

## SCHEDULE 8

### PAYMENTS

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**APPENDIX 8A FUNCTIONAL UNITS, UNIT DEDUCTION AMOUNTS, RECTIFICATION PERIODS**

**APPENDIX 8B CONSTRUCTION PAYMENTS**

**APPENDIX 8C UTILITY PAYMENTS**

**APPENDIX 8D LIFE CYCLE PAYMENT**

## SCHEDULE 8

### PAYMENTS

#### 1. INTERPRETATION

##### 1.1 Definitions

In this Schedule, in addition to the definitions set out in Schedule 1 of this Agreement:

**“Availability Condition”** means, with respect to a Functional Unit, that the Functional Unit, Maintained Equipment and Furniture within the Functional Unit and normal access routes are in a state or condition that:

- (a) allows safe and convenient access and egress to all Persons who are entitled to enter, leave, occupy or use it, using normal access routes; and
- (b) is complete, operational, safe, functional and fit for its intended use and meets the requirements of Schedule 3 [Design and Construction Specifications] and Schedule 4 [Services Protocols and Specifications] specifically applicable to the relevant Functional Unit; and
- (c) for Functional Units (with the exception of parking stalls in the Parkade) on floors other than the ground floor;
  - (1) at least two public elevators,
  - (2) at least one judiciary elevator,
  - (3) at least one accused/offender elevator,are functional and operating to manufacturer’s specifications.

**“Capital Payment”** means the payment described in Section 2.1(a) of this Schedule;

**“Deduction”** means a deduction from a Construction Payment or a Service Payment, calculated in accordance with this Schedule or under Schedule 2 [Design and Construction Protocols] or Schedule 4 [Services Protocols and Specifications] for Deductions specified in those Schedules or under the Project Agreement for Deductions specified in the Project Agreement;

**“Event”** means an incident or state of affairs affecting the Availability Condition of a Functional Unit or requiring Services to be performed or both;

**“Facility Maintenance Payment”** means the payment described in Section 2.1(c) of this Schedule;

**“Functional Unit”** means a room or space or system which is specified as such in Appendix 8A [Functional Units, Unit Deduction Amounts, Rectification Periods] to this Schedule;

**“High Service Failure”** means a Service Failure which has been designated in Schedule 4 [Services Protocols and Specifications] or in this Schedule as a High Service Failure;

**“Insurance Payment”** means any amount due to Project Co in accordance with section 4.2 of Schedule 5 [Insurance Requirements];

**“Life Cycle Payment”** means the payment described in Section 2.1(b) of this Schedule;

**“Linked Unit”** means, with respect to a Functional Unit, any other Functional Unit which is designated in Appendix 8A [Functional Units, Unit Deduction Amounts, Rectification Periods] as being linked to the first Functional Unit;

**“Long Stop Return Date”** has the meaning set out in Section 5.10 of this Schedule;

**“Low Service Failure”** means:

- (a) a Service Failure which has been designated in Schedule 4 [Services Protocols and Specifications] or in this Schedule as a Low Service Failure; and
- (b) a Service Failure which has not been designated as a Medium Service Failure or High Service Failure;

**“Medium Service Failure”** means a Service Failure which has been designated in Schedule 4 [Services Protocols and Specifications] or in this Schedule as a Medium Service Failure;

**“New Service Provider Start Date”** means:

- (a) the Service Commencement Date; or
- (b) if the Service Provider is replaced by a new Service Provider, the date on which the Services begin to be provided by the replacement Service Provider or, if earlier, the date on which they were first due to be provided;

**“New Service Provider Transition Period”** has the meaning set out in Section 3.17 of this Schedule;

**“Payment Adjustment Report”** has the meaning set out in Section 8.1(h)(2) of this Schedule;

**“Payment Period”** means a calendar month;

**“Permanent Repair”** means Rectification where a Temporary Repair has been permitted and carried out pursuant to Section 3.13 of this Schedule;

**“Permanent Repair Deadline”** has the meaning set out in Section 3.13(a)(2) of this Schedule;

**“Return Date”** has the meaning set out in Section 5.3(d) of this Schedule;

**“Service Failure”** means any failure by Project Co, other than an Unavailability Event, to provide the Services in accordance with this Agreement and in particular in accordance with Schedule 4 [Services Protocols and Specifications], and includes a failure to satisfy any Performance Indicator;

**“Service Failure Deduction”** means a Deduction which may be made in respect of a Service Failure;

**“Service Payment”** means the sum calculated in accordance with Section 2.1 of this Schedule;

**“Temporary Alternative Accommodation”** means accommodation offered to the Province by Project Co as a substitute for any Unavailable Functional Unit pursuant to Section 5.1 of this Schedule;

**“Temporary Alternative Accommodation Notice”** has the meaning set out in Section 5.1 of this Schedule;

**“Temporary Availability Condition”** has the meaning set out in Section 3.13(a)(1) of this Schedule;

**“Temporary Repair”** means, in respect of the occurrence of an Unavailability Event, works of a temporary nature that do not constitute Rectification;

**“Temporary Repair Proposal”** has the meaning set out in Section 3.13(a) of this Schedule;

**“Total Unavailability”** in respect of the Facility means that:

- (a) 25% or more of the Functional Units are Unavailable at the same time and a Rectification Period has expired with respect to each such Unavailable Functional Unit;
- (b) 50% or more of the washrooms in the Facility are Unavailable at the same time and a Rectification Period has expired with respect to each such washroom;
- (c) any of the following are not accessible:
  - (1) two or more of the required fire exits;
  - (2) all of the public elevators or all of the accused/offender elevators,

and a Rectification Period has expired with respect to each Event that caused such lack of access and the Province has not approved a mitigation plan put forward by Project Co;

**“Transition”** means the tolerance level for the making of Deductions in respect of Service Failures as described in Section 3.17 of this Schedule;

**“Unavailable”** and **“Unavailability”** means, with respect to a Functional Unit, that such Functional Unit or an applicable Linked Unit is in a state or condition that does not comply with the Availability Condition;

**“Unavailability Deduction”** means a Deduction which may be made in respect of an Unavailability Event;

**“Unavailability Event”** means an incident or state of affairs which causes one or more Functional Units to be Unavailable; and

**“Unit Deduction Amounts”** means the amount of the Deduction specified in Appendix 8A [Functional Units, Unit Deduction Amounts, Rectification Periods] per Functional Unit for an Unavailability Event, which amounts are Index Linked.

## 2. CALCULATION OF SERVICE PAYMENTS

### 2.1 Service Payment

From and after the Service Commencement Date, the Province will pay Project Co in respect of each Payment Period a Service Payment calculated as follows:

- (a) the Capital Payment for that Payment Period in an amount equal to \$428,185.39 which amount will not be Index Linked; plus
- (b) the Life Cycle Payment for that Payment Period in the amount set out in Appendix 8D [Life Cycle Payment] which amount will be Index Linked; plus
- (c) the Facility Maintenance Payment for that Payment Period in an amount equal to \$165,618.58 which amount will be Index Linked; plus

- (d) the Utility Payment for that Payment Period in the amount calculated in accordance with Appendix 8C [Utility Payment]; plus or minus
- (e) the Utility Payment Adjustment; plus
- (f) the Snow Plowing and Removal Services Payment; minus
- (g) the aggregate of Deductions for that Payment Period, subject to Section 3.1 of this Schedule,

provided that:

- (h) if the first Payment Period from and after the Service Commencement Date is less than a full calendar month, the components of the Service Payment set out in Sections 2.1(a), 2.1(b) and 2.1(c) of this Schedule will be reduced by the same proportion that the first Payment Period is less than the total number of days in the calendar month in which Service Commencement occurs;
- (i) if the last Payment Period of the Term is less than a full calendar month, the components of the Service Payment set out in Sections 2.1(a), 2.1(b) and 2.1(c) of this Schedule will be reduced by the same proportion that the last Payment Period is less than the total number of days in the calendar month in which the final day of the Term occurs; and
- (j) the Service Commencement Date and the date Service Payments commence will not be earlier than October 1, 2020, notwithstanding Project Co achieving Service Commencement earlier than such date.

