



1. **Contract Interpretation, Order of Precedence.** The following documents, in order of precedence, shall form the contract (the “**Contract**”) between Canadian Nuclear Laboratories Ltd. (“**CNL**”) and the service provider set out on the Purchase Order (the “**Consultant**”, and together with CNL the “**Parties**”): (1) these terms and conditions (“**Terms**”); (2) the accompanying purchase order (“**Purchase Order**”); (3) any documents (except a Consultant proposal) referenced in the Purchase Order; (4) any other attached appendices; and (5) the Consultant proposal, if attached. Any conflict or inconsistency between the provisions of the Contract shall be resolved in the order of precedence in which they are listed above. Inclusion of a Consultant proposal in the Contract is limited to incorporating the descriptions and specifications contained therein and only to the extent they do not conflict with the prior descriptions and specifications set out in the Contract. The Consultant shall be deemed to have accepted this Contract by commencing performance of the Contract, in whole or in part, or by communicating its acceptance of same to CNL.

2. **Performance of the Services.** The Consultant agrees to supply those services identified in the Purchase Order, or arising as a result of or in relation to provision thereof (the “**Services**”), in accordance with this Contract. The Services to be provided, and any deliverables identified in the Purchase Order or arising as a result of or in relation to supply or performance thereof (the “**Deliverables**”), shall only be accepted by CNL where such Services conform in all material respects to the specifications set out in the Contract (the “**Specifications**”).

3. **Standards of Performance.** The Consultant shall perform all Services:

- (a) in compliance with all applicable laws, orders, regulations, ordinances, standards, codes, guidelines and other rules of all lawful authorities and applicable regulatory bodies (“**Applicable Law**”), and shall comply with all CNL policies and guidelines, including CNL’s Supplier Code of Conduct available at http://www.cnl.ca/en/home/vendor_portal/references.aspx (the “**Vendor Portal**”).
- (b) exercising the degree of professionalism, skill, diligence, care, prudence, judgment, and integrity which would reasonably be expected from a skilled and experienced Consultant providing services under the same or similar circumstances as the Services under this Contract, and
- (c) using only personnel with the skills, training, expertise, and qualifications necessary to carry out the Services.

4. **Qualifications and Key Personnel.** The Consultant shall ensure it provides any key personnel identified in the Consultant’s proposal or this Contract, or a replacement person acceptable to CNL. Replacement persons must, at minimum, have relevant qualifications and experience as good as the key personnel to be replaced. CNL may object to any Consultant personnel engaged in the performance of Services who, in the reasonable opinion of CNL, are lacking appropriate skills or qualifications, engage in misconduct, constitute a safety risk or hazard, or are incompetent or negligent. Replacement personnel will be provided expeditiously and must be acceptable to CNL.

5. **Time.** The Consultant shall perform its obligations under the Contract in accordance with the schedule in the Contract. While CNL recognizes that it must provide the information, input level of staffing, and decision-making required in the Specifications in order for the Consultant to complete the Services, the Consultant shall remain obligated to request, document, and assist in obtaining such input from CNL, including ongoing communication respecting CNL’s input, key tasks, and timing of same.

6. **Notice and Communication.** Any notices or other communications required under this Contract (“**Notice**”) shall be in writing, be delivered by courier, email, or personal delivery, and be addressed to the other Party as set out on the Purchase Order or such other address as the Party may give

Notice of under this Section. A copy of any Notice to CNL regarding a dispute or breach under this Contract shall be delivered to the attention of CNL Legal & Insurance, 286 Plant Road, Chalk River, ON. “**Business Day**” means any day other than Saturday, Sunday, or a holiday observed by receiving party or a day on which receiving party’s offices are not open for business, and ends at 5:00 p.m. Eastern Standard Time. If sent by courier or personal delivery, delivery of the Notice shall be effective on the date of receipt (if delivered on a non-Business Day of the recipient, the next Business Day). If sent by email, delivery of the Notice shall be effective on the date sent (if sent on a non-Business Day of the recipient, the next Business Day).

7. **Changes to the Services.** CNL may make changes to the scope of the Services by way of a change order issued by CNL provided such change is agreed to in writing by the Consultant. The form of the change order is available in the Vendor Portal.

