

## GENERAL TERMS AND CONDITIONS

(SAMPLE ONLY – CAPITAL POWER CORPORATION RESERVES THE RIGHT TO MODIFY THESE TERMS AND CONDITIONS AT ANY TIME)

**1. Contract.** "Owner" and "Supplier" shall mean the parties listed as such on the purchase order, together with all documents, drawings, and specifications referred to therein, including these General Terms and Conditions, when accepted by Supplier. "Goods" means the goods supplied under this Contract. "Services" means the services provided under this Contract. "Work" shall mean Goods and/or Services. "Purchase Price" means the price stipulated on the face of the Owner's purchase order. Purchase Price includes all costs and charges, including, without limitation, materials, equipment, tools, personnel protection equipment and safety and other training necessary to perform the Work, all charges for packing, loading and transportation and all applicable taxes and duties, except United States and Canadian federal, state, Provincial and local sales and use taxes. Supplier's written acceptance of the purchase order, the shipment of any Goods or performance of any Work hereunder shall constitute Supplier's acceptance of the Contract and no additional terms or conditions proposed by Supplier shall be binding upon Owner or form a part of the Contract. Capitalized terms that are not defined at the point of first use in this Contract have the meaning stated in Section 20.

**2. Changes.** The Contract shall not be altered, modified or varied without the express written authorization of Owner. Owner shall have the right to change, add or delete items from the Work, by issuing a properly executed written authorization ("Change Order"), and an equitable adjustment shall be made to the Purchase Price. Any claim for adjustment under this paragraph shall be deemed waived unless asserted in writing within 30 days of the date that Supplier receives the Change Order. Nothing in this paragraph shall relieve Supplier from the obligation to proceed without delay in the performance of the Work as modified by the Change Order.

**3. Performance.** Supplier agrees to perform all Work in strict compliance with the Contract.

**4. Diligent Performance.** Time is of the essence of the Contract. Supplier agrees to prosecute the Work with all due diligence and shall effect delivery of the Goods and/or perform the Services by the date(s) specified in the Contract.

**5. Delivery; Ownership.** Unless otherwise stated in the Contract, Goods shall be delivered DDP Site (Incoterms 2010). Risk of loss and clear title to Goods shall pass to Owner upon delivery to and acceptance of Goods by Owner at the point of delivery designated in the Contract. As a clarification, Seller shall retain risk of loss and insure the Goods until delivery to, and acceptance of, Goods by Owner at the point of delivery designated in the Contract, at which time risk of loss and clear title to Goods shall pass to Owner. Acceptance of delivery shall occur upon the earlier of (i) Owner's satisfactory visual inspection of the Goods upon delivery to Site or (ii) 5 days after the Goods are delivered to Site. For clarity, acceptance of delivery of Goods shall only relieve Supplier of risk of loss and shall not relieve Supplier from any other obligations under this Contract. All packing cases, bales, cartons and other shipping materials in which the Goods may be shipped shall upon delivery, become the property of Owner unless otherwise stipulated in the Contract. Title to services shall pass to Owner as services are performed.

**6. Compliance with Laws and Policies.** In delivering the Goods or performing the Services, Supplier and its employees, agents and Subcontractors shall:

(a) Comply with and observe all (i) federal, Provincial, state and local laws, (ii) orders, directives and permits that supplier is or should be aware of, and (iii) regulations that apply to or otherwise affect Owner, Supplier or Work (collectively "Applicable Law");

(b) Comply with all rules, policies, procedures, processes and work practices established by the Owner from time to time, including without limitation health, safety, security and environmental policies and procedures (collectively "Owner's Policies and Procedures"); and which are provided by Owner to Supplier in writing and/or through an internet link;

(c) Notify Owner of any chemicals (including, for example, cleaning agents) which will be brought on Site before they are brought on Site and provide a current Safety Data Sheet (SDS) before such chemicals are brought on; and