The Payment Periods identified in Appendix 8D [Life Cycle Payment] assume that Service Commencement will be achieved by the Target Service Commencement Date and the Payment Periods are expressed numerically in terms of the Payment Periods starting from the Target Service Commencement Date. If Service Commencement is achieved after the Target Service Commencement Date, then the first Service Payment will be for the relevant Payment Period, or prorated portion thereof, indicated for the time after the Target Service Commencement Date, and Project Co will not be entitled to any Service Payment for Payment Periods, or prorated portions thereof, between the Target Service Commencement Date and the Service Commencement Date.

### **3. DEDUCTIONS FROM SERVICE PAYMENTS**

#### **3.1 Entitlement to Make Deductions**

If at any time after the Service Commencement Date an Unavailability Event or a Service Failure occurs, the Province will be entitled to make Deductions in accordance with this Schedule 8 (including Section 3.11 of this Schedule) in respect of that Unavailability Event or Service Failure (and, for greater certainty, in respect of all other Unavailability Events and Service Failures) from the Service Payment for the relevant Payment Period, except that:

- (a) the aggregate of all Deductions that the Province may make from a Service Payment may not exceed the amount of the Service Payment in respect of a Payment Period before the Deductions; and
- (b) to the extent that an Unavailability Event or a Service Failure is the result of an Excusing Event or a Compensation Event, the Province will not be entitled to make Deductions.

The Province may not make Deductions for Unavailability Events or Service Failures from the Construction Payments.

### 3.2 Classification of Event

Project Co will classify an Event as an Unavailability Event (and the rank thereof) or a Service Failure (and the rank thereof) at the time at which the Demand Requisition is provided to the Help Desk. Project Co shall consider first whether or not the Availability Condition has been breached, second the shortest applicable Rectification Period and third, the nature of the Event in order to determine such classification. As part of such classification, Project Co shall, where appropriate, indicate whether Project Co believes the Event has been caused by Province Funded Rectification. The Province may, in its discretion, require Project Co to revise all or any part of such classification.

If the Province exercises its right to revise Project Co's initial classification of an Event, Project Co will proceed with the required response and Rectification in accordance with such revised classification, without prejudice to Project Co's right to challenge the revised classification under the Dispute Resolution Procedure.

If an Event which results in an immediate Service Failure Deduction (because there is no applicable Response Time or Rectification Period) can properly be classified as both a Service Failure and an Unavailability Event at the time that the Demand Requisition is reported, to the Help Desk, it will be classified as the Event that has the highest potential Deduction available to it.

If Project Co classifies an Event as Province Funded Rectification, Project Co will notify the Province in writing within the applicable Response Time:

- (a) that Project Co has classified the Event as Province Funded Rectification;
- (b) whether the Province Funded Rectification is:
  - (1) Property Loss of more than \$10,000 (Index Linked); or
  - (2) Malicious Damage of more than \$1,500 (Index Linked) except for Malicious Damage caused in whole or in part by Project Co or any Project Co Person; and
- (c) whether the Rectification of the Province Funded Rectification is likely to exceed \$50,000 (Index Linked),

(collectively, the "**Notice of Province Funded Rectification**").

Upon receipt of the Notice of Province Funded Rectification, the Province will have the right to investigate the Event.

An Event which is incorrectly classified may be re-classified only with the approval of the Province, such approval not to be unreasonably withheld. If such an Event is re-classified, the appropriate Deduction (if applicable) will be made and any Deduction incorrectly applied will be withdrawn.

### 3.3 Service Failure Becoming Unavailability Event

A Service Failure may become or lead to an Unavailability Event if circumstances change or the Service Failure continues. In such a circumstance, when the Functional Unit becomes

Unavailable, the Service Failure will have ended (without prejudice to the Service Failure Deductions that have accrued to that point) and an Unavailability Event will have occurred.

### **3.4 Total Unavailability**

When Total Unavailability occurs, there will be deemed to be an Unavailability Event for each Functional Unit that otherwise met the Availability Condition at that time and all such Functional Units will continue to be deemed to be Unavailable until Total Unavailability no longer occurs.

### **3.5 Deductions for Unavailability Events**

Subject to Sections 3.1, 3.11 and 3.14 of this Schedule, the Deduction in respect of each Unavailability Event will be the greater of:

- (a) \$100, Index Linked; and
- (b) subject to Section 3.6 of this Schedule, the aggregate of the Unit Deduction Amounts for all Functional Units made Unavailable as a result of the Unavailability Event.

### **3.6 Unavailable But Used**

If any Functional Unit (including Temporary Alternative Accommodation) is Unavailable (including, for greater certainty, Functional Units that are deemed Unavailable under Section 3.4 of this Schedule) but the Province continues to use it or a Linked Unit for the intended use or purpose of that Functional Unit, Temporary Alternative Accommodation or Linked Unit, for the purposes of Section 3.5(b) of this Schedule the Unit Deduction Amount applicable to an Unavailability Deduction for such Functional Unit and Linked Unit will be multiplied by 50%.

### **3.7 Linked Units**

If a Functional Unit which is identified as a Linked Unit in Appendix 8A [Functional Units, Unit Deduction Amounts, Rectification Periods] becomes Unavailable, for all Functional Units to which the Unavailable Linked Unit is identified as being linked there will be deemed to be an Unavailability Event for each Linked Unit that otherwise met the Availability Condition at that time and all such Linked Units will continue to be deemed to be Unavailable until Unavailability of the first Linked Unit no longer occurs.

### **3.8 Parking Stall Unavailability**

For Functional Units which are parking stalls within the Parkade and parking stalls within the Building, the Functional Unit will become Unavailable as soon as one parking stall fails to meet the Availability Condition. Second and subsequent Functional Units will become unavailable for;

- (a) parking stalls within the Building, when a further 15 parking stalls fail to meet the Availability Condition; and
- (b) parking stalls within the Parkade, when a further 20 parking stalls fail to meet the Availability Condition, and successively until all 17 Functional Units are Unavailable.

### **3.9 Deductions for Service Failures**

Subject to Sections 3.1 and 3.17 of this Schedule, the amount of the Deduction in respect of a Service Failure will be as follows:

- (a) for a High Service Failure, the sum of \$3,000, Index Linked;
- (b) for a Medium Service Failure, the sum of \$1,000, Index Linked; and
- (c) for a Low Service Failure, the sum of \$500, Index Linked.

### **3.10 Response Time**

If an Event occurs, in addition to any other Deduction arising from such Event, if Project Co does not respond as required under this Agreement:

- (a) a Low Service Failure will be deemed to have occurred; and
- (b) unless otherwise specified in Schedule 4 [Services Protocols and Specifications], a new Response Time will start and the provisions of this Section 3.10 will again apply and will continue to apply with repeated Low Service Failures until Project Co responds as required under this Agreement.

Nothing in this Section 3.10 will limit any other Deductions in respect of the same Event or the occurrence of, and Deductions in respect of, additional Events that occur within a Response Time period.

### **3.11 Deduction Triggers**

If an Event occurs:

- (a) in the case of a Service Failure for which there is no Rectification Period, the Province will make the applicable Service Failure Deduction;
- (b) in the case of an Unavailability Event, other than a deemed Unavailability Event due to Total Unavailability, if Project Co Rectifies the Unavailability Event within the Rectification Period, then no Deduction will be made for such Unavailability Event;
- (c) in the case of a deemed Unavailability Event due to Total Unavailability, the Province will make the applicable Unavailability Deduction; and
- (d) in any case and in addition to the foregoing, if Project Co does not Rectify the Event (which in the case of deemed Unavailability Events due to Total Unavailability means that Total Unavailability no longer occurs), including any Service Failure for which there is a Rectification Period, within the Rectification Period:
  - (1) the applicable Deduction will be made for the Event;
  - (2) a new Event (which in the case of a Service Failure will be of the same category as the original Service Failure unless otherwise specified in Schedule 4 [Service Protocols and Specifications]) will be deemed to occur at the end of such Rectification Period and the provisions of this Section 3.11 will again apply and will continue to apply with repeated Deductions until Project Co Rectifies the Event; and
  - (3) for the avoidance of doubt, Response Times will not apply to deemed Events contemplated under Section 3.11(d)(2) of this Schedule.