8. **Confidentiality.** The Consultant shall keep all information, in whatever form, provided by CNL or developed hereunder (the “**Confidential Information**”), in strict confidence, and use it solely for the purposes of carrying out its obligations under this Contract. The obligations of the Consultant with respect to any particular portion of the Confidential Information shall not extend to Confidential Information that was in the public domain at the time it was disclosed or becomes part of the public domain after disclosure, was known to the Consultant at the time of the disclosure or becomes known to the Consultant without breach of this confidentiality obligation, or is rightfully obtained from third parties.

9. **Privacy.** The Consultant shall comply with the requirements of the *Privacy Act*, as if the act applied to the Consultant.

10. **Intellectual Property Rights.** Any intellectual property and proprietary rights, whether registered or unregistered, domestic and foreign (including patent, trademark, copyright or industrial design) which are first produced under this Contract (the “**Intellectual Property Rights**”), in and to each Deliverable, shall vest in CNL free and clear of all liens and encumbrances on receipt of payment by the Consultant for each Deliverable subject to any proprietary and background intellectual property of Consultant, including proprietary copyrights, patents, trade secrets, software, ideas and knowhow, tools, models, processes, methodologies, and techniques originated or developed by the Consultant or purchased or licensed by the Consultant (the “**Background Intellectual Property**”). To the extent that any Deliverables contain any Background Intellectual Property, the Consultant hereby grants to CNL a worldwide, royalty-free, non-exclusive, perpetual license to use and distribute such intellectual property as part of the Deliverables. In the event that any Services provided by the Consultant to CNL are subject to a claim or allegation of infringement of Intellectual Property Rights of a third party, the Consultant shall, at its own option and expense, without prejudice to any other right or remedy of CNL, promptly provide CNL with a commercially reasonable alternative, including the procurement for CNL of the right to continue using the Services in question, the replacement of such Services with a non-infringing alternative satisfactory to CNL, or the modification of such Services (without affecting functionality) to render them non-infringing.

11. **Limitation of Liability.** Neither party shall be liable to the other party for any indirect, incidental, consequential losses or damages, of any nature, arising at any time, including any lost profits, data, goodwill, or business opportunity for any matter relating to this Contract.

12. **Cumulative Remedies.** The rights and remedies of CNL under this Contract are cumulative, in addition to, and not a limit on or substitution for any rights or remedies that may be available to CNL in law, equity, the Contract, or otherwise.

13. **Set off and Repayment.** CNL has the right to set-off against the balance due or to become due to the Consultant under the Contract any reasonable and substantiated amounts due or to become due from the Consultant to CNL.

14. **Insurance.** The Consultant represents and warrants to CNL that it has in place with reputable insurers such insurance policies for coverages and amounts that would be maintained by a prudent Consultant supplying a similar scope and magnitude of services to be provided hereunder. In addition, the Consultant will take out and maintain, at its own cost, such insurance policies and coverages as may be reasonably required by CNL from time to time, with CNL and its designates as additional insureds. The Consultant will promptly deliver to CNL, as and when requested, written proof of such insurance. Such insurance may not be cancelled or materially changed so as to affect the coverage provided under this Contract without providing at least thirty (30) days prior Notice to CNL.

15. **Audit.** The Consultant will maintain and retain for the longer of two (2) years after the supply of any Services under this Contract, or until the final resolution of any outstanding dispute between CNL and the Consultant, all internal books and records pertaining to the Services in sufficient detail and condition to permit inspection, review, and/or audit of such books and records by CNL, AECL, or either of their authorized representatives. CNL or AECL and their authorized representatives shall have the right to conduct such inspection, review, and/or audit of such books and records upon five (5) days' Notice to the Consultant.

16. **Subcontracting and Assignment.** The Consultant may not assign or subcontract any of its rights or obligations under this Contract, in whole or in part, without CNL's prior written consent. Any assignment in violation of this Section is void and of no effect. The Consultant's permitted assignment or subcontracting of any part or all of this Contract will not release the Consultant of its obligations hereunder. CNL may assign this Contract, in whole or in part, or any of its rights or obligations hereunder, upon Notice to the Consultant. This Contract shall enure to the benefit of, and be binding upon, the parties and their respective legal personal representatives, heirs, executors, administrators, assigns, or successors.

17. **Independent Consultants.** The Consultant is, and shall remain at all times, an independent Consultant in connection with the Contract and the Consultant is not, and shall not represent the Consultant to be, an agent, joint-venturer, partner, employee, or representative of CNL.