(d) Not enter upon the Site or other property controlled by Owner or its Affiliates, unless Supplier: (i) is a member of ISNetwork; (ii) designates Capital Power Corporation as an "Owner Client" entitled to view Supplier information; (iii) has been assigned an ISN grade for the purposes of evaluating Suppliers Health and Safety program for acceptability to Owner requirements ("ISN Grade"); (iv) have implemented a risk mitigation plan as required by Owner in its sole discretion which shall be maintained for the Term of the Contract. During the performance of Work, Supplier's safety grade shall not drop below the ISN Grade. In addition to the other rights and remedies provided to Owner herein, in the event the Supplier's ISN Grade is lowered during the Term the Supplier shall (i) promptly notify Owner that the ISN Grade has been lowered; and (ii) if it is determined by Owner that the cause of the ISN Grade being lowered could affect the Suppliers' ability to safely perform the Work, Owner may in its sole discretion require Supplier to implement, at no cost to Owner, a risk mitigation plan satisfactory to Owner.

In the event of a difference among Applicable Laws, the stricter or higher standard shall apply. In the event of a difference between Applicable Law and the Owner's Policies and Procedures, the stricter or higher standard shall apply unless such would result in a violation of Applicable Law in which case Applicable Law shall be complied with. Notwithstanding anything to the contrary in the Contract, Owner may immediately terminate this Contract without prejudice to any of its other rights or remedies if at any time Supplier, in Owner's sole opinion, fails to meet the requirements of this Section 6.

**7. Warranties.**

(a) Goods. Supplier warrants that the Goods when delivered shall: (i) comply with the Contract; (ii) be new (unless stated otherwise in the Contract) and of good, usable, and merchantable quality; (iii) be fit for the intended purpose; and (iv) be free of defects in material, workmanship, design and manufacture.

(b) Services. Supplier warrants that the Services performed shall: (i) Comply with the Contract; and (ii) be free

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from faulty workmanship and errors, omissions and defects.

(c) **Non-compliance.** If the Work fails to comply with the applicable warranties above, Supplier shall take all measures necessary to rectify any non-compliance at the request of Owner and at Supplier's expense. Work which does not comply with the above warranties shall be performed again by Supplier at Supplier's expense and in compliance with the Contract. Owner may satisfy any or all of the foregoing obligations of Supplier if Supplier fails to satisfy such obligations promptly. Supplier shall pay to Owner upon demand all costs and expenses incurred by Owner in satisfying Supplier's obligations.

**8. Invoices; Payment.** Unless otherwise stipulated in the Contract, Supplier shall submit an invoice to the address shown on the face of the purchase order when the Goods have been delivered and/or the Services have been performed. All invoices shall (i) reference the purchase order number, (ii) be submitted in duplicate, (iii) separately itemize charges for labor and materials; and (iv) include all taxes applicable to the Work. Invoices shall not reference any terms and conditions other than those of this Contract. Any invoice that purports to modify the Contract or incorporate any other terms and conditions may be rejected at Owner's discretion and/or cause a delay in payment. Supplier shall itemize applicable Provincial, state and/or city taxes and sales and use taxes on each invoice, unless otherwise specified. In no event will Owner be obligated to pay any tax on Supplier's income. Further, for non-Canadian Suppliers providing Work for a Canadian entity, in compliance with Canadian Income Tax requirements, the appropriate withholding tax will be withheld. If Owner requests, Supplier shall submit with each invoice a lien waiver on behalf of itself and its Subcontractors waiving all lien rights with respect to the Work covered by the invoice, provided that the waiver shall not be effective until Owner's payment of the invoice. Unless specified otherwise in the Contract, Payment (in the currency of the country where the Site is located) of undisputed amounts less any retainage specified in the Contract shall be due 45 days after Owner's receipt of an invoice. Owner shall be entitled at all times to set-off any account owing from Supplier to Owner or to any of its Affiliates companies against any amount due or owing to Supplier.

**9. Audit.** The Supplier shall maintain complete and accurate accounting records using generally accepted accounting principles to substantiate the Supplier's invoices and shall keep those records during the term of the contract and for two years thereafter. During the term of the Contract and for two years thereafter, Owner's representatives shall have, upon twenty-four hours notice, access at all reasonable times, to all of Supplier's and its Subcontractors' accounts and records of all description related to the Work or invoices for the Work. Owner shall have the right, but not the obligation, at all reasonable times to inspect the Work.

