

**AGREEMENT
15436-OB
FOR
PROFESSIONAL SERVICES
FOR
THE LOWER CHURCHILL PROJECT
BETWEEN
NEWFOUNDLAND AND LABRADOR HYDRO
AND
RJP SERVICES**

*Inc. PH.
RJP*

RJP

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APPENDICES:

- Appendix A Scope of Work
- Appendix B Compensation
- Appendix C Personnel
- Appendix D Forms



THIS AGREEMENT made at St. John's in the Province of Newfoundland and Labrador as of the 21st day of January 2008.

BETWEEN **NEWFOUNDLAND AND LABRADOR HYDRO**, a body corporate existing pursuant to the Hydro Corporation Act, RSNL 1990 Chapter H-16 and having its head office at St. John's, in the Province of Newfoundland and Labrador, (hereinafter referred to as "**Hydro**") of the first part

AND **RJP SERVICES**, a body incorporated under the laws of the Province of Newfoundland and Labrador and having its head office in the City of St. John's in the Province of Newfoundland and Labrador (hereinafter referred to as "**Contractor**") of the second part

WHEREAS Hydro requires the performance of those services set forth in Schedule "A" – Scope of Work, attached hereto, (hereinafter called the "Work"); and

WHEREAS Contractor is engaged in the business of performing such services and is prepared to provide the equipment and personnel required to perform the Work;

NOW THEREFORE in consideration of the payments to be made hereunder and the respective covenants, agreements, terms and conditions of the parties hereto, Hydro and Contractor agree as follows:

1.0 AGREEMENT DOCUMENTS

- .1 The below listed appendices attached hereto shall form part of this Agreement:
 - (a) Appendix A Scope of Work;
 - (b) Appendix B Compensation;
 - (c) Appendix C Personnel;
 - (d) Appendix D Forms.
- .2 In case of a conflict between the main body of this Agreement, the Appendices attached hereto or other items, as referenced in Clause 1.2, the order of precedence shall be:
 - (a) Main body of Agreement;
 - (b) Appendices;

2.0 DEFINITIONS

- .1 "Contractor" includes the Contractor as previously designated herein and all of its employees, directors, agents, servants and subcontractors involved in the execution of the Work.



- .2 "Intellectual Property" means all data, designs, plans, drawings, specifications, research, reports, notes, estimates, summaries, calculations, surveys, papers, completed work, and work in progress and such other information and materials or parts thereof as are compiled, drawn and produced by the Contractor in performing this Work, including computer printouts and computer models and all copyrights thereto and all patents, trademarks and industrial designs arising there from.
- .3 "Hydro" includes the following entities and persons individually and collectively:
- (a) Hydro as previously designated herein;
 - (b) Hydro's other contractors; and
 - (c) the directors, officers, employees, servants, invitees and agents of all of those entities.
- .4 "Consequential Loss" means consequential or indirect losses and includes but is not limited to, loss or anticipated loss of profit, loss or anticipated loss of revenue, loss or anticipated loss of business opportunity or business interruption.
- .5 "Personnel", in relation to any person or entity, means the directors, officers, employees, non-employed representatives and agents of such person or entity;
- .6 "Third Parties" means all persons and entities, which are included in neither Hydro nor Contractor.

3.0 INTERPRETATION

- .1 The doctrine of contra proferentem shall not apply in the interpretation of this document(s) meaning that if there is any ambiguous language in this document it shall not be interpreted more strongly against the party who prepared or drafted the ambiguous language.
- .2 The words "include", "includes" and "including" as used in the Agreement are not to be construed as words of limitation.
- .3 Article headings are inserted herein for convenience of reference only and shall not form a part hereof for purposes of interpretation.
- .4 Wherever, in the Agreement, a number of days are prescribed for any purpose, unless otherwise specified, the days shall be calendar days and shall be reckoned exclusively of the first and inclusively of the last.
- .5 The rights and recourse of Hydro and Contractor contained in the Agreement are cumulative and not in the alternative unless otherwise provided. The exercise of any such rights or recourse shall not constitute a waiver or renunciation of any other rights or recourse.