18. **Use of Name.** Neither the Consultant nor any representatives of the Consultant shall utilize the name or trade-marks of CNL or any of its affiliates in any communications, including any customer lists, without the express prior written authorization of CNL.

19. **Site Requirements.** If the Services are to be performed on CNL property, the Consultant will comply with CNL's Special Conditions for the applicable CNL property available in the Vendor Portal. The Consultant will at all times follow the instruction and direction of all CNL staff.

20. **Pricing:** Prices for the Services shall be set out in the Purchase Order. Unless otherwise specified in the Purchase Order, payment will be made only in Canadian funds. Price increases or charges not expressly set out in the Purchase Order shall not be effective unless agreed to in advance in writing by CNL. If expressly permitted in the Purchase Order, the Consultant may claim reasonable and permitted travel and incidental expenses. All claimed expenses must comply with CNL's expense policy.

21. **Taxes.** Unless otherwise stated in a Purchase Order, all prices or other payments stated in the Purchase Order are exclusive of any taxes.

22. **Invoicing and Payment.**

- (a) The Consultant will issue invoices as set out in the payment schedule, if applicable, or monthly. All invoices will be issued no later than 90 days after completion of the Services and the Consultant is deemed to have waived all charges and fees not invoiced within such 90 days. All invoices delivered by the Consultant must meet CNL's requirements, and at a minimum provide:
 - (i) The applicable Purchase Order number;
 - (ii) Description of the Services performed, including reference to the applicable Purchase Order line item and dollar amount in accordance with the Purchase Order line item value(s);
 - (iii) any taxes payable by CNL, shown as separate items; and

- (iv) the Consultant's GST Registration Number.

- (b) All invoices and supporting documentation must be sent via email to payables@cnl.ca as a PDF attachment. All emails must contain the Purchase Order number and invoice number(s) in the subject line of the email, with each attached PDF named by Purchase Order number and invoice number(s).
- (c) Multiple invoices in one PDF will be accepted provided all the invoices are associated with the same Purchase Order number. PDF's including invoices belonging to multiple Purchase Order numbers may be returned and not processed for payment.
- (d) General enquiries regarding invoicing may be sent to: payables@cnl.ca or by telephone at: 613-584 8276
- (e) Undisputed invoices will be payable within thirty (30) days following the date of CNL's receipt of a complete invoice. Each invoice will be subject to verification by CNL. CNL shall have the right to withhold payments due to the Consultant hereunder and apply same to the payment of any obligations of the Consultant to CNL. Such withholding of disputed amounts shall not be deemed a breach of this Contract nor shall any interest be charged on such amounts.
- (f) CNL will provide the Consultant with Notice of any disputed invoice, or portion thereof, which shall indicate the amount withheld and the reason for withholding payment. Any undisputed portion of an invoice shall be paid in accordance with subsection (e) above. The Parties will negotiate in good faith and discuss any disputed amount. The Parties agree that the Consultant may be paid in accordance with any further written agreement between the Parties regarding the amount to be paid in satisfaction of the Consultant's claim. The payment of any invoice shall not prejudice CNL's right to dispute such invoice.
- (g) Final payment to the Consultant shall not relieve the Consultant of any of its obligations or liabilities under this Contract.

23. **Termination.** Without prejudice to any other right or remedy the non-defaulting party may have hereunder:

- (a) If either party should be adjudged bankrupt, make a general assignment for the benefit of creditors because of insolvency, or if a receiver is appointed because of their insolvency, the other party may, by Notice to the insolvent party or its receiver or trustee in bankruptcy, terminate the Contract.
- (b) If the Consultant fails or neglects to prosecute the Services diligently, CNL may Notify the Consultant in writing that the Consultant is in default of the Contract and instruct the Consultant to correct the default within ten (10) days immediately following the receipt of such Notice. If the Consultant fails to correct the default, then CNL may:
 - (i) correct such default and deduct the cost thereof from any payment then or thereafter due to the Consultant or otherwise withheld by CNL, or
 - (ii) upon Notice to the Consultant, terminate the Contract.
- (c) Notwithstanding anything in this Contract, CNL may terminate the Contract at any time, for any reason, for its convenience and without liability or obligation to the Consultant whatsoever, by providing Notice of such termination to the Consultant. In such event, CNL shall pay for the Services performed up to the date of termination, together with any demobilization costs, and for such other reasonable additional costs (if any) incurred by the Consultant as a result of such termination. CNL shall not be liable to the Consultant for any other costs or damages whatsoever arising from such termination of the Contract, including consequential damages.
- (d) Upon Notice of termination, the Consultant shall stop performing the Services on the date set out in the termination Notice and shall immediately cease incurring additional expenses in connection with the Services unless otherwise agreed to in writing by CNL. The Consultant shall promptly provide to CNL the Deliverables resulting from the Services to the date of

