

Exhibit 3  
Coordination Procedures  
Agreement Number: CD0502-001

**EXHIBIT 3**  
**COORDINATION PROCEDURES**



**TABLE OF CONTENTS**

**1 INTRODUCTION ..... 2**

**2 EARLY ACTIVITIES AND GENERAL EXECUTION ..... 2**

**3 ORGANIZATION, ADMINISTRATION AND REPORTING ..... 5**

**4 INTERFACE MANAGEMENT ..... 12**

**5 PROCUREMENT AND MATERIAL MANAGEMENT ..... 13**

**6 COST MANAGEMENT..... 14**

**7 SCHEDULE MANAGEMENT ..... 15**

**8 CHANGES TO THE WORK ..... 21**

**9 RISK MANAGEMENT ..... 25**

**10 ENGINEERING REQUIREMENTS ..... 26**

**11 CONSTRUCTION MANAGEMENT ..... 28**

**12 INVOICING AND PAYMENT ..... 31**

**13 INFORMATION MANAGEMENT ..... 33**

- Appendix A – Change Request
- Appendix B – Change Order
- Appendix C – Site Query (SQ)
- Appendix D – Site Instruction (SI)
- Appendix E – Engineering Change Notice (ECN)
- Appendix F – Field Work Order (FWO)
- Appendix G – Payment Certificate
- Appendix H – Substantial Completion Certificate
- Appendix I – Request for Final Completion Certificate
- Appendix J – Final Completion Certificate

## 1 INTRODUCTION

This Exhibit 3 – Coordination Procedures is intended to govern Contractor, Engineer and Company in the administration, execution and management of the Agreement.

Contractor shall use its own systems, methods and procedures in the administration, execution and management of the Work. However, Company has certain requirements regarding Agreement administration, monitoring and coordination, consistency and project controls with which Contractor shall comply. These requirements are described in this Exhibit 3. Where necessary, Contractor shall adapt its own systems, methods and procedures to reasonably satisfy such Company requirements.

Company will require a series of meetings in Company offices immediately following the Effective Date in order to discuss a set of methods and procedures for managing the Work. During the meetings, Contractor will provide to Company Contractor's proposed methods and procedures for executing the Work, as necessary to satisfy the requirements of this Exhibit 3. Such proposed methods and procedures will be subject to the review and Approval of Company.

## 2 EARLY ACTIVITIES AND GENERAL EXECUTION

### 2.1 SCOPE

This Section 2 sets forth minimum early activities associated with preparation for execution as well as general execution activities.

### 2.2 OBJECTIVES

Contractor shall employ a systematic management approach to the Work embracing sound management principles, including:

- a) Finalization of an Execution Plan as it pertains to the Work (as described in Section 2.4 below); and
- b) Understanding of and alignment with Company's objectives, priorities, and philosophies with the aim of Contractor developing appropriate plans and procedures.

### 2.3 CONTRACTOR DUTIES

Contractor shall:

- a) Review Contractor's proposed Execution Plan with Company. Update the plan with all Accepted changes and enhancements and maintain on an ongoing basis;
- b) Participate in meetings, as scheduled by Engineer, to mutually agree on methods and procedures for performing the Work. Meetings shall be held in Company offices and may be scheduled to begin within fourteen (14) days of the Effective Date and shall be completed within forty-five (45) days of the Effective Date;
- c) Provide all information requested by Company to support Company's appraisal of

Contractor's performance of the Work, including performance of other members of the Contractor Group. Such information may include, without limitation, Contractor Group systems, methods and procedures for performing the Work; copies of calculations, working drawings, specifications, purchase requisitions and recommendations (if applicable); estimates; labor productivity data; schedules; procedures; and alternative studies;

- d) Contractor shall maintain close management alignment with Company and Engineer during execution of the Work;
- e) Actively support and participate in project reviews as required by Company and as they relate to the Work.

## 2.4 SPECIFIC REQUIREMENTS

### 2.4.1 EARLY DELIVERABLES

A list of all early deliverables and the timing of their submission to Company is specified in Exhibit 4 - Supplier Document Requirements List. One of the early deliverables will be to populate the Supplier Document Register with all Contractor's planned deliverables for the Work.

### 2.4.2 EXECUTION PLAN

Contractor shall submit an execution plan (the "Execution Plan") to Company for Approval by the date specified in Exhibit 4 – Supplier Document Requirements List. The Execution Plan will serve as the basis for developing the detailed plans for the Work.

The Execution Plan shall:

- a) Document the results of the overall planning process for the Work. The Execution Plan is a framework from which will evolve execution strategies and approaches, work plans, risk identification and mitigation plans, detailed procedures, organizational structures, logic networks, schedules and other material needed by Contractor's Personnel to develop execution details and Contractor's plans for the Work, including detailed fabrication and construction plans;
- b) Document Contractor's objectives, priorities and philosophies that are based on and consistent with Company's objectives, priorities and philosophy for the Work; and
- c) Outline formalized processes to be employed to identify broad strategic issues, evaluate impact, develop mitigation measures/action plans, and to follow-up on results of mitigation measures/action plans.

Along with the above, the Execution Plan shall include, but not be limited to, the following:

- a) Project Organization – mobilization and demobilization plans including a schedule for the first 90 days of the Work; location of all staff for each phase of the Work; role and responsibility descriptions and organization charts, referenced in Section 3.2.1.
- b) Project Engineering Management Plan – design philosophy, planned design reviews and verification and engineering
- c) Project Procurement Management Plan – procurement strategy, qualification procedures

Em TJ

- for subcontractors and suppliers, monitoring procedures for subcontractors and suppliers, vendor support plan for installation, testing and commissioning and vendor after-sales service;
- d) Project Construction Management Plan – mobilization and demobilization plans for each site, temporary facilities plan for each site, detailed construction execution strategy, engineering support plan, cold weather strategies and plan for maintaining as-builts;
  - e) Project Controls Management Plan – description of timeline of the Work; schedule and cost management and change management;
  - f) Project Administration and Communication Plan – communication strategy with Company and suppliers/sub-contractors;
  - g) Project Document and Data Management Plan – document control and information management plan and software/tools to be used for the Work;
  - h) Project Interface Management Plan – interface register and strategy for effectively managing all interfaces;
  - i) Project Human Resources Plan – labor recruitment and retention strategy, resource plans for each phase of the Work including manpower forecast/loading and project training plans; and
  - j) Project Commissioning Plan – description of strategy and timeline, engineering support plan and handover documentation plan.

Contractor shall maintain the Execution Plan as a living, working document. Changes to such plan will be subject to the review and Approval of Company. As changes arise, Contractor shall identify and document critical issues and/or potential constraints that could adversely affect the accomplishment of Company's objectives for the Work and shall submit such changes to Company for Approval. Where Contractor has 'standard' documents where some or all of the above items may more typically reside, the Execution Plan shall not need to duplicate this information, but should point to the documents found outside of the Execution Plan.

### 2.4.3 COORDINATION TEAMS

As one of the early project activities, coordination teams will be established at various levels within Contractor's and Company's organizations. Contractor and Company will mutually agree on the composition of each team and agree on the frequency of meetings. If there is a failure to agree on such composition and/or frequency, Engineer shall have the authority to determine these matters.

The initial meetings of the coordination teams will be to:

- a) Develop positive working relationships between team members;
- b) Develop plans to meet objectives, guidelines for individual and team behaviors, and teamwork, and determine Contractor / Company success criteria;
- c) Identify and review, as appropriate by team, challenging areas or areas of opportunity which require special attention; and
- d) Establish the initial framework for the specific plans for the Work as referenced in this Exhibit 3.

### 3 ORGANIZATION, ADMINISTRATION AND REPORTING

#### 3.1 CONTRACTOR DUTIES

Contractor shall:

- a) Submit proposed, and Accepted or Company Approved, organization charts identifying key positions required for executing the Work. These shall be included within the Execution Plan;
- b) Provide information required by Company and seek Company's Approval on matters as required by the Agreement;
- c) Participate in regular meetings with Company, Engineer and Company's Other Contractors to discuss the status of the Work, interfaces, methods for resolving problems encountered or anticipated, and other topics pertinent to the Work;
- d) Produce timely, accurate and consistent progress reports for the Work that facilitate proactive management; and
- e) Provide to Company Group Personnel offices, logistical support and facilities at Contractor's offices and the Worksite(s), as required by Company and Engineer (to be specified in Section 3.2.6 below, if required).

#### 3.2 SPECIFIC REQUIREMENTS

##### 3.2.1 CONTRACTOR ORGANIZATION

Within the time specified in Exhibit 4 - Supplier Document Requirements List, which may also be referred to as "Contractor Document Requirements List" in this Agreement, and to be included in the Execution Plan, Contractor shall submit a description of its project organization for the Work indicating clear lines of decision making, authority and responsibility addressing as a minimum the following:

- a) Project management organization;
- b) Health and Safety management organization both at home office and for the Worksite(s);
- c) Quality management organization, including Quality Manager, Worksite(s) quality organizations and vendor inspection organization;
- d) Engineering management organization;
- e) Technical Interface management;
- f) Provincial Benefits Management;
- g) Regulatory and environment organization(s);
- h) Procurement organization, including purchasing, subcontracting and material management for both Contractor's home office and for the Worksite(s);
- i) Project controls including cost and schedule management for both Contractor's home office and for the Worksite(s);
- j) Technical organization, including engineering, design, constructability and document control;
- k) Construction Worksite(s) including engineering support, planning, cost and schedule control, material management, quality, safety and construction operations (including field supervision);

EW FS

- l) Completions organization (if applicable); and
- m) Start-up organization (if applicable).

Each organization within the overall organization of the Work shall have key Personnel assigned and have designated authority and responsibility for the given portion of Work.

For each position designated as being Key Personnel (as defined in Exhibit 2 – Compensation), the following information shall be provided:

- a) Roles and responsibilities;
- b) Job titles;
- c) Approval authority assigned to each position;
- d) Contact address(es) and telephone number(s); and
- e) Candidate's most recent resume.

Contractor shall update the organization charts, contact addresses and phone numbers as changes occur to the Work, as Contractor's overall organization changes or as requested by Engineer.

The organization charts shall clearly indicate how and to whom Contractor's organization for the Work reports in its home and/or any affiliated offices and the relationship of Contractor's organization for the Work to its corporate and/or departmental organization.

### 3.2.2 CORRESPONDENCE AND COMMUNICATION REQUIREMENTS

#### Correspondence and Notices

Company and Contractor shall jointly establish a correspondence plan and procedures which shall be periodically updated so as to keep them current.