4.0 SCOPE OF WORK

- .1 Contractor represents and warrants that it has the required skills and capacity to perform the Work as set forth in Appendix A, and covenants that it will perform the Work with all due diligence and in a manner which would normally be employed by a recognized professional performing work of a comparable nature.
- .2 Contractor shall report to and carry out the directives of the Hydro representative, or such other person as shall be designated by Hydro in writing.
- .3 Hydro shall have the right at any time to order changes in the Work or additional Work. Contractor shall promptly estimate their effect on the cost of the Work and on the time for performance, and so notify Hydro. All additional Work or changes to the Work shall be governed by the provisions of this Agreement subject to the amendment of this Agreement, if required, upon mutual agreement of the parties. No additional Work or changes in the Work shall be implemented by Contractor unless such additional Work or changes in the Work, and the associated costs, have been approved by Hydro in writing. The performance of additional Work or changes in the Work which have been so approved by Hydro shall not be delayed as a result of failure by the parties to agree upon required amendments to this Agreement. Contractor shall be conclusively deemed to have accepted the amount of the compensation payable for changes or extra work as approved by Hydro unless Contractor provides Hydro with written notice within fourteen (14) days of Hydro's approval, disputing said amount.
- .5 In no event shall Contractor utilize an agent or a subcontractor to perform the Work without the prior written consent of Hydro. Where the use of agents or subcontractors by Contractor is consented to by Hydro, Contractor represents and warrants to Hydro that the Work performed by them shall be in accordance with Appendix "A" and Contractor shall be responsible for the quality of the Work performed by such agents and subcontractors.
- .6 Contractor shall assign full-time or part-time to the performance of the Work, the personnel listed on Appendix "C". Contractor shall not voluntarily replace such personnel and if replacement becomes unavoidable such replacement shall require Hydro's prior consent, which consent shall not be unreasonably withheld.
- .7 Contractor represents and warrants that it shall complete the Work in conformity with the provisions of this Agreement.

5.0 DELAY

- .1 Where either party is aware of an event or any circumstances which are delaying or are expected to delay the performance of the Work, that party shall give written notice to the other party of the particulars of the cause and the expected length of



the delay and the steps that the party intends to take to mitigate the effects of the delay.

- .2 The written notice shall be given as soon as possible and in any event not later than seven (7) days after the party becomes aware or ought reasonably to have become aware of the commencement of the event or circumstances causing the delay.
- .3 Where the Work or a component of the Work is delayed as a result of any act or failure to act under the contract by a party, its agents or employees, beyond a time required under the Agreement, the other party may request an equitable adjustment within twenty eight (28) days of the required time.
- .4 Both parties shall make every reasonable effort to mitigate the effects of or overcome any delay of the Work.
- .5 Contractor shall be conclusively deemed to have accepted the decision of Hydro on compensation payable for delay unless Contractor provides Hydro with written notice within fourteen (14) days disputing Hydro's decision.

6.0 EFFECTIVE DATE AND TERM

Notwithstanding the date of execution of this Agreement, this Agreement shall commence on the 21st day of January, 2008 (hereinafter called the "Effective Date"). The term of this Agreement (hereinafter called the "Term") shall be fixed and firm for a period of twelve (12) months from the effective date after which time the provisions of Clause 7 shall apply. Agreement Term may be extended as mutually agreed in writing.

7.0 SUSPENSION OR TERMINATION

- .1 Subject to Clause 6, Hydro shall have the right to terminate this Agreement at any time by giving Contractor seven (7) days' written notice prior to the date of termination of the Agreement.
- .2 The termination shall not affect the rights of the parties hereto which have accrued prior to the date of termination and shall not relieve any party from its obligations, which may have arisen during the Term hereof.
- .3 Within fourteen (14) days of notice of termination, the Contractor shall submit to Hydro a schedule of costs and expenses incurred plus any additional costs and expenses that the Contractor expects to incur after the date of termination and for which the Contractor will require reimbursement.
- .4 Hydro may suspend the performance of the Work hereunder, in whole or in part,



at any time and from time to time for a period not exceeding six (6) calendar months on each occasion. During the period of suspension, Contractor shall remain prepared to reactivate its Work and shall resume the performance of its Work as directed by Hydro. Upon resumption of the Work, Contractor shall make every reasonable attempt to reassemble the original team, it being understood that in the event of a prolonged suspension some personnel may not be immediately available.

In the event of suspension of the performance of the Work at the request of Hydro the payment of costs incurred to that date, calculated in accordance with agreed Agreement rates, shall be deemed to be reasonable compensation to Contractor for the Work rendered prior to that date.

If during any period of suspension requested by Hydro, Contractor reasonably incurs expenses under the Agreement which have been mutually agreed to in writing by Hydro and Contractor and provision for compensating Contractor in respect of such expenses is not made elsewhere in the Agreement, Hydro shall pay Contractor for same an amount to be determined on a fair and equitable basis.

- .5 Hydro shall not be liable for any losses or damages of any kind suffered by Contractor on account of the termination or suspension.

8.0 FORCE MAJEURE

- .1 Neither party shall be considered in default in the performance of any of its obligations hereunder to the extent that performance of any such obligations is delayed, hindered, or prevented by Force Majeure.
- .2 Force Majeure shall be any cause beyond the control of the party pleading it which such party could not reasonably have foreseen and guarded against.
- .3 Force Majeure includes acts of God, floods, earthquakes, strikes, fires, riots, incendiarism, interference by civil or military authorities, compliance with the regulations or order of any government authority, acts of war (declared or undeclared) and civil disobedience, provided that such cause could not reasonably have been foreseen and guarded against by it.