Nothing in this Section 3.11 will limit any other Deductions in respect of the same Event or the occurrence of, and Deductions in respect of, additional Events that occur within a Rectification Period.

### 3.12 Multiple Events

If the root cause of a series of Events is substantially the same, whether or not Project Co Rectifies any or all of the Events within the applicable Rectification Period, there will be deemed to be a Medium Service Failure on the occurrence of any of the following:

- (a) the third such Event in a day and on the occurrence of each subsequent such Event in that day; and
- (b) the fourth such Event in a rolling consecutive seven day period and on the occurrence of each subsequent such Event in that seven day period.

### 3.13 Temporary Repairs

If Project Co acting reasonably and in accordance with this Agreement is unable to Rectify an Unavailability Event within the applicable Rectification Period then:

- (a) Project Co may provide the Province with both of the following proposals within the applicable Rectification Period or such longer time as is reasonable in the circumstances:
  - (1) a Temporary Repair, together with any temporary modification to the Availability Condition for the relevant Functional Unit until the Permanent Repair is completed (the "**Temporary Repair Proposal**"); and
  - (2) a Permanent Repair; including the time period within which to complete the Permanent Repair (the "**Permanent Repair Proposal**");
- (b) the Province will accept any reasonable proposal but Project Co will not carry out the Temporary Repair until the relevant proposal is accepted in writing by the Province;
- (c) if the Province accepts a Temporary Repair Proposal, Project Co will carry out the Temporary Repair in accordance with the Temporary Repair Proposal, as it may be modified by the parties in accordance with the terms of this Agreement, and the modified Availability Condition contained in the accepted Temporary Repair Proposal will apply;
- (d) if the Province accepts a Permanent Repair Proposal, Project Co will carry out the Permanent Repair in accordance with the Permanent Repair Proposal, as it may be modified by the parties in accordance with the terms of this Agreement, and the modified Availability Condition contained in the accepted Temporary Repair Proposal will apply;
- (e) if the Province rejects a proposal, Project Co will submit a new proposal in accordance with (a) above with the time period starting from the notice of rejection by the Province;
- (f) if the Permanent Repair is not completed by the deadline for the Permanent Repair Project Co may revise the Temporary Repair Proposal and resubmit such proposal to the Province as a new Temporary Repair Proposal pursuant to Section 3.13(b) of this Schedule (in which case, if such Temporary Repair Proposal is accepted, Section 3.13(c) will apply);

- (g) as long as Project Co is reasonably complying with (a) through (e) above (including providing reasonable proposals), then from the occurrence of the Unavailability Event through the period of compliance with (a) through (e), the Province will not take Deductions in respect of the event that caused the Unavailability Condition;
- (h) if either the Province or Project Co determines, acting reasonably, that such Unavailability Event poses a material risk to human safety or to Facility security, Project Co will take such reasonable steps as are necessary in the circumstance to eliminate the risk to human safety and ensure the security of the Facility within the applicable Rectification Period ; and
- (i) except with respect to the applicable modification of the Availability Condition, nothing in this Section 3.13 will limit the Province's entitlement to Deductions within the applicable Rectification Periods.

### **3.14 Compliance with Laws and Good Industry Practice**

When carrying out Rectification, or works of Temporary Repair pursuant to Section 3.13 of this Schedule, Project Co will at all times act in accordance with Laws and Good Industry Practice. If in doing so Project Co breaches any Laws, there will be deemed to be a new additional High Service Failure. If in doing so Project Co breaches Good Industry Practice, but does not also breach Laws, there will be deemed to be a new additional Low Service Failure.

### **3.15 Deficiency Correction Period - Unavailability**

During the 30 day period beginning on the Service Commencement Date, the amount of any Unavailability Deductions for Unavailability Events directly caused by Deficiencies will be reduced by 100%. This Section 3.15 does not give any relief in respect of any Service Failure Deductions.

### **3.16 Service Failure Related Solely to Unavailability**

No Service Failure Deduction will be made if the Service Failure to which it relates arises solely as a result of the Unavailability of the Functional Unit in which the Service was to be provided. If any Functional Unit is Unavailable but the Province continues to use it for the intended use or purpose of that Functional Unit, the Province will, subject to Section 3.3 of this Schedule, deduct the full amount of any Service Failure Deductions that apply to the Services in the applicable Functional Unit.

### **3.17 Transition Periods - Service Failures**

In respect of the Services there will be a period of 90 days (the "**New Service Provider Transition Period**") for Transition beginning on each New Service Provider Start Date. During each New Service Provider Transition Period the following provisions will apply:

- (a) during the first 30 days of the New Service Provider Transition Period, the amount of any Service Failure Deductions will be reduced by 75%;
- (b) during the next 30 days of the New Service Provider Transition Period, the amount of any Service Failure Deductions will be reduced by 50%; and
- (c) during the final 30 days of the New Service Provider Transition Period, the amount of any Service Failure Deductions will be reduced by 25%.

This Section 3.17 will not give any relief during any period of Transition in respect of Unavailability Deductions.

### **3.18 Demand Requisition**

Project Co will, and the Province may, issue Demand Requisitions for all Events, including when any element of the Facility does not comply with the requirements of this Agreement (including Schedule 3 [Design and Construction Specification] and Schedule 4 [Services Protocols and Specifications]).

It shall be deemed a Low Service Failure if Project Co does not issue a Demand Requisition in such circumstances.

## **4. PROVINCE FUNDED RECTIFICATION**

### **4.1 Payment for Province Funded Rectification**

Subject to Section 4.2 of this Schedule and to the Province's rights under Section 3.2 of this Schedule, Project Co will Rectify any Event classified as Province Funded Rectification within the applicable Rectification Period, without any further direction from the Province, and the provisions of Section 3.4 of Schedule 6 [Changes, Minor Works and Innovation Proposals] will apply as if the Rectifications were Minor Works.

### **4.2 Suspending Rectification of Province Funded Rectification**

If Project Co has indicated that the Rectification of any Province Funded Rectification is likely to exceed \$50,000 (Index Linked) or at any time after delivery of the Notice of Province Funded Rectification the Province notifies Project Co in writing to suspend all or any part of the Rectification of Province Funded Rectification, Project Co will:

- (a) immediately suspend all or any part of the Rectification of such Province Funded Rectification and the Event will be classified as an Excusing Event from:
  - (1) the time of notification of such suspension; or
  - (2) the time of the Notice of Province Funded Rectification where Project Co has indicated that the Rectification of the Province Funded Rectification is likely to exceed \$50,000 (Index Linked) in accordance with Section 3.2(c) of this Schedule,

until the Province directs Project Co in writing to proceed with such Rectification in accordance with Section 4.2(b)(4) of this Schedule.