**10. Subcontracting.** Supplier shall not subcontract any part of the Services or assign any part of the Contract without the prior written consent of Owner, which consent may be withheld in Owner's sole discretion. In the event such consent is granted, the Supplier shall: (i) remain responsible for the proper performance of any subcontracted/assigned Services as if those

Services had been performed by the Supplier; (ii) be responsible for the acts or omissions of any subcontractor of Supplier ("Subcontractor") as if the acts or omissions were its own; and (iii) be liable to and indemnify the Owner from any losses claims, demands, liabilities, damages, pleadings, fines, penalties, judgments and expenses (including, without limitation, legal expenses on a solicitor and his own client basis) resulting from any such subcontract or assignment and the Services performed as a result thereof. Supplier shall enforce the warranty obligations of its Subcontractors. All contracts between Supplier and its Subcontractors shall provide that warranties given by the Subcontractor shall be given to both Supplier and Owner and the warranties may be enforced by either the Supplier or Owner. Supplier shall ensure all of its Subcontractors also comply with the requirements of Section 13 (Insurance). The Supplier shall further ensure that any subcontract contains all reasonable provisions of the Contract that may impact the Work, and that such subcontract may be assigned to Owner at Owner's sole discretion in any circumstance where the Contract is terminated.

**11. Intellectual Property.** All Contract Property is and shall remain the sole property of Owner and shall be delivered to Owner upon termination of this Contract or upon demand by Owner. The Supplier waives all moral rights that it may have in respect of the Contract Property. "Contract Property" means all trade secrets, trademarks, patents, copyrights, and other proprietary rights of Owner, together with all documents, information, data, computer programs, electronic media, know how, knowledge, trade secrets, trademarks, patents, copyrights or products developed, improved or prepared by the Supplier, or its employees, agents or sub-contractors while performing this Contract. Supplier shall:

- (a) pay all royalties and patent license fees and related charges payable in respect to the Work and shall indemnify Owner against all such royalties, fees and related charges; and
- (b) defend, at its own expense, all suits and proceedings instituted against Owner in connection with any infringement or alleged infringement or unlicensed use of patent, registered design, trademark or copyright pertaining to the Work or the use thereof; and
- (c) indemnify Owner against all losses, costs, damages and expenses (including legal fees and costs) which Owner may suffer, sustain or incur in connection with or as a result of any claim, action or proceeding for such infringement, alleged infringement or unlicensed use; and
- (d) at Supplier's expense, if any of the Work is found to infringe upon any patent, registered design, trademark or copyright and the use of any of the Work is enjoined, either procure for Owner the right to continue using the Work or replace the Work with non-infringing Work or modify the Work so as to become non-infringing, provided the quality of the Work is not diminished in any way.

**12. Confidentiality.** Supplier shall keep strictly confidential all documents, computer programs, know-how, knowledge data and any other information which is furnished to Supplier by Owner or received by Supplier in connection with the performance of this Contract ("Confidential Information"). Supplier shall use the Confidential Information solely for the

## GENERAL TERMS AND CONDITIONS

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purpose of fulfilling its obligations under this Contract; any other use of the Confidential Information, during or after the Term of this Contract, is expressly prohibited. Supplier acknowledges that the breach by Supplier of this Section 12 would cause irreparable harm to Owner, for which Owner would not be adequately compensated by monetary damages. Accordingly, in the event of such breach or any threatened breach, and in addition to any other rights it may have, Owner shall be entitled, in its sole discretion, to commence proceedings for injunctive relief and Supplier hereby consents to any and all injunctions, restraining orders, directives and other equitable orders being issued against it restraining it from any further breach of this Section 12. Supplier's confidentiality obligations shall not apply to the extent that Confidential Information is within the public domain, was rightfully in the possession of Supplier prior to the date of disclosure of such information to Supplier by Owner, obtained from third parties without violating any confidentiality agreement, required to be produced by Supplier pursuant to any subpoena or court order, or required by Supplier in the defense of any claim under this Contract.