9.0 REMUNERATION

- .1 Unless otherwise stated herein, Contractor shall be paid in Canadian funds for performing the Work in accordance with the terms and conditions outlined in Appendix "B" and subject to the holdback provisions and setoff provisions of Clause 10.



- .2 No change in such terms and conditions shall be permitted unless acknowledged in writing by Hydro.
- .3 Hydro shall have no obligation to pay Contractor for any goods or services not approved by Hydro.
- .4 No overtime shall be paid for by Hydro unless so authorized in writing by Hydro.
- .5 Contractor shall present on or before the twentieth (20th) day of each calendar month, or at other such time as may be mutually agreed, one (1) original and one (1) copy of its invoices for the Work completed in the prior month. Contractor's invoice must show a complete statement of costs actually incurred during the preceding calendar month.
- .6 Contractor shall present its invoices to Hydro's office at:

Newfoundland and Labrador Hydro
Lower Churchill Project
P. O. Box 12400
St. John's, NL, A1B 4K7

Attention: Accounts Payable

- .7 Contractor's invoice shall identify separately the total amount of Goods and Services Tax or Harmonized Sales Tax ("GST/HST") applicable to the invoice value, and shall indicate on the invoice the Contractor's GST/HST Registration Number. Hydro will be under no obligation to pay GST/HST on invoices unless the Contractor provides its GST/HST Registration Number on the invoice. In the event Contractor does not invoice Hydro for GST/HST, Contractor shall indicate on the invoice the basis upon which Contractor is exempt from the obligation to collect GST/HST.
- .8 Any dispute concerning the amount of any payment(s) including, without limitation, any dispute as to Hydro's right under this Agreement or otherwise to offset any claim it may have, shall not relieve Contractor of its obligation to proceed with all due diligence to complete all the Work to be performed under this Agreement in accordance with agreed schedules and Contractor hereby irrevocably grants to Hydro, its employees, agents and representatives such rights of access to all premises or facilities occupied by Contractor or any of its Affiliates or Subcontractors as may be required by Hydro to take possession of the Work. Hydro shall be entitled to take possession of the Work against payment of the undisputed amount(s).
- .9 Invoice shall be submitted in a format agreeable to Hydro that is consistent with the payable items as specified in Appendix B and is properly supported, as



applicable, by time sheets, receipted supplier invoices or other such proof of expenditures, as Hydro may require.

- .10 Within thirty (30) calendar days after receipt of such invoice, Hydro shall, after any appropriate adjustments and subject always to possible further verification and correction, pay Contractor for such monthly invoices.
- .11 The acceptance by Contractor of the final payment under the Agreement shall operate as, and shall be, a release to Hydro and its agents from any and all claims of and liability to Contractor for anything done or furnished for, or in relation to, the Work or the Agreement, or for any act of neglect or omission of Hydro and its agents relating to or affecting the Agreement or the Work, except claims that have been identified and remain unsettled.
- .12 Delay by Hydro in making a payment when it becomes due and payable shall not be deemed to be a breach of the Agreement by Hydro, but, except where specifically otherwise provided for, such a delay will, if the delay continues for more than fifteen (15) days beyond the date upon which the payment is due and payable, entitle Contractor to interest on the amount overdue at the Prime Lending Rate of HYDRO's bank plus 2%.

10.0 WITHHOLDING, SETOFFS AND DEDUCTIONS

- .1 Hydro shall be entitled to withhold payment or to deduct from Contractor's compensation to the extent necessary to protect Hydro in respect of:
 - (a) invoiced amounts reasonably disputed by Hydro;
 - (b) failure of Contractor to make payments promptly to subcontractors, governing agencies, agents, or suppliers;
 - (c) defective Work not remedied;
 - (d) liens or claims filed, or reasonable evidence indicating to Hydro the probability of claims or liens being filed, with respect to the Work; and
 - (e) as permitted or required by law or as expressly provided in Clause 10, Clause 12, Appendix B, or elsewhere in this Agreement.
- .2 Any indebtedness of Contractor to Hydro, or to a parent, subsidiary or affiliate of Hydro may, in the sole discretion of Hydro, be setoff by Hydro against any indebtedness of Hydro to Contractor hereunder.
- .3 Hydro may deduct from Contractor's compensation, the amount, if any, of Contractor's required contributions to the Workplace Health Safety and Compensation Commission (WHSCC), Canada Pension Plan and Employment Insurance Commission, where Hydro, in its sole discretion, determines that such amounts may be assessed against Hydro, and Hydro shall remit such amounts to the appropriate authorities on Contractor's behalf.