Project Co shall be paid for such Rectification in accordance with Section 3.4 of Schedule 6 [Changes, Minor Works and Innovation Proposals] to the extent of the Rectification performed by Project Co up to the time of such suspension;

- (b) if directed by the Province:
  - (1) provide an estimate for Rectification of the Province Funded Rectification in accordance with the Minor Works Rates in accordance with Section 3 of Schedule 6 [Changes, Minor Works and Innovations Proposals], if it is later determined based on further assessment that the Province Funded Rectification is likely to be less than \$50,000 (Index Linked);

- (2) provide an estimate for Rectification of the Province Funded Rectification in accordance with rates to be agreed by the Parties;
- (3) provide a Change Report for the Rectification of the Province Funded Rectification in accordance with Section 2.6 of Schedule 6 [Changes, Minor Works and Innovations Proposals] irrespective of any monetary thresholds set for a Change Report, in which case all of the provisions relating to a Change Report in Schedule 6 [Changes, Minor Works and Innovations Proposals] apply; and/or
- (4) proceed with the Rectification of the Province Funded Rectification in accordance with the Minor Works Rates (only if the Province Funded Rectification is likely to be less than \$50,000 (Index Linked)), or the estimate or Change Report as a result of Section 4.2(b)(1), 4.2(b)(2) or 4.2(b)(3) above;

Section 6.4 (Project Co's Obligations – Material Damage or Destruction) will apply where the Rectification Costs of Province Funded Rectification is likely to exceed \$5,000,000 (Index Linked) and for the purposes of Section 3.13, the Reinstatement Plan will be substituted for the Temporary Repair Proposal and the deadline for Permanent Repair will be extended to any later date identified by the Reinstatement Plan for the Services in question to recommence or the Functional Unit in question to achieve an Availability Condition;

- (c) if either the Province or Project Co determines, acting reasonably, that suspending the Rectification of Province Funded Rectification poses a material risk to human safety or to Facility security, take such reasonable steps as are necessary in the circumstance to eliminate the risk to human safety and ensure the security of the Facility within the applicable Rectification Period, and the Provisions of Section 3.4 of Schedule 6 [Changes, Minor Works and Innovation Proposals] will apply as if such reasonable steps were Minor Works; and
- (d) if a Rectification of Province Funded Rectification is suspended because such Rectification is likely to exceed \$50,000 (Index Linked) but the Temporary Repair of such Province Funded Rectification can be performed for less than \$50,000 (Index Linked), if directed by the Province, carry out such Temporary Repair, and the Provisions of Section 3.4 of Schedule 6 [Changes, Minor Works and Innovation Proposals] will apply as if such Temporary Repair were Minor Works.

Section 6.4 (Project Co's Obligations – Material Damage or Destruction) will apply where the Rectification costs of Province Funded Rectification is likely to exceed \$5,000,000 (Index Linked).

#### **4.3 Payment for Rectification of Province Funded Rectification**

To the extent any Rectification of Province Funded Rectification is not paid for as Minor Works, Project Co will, as of the end of a calendar month, invoice the Province monthly for such Rectification completed in the calendar month, supported by appropriate invoices and work records, and the Province will pay Project Co by the later of the 20<sup>th</sup> day of the next calendar month, or 20 calendar days following receipt of the invoice, for such Rectification performed in the previous calendar month.

#### **4.4 Right to Dispute**

Nothing contained in this Section 4, including the Province directing Project Co to proceed with the Rectification or of taking other steps in accordance with Section 4.2 of this Schedule, will

prejudice the Province's right to challenge Project Co's classification of an Event as Province Funded Rectification or the cost of the Rectification or of taking other steps under the Dispute Resolution Procedure.

#### **4.5 Interaction with Indemnification**

If during the Operating Period the Facility suffers Province Funded Rectification, the Province will only be entitled to indemnification from Project Co for such Province Funded Rectification to the extent:

- (a) of the full amount of coverage prior to any deductibles of the insurance required to be maintained by Project Co pursuant to Schedule 5 [Insurance Requirements]; or
- (b) the amounts paid for such Province Funded Rectification were paid inappropriately or in error.

#### **4.6 Application of this Section**

This Section 4 applies only after the Service Commencement Date.

#### **4.7 Rectification to be Best Value**

All Rectifications of Province Funded Rectification undertaken by Project Co shall be done as efficiently as possible so as to keep the cost to the Province of such Rectification to a minimum and provide best value to the Province. The Province shall have the right to challenge an invoice issued under Section 4.3 of this Schedule on the basis that Project Co does not fulfill this obligation.

### **5. TEMPORARY ALTERNATIVE ACCOMMODATION**

#### **5.1 Project Co Option to Provide**

If an Unavailability Event occurs Project Co may offer the Province Temporary Alternative Accommodation by notice (the "**Temporary Alternative Accommodation Notice**") to the Province within 5 Business Days from the commencement of the applicable Event.

#### **5.2 Requirements**

The Temporary Alternative Accommodation must:

- (a) comply with the Availability Condition for the Functional Units affected by the Unavailability Event for which Temporary Alternative Accommodation is offered;
- (b) be a temporary alternative having regard to the facts and the circumstances in existence;
- (c) be upon terms which are not materially different from the terms upon which the Province occupied the affected Functional Unit;
- (d) unless the Province otherwise agrees, be accommodation that Project Co is not already obligated to provide to the Province;
- (e) be supplied with the Services to the standards set out in Schedule 4 [Services Protocols and Specifications] which Project Co would under normal circumstances be providing within the Unavailable Functional Unit;

- (f) not involve the Province incurring any additional cost or charges in respect of the Temporary Alternative Accommodation including the reasonable costs of any relocation to and from the Temporary Alternative Accommodation; and
- (g) be in reasonable proximity to the Facility, be reasonably accessible by public and private transport and have adequate parking.

### 5.3 Notice Requirements

The Temporary Alternative Accommodation Notice must:

- (a) describe the Temporary Alternative Accommodation;
- (b) invite the Province to inspect the Temporary Alternative Accommodation and give the Province reasonable notice of a time and a date when it may do so;
- (c) set out Project Co's proposals regarding the timing and co-ordination of relocation to the Temporary Alternative Accommodation;
- (d) specify the date (which must be agreed by the Province before the submission of the written notice) by which Project Co reasonably expects the Province to be able to relocate back to the applicable Functional Unit (the "**Return Date**"); and
- (e) describe the terms upon which the Province will be entitled to occupy such Temporary Alternative Accommodation including the proposed division of such accommodation into Functional Units and the weighting to be attributed to them for the purposes of the operation of this Schedule.

### 5.4 Acceptance by Province

If it wishes to inspect the Temporary Alternative Accommodation the Province will do so within 5 Business Days of receipt of the Temporary Alternative Accommodation Notice. The Province will notify Project Co in writing of its acceptance or refusal of the proposed Temporary Alternative Accommodation within 24 hours of its inspection or, if the Province has elected not to inspect, within five Business Days of receipt of the Temporary Alternative Accommodation Notice. The Province may in its discretion refuse or accept any proposed Temporary Alternative Accommodation that does not meet the requirements of Section 5.2 of this Schedule and in all other cases will act reasonably when deciding to accept or refuse any proposed Temporary Alternative Accommodation.

### 5.5 Effect of Acceptance

If the Province accepts the offer of Temporary Alternative Accommodation:

- (a) which is not within the Facility then, without affecting the Province's remedial rights under Section 11 of this Agreement, the Province will not be entitled to vacate the Temporary Alternative Accommodation until the earlier of the Return Date and the date on which the Province is entitled and able to return to and use the Functional Unit in accordance with the agreed program for return and re-commissioning referred to in Section 5.8 of this Schedule; and
- (b) which is within the Facility and the Province subsequently needs such Temporary Alternative Accommodation in connection with needs that were not anticipated at the time

the Province agreed to occupy the space, then the Province will be entitled to vacate the Temporary Alternative Accommodation.

#### **5.6 Additional Province Costs**

Project Co will pay for any additional reasonable and direct costs and expenses incurred by the Province in respect of Temporary Alternative Accommodation, including reasonable relocation costs to and from the Temporary Alternative Accommodation.

#### **5.7 Deduction**

If the Province accepts Project Co's offer of Temporary Alternative Accommodation, no further Deductions will be made in respect of a Functional Unit vacated by the Province while the Temporary Alternative Accommodation replacing that Functional Unit is being used by the Province. The Province will be entitled to make Deductions in respect of any Service Failure or Unavailability Event which occurs in the Temporary Alternative Accommodation as if the Temporary Alternative Accommodation was the Functional Unit which it replaced and any Deduction in respect of an Unavailability Event will be calculated using the Unit Deduction Amounts attributed to such Functional Unit.

#### **5.8 Return to Functional Unit**

When Project Co has completed the required works to enable the Province to return to the Functional Unit the Province will confirm that the Availability Condition is met for the Functional Unit and the Province and Project Co will agree to a relocation program to return to the Functional Unit and any necessary period for re-commissioning.