termination, and return to CNL all CNL property which had been entrusted to it including, but not limited to, trade secrets of CNL, keys, instruments, computers, files, client lists, documents, computer printouts, software, records, drawings, materials, papers, electronic information, etc.

24. **Suspension.** CNL may suspend the Services upon Notice to the Consultant. If the Services are suspended or otherwise delayed for a period of sixty (60) consecutive days or more and providing that such suspension or delay is not the result of an act or default of the Consultant, the Consultant may, by Notice to CNL and without prejudice to any other right or remedy the Consultant may have, terminate the Contract. In such circumstances, the Consultant shall be entitled to be paid for the Services completed to the date of termination and such reasonable costs as the Consultant has incurred during the period of suspension or delay.

25. **Force Majeure.** Neither Party shall be deemed to be in breach of this Contract where its failure to perform, or its delay in performing any obligation, is due wholly, or in part, to a cause beyond its reasonable control including, but not limited to, an act of God, an act of any national, civil, or military authority, governmental priorities, civil commotion, war, strikes, lockouts and other labour disputes, fires, floods, sabotage, earthquake, storm, or epidemic ("**Event of Force Majeure**"). Each of the Parties shall promptly Notify the other of any impacts due to an Event of Force Majeure with an estimate as soon as practicable of the revised timing. The time for performing shall be extended for a period at least equal to the duration of the Event of Force Majeure. When the performance of an obligation is delayed by at least 30 days, and the Parties have not agreed upon a revised basis for performing the obligation, including adjustment of payments, then either Party may terminate this Contract. In such case, where one Party to this Contract has obtained a valuable benefit, by reason of the performance by the other Party of any or all of its obligations under this Contract, the other Party shall be entitled to recover, if it has not already done so, an amount equivalent to the value of the benefit so obtained.

26. **Severability.** If, in any jurisdiction, any provision of this Contract or its application to any party or circumstance is restricted, prohibited, or unenforceable, the provision shall, as to that jurisdiction, be ineffective only to the extent of the restriction, prohibition, or unenforceability without invalidating the remaining provisions of this Contract, affecting the validity or

enforceability of such provision in any other jurisdiction, or affecting its application to other parties or circumstances.

27. **Non-Waiver.** Failure or delay by either Party to exercise any of its rights, power, or remedies hereunder does not constitute a waiver of those rights, powers, or remedies. The single or partial exercise of a right, power, or remedy does not prevent its subsequent exercise or the exercise of any other right, power, or remedy.

28. **Survival.** Except as otherwise provided in the Contract, termination of this Contract shall be without prejudice to, and shall not affect, the representations, warranties, and indemnities of the Consultant under this Contract. Any provision of this Contract which expressly or by implication from its nature is intended to survive the termination or completion of the Contract will continue in full force and effect after any termination, expiry, or completion of this Contract.

29. **Interpretation.** The headings used in this Contract and its division into articles, sections, schedules, exhibits, appendices, and other subdivisions do not affect its interpretation. Unless the context requires otherwise, words importing the singular number include the plural and vice versa, and words importing gender include all genders. References in this Contract to articles, sections, schedules, exhibits, appendices, and other subdivisions are to those parts of this Contract. Where this Contract uses the word "including," it means "including without limitation," and where it uses the word "includes," it means "includes without limitation."

30. **Governing Law and Attornment.** This Contract is exclusively governed by, and will be construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. Conflict of laws, principles, or rules that would impose the laws of any jurisdiction other than the laws of Ontario (or Canada where applicable) on the construction of this Contract shall be excluded. The Parties attorn to the exclusive jurisdiction of the Ontario courts with respect to any matter arising under the Contract.

31. **Entire Agreement.** The Contract forms the entire agreement of the Parties in respect of the Services. CNL shall not be bound by any terms proposed in the Consultant's proposal, invoice or other form of document which add to, vary from, or conflict with the Contract Terms.