- .4 If Hydro is required by the Canada Customs and Revenue Agency, or if Hydro, in its sole discretion, determines that it is required by Canada Customs and Revenue Agency to withhold from any monies due to Contractor hereunder, any amount required under Canadian income tax legislation, then Hydro shall withhold such amount. Hydro shall not be liable for any costs or interest to Contractor as a result of withholding as specified herein

11.0 RECORDS AND ACCOUNTS OF COSTS

- .1 Contractor shall keep and maintain complete and accurate records of costs incurred with respect to the Work, and maintain books and accounts in accordance with generally accepted accounting procedures, principles and practices respecting all matters pertinent to this Agreement.
- .2 Hydro and its authorized representatives shall have access to and the right to review all books, accounts, records, vouchers, receipts, correspondence, invoices, memoranda and documents maintained by Contractor with respect to the Work or related to or bearing upon the correctness of any invoice presented by Contractor to Hydro for payment during normal business hours and for a maximum of a twenty-four (24) month period following completion of the Work.
- .3 Contractor shall preserve all of the documentation referenced in Clause 11.2 for the time specified in Clause 11.2 and shall make it readily available to Hydro and its authorized representatives and shall also make available those employees of Contractor (and its subcontractors and agents, if any) reasonably required to supply desired information during the review.
- .4 Any claims or discrepancies disclosed by such review shall be made in writing to Contractor, and Hydro and Contractor shall exercise good faith to resolve all review exceptions within a reasonable period of time after completion of such review and promptly settle accounts in accordance therewith.

12.0 DUTIES, CUSTOMS, TAXES AND LICENCES

Contractor shall be responsible for customs duties, licences, fees, import or export tariffs or similar charges, including any brokerage fees in connection therewith, imposed by the government of any country, state, province or other authority, which Contractor is obligated to pay on the equipment or supplies employed, used, lost or destroyed in the performance of this Agreement.

13.0 INDEPENDENT CONTRACTOR

- .1 In the performance of the Work, Contractor shall operate as an independent



contractor. Nothing in this Agreement will be construed to constitute Contractor as an agent, employee, agent, servant or subcontractor of Hydro.

- .2 Contractor shall indemnify and hold Hydro harmless from all costs and expenses arising out of any claim or liability by reason that Contractor is considered an agent, servant, or employee or subcontractor of Hydro.

14.0 CONFLICT OF INTEREST

The Contractor confirms that it is not currently subject to any mandate, which would be in conflict with Hydro interest. On an ongoing basis, the Contractor shall ensure that it will not accept a mandate, which would put it in conflict with Hydro interests. In the event that any potential conflict of interest should be identified, it will be immediately communicated to Hydro and a mutually satisfactory resolution determined.

15.0 CONFIDENTIALITY AND PRIVACY

- .1 Contractor shall not divulge to any person or persons any information relating to the Work or any personal information relating to an individual furnished to Contractor by Hydro or otherwise acquired by Contractor during the performance of the Work, and Contractor shall treat all such information so furnished or arising under the Agreement as confidential except as to persons specifically designated and approved by Hydro and except as required for the performance of the Work. Contractor shall return all such information upon termination of this Agreement. The foregoing shall not apply to any information and Data which:
 - (a) were in Contractor's possession prior to the invitation to commencement of the Work; or
 - (b) become published through some agency other than Contractor or become generally available to the public or are in the public domain; or
 - (c) are the same as technical information and Data hereafter lawfully acquired by Contractor from third parties not connected with the Work or with the performance of the Work.
- .2 All publicity releases or advertising dealing with the Work shall be submitted for approval of Hydro prior to release to the news media.
- .3 Hydro is subject to the Access to Information and Protection of Privacy Act, Statutes of Newfoundland and Labrador, 2002 Chapter A-1.1 (hereinafter referred to as the "ATIPP Act"), and consequently the public has a right of access to Hydro's records.
- .4 Although section 27 of the ATIPP Act provides an exception, which may sometimes be enforceable when access to information relating to a third party is



requested, there may be instances when Hydro is required to provide a member of the public with access to such information. The Contractor should familiarize itself with the provisions of the ATIPP Act.

16.0 COMPLIANCE WITH LAWS AND PERMITS

- .1 Contractor shall be required to, during the term of the Agreement, comply with, observe, perform and fulfill the obligations and requirements of all federal, provincial and municipal statutes, by-laws, ordinances, regulations and orders in force and effect and shall ensure that its subcontractors, employees and agents likewise comply with, observe, perform and fulfill the obligations and requirements of all federal, provincial and municipal statutes, by-laws, ordinances, regulations and orders in force and effect during the term of the Agreement.
- .2 Contractor shall be responsible for obtaining from the proper authority all permits, approvals, licenses and authorizations required for the Work.

17.0 CONSULTANT'S REGISTRATION REQUIREMENTS

- .1 The Contractor shall be authorized to do business in the Province of Newfoundland and Labrador prior to performance of the Work. Where the Contractor is a corporation, it shall be registered to carry on business in compliance with the laws of the Province of Newfoundland and Labrador and shall be registered in good standing with the Registry of Companies of Newfoundland and Labrador.

18.0 GOVERNING LAW AND FORUM

The Agreement shall be governed by and construed in accordance with the laws of the Province of Newfoundland and Labrador and every action or other proceeding arising hereunder shall be determined exclusively by a court of competent jurisdiction in the Province of Newfoundland and Labrador, subject to the right of appeal up to the Supreme Court of Canada where such appeal lies.