#### **5.9 Failure to Complete Works**

If the Province has accepted the proposed Temporary Alternative Accommodation and Project Co fails to complete the works to enable the Province to return to the relevant Functional Unit on the Return Date:

- (a) the Temporary Alternative Accommodation will be deemed to be Unavailable with effect from the Return Date until the date on which the Unavailability Event has been Rectified and the Province is able to resume its use of the Functional Unit; and
- (b) the Province may, in its absolute discretion, vacate the Temporary Alternative Accommodation at any time after the Return Date or remain in occupation, and in the latter circumstance a 50% reduction will apply with respect to the Unavailability Deduction.

#### **5.10 Long Stop Return Date**

The Province will specify a date (the "**Long Stop Return Date**"), being a date no earlier than 30 days after the Return Date, by which the Rectification must be completed and if Project Co fails to complete the Rectification of the Functional Unit for which the Temporary Alternative Accommodation is a replacement by the Long Stop Return Date:

- (a) the Province may (without prejudice to its rights under Section 12 (Project Co Events of Default) or any other express rights of the Province under this Agreement) take such steps as it considers to be appropriate (either itself or by engaging others to take such steps) to restore the Functional Unit to a condition that satisfies in all respects the requirements of Schedule 4 [Services Protocols and Specifications]; and

- (b) Project Co will reimburse the Province for all reasonable direct costs and expenses incurred by the Province in relation to taking the steps, or engaging others to take the steps, referred to in Section 5.10(a) of this Schedule and the Province will be entitled to deduct any such amount from any amounts payable to Project Co under this Agreement.

## **6. REVIEW OF FUNCTIONAL UNITS, DEDUCTIONS, ETC.**

### **6.1 Initiation of Review**

The identification of Functional Units, Linked Units, Performance Indicators, Response Times, Rectification Periods, Unit Deduction Amounts and the amount of Deductions for each category of Service Failure and for Unavailability Events will be reviewed by the Province and Project Co at any time if requested by either party but in any event will be reviewed at the following times, unless otherwise agreed by the parties:

- (a) at such time as the Design Development Phase as set out in Section 5.3 of Schedule 2 [Design and Construction Protocols] has been completed in all material respects;
- (b) in the circumstances referred to in Section 5.3 of Schedule 6 [Changes, Minor Works and Innovation Proposals];
- (c) following the Service Commencement Date; and
- (d) at least once in every Contract Year following the first anniversary of the Service Commencement Date for the purposes of the following Contract Year.

The Province and Project Co will act reasonably and diligently in carrying out the review, which will not exceed 30 days without the agreement of both parties. For the avoidance of doubt, the parties intend that changes may be necessary, but any changes made as a result of such a review will be designed to avoid altering the overall risk profile of the relevant Service or the likely magnitude of Deductions. If proposed changes would result in such an alteration, the matter will be deemed to be a Change subject to the provisions of Schedule 6 [Changes, Minor Works and Innovation Proposals].

### **6.2 Results of Review**

The Province and Project Co may, in respect of each matter that is the subject of the review, either:

- (a) agree that the status of the relevant matter will continue to apply unchanged for the following Contract Year; or
- (b) agree to adjustments to the relevant matter to take effect in the following Contract Year.

If the parties do not agree within 30 days after completion of the review, either party may refer the matter to the Dispute Resolution Procedure. No change will be made with respect to a matter under review until agreed or until determined under the Dispute Resolution Procedure. For the avoidance of doubt, if the changes that are agreed or determined under the Dispute Resolution Procedure alter the overall risk profile of the relevant Service or the likely magnitude of Deductions, the matter will be deemed a Change subject to the provisions of Schedule 6 [Changes, Minor Works and Innovation Proposals].

### **6.3 Effective Time of Adjustments**

Any adjustment pursuant to a review will be effective from the commencement of the relevant Contract Year for which the adjustment is to take effect under Section 6.2 of this Schedule.

### **6.4 Result of Change, Minor Works or Innovation Proposal**

As set out in Section 5.3 of Schedule 6 [Changes, Minor Works and Innovation Proposals] the parties will review and agree any changes to Appendix 8A [Functional Units, Unit Deduction Amounts, Rectification Periods] that are needed as the result of a Change, Minor Works or an Innovation Proposal.

## **7. FAILURE BY PROJECT CO TO MONITOR OR REPORT**

### **7.1 Performance Monitoring Report**

The Performance Monitoring Report produced by Project Co for any Payment Period will be the initial source of the information regarding the performance of the Services for the relevant Payment Period for the purposes of calculating the relevant Deductions.

### **7.2 Failure to Monitor or Report**

If Project Co fails to monitor or accurately report an Event, a Service Failure or an Unavailability Event:

- (a) such failure will be deemed to be a new Medium Service Failure for each Event that has been misreported. The relevant Deduction for the new Medium Service Failure will be made in addition to the Deductions that would have been made had there been no failure to monitor or report;
- (b) the Province will be entitled to make Deductions in respect of any Service Failures or Unavailability Events in the manner prescribed in this Schedule and the Performance Monitoring Report(s) and invoice(s) with respect to all Payment Periods affected by such failure will be restated to include any such Deductions; and
- (c) Project Co will forthwith pay to the Province the amount, if any, by which the amount paid to it for the affected Payment Periods exceeds the amount in the restated invoices for such Payment Periods.

### **7.3 Misconduct**

If the Province's inspection or investigation of records reveals, on the part of Project Co or a Project Co Person:

- (a) fraudulent action or inaction;
- (b) deliberate misrepresentation; or
- (c) gross misconduct or incompetence,

then a new High Service Failure will be deemed to have occurred for each Event that has been misreported. The relevant Deduction for the new High Service Failure will be made in addition to the Deductions that would have been made had there been no misreporting.

#### 7.4 No Prejudice to Other Rights

The provisions of this Section 7 are without prejudice to any rights of the Province in this Agreement, including pursuant to Section 11 of Schedule 4 [Services Protocols and Specifications] and Section 12.1 of this Agreement.

### 8. GENERAL PAYMENT PROVISIONS

#### 8.1 Invoicing and Payment Arrangements

With respect to invoicing and payment the following will apply:

- (a) all Service Payments, except for the Snow Plowing and Removal Services Payment and the Utility Payment Adjustment will be payable in advance for each Payment Period;
- (b) the Snow Plowing and Removal Services Payment, the Utility Payment Adjustment and the Insurance Payment will be payable in arrears. Project Co will use reasonable efforts to include in its invoice amounts in respect of any such amounts within one Payment Period following the Payment Period in which the applicable Services were carried out or the Utility Payment Adjustment or Insurance Payment were determined. Project Co will include in its invoice an amount in respect of any applicable Services within two Payment Periods following the Payment Period within which the applicable Services were carried out, and after that time Project Co waives the right to any claims against the Province for payment in respect of such Services;
- (c) a minimum of 10 Business Days prior to each Payment Period, Project Co will provide the Province with an invoice in a form agreed by the parties, acting reasonably. The invoice will include as a minimum:
  - (1) the Service Payment (not including the Utility Payment Adjustment and the Snow Plowing and Removal Services Payment) for the applicable Payment Period;
  - (2) the amount of the Utility Payment Adjustment, the Snow Plowing and Removal Services Payment and the Insurance Payment;
  - (3) any adjustments to a previous Payment Period, as set out in the applicable Payment Adjustment Report;
  - (4) any amount owing to the Province under this Agreement;
  - (5) any amount owing to Project Co under this Agreement;
  - (6) the amount of applicable GST calculated in accordance with Section 8.3 of this Schedule, and any other information prescribed under the *Excise Tax Act* (Canada);
  - (7) the amount of applicable PST;
  - (8) Project Co's GST registration number; and
  - (9) the net amount owing by the Province to Project Co, or by Project Co to the Province, as applicable;
- (d) the Province will:

- (1) review each invoice submitted in accordance with this Section 8.1 within five Business Days; and
  - (2) pay the amount approved by the Province on the later of the first day of the Payment Period or the tenth Business Day after receipt of the invoice;
  - (3) within six Business Days of receipt of the invoice advise Project Co of any amounts the Province has not approved and the reasons for non-approval;
- (e) Project Co:
- (1) will, after discussion and agreement with the Province, clarify and resubmit an invoice for any amounts not approved by the Province in any previously submitted invoice and the Province will pay such agreed amounts in accordance Section 8.1(d)(2); and
  - (2) may refer for resolution pursuant to Dispute Resolution Procedure the amount of any invoice it has not agreed with the Province;
- (f) the Province will not be obligated to make any payment unless all conditions of payment in this Agreement have been satisfied;
- (g) without limiting any requirements for earlier invoicing as set out above, the Province will not in any event be obligated to make any payment for amounts invoiced more than 2 months after the date that the amount to be invoiced was known to Project Co or ought to have been known to Project Co exercising all reasonable due diligence and after that time Project Co waives the right to any claims against the Province for payment in respect of such amounts;
- (h) within eight (8) Business Days following the end of each Payment Period, Project Co will submit to the Province:
- (1) a draft Performance Monitoring Report for that Payment Period; and
  - (2) a draft report (a "**Payment Adjustment Report**") prepared in accordance with Section 8.2, setting out any adjustments, including Deductions, to the Service Payments for that Payment Period, the amount of the Utility Payment Adjustment, and the Snow Plowing and Removal Services Payment and the Insurance Payment and the amount of over-payment or under-payment from the amount paid previously by the Province for that Payment Period;
- (i) the Province may, but is not obligated to, provide comments to Project Co on the draft Performance Monitoring Report and the draft Payment Adjustment Report, which comments will be given due regard by Project Co in finalizing the Performance Monitoring Report and Payment Adjustment Report;
- (j) within five Business Days of the provision of any comments by the Province under Section 8.1(i) of this Schedule or confirmation that the Province has no comments, Project Co will submit to the Province:
- (1) a final Performance Monitoring Report for that Payment Period; and

- (2) a final Payment Adjustment Report, identifying changes in the final Payment Adjustment Report from the draft Payment Adjustment Report submitted by Project Co to the Province in accordance with Section 8.1(h) of this Schedule;
- (k) Project Co will include with each invoice and Payment Adjustment Report such supporting documentation as is reasonably required to substantiate and confirm the invoiced amounts and amounts set out in each Payment Adjustment Report;
- (l) for the final 3 Payment Periods of the Term, the Province may withhold from payment a reasonable amount for possible adjustments to the Service Payments, and within 30 days after the expiry of the Term Project Co will provide the Province with a final invoice setting out Project Co's calculations to reconcile any over-payments or under-payments and the Province or Project Co, as applicable, will promptly pay the amount properly due and payable to the other party; and
- (m) no payment will be construed as an acceptance or approval of incomplete, defective or improper Design, Construction, Services or any other matter provided by Project Co which is not in conformance with the requirements of this Agreement, and will not operate to relieve Project Co from any of its obligations under this Agreement.

## 8.2 Payment Adjustment Report

The Payment Adjustment Report will be in at least three parts:

- (a) Deductions:
  - (1) showing for each Service Failure and Unavailability Event the amount of the applicable Deduction with a calculation;
  - (2) indicating whether Project Co considers that a Supervening Event will apply to the Deduction, with details of the relevant Supervening Event and its consequences;

Failure by Project Co to report any Deduction in the Payment Adjustment Report will result in the provisions of Section 7.2(a) of this Schedule being applied.

In accordance with Section 3.11 of this Schedule, Deductions must be calculated for Events where one or more Rectification Periods have expired without the Event being Rectified and which is still not Rectified at the end of the Payment Period.

Project Co is not entitled to relief from Deductions other than as a result of a Supervening Event and in that case only in accordance with the provisions of the Project Agreement.

- (b) The Utility Payment Adjustment, Snow Plowing and Removal Services Payment and the Insurance Payment amounts (if any).
- (c) The amount of over-payment or under-payment from the amount paid previously by the Province for that Payment Period (if any).

## 8.3 GST

Project Co will include in each invoice for a Service Payment:

- (a) for the Payment Period immediately following the month in which Service Commencement is achieved, the GST payable by the Province on the Cost To Date as at the Service Commencement Date, less the GST that has already been paid by the Province on that portion of the Cost To Date as at the Service Commencement Date pursuant to Appendix 8B [Construction Period Payments]; and
- (b) for each Payment Period, the GST payable by the Province on the Service Payment, excluding any portion of such Service Payment relating to costs in respect of which the Province has already paid GST pursuant to Section 8.3(a) of this Schedule.

**9. CONSTRUCTION PAYMENTS**

The Province will make payments to Project Co during the Construction Period in accordance with Appendix 8B [Construction Payments].

**APPENDIX 8A**

**FUNCTIONAL UNITS, UNIT DEDUCTION AMOUNTS, RECTIFICATION PERIODS**

## APPENDIX 8B

### CONSTRUCTION PAYMENTS

#### 1. DEFINITIONS

In this Appendix, in addition to the definitions set out in Schedule 1 to this Agreement:

“**Construction Payment**” has the meaning set out in Section 2 of this Appendix;

“**Cost to Date**” as at a date means the sum of:

- (a) the total amounts paid or payable by Project Co to the Design-Builder under the Design-Build Agreement (including the amount of any holdback required under the *Builders Lien Act* (British Columbia)) for Construction performed by the Design-Builder, as certified by the Independent Certifier as contemplated in Section 3.4 of Schedule 2 [Design and Construction Protocols];
- (b) the total amounts paid or payable by Project Co in respect of SPV Costs, as evidenced by supporting invoices up to the cumulative maximum applicable to that month as set out in Column B of Table 8B-2;
- (c) an amount totalling \$ 4,726,041.49 calculated prior to the Effective Date to reflect an assumption regarding an amount that may be generally described as “interest during construction” (but not necessarily reflecting the total amounts paid or payable by Project Co to Senior Lenders under the Senior Financing Agreements in respect of interest during the Construction Period), up to the cumulative maximum applicable to that month as set out in Column C of Table 8B-2;
- (d) the total amounts paid or payable by Project Co to Senior Lenders under the Senior Financing Agreements in respect of fees during the Construction Period, as evidenced by supporting invoices up to the cumulative maximum applicable to that month as set out in Column D of Table 8B-2; and
- (e) the total amounts paid or payable by Project Co in respect of Proposal Response Costs, up to the cumulative maximum applicable to that month as set out in Column E of Table 8B-2;

“**Lenders’ Technical Advisor**” means the Person appointed by the Senior Lenders from time to time to advise the Senior Lenders on technical matters, including with respect to certain conditions precedent to advances under the Senior Financing Agreements;

“**Proposal Response Costs**” means costs for professional services reasonably and properly incurred in respect of the preparation of the proposal submitted under the request for proposals for the Project prior to the Effective Date and included in the Financial Model;

“**SPV Costs**” means administrative costs reasonably and properly incurred in respect of the management and operations of Project Co;

“**Table 8B-1**” means Table 8B-1 attached to this Appendix; and

“**Table 8B-2**” means Table 8B-2 attached to this Appendix.

## 2. CONSTRUCTION PAYMENT AMOUNTS

The Province will make monthly payments (each a “**Construction Payment**”) to Project Co in accordance with this Appendix. The amount payable by the Province to Project Co as a Construction Payment as at the end of the month indicated in Table 8B-1 will be the amount by which the lesser of:

- (a) the cumulative maximum applicable to that month as set out in Column B of Table 8B-1; and
- (b) 40% of the Cost to Date at the end of that month,

exceeds the total of all Construction Payments previously paid by the Province to Project Co under this Appendix. These payments are intended as funding and to qualify as one of the listed items in paragraph 12(1)(x) of the *Income Tax Act* (Canada).

The sum of all Construction Payments must not exceed \$55,000,000.