Aconex shall be utilized to manage all written communication between Company/Engineer and Contractor. Aconex is an electronic document management system which is a secure on-line platform for storing, managing and distributing project information that can be accessed via an internet connection and a web browser (www.aconex.com). The implementation of Aconex Mail will be coordinated during the kick-off meeting between Contractor and Engineer.

The Aconex module, "LCP Rev Controlled", will be utilized for all technical documentation (refer to the document entitled "Supplier/Contractor Document Requirements" provided in Exhibit 11 - Company Supplied Documents).

The following administrative rules should be adhered to:

- A. All formal correspondence and notices relating to the Agreement shall be exchanged between Engineer, Contractor's Representative and the Company's Representative, using official letterhead and submitted c/o Company's Document Control via Aconex and shall include the following: subject, date, and reference correspondence. Letters will be, to the degree possible, specific to one subject matter.

- B. All Agreement deliverables shall be exchanged between Contractor's Representative and Engineer, as defined for each deliverable.
- C. All Agreement deliverables shall be submitted to Engineer, c/o Company Document Control via Aconex, using a uniquely numbered document transmittal.
- D. The Company Approved date format for the LCP is dd-mmm-yyyy (i.e. 20-Oct-2013).

### **Company and Contractor Representatives**

All formal correspondence, documents and Agreement deliverables required by the Agreement, including this Exhibit 3, from Contractor to Company shall be addressed to the Company Representative. Likewise all correspondence from Company to Contractor shall be sent to Contractor's Representative.

### **Company Representative**

The Company Representative has the responsibility of managing the Agreement on behalf of Company, including Approval of Changes, amendments to the Agreement and issuance and receiving of Notices.

The Company Representative has the authority to stop the Work for the purposes of safety, quality and risk of damaging Company property under the care, custody and control of Contractor. Notification of stoppage can be addressed verbally, and then supported by writing. Contractor shall resume Work when appropriate actions are addressed to the satisfaction of Company. No compensation will be provided for Work stoppages of this nature.

The Company Representative may delegate any of his or her responsibilities to any nominated deputy. Notice of delegation shall be provided to Contractor's Representative and Engineer in writing.

### **Engineer**

Engineer's role and responsibilities are detailed in Article 11 of this Agreement. Company may delegate any of Engineer's responsibilities to any nominated deputy. Notice of delegation shall be provided to Contractor's Representative in writing.

### **Contractor's Representative**

Contractor shall appoint a Contractor's Representative for the Work, who shall have full authority to receive instructions and administer the Agreement for and on behalf of Contractor, in addition to those authorities stated in the Articles of this Agreement.

The Contractor's Representative shall have the responsibility for receiving, acknowledging, countersigning and returning any instructions, decisions, Notices, authorizations and acknowledgements to Contractor under this Agreement, in addition to those responsibilities stated in the Articles of this Agreement. Contractor's Representative shall also be responsible



for administering, monitoring, reviewing and coordinating all aspects of the Work on behalf of Contractor.

Contractor's Representative may delegate any of his or her responsibilities to any nominated deputy upon prior Notice to the Company Representative and Engineer. Notifications, information, authorizations, acknowledgements and decisions from any such nominated deputy shall be as if from Contractor's Representative.

### 3.2.3 REPORTS AND MEETINGS

Contractor shall submit reports to Company on the progress of engineering, procurement, construction and completions, and on the status of other activities for the Work as otherwise provided below and other provisions in this Exhibit 3 (See Section 7.7 for further details).

#### Weekly and Bi-Weekly Report

During the engineering, procurement and manufacturing phase of the Work, Contractor will submit a bi-weekly report ("Bi-Weekly Report"). During the construction, installation and completions phase of the Work, Contractor shall submit a weekly report ("Weekly Report"). The Weekly and Bi-Weekly Report shall reflect the current status of the Work, progress and issues. The timing, format and content shall be as agreed between Contractor and Engineer, but shall address the following as a minimum:

- Brief summary of status of the Work;
- Management and administration;
- Significant items planned for the following weeks;
- Progress (see Section 7.7 for further details);
- Health, safety and environment;
- Quality management;
- Highlights and concerns including any required and implemented corrective action in all of the following main areas:
  - engineering
  - procurement
  - manufacturing
  - fabrication
  - construction
  - installation
  - completions;
- Interface activities;
- Status of Change Requests; and
- Receipt of major components and/or materials at the Site.

A sample Bi-Weekly and Weekly Report shall be provided at the kick-off meeting for agreement for all future reports.

### Monthly Progress Report

Contractor shall submit a monthly progress report ("Monthly Progress Report") based on a cut-off date of the 25<sup>th</sup> of each month. The timing of the submission of this report shall be by close of business no later than the 5<sup>th</sup> calendar day of the following month. The first Monthly Progress Report shall be issued not later than forty-five (45) calendar days after the Effective Date. The format and content of the Monthly Progress Report shall be as agreed between Contractor and Engineer, but shall address the following as a minimum:

- a) Highlights in bullet point style of the significant accomplishments achieved and issues addressed during the reporting period;
- b) A description of problems or delays encountered or anticipated, and corrective actions initiated or contemplated to counteract or minimize the effect of such problem, together with the results of any corrective actions already taken;
- c) The Worksites' safety status including health and safety statistics for the past month and for the Work to date. The content and format for the safety statistics are provided in Exhibit 5 – Health and Safety Requirements. Major safety problems shall be highlighted and action plans to improve conditions outlined. Safety initiatives undertaken during the past month and/or planned for the forthcoming month shall be discussed;
- d) Short narrative covering all significant events during the reporting period;
- e) Management, including mobilization, systems implementation, procedures development and other administrative activities;
- f) Current status of the Work. Progress data (progress curves, histograms, productivity information and Summary Schedules) shall be provided on graphs which show actual versus planned progress as further described in Section 7 of this Exhibit 3 for: (i) engineering, (ii) equipment and materials orders, (iii) equipment and materials deliveries at the Worksite(s), (iv) construction, (v) completions and (vi) overall Work progress. For activities that are behind schedule, an analysis of reasons for the slippage shall be included, together with a description of actions to be taken to recover;
- g) All constructability issues;
- h) The quality status including quality statistics such as nonconformities, and preventive and corrective action requests, for the past month and for the Work to date;
- i) Interface management status;
- j) Cost and financial reports as defined and/or specified in Sections 6 and 12 of this Exhibit 3;
- k) The status of planning, scheduling and schedule control, including coverage of relevant activities called for within Section 7 of this Exhibit 3;
- l) The status of Changes, if any, and the corresponding current value of the Contract Price including the effect of Change Orders and Change Requests;
- m) The status of procurement and subcontracting, including placement of Subcontracts, status of spare parts orders, performance of Subcontractors, and Subcontract administration matters;
- n) The status of items involving Authorities such as inspections, approvals, permits, clearances and licenses, as further described in Exhibit 6 - Environmental and Regulatory Compliance Requirements;
- o) Provincial Benefits report as described in Exhibit 13– Provincial Benefits;

- p) Monthly risk report consisting of the following:
- A structured narrative that describes major risk activities and events during the reporting period containing major changes in the Risk Register (as defined in Section 9.1(c) below) with a focus on medium and high level risks;
  - Highlights of the most important risk management activities and events; and
  - An updated Risk Register (as defined in Section 9.1(c) below); and
- q) Status of planned tests and/or hold points.

A sample Monthly Progress Report shall be provided at the kick-off meeting for agreement for all future reports.

### Final Contract Report

A final contract report summarizing the Work shall be submitted by Contractor to Engineer for Acceptance, the content of which shall be specified by Engineer ("Final Contract Report"). Such an Accepted Final Contract Report shall be submitted to Engineer by Contractor no later than 60 days following completion of the second Trial Operation (following Dynamic Commissioning).

### Meetings

Meetings of Contractor's Key Personnel, Company Representative, Engineer and/or Company Personnel, shall be held regularly.

Monthly and weekly progress meetings will be held, details of format, and content of which will be as agreed between Contractor and Engineer. The minimum required project meetings are as follows:

- a) During the engineering, procurement and manufacturing phase of the Work, a bi-weekly status meeting will be scheduled to take place within two (2) Business Days after submission of the Bi-Weekly Report.
- b) During the construction, installation and completions phase of the Work, a weekly status meeting will be scheduled to take place within two (2) Business Days after submission of the Weekly Report.
- c) For the duration of the Work, a monthly project review meeting (comprising of project management Personnel of Contractor and Engineer) will be scheduled to take place within five (5) Business Days after submission of the Monthly Progress Report.
- d) For the duration of the Work, a steering committee project review meeting (comprising of senior project management Personnel of Contractor and Engineer) will be held quarterly.
- e) Location of the meetings shall be based on best value and need. Video conferencing is encouraged.

Engineer may hold other meetings with Contractor to discuss matters of technical, interface management, health, safety, environmental, design, quality, verification, certification, documentation, engineering data, cost, accounting, scheduling, construction, progress and the like, and as may be otherwise required for the Work and the Agreement. Contractor shall

ensure sufficient and appropriate qualified Personnel are available to attend.

In general, meetings shall adhere to the following guidelines:

- a) The agenda items for any meeting will be issued by Engineer to the Parties no less than two Business Days prior to such meeting. Both Engineer and Contractor shall ensure, in accordance with their respective responsibilities that reports, reproducible documentation and forward planning information relating to agenda items are issued in sufficient time to allow adequate preparatory study and evaluation;
- b) The meeting will address only the items covered by the agenda and any other minor topics relevant to the Parties and subject concerned;
- c) In those instances where matters of urgency need to be addressed, Company and Contractor will make every effort to address such items at the earliest opportunity; and
- d) It shall be the responsibility of Engineer to record minutes of all meetings unless otherwise instructed by Engineer. Minutes should be brief, indicate with whom the responsibility for action lies, the date the action was assigned and the date required for completion of such action. Minutes should also state the results of assigned actions outlined in previous minutes, including the actual date of completion of the action.

### Photographs

Contractor shall provide photographs as Company may request of sufficient quality for possible inclusion in Company's publications depicting significant activities and general progress of the Work.