19.0 LIABILITY AND INDEMNITY

- .1 Notwithstanding any other provision of this Agreement, Contractor shall waive all rights of legal recourse in respect of and, in addition, indemnify and keep indemnified and hold harmless Hydro from and against, any Claim arising from or in connection with this Agreement in respect of loss of or damage to the property of, howsoever caused and regardless of whether or not and to what extent such Claim is caused or contributed by breach of agreement, negligence, breach of duty or other default on the part of any party to be indemnified pursuant to this Paragraph 19.1 except to the extent that such claim is caused or contributed to by the gross negligence or willful acts or omissions on the part of any party or parties to be indemnified pursuant to this Paragraph 19.1.
- .2 Notwithstanding any other provision of this Agreement, Hydro shall waive all rights of legal recourse in respect of and, in addition, indemnify and keep indemnified and hold harmless Contractor from and against, any Claim arising from or in connection with this Agreement in respect of loss of or damage to the property of Hydro, howsoever caused and regardless of whether or not and to what extent such Claim is caused or contributed to by breach of agreement, negligence, breach of duty or other default on the part of any party or parties to be indemnified pursuant to this Paragraph 19.2, except to the extent that such claim is caused or contributed to by the gross negligence or willful acts or omissions on the part of any party or parties to be indemnified pursuant to this Paragraph 19.2.
- .3 Notwithstanding any other provision of this Agreement, Contractor shall waive all rights of legal recourse in respect of and, in addition, indemnify, keep indemnified and hold harmless Hydro from and against, any Claim arising from or in connection with this Agreement in respect of personal injury (including disease or illness) or death sustained or alleged to be sustained by the Personnel of Contractor, howsoever caused and regardless of whether or not and to what extent such Claim is caused or contributed to by breach of agreement, negligence, breach of duty or other default on the part of any party or parties to be indemnified pursuant to this Paragraph 19.3.
- .4 Notwithstanding any other provision of this Agreement, Hydro shall waive all rights of legal recourse in respect of and, in addition, indemnify, keep indemnified and hold harmless Contractor from and against, any Claim arising from or in connection with this Agreement in respect of personal injury (including disease or illness) or death sustained or alleged to be sustained by the Personnel of Hydro, howsoever caused and regardless of whether or not and to what extent such Claim is caused or contributed to by breach of agreement, negligence, breach of duty or other default on the part of any party or parties to be indemnified pursuant to this Paragraph 19.4.
- .5 Contractor shall be liable for and, in addition, indemnify, keep indemnified and



hold harmless Hydro from and against all Claims, arising from or in connection with this Agreement, including Claims brought by Third Parties for Consequential Loss, in respect of:

- (a) death of or personal injury sustained or alleged to be sustained by a Third Party; or
 - (b) loss of or damage to the property of any Third Party;
- except to the extent that such Claims are caused or contributed to by the negligence or willful acts or omissions of Hydro.

- .6 Except as provided in Clause 19.5 neither Hydro nor the Contractor shall bear any liability to the other for Consequential Loss.
- .7 Contractor shall be liable for and indemnify and save harmless Hydro for any amounts assessed against and paid by Hydro to the Workers' Compensation Board, Commission, Employment Insurance (EI) or such similar government agency, where the assessment is a result of the Contractor's failure to pay required contributions to the government agency.
- .8 Notwithstanding anything else herein contained, Contractor shall indemnify Hydro against all costs, charges and expenses which may be incurred by Hydro in connection with any default by Contractor in paying to the Canada Customs and Revenue Agency any tax due arising from payments made by Hydro to Contractor.
- .9 Contractor shall indemnify and save Hydro harmless from any claims or liability for income tax, excess profits tax and any other taxes of a similar nature assessed or levied by the government of any country, state, province, or other authority against Hydro on account of the compensation paid by Hydro to Contractor hereunder.
- .10 Contractor shall indemnify and save Hydro harmless against all taxes assessed or levied against Hydro on account of wages, salaries or other benefits to Contractor's employees, agents and subcontractors and all taxes assessed or levied against Hydro on account of any property or equipment of Contractor.
- .11 Contractor shall defend, indemnify and save Hydro harmless from claims arising out of any copyright, patent or trade secret infringement or claims thereof for any copyright or patent application made prior to the date of this Agreement, pertaining to the Work performed under this Agreement. Nothing herein shall authorize Contractor to settle any such suit or action without the prior written authorization of Hydro, if, by such settlement, Hydro is obliged to make any monetary payment, to part with any property or any interest therein, to assume any obligation, to be subject to any injunction, or to grant any licences or other rights under its copyright, patent or trade secret rights.



- .12 Contractor shall require that any of its employees, servants, agents or subcontractors who perform any portion of the Work assume obligations identical in principle with those contained in this Clause.