## 3. INVOICING AND PAYMENT

Project Co will invoice the Province for Construction Payments at any time after the end of the applicable month and will include with that invoice:

- (a) a certificate of the Independent Certifier certifying (in the manner outlined in Section 3.4 of Schedule 2 [Design and Construction Protocols]) the Cost to Date as at the end of the applicable month;
- (b) the amount of GST payable;
- (c) the amount of any Deductions for that month;
- (d) copies of all certifications (including from the Lender’s Technical Advisor) provided to, and communications from, the Senior Lenders (other than those previously provided under this Appendix) with respect to payments to the Design-Builder for the applicable payment period, the cost to complete the Project, the sufficiency of funds available to Project Co to complete the Project and the likelihood that Service Commencement will be achieved by the Longstop Date;
- (e) a certificate of an officer of Project Co certifying that:
  - (1) Project Co is in compliance with all applicable provisions of the Senior Financing Agreements and the Design-Build Agreement with respect to all payments to the Design-Builder made on or before the date of the invoice;
  - (2) Project Co has taken all steps required under the Senior Financing Agreement to draw the funds required (in addition to the amounts invoiced to the Province) to pay the Design-Builder and knows of no reason why such funds would not be advanced as requested;
  - (3) no default under either the Project Agreement or any of the Senior Financing Agreements has occurred and is continuing, where such default would entitle the Province to terminate the Project Agreement or the Senior Lenders to exercise rights under any of the Senior Financing Agreements;

- (4) Project Co has available to it sufficient funds to complete the Project; and
- (5) the Project can reasonably be expected to achieve Service Commencement by the Longstop Date.

The Province will review each invoice submitted in accordance with this Section 3 of this Appendix within five Business Days and pay the amount approved by the Province within ten Business Days after receipt of the invoice.

#### **4. DEDUCTIONS FROM THE CONSTRUCTION PAYMENT**

Subject to Section 3.1 of Schedule 8, the Province may make Deductions from any Construction Payment.

**Table 8B-1 – Cumulative Maximum Construction Payments, Maximum Additional Construction Payments**

<b>Month<sup>1</sup></b>	<b>Eligible capital costs</b>	<b>Portion of eligible costs applicable for construction period payments</b>	<b>Maximum Construction Payments</b>	<b>Maximum Cumulative Construction Payments</b>
1	19,040,851.73	40%	7,616,340.69	7,616,340.69
2	1,894,813.79	40%	757,925.52	8,374,266.21
3	2,323,186.64	40%	929,274.66	9,303,540.87
4	2,514,754.85	40%	1,005,901.94	10,309,442.81
5	3,508,460.01	40%	1,403,384.00	11,712,826.81
6	3,722,687.67	40%	1,489,075.07	13,201,901.88
7	3,661,335.42	40%	1,464,534.17	14,666,436.05
8	3,869,492.56	40%	1,547,797.02	16,214,233.07
9	3,699,623.36	40%	1,479,849.34	17,694,082.41
10	3,863,294.27	40%	1,545,317.71	19,239,400.12
11	3,883,220.15	40%	1,553,288.06	20,792,688.18
12	4,026,375.05	40%	1,610,550.02	22,403,238.21
13	4,561,118.28	40%	1,824,447.31	24,227,685.52
14	4,536,944.01	40%	1,814,777.60	26,042,463.12
15	5,559,995.63	40%	2,223,998.25	28,266,461.37
16	5,047,179.17	40%	2,018,871.67	30,285,333.04
17	4,967,440.19	40%	1,986,976.08	32,272,309.12
18	6,070,182.59	40%	2,428,073.04	34,700,382.15
19	5,469,900.73	40%	2,187,960.29	36,888,342.44
20	5,423,960.27	40%	2,169,584.11	39,057,926.55
21	5,587,934.52	40%	2,235,173.81	41,293,100.36

<sup>1</sup> number of months after Financial Close, month 1 being June 2018

<b>Month<sup>1</sup></b>	<b>Eligible capital costs</b>	<b>Portion of eligible costs applicable for construction period payments</b>	<b>Maximum Construction Payments</b>	<b>Maximum Cumulative Construction Payments</b>
22	5,958,344.57	40%	2,383,337.83	43,676,438.19
23	5,251,994.52	40%	2,100,797.81	45,777,236.00
24	5,678,988.27	40%	2,271,595.31	48,048,831.30
25	5,126,457.72	40%	2,050,583.09	50,099,414.39
26	3,435,511.05	40%	1,374,204.42	51,473,618.81
27	2,561,896.00	40%	1,024,758.40	52,498,377.21
28	2,631,383.13	40%	1,052,553.25	53,550,930.47
29	-	40%	0.00	53,550,930.47

**Table 8B-2 – Cumulative Maximum - SPV Costs, Interest during Construction Period, Fees during Construction Period and Proposal Response Costs**

A	B	C	D	E
Month <sup>2</sup>	Cumulative Maximum SPV Costs	Cumulative Maximum Interest during Construction Period	Cumulative Maximum Fees during Construction Period	Cumulative Maximum Proposal Response Costs
1	\$172,083.33	\$59,242.88	\$1,914,109.60	\$14,842,320.39
2	\$217,916.67	\$118,485.76	\$1,923,240.34	\$14,842,320.39
3	\$263,750.00	\$177,728.64	\$1,932,371.09	\$14,842,320.39
4	\$365,833.33	\$236,971.52	\$1,941,501.83	\$14,842,320.39
5	\$411,666.67	\$296,214.40	\$1,950,632.58	\$14,842,320.39
6	\$457,500.00	\$355,457.28	\$1,959,763.33	\$14,842,320.39
7	\$559,583.33	\$414,700.16	\$1,968,894.07	\$14,842,320.39
8	\$605,416.67	\$473,943.03	\$1,978,024.82	\$14,842,320.39
9	\$651,250.00	\$533,185.91	\$1,987,155.56	\$14,842,320.39
10	\$753,333.33	\$592,428.79	\$1,996,286.31	\$14,842,320.39
11	\$799,166.67	\$785,473.28	\$2,005,417.05	\$14,842,320.39
12	\$845,000.00	\$978,517.76	\$2,014,547.80	\$14,842,320.39
13	\$1,017,083.33	\$1,171,562.24	\$2,023,678.54	\$14,842,320.39
14	\$1,062,916.67	\$1,364,606.73	\$2,032,809.29	\$14,842,320.39
15	\$1,108,750.00	\$1,557,651.21	\$2,041,940.03	\$14,842,320.39
16	\$1,210,833.33	\$1,750,695.69	\$2,051,070.78	\$14,842,320.39
17	\$1,256,666.67	\$1,943,740.18	\$2,060,201.52	\$14,842,320.39
18	\$1,302,500.00	\$2,136,784.66	\$2,069,332.27	\$14,842,320.39
19	\$1,404,583.33	\$2,329,829.14	\$2,078,463.01	\$14,842,320.39
20	\$1,450,416.67	\$2,522,873.63	\$2,087,593.76	\$14,842,320.39
21	\$1,496,250.00	\$2,715,918.11	\$2,096,724.50	\$14,842,320.39
22	\$1,598,333.33	\$2,908,962.59	\$2,105,855.25	\$14,842,320.39
23	\$1,644,166.67	\$3,211,809.08	\$2,114,985.99	\$14,842,320.39
24	\$1,690,000.00	\$3,514,655.56	\$2,124,116.74	\$14,842,320.39
25	\$1,815,416.67	\$3,817,502.04	\$2,133,247.48	\$14,842,320.39
26	\$1,861,250.00	\$4,120,348.52	\$2,142,378.23	\$14,842,320.39
27	\$1,907,083.33	\$4,423,195.01	\$2,150,454.63	\$14,842,320.39
28	\$3,789,166.67	\$4,726,041.49	\$2,150,454.63	\$14,842,320.39