### 3.2.4 INFORMATION SYSTEMS AND TECHNOLOGY (IS/IT)

Contractor shall:

- a) Establish and maintain an IS/IT infrastructure and associated computing environment to ensure overall reliability, performance and security control;
- b) Provide access, for Engineer and Company Personnel, to any software applications and supporting services required in order for Engineer and Company to perform their work;
- c) Maintain an upgrade path for electronic formats that will keep data formats compatible with that of Engineer;
- d) Securely transfer data and information electronically to Engineer on a timely basis using industry recognized standards, processes, systems and methodologies;
- e) Ensure control practices and risk mitigation plans are in place to provide protection and safeguard for all data and information related to the Work including but not limited to access management, data corruption, data loss, backup and disaster recovery procedures; and
- f) Within thirty (30) days of the Effective Date, provide to Engineer a description of the IS/IT support organization and how it is structured to support the Work.

### 3.2.5 DATA

All documentation and information, including correspondence, notes, reports, information

CWP TJ

identified and/or required by this Agreement, drawings, specifications, schedules, weekly, bi-weekly and/or monthly progress reports, databases, records, videos, photos and other documents (hereinafter collectively referred to as "Data") shall be made available to Engineer and Company in electronic native format as well as hard copy. The transfer of Data will be by storage medium such as optical or magnetic discs, or other form specified from time to time by Engineer. Contractor shall undertake all reasonable efforts to ensure Data is provided in a form fully useable by Engineer and Company with well recognized industry standard applications.

Where the software necessary to enable Engineer and Company to fully utilize Data is based in whole or in part on Contractor's proprietary information/software, Contractor shall grant Company Group a non-exclusive, perpetual, royalty free, irrevocable (except in case of breach of this license by Company) and non-transferable (except to a permitted assignee of this Agreement) license to such information/software.

Throughout the Term, Company in conjunction with Engineer shall review Data to ascertain what data is to be passed to Company by Contractor for future use.

### **3.2.6 FACILITIES AND SERVICES FOR COMPANY PERSONNEL**

Contractor shall provide Company Group Personnel with office facilities and services at Contractor's offices, as required, in Exhibit 1 – Scope of Work.

## **4 INTERFACE MANAGEMENT**

Contractor shall manage external interfaces with other organizations involved in the LCP, including Engineer, Company's Other Contractors and their subcontractor(s) and vendor(s) of every tier, Authorities and other entities associated with the Work. Refer to Exhibit 1 - Scope of Work for further information on interfaces at each of the Worksites.

### **4.1 OBJECTIVES**

Contractor shall:

- a) Have primary responsibility for managing technical and execution interfaces and thus coordinating its activities with other organizations as required to effectively accomplish the Work;
- b) Identify major interfaces early in the Work through a structured process;
- c) Define the interface information needed for the Work. Contractor and other interfacing entities (including originating and responding organizations) shall then agree on roles, responsibilities and timing for providing agreed upon information or actions;
- d) Ensure that all communications with other organizations shall be clear, accurate, timely and consistent to accomplish their intended purpose of transferring information between organizations or ensuring agreed action is taken to progress the Work;
- e) Ensure that interface resolution issues with potential for impacts to cost or schedule shall be identified quickly and communicated to all interfacing entities, including Engineer, in order to minimize their impact; and

- f) Cooperate with Engineer and comply with the requirements of Engineer's interface management system as it relates to the Work. This will include acceptance of Engineer Interface Drawings, located in Exhibit 1 – Scope of Work, identifying each interface point with which Contractor can be reasonably be expected to interface with. The management system will require each interface point be agreed with respect to the timing of the availability of such interfaces. These interface dates should be agreed in writing within three (3) months of the Effective Date.

## 4.2 SPECIFIC REQUIREMENTS

Contractor shall:

- a) Develop an interface management plan and shall implement systems and methodology for ensuring the identification of originators and responders, quality, accuracy and timeliness of interface information;
- b) Incorporate the schedules for submittal of its deliverables (as determined by interface management activities) as milestones in Contractor's schedule for the Work. Contractor shall manage compliance with such milestones accordingly;
- c) Schedule and participate in interface coordination meetings with Engineer, Company, Company's Other Contractor(s), and their subcontractor(s) and vendor(s) of every tier, and other organizations, as required to properly manage interfaces; and
- d) Regularly advise Engineer on the status of resolution of interface issues. Contractor shall promptly elevate unresolved interfaces and interface issues to Engineer/Company for resolution.

## 5 PROCUREMENT AND MATERIAL MANAGEMENT

Contractor shall maintain records of materials procured for the Work. Engineer will have the right to carry out periodic inspection of all Contractor Group's storage and inventory control records for the Work as well as physical spot checks of all material held in storage.

### 5.1 COMPANY SUPPLIED ITEMS

Contractor shall:

- a) Receive from Company all Company supplied items and as applicable unload, unpack, inspect, and confirm receipt and condition of receipt by issuing a material receiving report to Engineer confirming Contractor acceptance of items and the condition of items at the time of acceptance;
- b) Ensure that all materials are used correctly and no materials are substituted without prior Acceptance;
- c) Be responsible for the security and safe keeping of all Company supplied items and ensure all items are visually marked as being provided for the Work;
- d) Maintain index records and account for all Company supplied items received and installed, and the remaining surplus and scrap. The index shall, at a minimum, include description, part number, serial number, storage location, status and receipt date;
- e) Secure, protect and maintain all Company supplied items in accordance with specifications

- and preservation requirements in accordance with industry practice and standards and as set forth in this Agreement; and
- f) Be responsible for any costs incurred as a result of Contractor's failure to properly store, preserve and protect Company supplied items.

Company shall have the right to inspect Company supplied items at Contractor Group's storage location(s) and storage records at any time without prior Notice. Such inspection shall not relieve the Contractor of any responsibility for the accountability and safe keeping of Company supplied items.

## 5.2 INSPECTION

Contractor shall be responsible for and undertake inspection of Contractor Group's supplied equipment and materials for the Work. When requested, Contractor shall issue to Engineer inspection reports accompanied by all relevant inspection documents.

## 5.3 SHIPPING

Contractor shall be responsible for shipment of all materials, components and equipment to the Worksite(s), including those shipments made by all members of Contractor Group. Contractor shall satisfy itself that shipping arrangements by such members are satisfactory, or alternatively organize critical shipments itself or through the use of an appointed shipping or forwarding agent.

Contractor shall establish and issue to all members of Contractor Group proper packaging, shipping and marking instructions including necessary addresses, proforma invoices, bills of lading, customs releases and the like, depending on the various methods of transport, border crossings and receiving location(s).

Contractor shall be responsible for all necessary loading and off loading at all locations.

A logistics and transportation plan shall be produced by Contractor and submitted to Company by the date specified in Exhibit 4 – Supplier Document Requirements List for Company review and Approval.

## 6 COST MANAGEMENT

### 6.1 COST CONTROL ACCOUNTS

Engineer will provide cost control accounts to Contractor within thirty (30) days of the Effective Date. The cost control accounts will be cross referenced to the compensation amounts outlined in Exhibit 2 – Compensation.

### 6.2 COST REPORTS

Contractor will submit to Company the following cost reports based upon the Schedule of Prices found in Exhibit 2. Contractor shall submit at the kick-off meeting, for Company Approval, a sample of the formats proposed for each of the following:

- a) **Incurred Cost Report** - to be provided by close of business on the 19<sup>th</sup> day of each and every calendar month, and specifying:
  - i) The costs incurred by Contractor from the Effective Date up to the 25<sup>th</sup> day of such month (accordingly, the final five day period of such month shall be estimated); and
  - ii) The estimated monthly cost flow to be incurred by Contractor from the 25<sup>th</sup> day of such month to the remainder of the Term.

This report shall reference the control accounts provided by Engineer.
- b) **Cash Forecast Report** - to be provided by close of business on the 19<sup>th</sup> day of each and every calendar month, and specifying cash requirements (anticipated payments) for the following three (3) months, by currency.
- c) **Monthly Cost Report** - Contractor shall prepare a cost report to be included as a section of the Monthly Progress Report described in Section 3. The cost information to be provided shall reference the control accounts provided by Engineer, wherever applicable, or provide additional levels of detail as requested by Engineer or Company, and shall include the following:
  - i) Contract Price, including all Changes Orders thereto, and the forecasted final Contract Price (previous period, current period and monthly variance);
  - ii) Reimbursable cost status, if applicable;
  - iii) Change Order and Change Request status table (including the following headings: "Issued", "Approved", "Cancelled" "Under Review", etc.);
  - iv) Incurred cost flow (which will include the Incurred Cost Report identified in sub-paragraph (a) above);
  - v) Summary of invoices submitted and payments made, along with applicable dates; and
  - vi) A cash flow forecast by currency, for the remainder of the Term. The three- month Cash Forecast Report described in sub-paragraph (b) above shall be the first three months of this full Term report.

### 6.3 COST MANAGEMENT PLAN

Where the Work includes significant elements of reimbursable activities, Contractor shall prepare and submit to Company, within thirty (30) days of the Effective Date, a cost management plan for Company review and Approval.

## 7 SCHEDULE MANAGEMENT

This Section 7 sets forth the minimum requirements for Contractor's planning, scheduling, measurement and reporting of physical progress, and schedule control activities for the Work and it is in support of Article 24 of this Agreement.



## 7.1 DEFINITIONS

- a. **Earned Value Management**: A method to measure the value of Work performed. It compares the effort of Work that was actually expended with what was physically completed.
- b. **Control Schedule ("CS")**: The Control Schedule forms the benchmark for comparison and identification of schedule deviations. The Control Schedule shall represent the total Work execution and interfaces with others (Milestones, key dates, design, procurement, regulatory, fabrication and manufacturing, transportation, installation, construction and completion) covering the entire duration of the Work, and includes roll-up details of all Contractor's schedules. The Control Schedule is to be a schedule network, which is calculated using the critical path method. Contractor will ensure that the Control Schedule aligns with Exhibit 9 - Schedule. The Control Schedule shall be developed using Primavera (P6 or later version) or equivalent. If software other than Primavera is used, the native file shall have the capability to be easily converted to Primavera P6 and shall be subject to the Acceptance of Engineer.
- c. **Milestone**: The start or completion of an activity in the performance of the Work and which is identified as such in Exhibit 9 – Schedule.
- d. **Control Schedule Baseline Document ("CSBD")**: A series of schedules, s-curves, histograms, tables and narrative which together form the basis of the Control Schedule. The Control Schedule Baseline Document is updated and re-issued following re-baselining of the Control Schedule. The CSBD includes the Control Schedule, as well as identification of critical and near-critical path(s). It shall include all baseline assumptions regarding schedule durations, logic, installation rates, progress weighting and relevant material as deemed necessary by Engineer.
- e. **Summary Schedule ("SS")**: The Summary Schedule incorporates all Milestones and is a roll-up of schedule information from the detailed Control Schedule and any subject deemed necessary by the Engineer to adequately convey a rollup or the CS.
- f. **Schedule Development and Control Plan ("SDCP")**: A formal document providing the approach to planning and schedule control including schedule development, interfaces, analysis, forecasting, reporting, corrective action and the method for incorporation of Changes. In particular, the plan shall provide a detailed description of Contractor's progress measurement system including how Contractor measures, verifies and reports physical progress of each major activity of the Work (such as engineering, procurement, fabrication, construction etc.).
- g. **Monthly Cut-Off Date**: The month end date that Contractor uses as a basis to compile its progress during the month. The Monthly Cut-off Date will be agreed with Contractor and Company.