**13. Insurance.** In addition to being responsible for determining the appropriate type and amount of any additional appropriate insurance required as a prudent supplier for performing the Work and without in any way limiting the liability of Supplier or its obligation to indemnify Owner under this Contract, Supplier shall, at its own cost, obtain and maintain in full force and effect during the term of the Contract and for any extended period provided for in the Contract or by law, the insurance coverages as well as the limits and endorsements shown in the "Insurance Requirements for Contractors" attachment to this Contract which is incorporated here by this reference. The requirement for Professional Liability insurance will be waived if there are no professional services provided as part of the Work or if Supplier's General Liability coverage does not exclude from coverage any claims that may result from the provision of professional services by Supplier. Supplier shall provide an unqualified certificate of insurance stating that all of the above coverages together with any necessary endorsements are in place.

Supplier and Supplier's Insurance Broker shall each promptly notify Owner upon receipt of notice of cancellation of any of the required policies; this notification obligation shall be reflected on said certificate. Further, Supplier shall deliver to the Owner, within five days of the Owner's demand, satisfactory evidence of the Supplier's compliance with the Workers' Compensation laws in force in the jurisdiction(s) where the Work is performed. All insurance policies required under this Contract shall be considered primary and not contributory with or in excess to any insurance that may be maintained by the Owner. If the Supplier fails to maintain the Insurance as set forth herein, the Owner shall have the right, but not the obligation, to purchase the Insurance at the Supplier's expense. The Supplier's failure to maintain the required Insurance will be considered a material breach of this Contract and may result in termination of this Contract for cause, at the Owner's option. Contractor shall reimburse Owner for any insurance deductible that Owner is required to pay for a claim resulting from an act or omission of

Contractor. Upon execution of this Contract, Supplier shall attach the said certificate of insurance in ISNetwork as evidence of such coverage. In addition, Supplier shall provide the Owner with satisfactory evidence that the certificate of insurance referenced herein is in place for any and all renewal(s) of the Term (as that term is defined in the Contract) as applicable.

**14. Indemnification.** To the fullest extent permitted by law, Supplier shall be responsible for and shall indemnify, defend and hold harmless Owner Parties and their officers, directors, agents and employees (collectively, "Indemnitees") from all claims, demands, losses, damages, fines, penalties, judgments and expenses (including legal fees and costs) which result from any willful misconduct, negligent act or omission of Supplier or its Subcontractors or employees or agents of Supplier or its Subcontractors in connection with performance of the Contract or supply of the Work. Further, to the fullest extent permitted by law, Supplier shall be responsible for and shall indemnify Indemnitees from all claims, losses, damages and expenses (including legal fees and costs) of employees or agents of Supplier or its Subcontractors in connection with the Work. Notwithstanding anything to the contrary herein, nothing in this paragraph shall be interpreted to require Supplier to indemnify any of the Indemnitees for such Indemnitees' own negligence (other than negligent supervision of Contractor, Subcontractors or their employees) or willful misconduct. To the fullest extent permitted by law, Supplier expressly waives the benefit, for itself and all Subcontractors, insofar as the indemnification of Indemnitees is concerned, of the provisions of any applicable workers' compensation law or any court decision interpreting such law limiting the tort or other liability of any employer on account of injuries to the employer's employees. As a clarification, in Canada "legal fees and costs" means "on a solicitor and own client basis."

**15. Hazardous Materials.** Supplier shall not perform any Work in which it uses or incorporates, in whole or in part, any materials regulated, or deemed hazardous, by state, provincial, federal, or local environmental requirements ("Hazardous Materials") in violation of any such environmental requirements or in such a manner as to leave any Hazardous Materials which could be hazardous to persons or property or cause liability to Owner. Upon discovery of an existing or suspected release on or at the Site, Supplier shall cease Work in that area, immediately contact Owner's designated representative and on-site coordinator and notify Owner in writing. Supplier shall be responsible for and indemnify Indemnitees for all damages, costs, penalties, liabilities and cleanup arising out of Supplier's or its Subcontractors' (i) contamination of the Site with Hazardous Materials, (ii) improper handling, storage, generation, management or disposal, release or abandonment of, Hazardous Materials or (iii) noncompliance with environmental and safety laws by Supplier or its Subcontractors.