<sup>2</sup> number of months after Financial Close, month 1 being June

**APPENDIX 8C**  
**UTILITY PAYMENTS**

APPENDIX 8D

LIFE CYCLE PAYMENT

Contract Month	Life Cycle Payment (as of Base Date, Index linked)
1	0.00
2	0.00
3	0.00
4	0.00
5	0.00
6	0.00
7	0.00
8	0.00
9	0.00
10	0.00
11	0.00
12	0.00
13	9,607.38
14	9,607.38
15	9,607.38
16	9,607.38
17	9,607.38
18	9,607.38
19	9,607.38
20	9,607.38
21	9,607.38
22	9,607.38
23	9,607.38
24	9,607.38
25	10,412.07
26	10,412.07
27	10,412.07
28	10,412.07
29	10,412.07
30	10,412.07
31	10,412.07
32	10,412.07
33	10,412.07
34	10,412.07
35	10,412.07
36	10,412.07
37	10,175.99

<b>Contract Month</b>	<b>Life Cycle Payment (as of Base Date, Index linked)</b>
38	10,175.99
39	10,175.99
40	10,175.99
41	10,175.99
42	10,175.99
43	10,175.99
44	10,175.99
45	10,175.99
46	10,175.99
47	10,175.99
48	10,175.99
49	8,451.28
50	8,451.28
51	8,451.28
52	8,451.28
53	8,451.28
54	8,451.28
55	8,451.28
56	8,451.28
57	8,451.28
58	8,451.28
59	8,451.28
60	8,451.28
61	48,276.39
62	48,276.39
63	48,276.39
64	48,276.39
65	48,276.39
66	48,276.39
67	48,276.39
68	48,276.39
69	48,276.39
70	48,276.39
71	48,276.39
72	48,276.39
73	31,224.54
74	31,224.54
75	31,224.54
76	31,224.54
77	31,224.54
78	31,224.54
79	31,224.54

<b>Contract Month</b>	<b>Life Cycle Payment (as of Base Date, Index linked)</b>
80	31,224.54
81	31,224.54
82	31,224.54
83	31,224.54
84	31,224.54
85	40,592.61
86	40,592.61
87	40,592.61
88	40,592.61
89	40,592.61
90	40,592.61
91	40,592.61
92	40,592.61
93	40,592.61
94	40,592.61
95	40,592.61
96	40,592.61
97	39,242.16
98	39,242.16
99	39,242.16
100	39,242.16
101	39,242.16
102	39,242.16
103	39,242.16
104	39,242.16
105	39,242.16
106	39,242.16
107	39,242.16
108	39,242.16
109	90,824.30
110	90,824.30
111	90,824.30
112	90,824.30
113	90,824.30
114	90,824.30
115	90,824.30
116	90,824.30
117	90,824.30
118	90,824.30
119	90,824.30
120	90,824.30
121	155,648.74

<b>Contract Month</b>	<b>Life Cycle Payment (as of Base Date, Index linked)</b>
122	155,648.74
123	155,648.74
124	155,648.74
125	155,648.74
126	155,648.74
127	155,648.74
128	155,648.74
129	155,648.74
130	155,648.74
131	155,648.74
132	155,648.74
133	66,018.38
134	66,018.38
135	66,018.38
136	66,018.38
137	66,018.38
138	66,018.38
139	66,018.38
140	66,018.38
141	66,018.38
142	66,018.38
143	66,018.38
144	66,018.38
145	176,125.54
146	176,125.54
147	176,125.54
148	176,125.54
149	176,125.54
150	176,125.54
151	176,125.54
152	176,125.54
153	176,125.54
154	176,125.54
155	176,125.54
156	176,125.54
157	30,211.24
158	30,211.24
159	30,211.24
160	30,211.24
161	30,211.24
162	30,211.24
163	30,211.24

<b>Contract Month</b>	<b>Life Cycle Payment (as of Base Date, Index linked)</b>
164	30,211.24
165	30,211.24
166	30,211.24
167	30,211.24
168	30,211.24
169	86,806.14
170	86,806.14
171	86,806.14
172	86,806.14
173	86,806.14
174	86,806.14
175	86,806.14
176	86,806.14
177	86,806.14
178	86,806.14
179	86,806.14
180	86,806.14
181	149,759.25
182	149,759.25
183	149,759.25
184	149,759.25
185	149,759.25
186	149,759.25
187	149,759.25
188	149,759.25
189	149,759.25
190	149,759.25
191	149,759.25
192	149,759.25
193	40,697.60
194	40,697.60
195	40,697.60
196	40,697.60
197	40,697.60
198	40,697.60
199	40,697.60
200	40,697.60
201	40,697.60
202	40,697.60
203	40,697.60
204	40,697.60
205	95,025.34

<b>Contract Month</b>	<b>Life Cycle Payment (as of Base Date, Index linked)</b>
206	95,025.34
207	95,025.34
208	95,025.34
209	95,025.34
210	95,025.34
211	95,025.34
212	95,025.34
213	95,025.34
214	95,025.34
215	95,025.34
216	95,025.34
217	132,863.65
218	132,863.65
219	132,863.65
220	132,863.65
221	132,863.65
222	132,863.65
223	132,863.65
224	132,863.65
225	132,863.65
226	132,863.65
227	132,863.65
228	132,863.65
229	85,320.21
230	85,320.21
231	85,320.21
232	85,320.21
233	85,320.21
234	85,320.21
235	85,320.21
236	85,320.21
237	85,320.21
238	85,320.21
239	85,320.21
240	85,320.21
241	209,767.53
242	209,767.53
243	209,767.53
244	209,767.53
245	209,767.53
246	209,767.53
247	209,767.53

<b>Contract Month</b>	<b>Life Cycle Payment (as of Base Date, Index linked)</b>
248	209,767.53
249	209,767.53
250	209,767.53
251	209,767.53
252	209,767.53
253	112,542.21
254	112,542.21
255	112,542.21
256	112,542.21
257	112,542.21
258	112,542.21
259	112,542.21
260	112,542.21
261	112,542.21
262	112,542.21
263	112,542.21
264	112,542.21
265	101,747.98
266	101,747.98
267	101,747.98
268	101,747.98
269	101,747.98
270	101,747.98
271	101,747.98
272	101,747.98
273	101,747.98
274	101,747.98
275	101,747.98
276	101,747.98
277	60,809.81
278	60,809.81
279	60,809.81
280	60,809.81
281	60,809.81
282	60,809.81
283	60,809.81
284	60,809.81
285	60,809.81
286	60,809.81
287	60,809.81
288	60,809.81
289	56,215.97

<b>Contract Month</b>	<b>Life Cycle Payment (as of Base Date, Index linked)</b>
290	56,215.97
291	56,215.97
292	56,215.97
293	56,215.97
294	56,215.97
295	56,215.97
296	56,215.97
297	56,215.97
298	56,215.97
299	56,215.97
300	56,215.97
301	80,125.50
302	80,125.50
303	80,125.50
304	80,125.50
305	80,125.50
306	80,125.50
307	80,125.50
308	80,125.50
309	80,125.50
310	80,125.50
311	80,125.50
312	80,125.50
313	10,543.46
314	10,543.46
315	10,543.46
316	10,543.46
317	10,543.46
318	10,543.46
319	10,543.46
320	10,543.46
321	10,543.46
322	10,543.46
323	10,543.46
324	10,543.46
325	60,270.39
326	60,270.39
327	60,270.39
328	60,270.39
329	60,270.39
330	60,270.39
331	60,270.39

<b>Contract Month</b>	<b>Life Cycle Payment (as of Base Date, Index linked)</b>
332	60,270.39
333	60,270.39
334	60,270.39
335	60,270.39
336	60,270.39
337	63,226.10
338	63,226.10
339	63,226.10
340	63,226.10
341	63,226.10
342	63,226.10
343	63,226.10
344	63,226.10
345	63,226.10
346	63,226.10
347	63,226.10
348	63,226.10
349	7,646.60
350	7,646.60
351	7,646.60
352	7,646.60
353	7,646.60
354	7,646.60
355	7,646.60
356	7,646.60
357	7,646.60
358	7,646.60
359	7,646.60
360	7,646.60