## 7.2 CONTRACTOR DUTIES

With respect to planning, scheduling and schedule control of the Work, Contractor will:

- a) Prepare, implement and maintain a Schedule Development and Control Plan in accordance with the date specified in Exhibit 4 – Supplier Document Requirements List for the Work using methods and procedures that are in accordance with industry recommended practice (i.e., Association for Advancement of Cost Engineering);
- b) Impose the same Control Schedule and progress measurement requirements in the Agreement on other members of Contractor Group;
- c) Analyze and calculate Work completed using industry recognized earned value management practices where actual progress is based on physical Work completed measured against the current Work plan. Incorporate the results of progress and related status information into schedule forecasts, Weekly Reports, Bi-Weekly Reports and Monthly Progress Reports, as required under this Agreement;
- d) Develop recovery plans and associated schedules if slippage is apparent, or as required by Company. Recovery plans will be reviewed with Company and implemented upon Company's Approval. Recovery plans will be monitored and adjustments made as needed to keep the Work on schedule;
- e) Make changes in the schedule preparation, progress measurement and schedule control procedures at Engineer's request;
- f) Provide Engineer with the Control Schedule in hard copy and electronic form, in accordance with the date specified in Exhibit 4 – Supplier Document Requirements List. The native electronic file shall include all information necessary to duplicate Contractor's schedule, progress measurement analysis and resource requirements. In addition to the electronic file, the schedule software settings, calendar definitions and application generated scheduling report shall be included;
- g) Provide a Control Schedule Baseline Document in accordance with the date specified in Exhibit 4 – Supplier Document Requirements List.

## 7.3 SCHEDULE DEVELOPMENT AND CONTROL PLAN

Contractor's Schedule Development and Control Plan shall cover all areas of schedule development and control, including development, analysis, forecasting, reporting and corrective action. In particular, the plan shall provide a detailed description of Contractor's progress measurement system. The SDCP can be based on Contractor's existing planning and progress procedures.

Contractor's Schedule Development and Control Plan will, include:

- a) How Contractor's detailed schedule and current Work plans will be developed, reviewed and updated;
- b) Methodology that Contractor will use to analyze and forecast the progress of the Work relative to current schedules;
- c) How interface management will be addressed, including how interfaces are identified, stewarded and their status reported;

- d) Identification of how interfaces, outside of Contractor's control, could impact the Control Schedule;
- e) The number, types, uses, frequency of updates (and responsibility for updates) and level of detail for each of the various schedules the Contractor intends to use to control the Work;
- f) Methods for analyzing critical path;
- g) Procedure for re-baselining the Control Schedule (subject to Engineer's Acceptance);
- h) Coding system for schedules;
- i) The methods that will be used to measure physical progress of each of the various activities or groups of activities such as engineering, procurement, construction etc. Methods for engineering shall specifically address use of computer aided design and drafting (CADD);
- j) Procedures within Contractor's organization for review and verification of progress measurement information prepared at each Worksite;
- k) The methods to control over progressing of activities; and verification methods confirming that all activities reported as 100% complete are actually complete;
- l) The method for recognizing the impact of rework on apparent progress, during engineering, procurement, fabrication and construction and the method for specifically progressing and tracking the Work;
- m) The methods and procedures for incorporating the effects of Changes on the assessment of progress;
- n) The method for weighting and combining individual elements of Work into an overall progress. Progress weightings shall be subject to Engineer's review and Acceptance, and once Accepted shall not be changed without Engineer's prior Acceptance; and
- o) Contractor plans to manage and report receipt of materials and/or components at the Worksites.

#### 7.4 CONTROL SCHEDULE BASELINE DOCUMENT

Contractor shall prepare and submit to Engineer for its review and Acceptance the Control Schedule Baseline Document in hard copy, portable document format (PDF) and native electronic format. All information required to reproduce the Control Schedule Baseline Document including scheduling software settings, working calendars, application time conversion factors, and precedence and scheduling output reports from the scheduling software, will be included with the submission.

The Control Schedule Baseline Document shall be organized into an overall summary section and a detailed section for each component of the Work (such as engineering, procurement, manufacturing, fabrication, testing and handover). Each section shall be organized as follows:

- a) Assumptions underpinning the execution methodology and Control Schedule, as well as any issues that may impact the Work. This section will also include the basis for any planned changes to the Control Schedule;
- b) Summary Schedule;
- c) Progress curves and tables;
- d) Critical and sub-critical path(s); and
- e) Control Schedule.

## 7.5 CONTROL SCHEDULE

A detailed Control Schedule for the Work will be prepared by the Contractor and submitted to Engineer for Acceptance. Contractor shall develop the Control schedule in accordance with Company's work breakdown structure and code of accounts and Exhibit 9 - Schedule.

The Control Schedule will show activities that provide sufficient detail in all areas of Work execution (such as Milestones, key dates, design, procurement, manufacturing, transportation, installation, construction, completions and all relevant interfaces) to enable monitoring and control of the Work.

## 7.6 GENERAL SCHEDULING AND PROGRESS REQUIREMENTS

Contractor's planning, scheduling and schedule control activities for the Work will, at a minimum, include the following:

- a) A time-scaled critical path method ("CPM") logic network that shall set forth the order and estimated times by which planned activities are to be completed. This network shall identify the critical and subcritical paths (a subcritical path is defined as any series of activities whose completion is within one (1) week of the critical path completion). The logic network shall clearly indicate all restraints and interrelationships and shall incorporate Exhibit 9 - Schedule;
- b) A description of those activities associated with material sources, other members of Contractor Group and fabrication. All interfaces will be incorporated into the Control Schedule;
- c) All schedule and progress information (CS, SS, tables, histograms, s-curves, document register, procurement plan, manufacturing schedule and support documentation) shall be issued on a monthly basis;
- d) Progress measurements such that the physical progress of the Work can be related easily to the Control Schedule activities. Progress shall be evaluated on discrete, identifiable deliverables for each Work activity weighted by budgeted person hours or other methods to determine a total percent for each activity. Physical progress measurement relates to the assessment of the proportion of actual Work accomplished towards completion of given components of the Work;
- e) The ability to assess progress for all progress earning activities required for each component of Work, regardless of source. As additional progress earning components are identified, they will be added to the base level of Work through a change management process, to be accomplished and progress measured and reported;
- f) Indicate the schedule calendars used to develop the schedule including, daily work hours, work week, shift schedule, scheduled facility shutdowns (if any) and holidays. Any planned non-work periods shall be clearly indicated with an explanation indicating the period of non-work and the rationale for the non-work period;
- g) Show status of all interfaces within the components of the Work (such as engineering, procurement, manufacturing, fabrication, construction and completions);
- h) Exclude home office and field support functions, such as project management, coordination, engineering office follow-up during construction, construction and

fabrication management and supervision, warehousing, material handling and clean-up, from physical progress measurements;

- i) Produce and maintain a schedule network that is logically linked, with a minimal number of constraints utilized. Where constraints are required, the fewest possible constraints necessary to meet the required objective will be used. The reason for the constraint shall be noted in the notebook file for that activity. Constraints that affect the backward pass calculation of the network ("Mandatory Finish", "Mandatory Start", "Finish On Or Before", "Start On Or Before", "Finish On", "Start On") are to be strictly avoided, unless Accepted by Engineer;
- j) Use of activity lags is discouraged. If a lag is used, the reason and rationale for the lag shall be noted in the notebook file for that activity;
- k) Scheduling option that retains the current logic ("retained logic") of activities started out of sequence will be used. Where necessary, the logic for those activities for which the relationship is no longer applicable will be manually changed;
- l) Schedule time forecasting shall not be based upon the percentage of schedule completed. The scheduling control software function for linking remaining duration and such percentage shall be disabled;
- m) Control Schedule will be structured to provide five (5) activity code fields, for summarization and reporting purposes, for exclusive use by Engineer. Each code field will be ten (10) characters in length and will be titled LCP1, LCP2, LCP3, LCP4 and LCP5. Engineer will provide the applicable coding to Contractor for inclusion within these code fields. Contractor will populate and maintain these code fields for all schedule activities;
- n) Schedule calendars and activity codes will be prefixed with the six character package identifier and a dash (for example, "CD0502-"). This is to prevent potential data errors in the Engineer's planning system;
- o) Schedule activity descriptions shall clearly identify the work associated with the activity, and shall be consistently applied throughout the schedule;
- p) Activity durations shall not, in general, exceed twice the update frequency;
- q) Start to Finish ("SF") relationship types shall be avoided;
- r) Open ends within the schedule network shall be avoided;
- s) Network logic shall be consistently applied throughout the schedule;
- t) The "Work Breakdown Structure" ("WBS") shall not be the only coding system used within the schedule network. Activity codes are required to enable effective schedule development, review and analysis;
- u) Gantt or bar chart displays shall have the current schedule bar assigned to position 1, with the baseline schedule bar assigned to position 2; and
- v) Engineer will have free and direct access to all information associated with Contractor's progress and performance management systems, including planning, scheduling, progress measurement, person hours, resources and productivity data.

## 7.7 PROGRESS REPORTING

Contractor shall provide Weekly Reports, Bi-Weekly Reports and Monthly Progress Reports as described in Section 3 of this Exhibit 3 and, with respect to progress reporting, as more fully detailed below:

- a) Weekly and Bi-Weekly Reports shall include the following:
- Number of daily resources (headcounts and man-hours) by trade;
  - Progress table including quantities/statistics for current engineering, procurement, and fabrication/construction/installation/completions activities;
  - A Primavera two (2) week look ahead schedule with activities in-progress and completed in the previous week; and
  - A resource histogram showing a two (2) week look ahead and actual resources the previous week.
- b) Monthly Progress Reports shall include the following:
- Planning and schedule control reports will be updated and issued monthly. Reports shall include the Control Schedule, Summary Schedule, tables, resource histograms, progress s-curves, document register, procurement plan, manufacturing schedule and support documentation. Contractor shall supply a copy of the schedule using Primavera (P6 or later version) or equivalent, as well as hard copy format. If software other than Primavera is used, the native file shall have the capability to be easily converted to Primavera P6 and shall be subject to the Acceptance of Engineer;
  - Deviations from schedule in time or progress, reasons for delays and deviations with recommended actions for recovery;
  - Status of planned tests and/or hold points;
  - Tabulation of project man-hours addressing planned, actual and forecast at completion;
  - Progress table including quantities/statistics for current engineering, procurement, and fabrication/construction/installation/completions activities; and
  - Identification of critical and sub-critical path(s).