20.0 INSURANCE

- .1 Contractor shall maintain at its expense Automobile Liability Insurance for an amount not less than one million (\$1,000,000.00) dollars for any one occurrence involving bodily injury and/or property damage.
- .2 Contractor shall provide Hydro with proof of the insurance coverage which it is required to maintain in full force and effect during the performance of the Work.
- .3 All insurance policies shall provide that the insurance shall not be cancelled, reduced, restricted, terminated, or materially changed in any way or be allowed to lapse without at least thirty (30) calendar days written notice to Hydro, except in the event of non-payment when policy conditions dealing with termination will apply. Such notice shall be sent in accordance with Clause 24. In the event of any such cancellation, reduction, restriction, termination, change, or lapse in any insurance, Contractor shall immediately replace such insurance.
- .4 Prior to commencing the performance of any part of the Work on the Site, the Contractor shall have in place any other insurance which is required by law and may also have in place any other insurance which the Contractor considers necessary or prudent.
- .5 Where Contractor fails to comply with the requirements of this Article Hydro may take all the necessary steps to affect and maintain the required insurance coverage at Contractor's cost.
- .6 Where an insurer fails or refuses to pay any claims under an insurance policy covering the activities of Contractor or a subcontractor of Contractor relating to or arising out of the Work or performing the Contract, Contractor and its subcontractor shall not be released from any liability arising under the Agreement.

21.0 WORKERS' COMPENSATION

- .1 Contractor shall pay all assessments due under the relevant Workers' Compensation legislation. Prior to commencing the Work, Contractor shall obtain and deliver to Hydro a certificate or certificates establishing that it is in good standing with the Workplace Health, Safety and Compensation Commission of Newfoundland and Labrador and with the comparable board or commission of



any other province having jurisdiction in connection with Contractor's performance of the Work.

- .2 Contractor shall produce, upon the request of Hydro, a satisfactory certificate(s) clearing all indebtedness under relevant Workers' Compensation legislation prior to the payment of any monies owing to Contractor.

22.0 OWNERSHIP OF WORK

- .1 All drawings, calculations, work sheets, and like documents, including software and intellectual property, prepared or caused to be prepared by Contractor in connection with the Work shall become the property of Hydro and shall be delivered to Hydro upon completion of the Work or upon earlier termination of this Agreement. Contractor shall have the right to retain a copy of all such documents and to make use of them in the course of its general business, with Hydro consent. Contractor shall not divulge, release or publish same, or any part thereof without the prior written permission of Hydro. Nevertheless, Contractor shall have the right to have access to all such original documents at any time during the life of the Work for purposes connected with the Work
- .2 Hydro shall be entitled to all property, including software and intellectual property, the cost of which has been reimbursed to Contractor under the provisions of the Agreement.

23.0 ASSIGNMENT AND SUCCESSORS

- .1 Hydro may assign this Agreement to third parties without the consent of the Contractor.
- .2 Contractor shall not assign this Agreement nor subcontract the Work in part or in whole without the prior written consent of Hydro. Consent to assign or subcontract the work will not relieve the Contractor of any of its liabilities or obligations under this Agreement.
- .3 Contractor is not permitted to create any contractual relationship between a third party and Hydro.
- .4 The Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of the parties hereto.

24.0 NOTICES

- .1 Any written notice provided for herein to be given to one party by the other party shall be deemed properly given and received if, it is in letter format, signed by an authorized person: -



- (a) Delivered by hand to the receiving party's designated representative; or
 - (b) Either: -
 - (i) Being mailed by prepaid registered mail; or
 - (ii) Transmitted by facsimile;to the receiving party's address as either stated in this Article or as changed through written notice to the other party.
- .2 Any notice which is sent by prepaid registered mail or transmitted by facsimile shall be deemed to be given and received forty-eight (48) hours after mailing or transmission, as applicable; provided that if such time expires on a Saturday, Sunday or legal holiday, the notice shall be deemed to be given and received on the next normal business day.
- .3 Addresses of parties are: -

HYDRO:


Newfoundland and Labrador Hydro
P. O. Box 12400
500 Columbus Drive
St. John's, Newfoundland and Labrador
A1B 4K7

Attention: Philip Bursey
Email: philip.bursey@nlh.nl.ca
Phone (709) 737-1830
Fax: (709) 737-1985

CONTRACTOR:

RJP Services 


Attention: Ronald Power

Phone (709) 

or to such other address as either of the parties shall designate by written notice given as herein required.