**16. Termination.** This Contract or any portion of the Work may be terminated by Owner without cause by giving notice to Supplier specifying the portion of the Services to be terminated and the effective date of the termination. In addition, the Owner, in its sole discretion, may immediately terminate this Contract for cause without limiting any of its other rights or

## GENERAL TERMS AND CONDITIONS

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remedies if the Supplier at any time: (a) fails to supply the Goods; (b) fails to provide the Services; (c) fails to comply with any terms, conditions or provisions of this Contract; or (d) is adjudged bankrupt or makes a general assignment for the benefit of its creditors or if a receiver is appointed with respect to the property of the Supplier or if the Supplier institutes or is the subject of insolvency proceedings under the Bankruptcy or other laws of any jurisdiction. Notwithstanding the foregoing, if the Supplier, in the Owner's sole opinion, is in default of any provision of this Contract, the Owner may, without limiting any other remedy it may have, correct the default and may deduct the cost of correction from any payment then or thereafter due to the Contractor. Further, if the Owner determines that Work fails to comply with the Contract, in addition to so terminating the Contract, the Owner may, without prejudice to any other remedy it may have, return the Goods to the Supplier, at the Supplier's expense and recover from the Supplier all monies paid under the Contract for said Goods. Termination of the Contract by the Owner shall not relieve or discharge the Supplier from any obligation under the Contract in respect of Goods that have been delivered prior to the date of termination.

Upon termination, Supplier shall submit to Owner for verification and approval an itemized invoice for Work performed up to and including the date of termination. Subject to the foregoing and the provisions of the previous paragraph, if this Contract is terminated by Owner, Owner shall pay Supplier for Work satisfactorily performed to the date of termination, less any back charges or other amounts that may be owing by Supplier to Owner Parties; and if the Contract is terminated for cause, the costs the Owner incurs in having the Work completed by third parties to the extent the total cost of third parties and the cost of Work satisfactorily provided by Supplier hereunder exceed the Purchase Price.

Upon receipt of a termination notice, Supplier shall discontinue the Work in accordance with the notice, and shall take such steps as may be necessary or desirable to minimize the costs to Owner associated with the termination of the Work. Termination of this Contract by Owner shall not operate to relieve or discharge Supplier from any obligation under this Contract in respect to the Work that has been completed. In no event shall Owner be responsible for termination expenses, overhead costs associated with Work not performed by Supplier or any profits Supplier would have earned if it had completed the Work. In the event this Contract or any portion of the Work is terminated, Owner may complete or have others complete the Work.

**17. Disputes.** The parties have a duty to negotiate in good faith to resolve any disputes, and shall inform one another promptly following the occurrence or discovery of any item or event that would reasonably be expected to result in a dispute required to be resolved in accordance with this dispute resolution procedure. The contractual representatives of the parties will initially negotiate to resolve any such dispute. If those representatives fail within ten (10) days after being so informed to resolve any such dispute, said dispute shall, at the written request of either party, be referred to senior officers of the parties who are duly authorized to settle the dispute. The senior officers of the parties shall meet and confer as often as

they deem reasonably necessary to resolve the dispute amicably within thirty (30) days. Any dispute, claim or controversy arising out of or relating to this Contract or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this Section 17 (dispute resolution provision), if not settled by agreement of the parties, shall at the option of either party and, upon written notice to the other party, be settled by non-binding mediation followed by arbitration. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. Each party shall pay its own expenses in connection with the mediation. The arbitrator may, in the Award, allocate all or part of the costs of the arbitration, including the fees of the arbitrator and the reasonable legal fees of the prevailing party.