## 8 CHANGES TO THE WORK

### 8.1 INTRODUCTION

This Section 8 sets forth minimum requirements for identifying and processing Changes in support of Article 26 of this Agreement.

Changes will be initiated in one of two ways:

- a) by completing a Change Request, in the form as attached to this Exhibit 3 as Appendix A – Change Request; or
- b) by the issuance of a Change Order (which includes a Field Work Order).

Change Orders will be in one of the forms set out in this Exhibit 3 - an interim document and a final document. The "Field Work Order" means an interim document used for Company directed Changes issued at the Site in the form as attached to this Exhibit 3 as Appendix F – Field Work Order. The maximum value of a Field Work Order shall be limited to \$25,000.00. Company shall issue the final Change Order form for each Field Work Order or for a group of Field Work Orders. The final Change Order form shall also be used for Changes initiated by Change Requests and for any Change not subject of a Field Work Order.

Contractor shall specify its assessment of cost and schedule impacts in each Change Request or proposal presented in accordance with this Section 8. It is the Company's preference that all Change Request proposals are presented as a lump sum.

If Company issues a Change Order (including a Field Work Order) to proceed with a Change on a reimbursable basis, Contractor shall prepare daily time sheets for Company's signature covering such Change and submit them to the Company within twenty four (24) hours where the Change is performed on Site, or within one (1) week where the Change was performed elsewhere, after such Change has been performed. Company's signature of Contractor presented time sheets shall not commit Company to any particular payment in respect of the Change, but shall serve as a record of events in the eventual resolution of any difference of opinion between Company and Contractor regarding the cost or schedule impacts of the Change. Contractor shall also present details of its assessment of any effect of the Change on the Control Schedule.

Company will be entitled to an equitable reduction in the Contract Price and/or an equitable adjustment of the Control Schedule in respect of any reduction in the Work pursuant to a Change Order and in accordance with the provisions of Article 26 of this Agreement.

Contractor is not entitled to recover any costs related to preparation and administration of Change Orders, responses to Change Requests or preparation of Change Requests.

Each Change Order shall be deemed to take full account of the cumulative effects on the Contract Price and of all prior Change Orders.

## 8.2 ENGINEER REQUESTED CHANGES

Company may issue a Change Order (including a Field Work Order) directly to Contractor or may request a proposal from Contractor for a contemplated Change through Engineer by issuance of a Change Request.

Upon receipt of a Change Request from Engineer, Contractor shall prepare a proposal for the Change Request and submit it within five (5) Business Days to Engineer for further processing. Contractor's proposal shall include:

- a) A detailed execution methodology for the proposed Change;
- b) A detailed schedule for the execution of the Change and the impact on the Control Schedule;
- c) An estimated price for the Change using the items in the applicable Schedule(s) of Exhibit 2 - Compensation or if such Schedule(s) is not applicable, a lump sum price for the Change (if Contractor proposes any other method of compensation it shall provide its rationale for that method); and
- d) Details of the impact on the Execution Plan, the Quality Plan, the health and safety plan referenced in Article 15.2 of this Agreement and the environmental protection plan referenced in Article 15.3 of this Agreement.

If Contractor cannot present the proposal for the Change Request to Engineer within five (5) Business Days of the receipt of the relevant Change Request from Engineer, Contractor shall promptly notify Engineer and provide reasons for the delay and the date the proposal will be ready. Contractor shall not unduly delay submission of the proposal to Engineer. Engineer, at its sole discretion, can reject any proposal not submitted in accordance with the requirements outlined herein.

Engineer will review Contractor's proposal within ten (10) Business Days and either Accept and return a Change Order (in the form as attached to this Exhibit 3 as Appendix B - Change Order) for Contractor execution or reject the proposal for resubmission or cancellation.

### 8.3 CONTRACTOR IDENTIFIED CHANGES

Contractor may request a Change by submitting a Change Request to Engineer. The Change Request will include:

- a) A detailed explanation of why Contractor considers that a Change is required along with detailed support to enable Engineer to easily evaluate and assess the merits of the Change Request. Contractor shall specify the relevant provision(s) of the Agreement which it interprets as the basis for the Change Request;
- b) A detailed schedule for the execution of the Change and the impact on the Control Schedule;
- c) An estimated price for the Change using the items in the applicable Schedule(s) in Exhibit 2 - Compensation or if such Schedule(s) is not applicable, a lump sum price for the Change (if Contractor proposes any other method of compensation it shall provide its rationale for that method); and
- d) Details of the impact on the Execution Plan, the Quality Plan, the health and safety plan referenced in Article 15.2 of this Agreement and the environmental protection plan referenced in Article 15.3 of this Agreement.

Contractor has the responsibility to identify, by the issuance of a Change Request, any change to the Work that it believes to be necessary for environmental integrity, or that will benefit Company in terms of capital or operating cost, or improved performance flexibility, safety or operation of the Work.

Engineer will review Contractor's Change Request within thirty (30) Business Days and either Accept and return a Change Order (in the form as attached to this Exhibit 3 as Appendix B - Change Order) for Contractor execution or reject the Change Request for resubmission or cancellation. Such Change Request will deem to be rejected by Engineer if Engineer fails to respond within such thirty (30) Business Day period.

### 8.4 CHANGE ORDER PRICE

Contractor's proposed price for any Change will generally be stated as an estimate based on the rates in the applicable Schedule(s) in Exhibit 2 - Compensation or if such Schedule(s) is not applicable, then a lump sum price shall be proposed. If Contractor proposes any other method



of compensation, it shall provide its rationale for such method. Contractor shall provide such substantiation as Company may reasonably request regarding such proposed price. Each lump sum price for a Change shall be determined using the rates and prices outlined in Exhibit 2 - Compensation or on a basis to be agreed between Company and Contractor if there are no applicable rates in Exhibit 2 – Compensation.

For any Change proposed to be compensated on a reimbursable basis, Contractor shall include an estimated total price for the Change in the Change Request or in its proposal in response to a Change Request. Changes performed on a reimbursable basis will be priced in accordance with Exhibit 2 – Compensation.

Each Change Order shall fully define the terms of payment and invoicing provisions. Contractor shall not be entitled to additional compensation in respect of:

- a) Personnel already assigned full time to the Work, except when such Personnel are paid overtime, shift premiums or their assignment to the Work is extended, specifically in relation to the Change; and
- b) Contractor's Items already assigned full time to the Work, except when the hire period of rented items is extended specifically in relation to the Change.

#### **8.5 CHANGE IMPACT ON CONTROL SCHEDULE**

Contractor will submit to Engineer, all necessary information to support any proposed impact of a Change on the Control Schedule, in both hard copy and electronic format. The information shall include detailed critical path analysis, identification and full accounting for the use of float and the current Control Schedule.

Each Change Order shall be deemed to take full account of the cumulative effects on the Control Schedule and all prior Change Orders. Due consideration will be given to cumulative effects that may not have manifested themselves in previous Change Orders, such as a Change that is accommodated by reducing available float. Any cumulative schedule effects assessed by Contractor shall be supported by detailed analysis to account for the use of float. This analysis shall include an electronic version of the current Control Schedule that clearly highlights the schedule effects to enable Engineer to verify Contractor's analysis prior to the issuance of the relevant Change Order.

Contractor shall update the Control Schedule for Company's Approval within five (5) Business Days after Company's issuance of any Change Order affecting the Control Schedule.

#### **8.6 CHANGE REGISTER**

Contractor shall maintain, fully updated at all times, a register of all Change Requests and Change Orders (with Field Work Orders identified separately). The register will include:

- a) Change Request number and date;
- b) Change Order number and date and reference to a Change Request;

- c) Brief description of the Change;
- d) Status of Change Request and Change Order;
- e) Value;
- f) Effects on Control Schedule; and
- g) Brief description of the basis for the Change Request.

Each Change Request will be identified by means of a unique sequential reference number beginning with 1000 for any Change Request issued by Engineer and Company, and 2000 for any Change Request issued by Contractor. Each Change Order will be identified by means of a unique reference number, which will be assigned by Engineer.

All Change Orders that affect the Control Schedule shall be individually detailed, by reference number and summary description, in the successive Control Schedule updates issued by Contractor for Company's Approval.

Contractor shall submit the Change register in the Monthly Progress Report or more frequently as required by Engineer.

## 9 RISK MANAGEMENT

Contractor's risk management activities will be a continuation of the risk assessment process initiated prior to the Effective Date. Requirements for ongoing risk management and reporting will be agreed between Contractor and Engineer at the kick-off meeting. Depending on the nature of the Work, Company shall have the authority to specify the type of risks (such as schedule, quality, cost, safety and environmental) which shall be reported by Contractor. Some risks will be identified as "internal" risks, not subject to reporting.