25.0 SAFETY AND ENVIRONMENT

- .1 Contractor shall maintain the highest possible standards of safety, environmental

protection and loss prevention and shall comply with;

- (i) any safety, environmental and security instructions, orders or guidelines declared by Hydro; and
 - (ii) all safety and environmental standards, regulations and guidelines of any authority having jurisdiction over the area in which the Work is being performed.
- .2 Contractor shall require of its personnel, agents and subcontractors that they strictly obey all safety and environmental orders, government safety and environmental regulations and guidelines and instructions in force by Hydro.
- .3 All safety and environmental accidents and incidents shall be reported to Hydro in a written format acceptable to Hydro.
- .4 Where Contractor will be managing contracts involving site work, Contractor shall provide proof of completion by its field Managers and Supervisors of the Leadership for Safety Excellence component of the Certificate of Recognition Safety Program of the Newfoundland and Labrador Construction Safety Association (NLCSA). Prior to commencing such site work, Contractor shall obtain and deliver such proof or proof of completion of a similar safety program component to Hydro.
- .5 Where Contractor will be managing contracts involving site work, Hydro endorses the Environmental Awareness Program of the Newfoundland and Labrador Construction Safety Association. Contractor shall provide proof of completion, by its Supervisors and Managers, of this Environmental Awareness Program or a similar program acceptable to Hydro. Proof shall be provided prior to the commencement of Work.

26.0 LANGUAGE

The language of this Agreement shall be English and all communications and dealings under and with respect to this Agreement shall be conducted in the English language.

27.0 NO WAIVER

None of the provisions of the Agreement shall be considered to be waived by the Contractor or Hydro except when such waiver is given in writing. No such waiver shall be or shall be construed to be, a waiver of any past or future default, breach or modification of any of the terms, provisions, conditions or covenants of the Agreement except as expressly stipulated in such waiver.

28.0 DUTY OF CARE



Contractor agrees to use reasonable care, skill, competence and judgment in the performance of the Work hereunder which are generally consistent with professional standards for individuals providing similar services at the same time, in the same locale, and under like circumstances. No other warranty, expressed or implied, is made or intended by this Agreement.

29.0 ENTIRETY OF AGREEMENT

This Agreement constitutes the entire agreement between the parties and shall govern the relationship of the parties with respect to the Work. It supersedes all other agreements, either written or verbal, between the parties.

30.0 EXECUTION

IN WITNESS WHEREOF the parties have executed this Agreement as of the day and year first above written.

NEWFOUNDLAND AND LABRADOR HYDRO

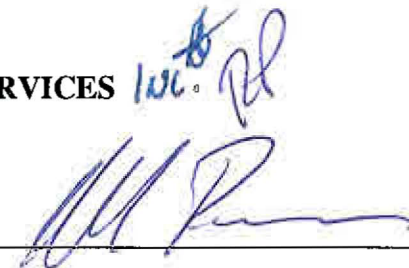
Per:



Per:

RJP SERVICES

Per:



Per:

Execution Page to Agreement number 15436-OB dated the 21st, day of January, 2008 between Hydro and RJP Services.



APPENDIX A
SCOPE OF WORK



Professional Services:

Contractor shall provide professional services as requested by the Hydro representative.

Reporting:

Contractor is required to submit monthly cost reporting in a format acceptable to Hydro (see current project template, Appendix D). The cut off date for reporting will be no earlier than the 24th of the month being reported and shall be submitted to Hydro **no later than five (5) business days** after month end. The actual cutoff date for reporting will be as agreed with the LCP project controls group.

Timesheets (see template, Appendix D) submitted as per the requirements of Appendix B will contain a brief summary of the work completed during the week and should highlight issues and concerns.

All reporting, including timesheets, will be submitted to the attention of the Lower Churchill Project **Document Control**.

Email: lcpdcc@nlh.nl.ca
Fax: (709) 737-1985

A handwritten signature in blue ink, appearing to be 'P. B.', located in the bottom right corner of the page.



APPENDIX B
COMPENSATION

A handwritten signature in blue ink, appearing to be "RJP", located in the bottom right corner of the page.

COMPENSATION

- 1.1 Hydro shall reimburse Contractor for all matters relating to and associated with performance of the Work, in accordance with the provisions of Appendix B. All sums, rates, prices, terms and conditions stated herein shall be deemed to include, without limitation, all Contractor's costs for all matters relating to and associated with the performance of Work. The rates and prices stated herein are **fully inclusive** of all costs and expenses incurred in connection with Contractor's performance of the Work hereunder. Only those rates/prices specifically identified shall be paid by Hydro to Contractor and costs not identified are deemed to be included in the rates and prices stated herein.
- 1.2 All activities performed by Contractor's corporate staff or any other corporate activities associated with the Work, or any part thereof, shall not be subject to reimbursement by Hydro. Such non-reimbursable costs are deemed to be included in the sums, rates, prices and conditions contained in this Appendix B.
- 1.3 All sums, rates, prices, terms and conditions stated herein shall be deemed fully inclusive of Contractor costs associated with premiums, renewals or liabilities which Contractor is obligated to pay or bear liability for in accordance with the insurance and indemnity provisions stated in Articles of this Agreement.
- 1.4 Unless otherwise specifically stated, all sums, rates and prices herein shall be in Canadian Dollars (\$CDN).