For U.S. Owners, the arbitration shall be administered by JAMS pursuant to its Streamlined Arbitration Rules and Procedures; mediation and/or arbitration shall take place at the JAMS Resolution Center nearest to the Site before one mediator/arbitrator. For non-U.S. Owners, the arbitration shall be administered pursuant to the Arbitration Rules and Procedures in effect in the jurisdiction where the work is performed; mediation and/or arbitration shall take place at an agreed municipality near the Site before one mediator/arbitrator. Judgment on any Award may be entered in any court having jurisdiction. The arbitration shall be conducted in English. Unless instructed otherwise by the Owner, the Contractor shall continue to carry out the Services during any arbitration proceedings. The decision of the arbitrator(s) shall be final and binding upon the parties.

**18. Privacy.** Supplier acknowledges that the Owner is subject to legislation governing privacy and the collection, use and disclosure of personal information. The Supplier agrees that, if applicable, it shall comply with the relevant privacy legislation and the Owner's privacy policies in connection with the provision of the Work, which can be provided by Owner to Supplier in writing or through an internet link. Supplier shall be liable for and indemnify and hold the Owner harmless against any and all claims, damages or losses arising from the Supplier's failure to comply with such legislation and policies.

**19. Background Checks.** The Owner has in place a procedure governing background screening for all contractors requiring access to the Owner's computer network systems or unescorted access to Owner's facilities, which can be provided by Owner to Supplier in writing or through an internet link at the Supplier's request. Prior to gaining such access to the Owner's facilities or network systems or at any other time during the term of the Contract, Supplier shall provide to the Owner, upon Owner's request and at Supplier's expense, satisfactory evidence of a criminal record check from an accredited law enforcement agency. The Owner, in its sole discretion, may waive or modify the requirements set out in this section.

**20. Miscellaneous.**

(a) **Waiver.** Failure by either party to assert any of its rights under the Contract shall not be construed as a waiver thereof. No waiver of any breach or default hereunder shall be

## GENERAL TERMS AND CONDITIONS

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considered valid unless in writing, and no such waiver shall be deemed a waiver of any subsequent breach or default of the same or similar nature.

(b) Interpretation/Laws. Headings are for reference only, do not form any part of this Contract and shall be given no legal effect in the interpretation of this Contract. The singular includes the plural and vice versa, and words importing gender shall include all genders or a body corporate or other legal entity where the context requires. This Contract shall be construed in accordance with the laws of the state or province where the Site is located. No provision of this Contract shall be interpreted more or less favorably towards either party because its counsel drafted all or a portion hereof. If any provision of this Contract is found to be invalid, then so far as is reasonable and possible, all of the remaining provisions of this Contract shall nonetheless remain in full force and effect and shall be given to the intent manifested by the portion held invalid or inoperative. This Contract may be executed in counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

(c) Independent Contractor. Supplier is an independent contractor and not an employee or agent of Owner. All persons performing the Work at the Site shall be employees of Supplier or employees of an authorized Subcontractor of Supplier and not the employees of Owner. While Owner may instruct Supplier as to the objectives, timing and the results required, Supplier shall have full control over how it achieves such objectives, timing or results and has full power and authority to select the means, methods, and manner for performing the Work. Whenever Supplier is performing Work at the Site, Supplier shall designate a site superintendent or other representative in charge of Supplier's Services at the Site.

(d) Workers' Compensation. Any persons performing Services at the Site or any location controlled by an Owner Party shall be covered by State or Provincial Workers' Compensation program or by Workers' Compensation insurance, as described in the attached Insurance Requirements for Contractors.

(e) Consequential Damages. Supplier, on behalf of itself and its subcontractors, expressly waives all Supplier's claims against Indemnitees for all consequential, incidental, indirect, punitive, or special damages arising out of or relating to this Contract. Owner expressly waives all claims against Supplier or its Affiliates for all of Owner's consequential, incidental, indirect, punitive, or special damages arising out of or related to this Contract. Provided, however that waivers shall not be given effect if such damages were caused by the fraud, gross negligence, or willful misconduct of the party claiming the benefit of said waiver. If liquidated damages are included in this Contract, nothing in this Section 21 shall be construed to limit Owner's rights to recover such liquidated damages.