### 9.1 RISK MANAGEMENT REQUIREMENTS

- a) Contractor shall establish and implement a risk management system to identify, address and manage safety, health and environment, cost, schedule, quality and other execution risks, for the duration of the Work.
- b) Contractor's risk management system shall be based on the following principals:
  - All risks shall be identified and captured in the Risk Register (as defined in Section 9.1(c) below);
  - All risk scenarios shall be evaluated for elimination or mitigation through appropriate measures; and
  - All higher and medium risk scenarios and associated risk management strategies shall be communicated and accepted by the appropriate level of Contractor's management.
- c) Contractor's risk management system shall include the following features:
  - Contractor shall develop a risk management plan indicating the formal risk process to be followed during Work execution, with risk assessment approach and frequency. The plan shall also include assessments required for safety, health and environment and execution risks referenced elsewhere in this Exhibit 3;

- Contractor shall develop and maintain a risk register (“Risk Register”) to capture all details required to monitor identified risks. The format and content shall be subject to the Acceptance of Engineer. It shall be submitted as part of the Monthly Progress Report, along with other reporting requirements specified within this Exhibit 3;
  - Contractor shall perform risk assessments using qualified and knowledgeable Personnel. Contractor shall consult with Engineer regarding meeting target levels of safety. Contractor shall also include active involvement of Engineer’s Personnel and external expertise, as appropriate;
  - Risk assessments and recommended prevention and/or mitigation measures shall be formally documented in the Risk Register;
  - Risk mitigation and prevention strategies for assessed risks in the higher and medium categories are required to be reviewed for acceptability by specified levels of Contractor’s and Engineer’s management. These strategies shall be supported by formal actions captured in an action log and be appropriate to the nature and magnitude of the risk, with decisions and updates clearly documented;
  - Results of formal risk assessments shall be considered in the preparation or review of emergency response plans and procedures; and
  - Follow-up processes to ensure that decisions have been implemented shall be formally documented and maintained in an action log. At a predetermined frequency, compliance reviews shall be undertaken to verify that formal risk assessments and follow-up actions are implemented.
- d) Where appropriate, Engineer shall be invited to observe and/or participate in risk assessments performed by Contractor. Results of risk assessments related to the Work shall be distributed to Engineer upon completion of any of the assessments included within Contractor’s risk management plan.
- e) Contractor shall also participate in risk assessments conducted by Engineer, Company or Company's Other Contractors when these risk assessments relate to activities for which interfaces exist with the Work or where Contractor is involved.

## 10 ENGINEERING REQUIREMENTS

### 10.1 INTRODUCTION

This Section sets forth minimum requirements for engineering coordination in support of the Agreement, including Article 3 of this Agreement and Supplier/Contractor Document Requirements included in Exhibit 11 – Company Supplied Documents.

### 10.2 GENERAL REQUIREMENTS

- a) As part of the requirement in Section 2.4 to submit its Execution Plan for the Work, Contractor shall include a detailed engineering management plan for the first 90 days following the Effective Date. This plan will address planning activities, staff, offices and other resource mobilization, software acquisition and schedule development.
- b) It is the responsibility of Contractor to maintain an electronic system for monitoring,

- recording and tracking all revisions and changes to drawings and documentation.
- c) Any Documents which require Approval of any Authority will be submitted to such Authority by Contractor for Approval, unless otherwise agreed.
  - d) All applicable Documents shall be marked "Issued for Construction" or similar status, prior to commencement of fabrication, manufacture, construction or installation of the Work.
  - e) Contractor shall not commence any Work involving permanent installation of any equipment, materials or products until Contractor has submitted to Engineer and Engineer has Accepted the Health, Safety and Environmental plans required by Article 15 of the Agreement.

### 10.3 DESIGN CONTROL

Contractor shall establish and implement a system to control Engineering activities in order to ensure achievement of a satisfactory level of quality and compliance with requirements including those of all Authorities and the Agreement.

Contractor's Engineering control activities shall include the following:

- a) Implement a system for (internal) discipline checking, including the use of check lists where appropriate, to substantiate compliance with the requirements of Authorities, Agreement requirements and Supplier and Subcontractor requirements. Discipline checks shall be documented and traceable
- b) Ensure that all aspects of the design (including Supplier information) are systematically verified
- c) Ensure that there is no conflict between documents, and
- d) Systematically record, for each revision of all documents, originator, checker, Contractor and approval signatures, and, where required, Company Approval, and to incorporate comments as required during the checking and approval processes.

### 10.4 ENGINEER/COMPANY REVIEW AND ACCEPTANCE/APPROVAL OF CONTRACTOR DOCUMENTS

Throughout this Section and elsewhere in the Agreement, wherever there is a stated requirement for Approval by Company or Acceptance of a Contractor drawing, procedure, specification or other documentation ("Document"), this shall mean:

- a) Contractor shall carry out its internal inter-discipline checking (IDC) to verify the quality of the Document. Contractor will verify product requirements, catalogue numbers and similar data and that Contractor has checked and coordinated each Document with the requirements of the Work and of the Agreement.
- b) After Contractor's IDC, and subject to the Document being free of significant "holds", Contractor shall issue the Document for Acceptance or Company's Approval.
- c) Related engineering required to allow Engineer/Company to review each Document must be made available by Contractor, if not already in Engineer's/Company's possession.
- d) Contractor shall revise the Document to take account of Engineer's/Company's

- comments as part of the Work.
- e) Where required/specified by Engineer/Company, Contractor must get Engineer's/Company's Acceptance/Approval of the Document before it is issued for implementation.
  - f) Engineer/Company will review and return Documents in accordance with the schedule agreed upon. The review periods are based upon Contractor issuing quality documents in a regular flow; undue batching of large quantities of documents issued at irregular intervals will entitle Engineer/Company to an extended review period applicable to each batch;
  - g) Engineer's/Company's review is for conformity to the requirements of the Agreement design concept and for general arrangement only.
  - h) Engineer's/Company's review will not relieve Contractor of responsibility for errors or omissions in any Document submitted by Contractor or for meeting all requirements of the Agreement unless Engineer/Company expressly notes the Acceptance/Approval of a deviation on the Document.
  - i) Upon Engineer's/Company's request, Contractor will revise and resubmit Documents which Engineer/Company reasonably rejects as inconsistent with the Agreement unless otherwise directed by Engineer/Company. Contractor will notify Engineer/Company in writing of any revisions to the resubmission other than those requested by Engineer/Company.
  - j) Engineer/Company shall have the right to raise additional comments at any time to address Contractor's errors and omissions and Contractor shall incorporate such comments into the Work.

## 10.5 TECHNICAL QUERY PROCEDURE

Requests for clarification or guidance related to technical details contained within Company Supplied Data, shall be formally presented by Contractor to Company as an Engineering Query (EQ).

## 11 CONSTRUCTION MANAGEMENT

### 11.1 OBJECTIVES

In executing the Work, Contractor shall, and ensure that the other members of Contractor Group shall:

- a) Assign experienced and qualified project management Personnel and craft workers with demonstrated skills during the field work / construction phase of the Work and provide continuity of such Personnel throughout the execution of the Work;
- b) Maintain adequate controls and oversight during the field work / construction phase of the Work to ensure conformance with all requirements of this Agreement;
- c) Minimize Work execution risks and risks to Company's assets;
- d) Develop adequate contingency and recovery plans to mitigate impacts on schedule of unforeseen events (e.g. weather events); and
- e) Provide Worksite(s) that are safe, secure and free of industrial health hazards.

## 11.2 CONTRACTOR'S DUTIES

With respect to the Work, Contractor shall:

- a) Plan and co-ordinate the design, fabrication, transportation, installation, construction and completions of the Work with Engineer to ensure all interfaces are identified and managed;
- b) Identify execution risks and develop mitigation plans and procedures covering all reasonable events during the field work / construction phases;
- c) Conduct all engineering for field work, fabrication, transportation, construction and completions as stipulated in this Agreement;
- d) Prepare, maintain and implement:
  - emergency preparedness and response procedures;
  - detailed fabrication, construction, transportation and material management plans for major Worksites;
  - security measures at the Worksite; and
  - a health and safety program;
- e) Provide all construction and installation equipment, tools and temporary facilities required to perform the Work;
- f) Provide Personnel and facilities for all field testing, inspection, supervision and coordination activities associated with the Work;
- g) Support Company's construction management activities related to the Work; and
- h) Contractor shall not commence any Work involving permanent installation of any equipment, materials or products until Contractor has submitted to Engineer and Engineer has Accepted the Health, Safety and Environmental plans required by Article 15 of the Agreement.

## 11.3 SITE QUERY (SQ)

The Site Query ("SQ") process, as described in this Exhibit 3, shall be used by Contractor to facilitate the timely resolution of minor engineering and construction problems encountered at the Worksites. The SQ is used to formally transmit and co-ordinate technical queries with Engineer and to document the resolution to the query. Engineer shall not be involved in answering Site Queries which are entirely within Contractor's own responsibility.

Contractor may raise an SQ (in the form attached as Appendix C - Site query (SQ)) to clarify Technical Requirements which require a formal response. The SQ will include separate sections for Contractor's query and for Engineer's response. Any relevant documents that might assist those assigned to respond to the query in understanding the issue should be included or referenced with mark-ups as required. Contractor's SQ shall be approved by an appropriate level of authority within Contractor's organization and submitted formally to Engineer (distribution list to be provided). Contractor shall assign an SQ number based upon the Accepted numbering system which will be provided to the Contractor.

Engineer shall review the SQ and provide a response within the appropriate section of the SQ. It will be Contractor's responsibility to implement any actions associated with the response.

Responses may simply be explanatory in nature and require no additional action. Where appropriate, an SQ response may be accompanied by a Site Instruction (in the form attached as Appendix D - Site Instruction) or an Engineering Change Notice (in the form attached as Appendix E - Engineering Change Notice (ECN)). An SQ will remain open until any associated actions have been completed, to the satisfaction of Engineer.

Open SQs shall be reviewed at weekly Site meetings in order to resolve all matters relating to their resolution.

#### 11.4 SITE INSTRUCTION (SI)

The Site Instruction ("SI") process, as described in this Exhibit 3, shall be used to provide a formal record of an instruction or verbal agreement originated directly at Site from Engineer to the Contractor.

SIs (in the form attached as Appendix D - Site Instruction) will be provided to address the following items (examples only):

- a) Instructions to Contractor related to safety or quality;
- b) Confirmation of verbal instructions/notifications;
- c) Site administration;
- d) Reporting requirements;
- e) Work clarification; and
- f) Instruction subsequent to a Site Query response.

Open SIs shall be reviewed at weekly meetings in order to resolve all matters relating to their implementation.

#### 11.5 FIELD WORK ORDER (FWO)

The Field Work Order ("FWO") process, as described in this Exhibit 3, shall be used to provide instructions to a contractor to perform work, not currently covered in its work scope, as outlined in the agreement with the contractor. When signing this form, construction site personnel are instructing Contractor to carry out work that may impact the Contract Price and/or Milestone Schedule. This form must be used only to facilitate daily construction activities due to specific requirements at Site related to safety, environment, minor changes and emergency work up to the limit of the FWO - \$ 25,000 CAD in order to achieve expected and required construction performance (productivity, safety, quality, and schedule-cost adherence).

A Field Work Order shall not be used to avoid proper application of LCP change management principles where Change Request – Change Order processes are required to administer properly contractual obligations with Contractors/Suppliers. Criteria for use of a FWO are:

- Emergency work;
- Unforeseen scope for which immediate direction must be provided to Contractor to avoid potentially longer exposure or lost opportunity;

- Leverage potential opportunity cost savings; or
- Small, unplanned service scope.