2.0 Personnel

Contractor will be reimbursed for actual days worked by personnel as supported by weekly timesheets (Appendix D) approved by Hydro. Contractor shall be reimbursed at the below listed (Table 1) Day Rate for approved personnel (Appendix C).

Table 1

Name	Day Rate
Ronald Power	\$ 1,200.00

The day rate is based on eight (8) working hours per day. Where the Contractor personnel work more or less than eight (8) hours in a given day the Contractor will be compensated based on a prorated day rate. No overtime or premium rates shall apply for approved hours worked in excess of the standard work day, on weekends or statutory holidays.

3.0 Eligible Expenditures

Hydro approved travel expenses (Eligible Expenditures) will be reimbursed at cost. Contractor shall follow Hydro's travel and expense policies and procedures and such eligible expenditures shall be submitted with monthly invoicing.

For approval of travel expenses Contractor must submit a 'Contractor Authorization For Air Travel' (Appendix D) for Hydro approval, prior to travel.

The following travel expenses are eligible for reimbursement under the Agreement; hotels, rented accommodations, airfare (economy class), taxis, vehicle rentals, fuel (for business travel only), per diem (for meal and incidentals).

Per diems shall be in accordance with the Hydro Corporate travel policy. The per diem includes HST/GST. The incidental component of the per diem is only reimbursable when an overnight stay is required. The current per diem is broken down as follows;

Island of Newfoundland

Breakfast	\$	11.00
Lunch	\$	12.00
Dinner	\$	19.00
Incidentals	\$	8.00
TOTAL	\$	50.00

Labrador and Other

Breakfast	\$	12.00
Lunch	\$	13.00
Dinner	\$	20.00
Incidentals	\$	8.00
TOTAL	\$	53.00

Contractor shall endeavor to minimize vehicle rentals. When requesting vehicle rentals the Contractor will provide commercial justification for vehicle rental versus the use of taxis.

When utilizing a personal/Contractor vehicle Contractor will be reimbursed for Hydro approved mileage in accordance with the current Hydro Mileage rate. Contractor will under no circumstances be reimbursed for mileage traveled within the greater St. John's / Mount Pearl areas.

Current Hydro mileage rate: 34.87 cents per Kilometer



4.0 Invoicing

Invoices shall be submitted on a monthly basis in a format agreed by Hydro and shall be accompanied by relevant supporting documentation (approved timesheets, receipts, etc.). Invoices shall bear the Agreement number.

Invoices will be submitted to:

NEWFOUNDLAND AND LABRADOR HYDRO

Lower Churchill Project

P. O. Box 12400

St. John's, NL A1B 4K7

Attention: **Accounts Payable**



APPENDIX C**PERSONNEL**

Contractor shall only use key personnel to perform the Work who have been accepted by Hydro. Contractor may only substitute or replace the accepted key personnel with the prior written agreement of Hydro.

Hydro agrees to utilize the below listed personnel in the performance of the Work;

NAME	Estimated Start Date	End Date	Term (Months)
Ronald Power	21-Jan-08	20-Jan-09	12



APPENDIX D**FORMS**



HYDRO
THE POWER OF
COMMITMENT

LOWER CHURCHILL PROJECT

2007 Pre-FEED Studies Phase

Contractor Monthly Cost Report

Period Ending : DD - MM - YY

Service Provider:

Contractor Ref No.:

Note: Include a separate section for each Work Task Order and Summarize.

Budget Summary									
Work Task Order No.:									
Cost Element	1) Original Budget	2) Approved Changes	3) Current Budget (1+2)	4) Committed Cost To-Date	5) Incurred Cost To-Date	6) Invoiced To-Date	7) Final Forecast Cost	8) Variance (7-3)	Comments
Salaries			\$0						
Materials			\$0						
Expenses			\$0						
Software			\$0						
Other			\$0						
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0		

Notes:

- 1) Committed Cost To-Date = Value of work or services contracted as of period ending.
- 2) Incurred Cost To-Date = Value of work or services performed as of period ending.
- 3) Final Forecast Cost = Projected final cost based on known scope and current performance as of period ending.

Summary of Key/Critical Issues:



LOWER CHURCHILL PROJECT **Project Timesheet**

Company / Employer:

Name:

Position:

Week Ending:

Purchase Order:

DD

MM

YY

Cost Code	Work Location	Work Description	Sat	Sun	Mon	Tue	Wed	Thu	Fri	
										0.0
										0.0
										0.0
										0.0
										0.0
										0.0
										0.0
										0.0
										0.0
										0.0
										0.0
										0.0
										0.0
										0.0
Sub-totals			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Non-Working Time	Description	Sat	Sun	Mon	Tue	Wed	Thu	Fri	
1000	Statutory Holiday								0.0
2000	Vacation								0.0
3000	Personal Time								0.0
4000	Sick Leave								0.0
5000	Compassionate Leave								0.0
									0.0
									0.0
Sub-totals		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTALS		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Employee Signature

Managerial Approval

Date