming that all workers, sub-subcontractors, and suppliers have been paid;
- (c) Proof of current insurance coverage, as required by the Subcontract;

The following documentation is required when applicable:

- (d) Backup of Sub-subcontractor and major supplier invoices as required by the Contractor to verify billing to date is accurate.
- (e) Approved Change Orders;
- (f) Time Sheets and Labour Reports for any unit-price and time-and-material (T&M) work, pre-approved and/or signed by the Contractor's representative;
- (g) Test results and QA/QC documentation, where required to demonstrate compliance;
- (h) Commissioning and Start-up Reports where required to verify systems are functional and complete;
- (i) Material receipts and delivery slips, if invoicing for major materials and equipment prior to incorporation into the Work is permitted under the Subcontract.

Failure to include the required documentation may result in the invoice being deemed non-compliant with the governing legislation set out in Schedule C – Prompt Payment and Lien Legislation and rejected in accordance with its provisions.

**3. Delivery of Proper Invoices**

Proper Invoices shall be delivered in accordance with the Subcontract's notice provisions or via the Contractor's designated payment submission platform and process. Proper Invoices shall only be considered received on the date on which all requirements listed above have been fully and accurately provided to the Contractor's satisfaction.

**4. Rejection of Improper Invoices**

If any invoice submitted by the Subcontractor fails to meet the requirements of a Proper Invoice as defined above, the Contractor shall have the right to reject the invoice in whole or in part within fourteen (14) calendar days of receipt, with written notice outlining the deficiencies. The payment timeline prescribed by the governing legislation, as set out in Schedule C – Prompt Payment and Lien Legislation, shall not commence unless and until a compliant Proper Invoice has been received.

**5. Timing of Submissions**

Unless otherwise specified in the Subcontract, Proper Invoices shall be submitted monthly on or before the 25th day of each month, covering the period ending on the last calendar day of the preceding month.



**FILLMORE CONSTRUCTION MANAGEMENT INC. STANDARD TERMS AND CONDITIONS FOR SUBCONTRACT AGREEMENT**

**SCHEDULE B – REQUIREMENTS FOR SCOPE OF WORK**

The Subcontractor's Scope of Work shall, at a minimum, include the requirements established by the Governing Jurisdiction in which the Project is located. Where the Scope of Work is not fully or clearly defined in the Subcontract, the applicable trade definitions or regulatory references listed below shall apply. These documents, in their most recently published versions as of the date of this Contract, shall form the baseline for the Subcontractor's obligations. Copies will be provided to the Subcontractor upon request.

<u>Jurisdiction</u>	<u>Requirements for Scope of Work</u>
Alberta	The Subcontractor's Scope of Work shall include, at a minimum, the requirements outlined in the <i>Alberta Construction Trade Definitions</i> , latest edition at the time of contract.
British Columbia	The Subcontractor's Scope of Work shall include, at a minimum, the requirements outlined in the <i>Guide to BC Trade Definitions</i> , latest edition at the time of contract.
Manitoba	The Subcontractor's Scope of Work shall include, at a minimum, the requirements outlined in the <i>Manitoba Trade Definitions</i> , latest edition at the time of contract.
Northwest Territories	The Subcontractor's Scope of Work shall include, at a minimum, the requirements outlined in the <i>Northwest Territories Trade and Occupation Certification Standards</i> , or equivalent guidance provided by the <i>Government of the Northwest Territories – Department of Education, Culture and Employment</i> , most recent edition at the time of contract.
Saskatchewan	The Subcontractor's Scope of Work shall include, at a minimum, the requirements outlined in <i>Part 3 (Designated Trades and Subtrades)</i> of <i>The Apprenticeship and Trade Certification Regulations, 2020 (RRS c A-22.3 Reg 2)</i> , referencing the most recent version at the time of contract.

**FILLMORE CONSTRUCTION MANAGEMENT INC. STANDARD TERMS AND CONDITIONS FOR SUBCONTRACT AGREEMENT****SCHEDULE C - PROMPT PAYMENT AND LIEN LEGISLATION**

This Schedule outlines the applicable prompt payment and lien legislation (if any) in the Governing Jurisdiction where the Project is located. The Subcontractor is responsible for understanding and complying with the statutory requirements for invoicing, payment timelines, lien rights, and dispute resolution procedures specific to the jurisdiction in which the Work is performed.

The following summary reflects the legislation in force as of the date of this Subcontract. Where prompt payment legislation is in force, the Subcontractor must comply with the applicable requirements related to proper invoicing, timelines, notices of non-payment, and adjudication. Where no prompt payment legislation is in force, the terms of the Subcontract shall govern.

<u>Jurisdiction</u>	<u>Governing Legislation</u>	<u>Prompt Payment</u>	<u>Holdback</u>
Alberta	<i>Prompt Payment and Construction Lien Act (formerly Builders' Lien Act).</i>	Legislated by <i>Prompt Payment and Construction Lien Act</i>	10% held for 60 days after completion
British Columbia	<i>Builders Lien Act.</i> No prompt payment legislation currently in force.	Not legislated; governed by contract terms	10% held for 55 days after completion or certificate of completion
Manitoba	<i>Builders' Liens Act.</i>	Legislated by <i>Builder's Lien Act</i>	7.5% held for 60 days after completion
Northwest Territories	<i>Mechanics Lien Act.</i> No prompt payment legislation currently in force.	Not legislated; governed by contract terms	10% held for 45 days after completion
Saskatchewan	<i>Prompt Payment and Construction Lien Act.</i>	Legislated by <i>Prompt Payment and Construction Lien Act</i>	10% held for 60 days after completion