All FWOs must be followed by a Change Order (CO) as explained in Section 8.2 of this Exhibit 3.

### 11.6 ENGINEERING CHANGE NOTICE (ECN)

The Engineering Change Notice ("ECN") process, as described in this Exhibit 3, will be followed by Engineer to highlight the issuance of any engineering design change to the Contractor whenever:

- a) Issued for Construction ("IFC") drawings or specifications are revised after their issue to Contractor;
- b) New IFC drawings or specifications are issued that are not listed in Exhibit 1 - Scope of Work; and
- c) IFC, sketches, documents or any such typical instructions are issued.

Engineer will generate an ECN, using the form found in Appendix E - Engineering Change Notice (ECN) of this Exhibit 3, to describe and communicate Issued for Construction (IFC) document changes to the Contractor. These changes will be described on the ECN form and accompanied by the associated drawings, specifications, sketches and related documents for implementation by Contractor. Where an ECN is the result of an SQ or a SI, it will reference the relevant document. The ECN will be assigned a unique number by Engineer for future reference and reporting.

## 12 INVOICING AND PAYMENT

### 12.1 OBJECTIVES

Contractor shall submit accurate, complete and detailed invoices that reflect the Work completed by Contractor, in a format that will be established by the Engineer and with the necessary supporting/verification documentation to enable Engineer to efficiently attest the invoices and recommend Approval and payment of Contractor's invoices by Company, and all in accordance with the Articles of this Agreement.

### 12.2 CONTRACTOR'S DUTIES

- a) Contractor shall submit invoices in accordance with this Agreement complete with Company Approved Payment Certificates and all supporting/verification documentation Acceptable to Engineer.
- b) Contractor shall submit to Engineer, a monthly report that summarizes invoices submitted and payments made, along with applicable dates of both the invoices and the payments and other pertinent information that Engineer or Company may require.



**12.3 PROCEDURAL REQUIREMENTS**

- a) Contractor shall submit to Engineer one original invoice, along with one (1) PDF copy of the invoice and all required Billing Information. At Engineer's request, all supporting schedules and calculations supporting the invoice shall be provided in native file format.
- b) Each invoice shall be organized such that it is easily understood and:
  - contains a clear description of the completed Work being invoiced;
  - the charges can be easily and efficiently verified against the Agreement and the Billing Information; and
  - all charges are clearly cross referenced to the Billing Information.
- c) All invoice amounts shall be detailed based on Company's code of accounts.
- d) The invoice shall include the following information:
  - Contractor's name, address and tax identification number (HST registration number);
  - Invoice date and invoice number;
  - Agreement number and name;
  - Charges detailed by code of accounts along with cumulative value of all invoices for the Agreement detailed by Company's code of accounts;
  - Adjustments, if any, from prior invoices;
  - Subtotal, tax (HST applicable to the invoice) and total;
  - All invoices shall be in the currencies detailed in Exhibit 2 - Compensation;
  - Complete and accurate supporting documentation, including without limitation Billing Information and any other pertinent information that Company may require to verify completion of the Work, the accuracy of the fees, charges and third party charges; complete with a summary sheet cross referencing all supporting documentation to the charges covered on the invoice;
  - Approved Payment Certificate (in the form as stated in Appendix G - Payment Certificate) accompanied by all relevant supporting documentation;
  - If Contractor is a non-resident, in accordance with Exhibit 10 – Declaration of Residency, Contractor shall note on each invoice whether any portion of the Work covered by such invoice was performed inside or outside of Canada for the purposes of Canadian income tax legislation, or such other information requested or required by Company to properly assess withholding requirements; and
  - Where appropriate, Change Order amounts may be shown separately and the invoice will itemize charges associated with each Change Order, including without limitation, a detailed description of each item being invoiced. A copy of the Change Order shall accompany the invoice.
- e) Before Company pays an invoice, Company may request clarification or substantiation in relation to any charges on the invoice and Contractor shall promptly comply with any such request. Invoice review meetings (or pre-payment meetings) may be held to agree on charges to be included on an invoice.
- f) If an invoice is deemed incorrect by Company, Company is entitled to reject such invoice and shall provide reasons for the rejection.
- g) When Contractor believes the requirements of Final Completion have been satisfied, as described in Article 25 of the Agreement, Contractor shall request by Notice a Final

Completion Certificate. Such request shall be in the form as contained in Appendix I - Request for Final Completion Certificate.

#### 12.4 INVOICING FOR CHANGE WORK

Contractor shall submit separate invoices for Changes, unless Company or Engineer directs otherwise, with the Change Order number and date mentioned on the invoice. Invoicing provisions shall be specified on each Change Order. All Changes shall be subject to the compensation provisions and payment terms set out in Article 12 of this Agreement, Exhibit 2 – Compensation and Exhibit 3 – Coordination Procedures.

Contractor will not invoice Company for any amounts which result in the cumulative amount invoiced being greater than the Contract Price.

Under no circumstances will Contractor present invoices for a Change, nor will Company compensate Contractor for any Change, in the absence of a Change Order.

#### 12.5 BANKING INFORMATION

- a) Payments of invoices shall, where possible, be made by electronic funds transfer to Contractor's bank account, as specified in writing by Contractor to the Company Representative.
- b) Any changes in Contractor's banking information or payment instructions shall be submitted in writing to the Company Representative. The Company shall not be held responsible for errors or delays resulting from incorrect or delayed submission of changes in banking instructions by Contractor.

### 13 INFORMATION MANAGEMENT

#### 13.1 SCOPE

This Section 13 provides the minimum requirements in relation to Information Management ("IM") which includes the areas of records and document management and control.

#### 13.2 OBJECTIVES

- A. To establish an effective IM environment for the execution of this Agreement, where people can work safely and collaboratively with a confidence that information, and the systems that manage it, are accessible, accurate, reliable, up to date and timely throughout the Term.
- B. For the function of IM and its associated processes, to be seen as an enabler and not a hindrance to project progress and success.
- C. To establish clear communication methods for the exchange of information, both technical and non-technical.

- D. To use standards (electronic formats, physical formats, data, numbering, etc.) to ensure a consistent information deliverable for incorporation into Company systems, regardless of origin.
- E. To produce and deliver a quality information asset that will support and enable the ongoing operation and maintenance of physical assets.
- F. To provide the people, processes and tools required to facilitate and enable efficient and effective IM practices for the execution of this Agreement.
- G. To ensure that adequate orientation, training and guidance is provided to all team members in the specific areas of IM and supporting systems.
- H. Personal, confidential and restricted information shall be handled using best practice protocol to ensure access to only authorized Personnel in both the physical and electronic environments.
- I. No incidents of illegal information brokering as Contractor performs the Work.

### 13.3 CONTRACTORS DUTIES

Contractor shall:

- A. Develop an IM plan (including procedures, organizational charts, systems, training programs, etc.) to address the following areas of IM:
  - a. Administrative records management; and
  - b. Document management/control (engineering services, Contractor, procedural, etc.);
- B. Adhere to the documents included in Exhibit 11 - Company Supplied Documents;
- C. Provide statistical and status reporting for documentation and data as defined by Company;
- D. Ensure all IM related standards and procedures agreed between Company and Contractor are followed by Contractor's Personnel;
- E. Facilitate inspections and assessments of IM processes and systems by the Company Representative for Contractor Group;
- F. Provide process improvement suggestions throughout the Term where there are efficiencies to be gained; and
- G. Highlight and work to resolve any IM related issues relating to the Work.

### 13.4 COMPANY'S AUTHORITY

Company shall have the authority to:

- A. Provide general oversight to the IM components relating to the execution of this Agreement;
- B. Review and Approve plans and procedural documentation created by Contractor in support of IM for the execution of this Agreement;
- C. Conduct inspections and assessments of Contractor Group's IM programs and systems as appropriate;
- D. Provide statistical reporting requirements to Contractor as required;
- E. Provide applicable IM related standards to Contractor;
- F. Identify restricted information as appropriate;
- G. Provide process improvement suggestions throughout the Term where there are

efficiencies to be gained; and

- H. Highlight and work to resolve any IM related issues or inefficiencies relating to the execution of this Agreement.

### 13.5 SPECIFIC REQUIREMENTS

#### 13.5.1 ADMINISTRATIVE RECORDS

- A. Contractor shall maintain a distinct set of project related administrative records consisting of all non-revision controlled information received or created/generated in support of the Work. Administrative records shall be managed in an electronic content environment. Contractor shall provide reports of these records upon request from Company. Contractor shall provide copies of records as requested by Company at any point during the Term.
- B. Contractor may use existing file plans and classification systems within its own organization, but shall capture all communication with Company using Aconex.
- C. Contractor shall maintain a correspondence register within Aconex.
- D. Formal correspondence shall be by letter and shall be limited to one subject per letter. The subject line shall include reference to Agreement numbering as well as the specific subject.
- E. All correspondence shall be sent by Aconex. Use of signed PDF documents is acceptable. Details on the use and application of Aconex will be provided by Company and addressed at the kick-off meeting accordingly. Contractor shall be aware of the following:
- a. Aconex is a cloud based computer software program that can be accessed via an internet connection and a web browser ([www.aconex.com](http://www.aconex.com)).
  - b. Aconex Project Mail is a module within Aconex that can be used to send and receive emails similar in function to most other email software systems (i.e., Microsoft Outlook, Lotus Notes, etc.).
  - c. Tutorials for using Aconex and Aconex Project Mail are available at ([www.aconex.com](http://www.aconex.com)).
  - d. Aconex serves as an electronic project mailroom and archive.
  - e. All correspondence relating to the project can be created, delivered, recorded and archived by the system.
  - f. On Aconex, project mail is not held in individuals' folders but in a company mailbox, the equivalent of a central filing system.
  - g. Correspondence is available to all project participants within the organization and confidentiality can be enabled when required.
  - h. All project mail is delivered on company specific templates, maintaining a firm's identity within the project.
  - i. Aconex mail functions are very familiar, as they mirror standard email packages.
  - j. Files may be attached to any piece of project mail from the controlled documents register, or the local drive or network.
  - k. Hard copy letters and existing documents can be captured into the system through a scan/registration process, ensuring all correspondence is logged.
  - l. All project mail is automatically logged and cannot be deleted or modified once sent.
  - m. Mail can be filtered by a variety of attributes, free text and wildcards. Mail to or from any members within a company or project can be found instantly, ensuring

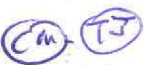
accountability and full quality assurance.