(f) Force Majeure. Neither party shall be liable for damages arising or incurred during the time and to the extent that such party is prevented or delayed from complying with its obligations hereunder, by causes beyond the control of the party affected including acts of God, war, laws, orders or regulations of governmental bodies or agencies and unavoidable accidents. Any party failing or delaying in the performance of its obligations hereunder due to any such cause

shall, within forty-eight (48) hours of discovering such cause, give the other party notice in writing of such cause and the consequences thereof, including a reasonable estimate of the anticipated delay in performance, and it shall use, to the best of its ability, reasonable diligence to remedy the same. Notwithstanding the foregoing, Owner may terminate this Contract pursuant to Section 16 in the event of such delay or anticipated delay in performance.

(g) Defined Terms. "Affiliate" means a person or entity directly or indirectly controlling, controlled by or under common control with the party in question. Any person or entity shall be deemed to control any partnership of which, at the time, the person or entity is a general partner, in the case of a limited partnership, or is a partner who has authority to bind the partnership, in all other cases. "Owner Parties" means Owner, Capital Power Corporation, Capital Power Operations (USA) Inc., and their Affiliates. "Contractor" means "Supplier" and vice versa. "Gross Negligence" means: (i) a marked and flagrant departure from the standard of conduct of a reasonable person acting in the circumstances at the time of the alleged misconduct, or (ii) such wanton and reckless conduct or omissions as constitutes in effect an utter disregard for harmful, foreseeable and avoidable consequences. Unless stated otherwise in the Contract, If Site is not otherwise defined in the Contract or its schedules, then "Site" means the plant or office location for which the Work is performed.

(h) Notices. Any notices required by this Contract or by law shall be in writing and addressed to the respective parties identified in this Contract with a copy to: General Counsel, Capital Power Corporation, Suite 1200, 10423 101 Street NW, Edmonton, AB, T5H0E9, email: [notices@capitalpower.com](mailto:notices@capitalpower.com), fax: 780-392-5200, and shall be properly served when sent via registered mail, personally delivered, faxed or electronically transmitted; when electronic transmission is used it must meet the minimum requirements set forth in any legislation governing the electronic transmission of documents pursuant to this Contract and followed up by registered mail or personal delivery at the addresses mentioned above. Notices shall be effective upon receipt or refusal to accept. Either party may change its address for the purpose of this Section by giving written notice of such change to the other party.

(i) Survival. The provisions of Sections 1, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 20 shall survive the termination of this Contract.

## Insurance Requirements For Contractors

Unless otherwise stated, all limits shown shall be per occurrence limits. Any general aggregate limits shall apply separately to work under this Contract. If any coverage is provided on a claims made basis, the policy (or tail coverage) shall be maintained in force for the longer of the extended period provided in the Contract and the Statute of Limitations for claims covered by the policy.

Required limits for Employer's Liability, General Liability and Automobile coverages may be met through a combination of primary and excess/umbrella coverages.

| <u>Coverage</u>   | <u>Minimum Limits</u> |
|---|-----------------------|
| Workers' Compensation:  | Statutory             |
| Employer's Liability: each accident and disease (each employee)   | \$5,000,000           |
| Commercial General Liability: General Liability coverage shall include: blanket contractual liability (including this Contract), bodily injury and death, broad form property damage including loss of use, excavation, collapse, shoring and pile driving, as applicable (no XCU exclusion), products and broad form completed operations and cross liability endorsements. Non-Owned Automobiles endorsement shall be included in Canada. | \$5,000,000           |
| Excess or Umbrella Liability: any such policy shall "follow form," (i.e., provide coverage and endorsements that are at least as extensive as and no more restrictive than the underlying primary policies).  | \$Optional            |
| Automobile Liability: Combined Single Limit (Bodily Injury and Property Damage), Each Accident.   | \$5,000,000           |
| Professional Liability:   | \$5,000,000           |

### Additional Endorsements Required and to be Stated on Certificates of Insurance:

Owner Parties and Owner Parties' employees, officers and directors shall be included as Additional Insureds for the Work on a primary and non-contributory basis, with respect to General Liability and Excess/Umbrella (if any) coverages.

All policies applicable to the Work shall contain a waiver of any right of subrogation or recourse by Contractor's insurer against Owner Parties and their employees, officers and directors.