- n. Support for the use of this system can be provided from Aconex at 1-888-5-ACONEX or speak with any member of the LCP Information Management Team ([LCPDCC@lowerchurchillproject.ca](mailto:LCPDCC@lowerchurchillproject.ca)).

### 13.5.2 DOCUMENT MANAGEMENT/CONTROL

- A. Company will facilitate the document numbering upon submission by Contractor of the initial Supplier Document Register as per Exhibit 4 – Supplier Document Requirements List. All documents, and all pages and sheets within, shall bear this number and the associated revision number.
- B. All documents shall be prepared and submitted by Contractor in accordance with “Contractor/Supplier Document Requirements” (as provided in Exhibit 11 - Company Supplied Documents) and as required under Exhibit 4 – Supplier Document Requirements List.

**APPENDIX A**  
**CHANGE REQUEST**



<b>LOWER CHURCHILL PROJECT</b>	<b>CHANGE REQUEST</b>				
Agreement No: _____ Agreement Title: _____ Company: _____ Contractor/Supplier: _____	CHR No. (reference): _____ Rev. No: _____ CHO No.: _____ Date: _____ Aconex No.: _____ DAN No.: _____				
Description of Change Request and Reason (attach all supporting information):					
Supporting information that forms part of this Change Request:					
Description of impact on Control Schedule:					
Revised Finish Date: _____					
Lump sum price (or estimated cost) and adjustment to the Contract Price:					
Item	Description	UOM	QTY	Unit Price	Extended Price
Value of this Change Request:					\$
ORIGINATOR <input type="checkbox"/> COMPANY <input type="checkbox"/> CONTRACTOR/SUPPLIER					
Title	Name	Signature	Date		
Received by:					
Title	Name	Signature	Date		

TJ  
CM

**APPENDIX B**  
**CHANGE ORDER**

CM TJ



<b>LOWER CHURCHILL PROJECT</b>	<b>CHANGE ORDER Between Company and Contractor/Supplier</b>
------------------------------------	---

Agreement No: _____	CHO No. _____
Agreement Title: _____	Rev. No: _____
Company: _____	CHR No. _____
Contractor/Supplier: _____	Date: _____

Description of Change:

---

Supporting information that forms part of this Change Order:

---

Change Includes: <input type="checkbox"/> Price <input type="checkbox"/> Schedule Adjustment Type: <input type="checkbox"/> Lump Sum <input type="checkbox"/> Unit Rate <input type="checkbox"/> Fixed Amount <input type="checkbox"/> Estimate <input type="checkbox"/> Reimbursable	Original Contract Price _____ Previous Change Orders Price _____ This Change Order Price _____ Total Contract Price to Date \$ _____
--	---

Impact on Control Schedule:  
 Revised Finished Date: \_\_\_\_\_

This Change Order shall form and be read and construed as an integral part of the above-noted Agreement. The above adjustment to the Contract Price constitutes full compensation (including all impact costs) to the Contractor/Supplier for the above Change.

Issued by Company: <hr/> Supply Chain Manager or Delegate Name: <hr/> Signature: _____ Date: _____ <hr/> Company Representative Name: <hr/> Signature: _____ Date: _____	Acknowledgement of Contractor/Supplier Receipt: <hr/> Signature: _____ <hr/> Name: _____ <hr/> Date: _____
--	---



**APPENDIX C**  
**SITE QUERY (SQ)**

CM (1)



**APPENDIX D**  
**SITE INSTRUCTION (SI)**

TS  
CM



**APPENDIX E**  
**ENGINEERING CHANGE NOTICE (ECN)**



Lower Churchill Project	ENGINEERING CHANGE NOTICE	Page 1 of 2
		ECN No.:
		Date :

Agreement No.:	Contractor:
Agreement Title:	

<b>This ECN is issued for:</b>
<input type="checkbox"/> The Issue for Construction (IFC) of new technical documents not previously issued.
<input type="checkbox"/> The Issue for Construction (IFC) of revised technical documents previously issued.

<b>Summary Description of Changes</b>

<b>Received by Contractor</b>		
Name	Signature	Date

	Title	Name	Signature	Date
Prepared by:	Discipline Engineer			
Reviewed by:	Lead Discipline Engineer			
Approved by:	Component Eng. Manager			
Approved by:	Package Leader			

LCP-PT-MD-0000-EN-FR-0004-01 – Rev. B3

TJ  
CM





Exhibit 3  
Coordination Procedures  
Agreement Number: CD0502-001

**APPENDIX F**

**FIELD WORK ORDER (FWO)**

TO  
CM

<b>LOWER CHURCHILL PROJECT</b>	<b>FIELD WORK ORDER</b> <small>(In no case shall this Field Work Order (FWO) exceed \$ 25,000 CAD)</small>
------------------------------------	---

Company:	Date	Rev.	Page of
Project Name & Location:	Field Work Order No.:		
Contractor:	FIELD WORK ORDER RELATED TO:		
Agreement No.:	SAFETY	<input type="checkbox"/>	ENVIRONMENT <input type="checkbox"/>
Agreement Title:	QUALITY	<input type="checkbox"/>	SCOPE <input type="checkbox"/>
Plant Area / Bldg No.:	OTHER	<input type="checkbox"/>	
Reference Specification:			
Reference Drawing No.:			
Description of the Work:			
	Title	Name	Signature
Originated by:			
Reason:			
Schedule Impact:			
Work Start Date:			
Lump Sum Price:	Estimated Price:	Unit Price <input type="checkbox"/>	Time & Materials <input type="checkbox"/>
Company:			
_____ Contract Administrator Date:		_____ Area Construction Manager Date:	
Acknowledgment of Receipt:			
Contractor:			
	Signature	Title	Date

LCP-PT-MD-0000-SC-FR-0002-01, Rev B3

Exhibit 3  
Coordination Procedures  
Agreement Number: CD0502-001

**APPENDIX G**  
**PAYMENT CERTIFICATE**

TS  
CM

**PAYMENT CERTIFICATE**

Date: \_\_\_\_\_  
 Agreement #: \_\_\_\_\_  
 Agreement Title: \_\_\_\_\_  
 Contractor: \_\_\_\_\_  
 Milestone / Monthly Progress  
 Payment Description: \_\_\_\_\_  
 Milestone / Monthly Progress  
 Payment Amount: \_\_\_\_\_

Work Executed for Monthly Progress / Milestone Completion criteria and status (list below):

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Contractor:**

Contractor hereby notifies Company that it considers that it has executed the associated Work or met the criteria for achieving the above-noted Milestone(s) and requests Company Approval.

By: \_\_\_\_\_  
Contractor Representative

Date:

**Company Approval:**

Company hereby Approves this Payment Certificate.

Company Approval of this Payment Certificate does not relieve Contractor of any of its obligations under the Agreement.

By: \_\_\_\_\_  
Company Representative

Date:

LCP-SN-CD-0000-SC-FR-0052-01

Exhibit 3  
Coordination Procedures  
Agreement Number: CD0502-001

**APPENDIX H**  
**SUBSTANTIAL COMPLETION CERTIFICATE**

Handwritten initials 'TJ' above 'CM' in a circle.

**SUBSTANTIAL COMPLETION CERTIFICATE**

Project: Lower Churchill Project

Agreement No.: \_\_\_\_\_

Agreement Title: \_\_\_\_\_

Contractor: \_\_\_\_\_

1. Engineer confirms that, pursuant to the Articles of the Agreement, Contractor has met all requirements of Substantial Completion effective as of [insert date].
2. Attached hereto is a Punch List, which includes items with respect to which Company and/or Engineer has notified Contractor are incomplete, defective or deficient. If Contractor fails to rectify any such items:
  - (i) by the date specified on the Punch List for such item; or
  - (ii) as soon as practicable, if no such date is specified on the Punch list for such item;
 Company reserves its right to invoke any of its rights or remedies pursuant to the Agreement.
3. Nothing expressed or implied herein shall be construed to prejudice Contractor's obligation to complete or rectify all nonconforming Work items in accordance with the Agreement, and to achieve Final Completion.

Attachments: \_\_\_\_\_

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Engineer: \_\_\_\_\_

Acknowledgement of Contractor Receipt:

By: \_\_\_\_\_  
Engineer Representative

By: \_\_\_\_\_  
Contractor Representative

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

LCP-PT-MD-0000-SC-FR-0082-01 Rev. B1

Exhibit 3  
Coordination Procedures  
Agreement Number: CD0502-001

**APPENDIX I**

**REQUEST FOR FINAL COMPLETION CERTIFICATE**

TS  
CM

**REQUEST FOR FINAL COMPLETION CERTIFICATE**

Agreement No.: \_\_\_\_\_  
Agreement Title: \_\_\_\_\_  
Contractor: \_\_\_\_\_

**To Engineer:**

In accordance the Agreement, Contractor hereby confirms that it has completed the Work and all the requirements of Final Completion (as described in the Agreement) have been met, all in accordance with the Agreement, excluding its Warranty obligations.

Contractor agrees that, as of the date of its confirmation below, the Contractor waives, remises, releases and discharges the Company of any and all Claims that are known, ought to have been known or discoverable by reasonable means by the Contractor, which Contractor has or may have relating to or arising out of this Agreement and the subject matter of this Agreement, and all facts and circumstances related to the Work, save and except:

- a) Only those Claims previously submitted by Contractor in writing and remaining unresolved prior to the date of Contractor's below confirmation, as listed below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_;

and

- b) The balance of the Contract Price payable, if any, upon the issuance of the Final Completion Certificate.

<p><b>Contractor Confirmation:</b></p> <p>Contractor confirms it has completed the Work in accordance with the above-noted Agreement.</p> <p>By: _____ Contractor Representative</p> <p><b>Acknowledgement of Engineer Receipt:</b></p> <p>By: _____ Engineer</p> <p>Date: _____</p>
--

LCP-PT-MD-0000-SC-FR-0039-01 Rev. B1



Exhibit 3  
Coordination Procedures  
Agreement Number: CD0502-001

**APPENDIX J**

**FINAL COMPLETION CERTIFICATE**

TS  
CM

**FINAL COMPLETION CERTIFICATE**

Agreement No.: \_\_\_\_\_

Agreement Title: \_\_\_\_\_

**To Contractor:**

Company hereby confirms that the Date of Final Completion of the Work is [date].

By: \_\_\_\_\_  
Company Representative

Date: \_\_\_\_\_

LCP-PT-MD-0000-SC-FR-0040-01 Rev. B1