



CNL STANDARD TERMS & CONDITIONS FOR PROVISION OF SERVICES (Rev.0)

UNRESTRICTED

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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 "Contractor", and together with CNL the "Parties"): (1) these terms and conditions ("Terms"); (2) the accompanying purchase order ("Purchase Order"); (3) any documents (except a Contractor proposal) referenced in the Purchase Order; (4) any other attached appendices; and (5) the Contractor 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 Contractor 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 Contractor 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 Contractor 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. Where the context requires, the word "Services" is to be read as including goods provided as part of or incidental to the Services. 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 Contractor 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 Contractor providing services under the same or similar circumstances as the Services under this Contract, and
 - (c) in a safe and workmanlike manner, using only personnel with the skills, training, expertise, and qualifications necessary to carry out the Services, and in a manner that minimises interference with other CNL activities and property.
4. **Permits and Licensing.** The Contractor shall obtain all applicable permits, licences, exemptions, consents, and approvals required for the Contractor to manufacture and deliver the Services.
5. **Qualifications and Key Personnel.** The Contractor shall ensure it provides any key personnel identified in the Contractor's proposal or this Contract or a replacement person acceptable to CNL. Replacement persons must, at a minimum, have relevant qualifications and experience that is as good as the key personnel to be replaced. CNL may object to any of the Contractor's personnel engaged in the performance of Services who, in the reasonable opinion of CNL, are lacking in 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.
6. **Time.** The Contractor shall perform its obligations under the Contract in accordance with the schedule in the Contract.
7. **Notice and Communication.** Any notices or other communications required under this Contract ("Notice") shall be in writing and delivered by courier, email, or personal delivery, 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).
8. **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 Contractor. The form of the change order is available in the Vendor Portal.
9. **Inspection and Acceptance.**
 - (a) CNL, or its designate, may inspect the Services at any time. CNL may reject any materially non-conforming Services under this Contract. No actions or inactions in accordance with this Section shall constitute acceptance by CNL of any Services. Except as otherwise specified in the Purchase Order, CNL has ten (10) days from completion of the provision of Services (the "Acceptance Period") to reject, in whole or in part, the provision of Services by issuing a written Notice of rejection to the Contractor failing which acceptance is deemed.
 - (b) Rejection of the Services by CNL within the Acceptance Period, or failure by the Contractor to provide the Services in accordance with the Contract schedule, including any delivery dates and deadlines, other than for reasons beyond the reasonable control of the Contractor, will entitle CNL, without liability and in addition to any other rights and remedies provided by law, to any one or a combination of the following remedies: return of and prompt replacement of any rejected materials provided in conjunction with the Services, re-performance of the rejected Services, or both, at the Contractor's expense; and/or termination of the Contract by Notice. CNL is not liable for any charges for rejected Materials returned to the Contractor pursuant to this section
 - (c) If the Contractor failed to correct or remedy a breach in the provision of the Services, the Contractor shall pay to CNL, immediately upon demand, an amount equal to all costs, charges, expenses, and damages incurred or sustained by CNL by reason of such breach. Acceptance, deemed or otherwise, shall not constitute compliance with the Contract.
10. **Confidentiality.** The Contractor 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.
11. **Privacy.** The Contractor shall comply with the requirements of the *Privacy Act*, as if the act applied to the Contractor.
12. **Intellectual Property Rights.** To the extent that any Deliverables contain any intellectual property of the Contractor, the Contractor hereby grants to CNL a worldwide, royalty-free, non-exclusive, perpetual license to use, copy, modify, and distribute such intellectual property as part of the Services. In the event that any Services provided by the Contractor to CNL are subject to a

claim or allegation of infringement of Intellectual Property Rights of a third party, the Contractor 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.

13. **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.

14. **Service Warranty.** The Contractor warrants the Services to be in compliance with the requirements of this Contract and free from defects, including in materials and workmanship. The Contractor shall re-perform any defective part of the Services that occurs due to inadequate or faulty materials or workmanship or the Contractor's erroneous instructions. The warranties set forth in this Section are exclusive and are in lieu of all other warranties, performance guarantees, and conditions whether written or oral, statutory, express or implied (including all warranties and conditions of merchantability, fitness for a particular purpose and all warranties and conditions arising from course of dealing or usage or trade). Correction of nonconformities in the manner provided above shall constitute the Contractor's sole liability and CNL's exclusive remedy for defective or nonconforming Services whether claims of CNL are based in contract (including fundamental breach), tort (including negligence and strict liability), or otherwise.

15. **Manufacturer Warranties.** The Contractor shall assign to CNL all manufacturer's warranties for goods not manufactured by or for the Contractor and shall take all necessary steps as required by such third-party manufacturers to effect assignment of such warranties to CNL.

16. **Warranty Remedies.** In the event of breach of any of the warranties in herein, and without prejudice to any other right or remedy available to CNL, the Contractor will, at CNL's option and the Contractor's expense, refund the purchase price for, or correct, repair, or replace, the affected Services, or re-perform the affected Services, within ten (10) days after Notice by CNL to the Contractor of warranty breach. Warranty work may include the Contractor travelling to the Site to perform such warranty servicing. If the Contractor fails to correct, repair, replace, or re-perform the affected Services, CNL may correct, repair, replace, or re-perform the Services with similar Services. CNL will charge the Contractor, or make an equitable adjustment to the price of this Contract, for any related cost incurred by CNL. All associated costs, including costs of re-performance, costs to inspect, and costs to transport the Services from CNL to Contractor, will be borne by the Contractor.

17. **Cumulative Remedies.** The rights and remedies of CNL under this Contract are cumulative and in addition to and not in substitution for any rights or remedies that may be available to CNL at law, in equity, or otherwise. Nothing set out herein shall limit any remedy that CNL may otherwise have in law or equity.

18. **Set off and Repayment.** Without limiting any other rights or remedies available to CNL under the Contract, CNL has the right to set-off against the balance due or to become due to the Contractor under the Contract any reasonable and substantiated amounts due or to become due from the Contractor to CNL.

19. **Insurance.** The Contractor 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 Contractor supplying a similar scope and magnitude of services to be provided hereunder. In addition, the Contractor 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 Contractor 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 written Notice to CNL.

20. **Workers' Compensation.** The Contractor shall be, at all times, registered with the workplace safety and insurance board under the applicable provincial workplace safety and insurance legislation and shall maintain its workers'

compensation accounts in good standing, pay all applicable dues, assessments and fees, and provide CNL with evidence of good standing upon request.

21. **Audit.** The Contractor 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 Contractor, 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 Contractor.

22. **Subcontracting and Assignment.** The Contractor 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 Contractor's permitted assignment or subcontracting of any part or all of this Contract will not release the Contractor 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 Contractor. 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.

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

24. **Use of Name.** Neither the Contractor nor any representatives of the Contractor 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.

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

26. **Pricing.** Prices for the Services shall be set out in the Purchase Order. Unless otherwise specified in the Purchase Order, all amount payable hereunder are expressed in and 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 Contractor may claim reasonable and permitted travel and incidental expenses. All claimed expenses must comply with CNL's expense policy.

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

28. **Invoicing and Payment.**

- (a) The Contractor 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 Contractor is deemed to have waived all charges and fees not invoiced within such 90 days. All invoices delivered by the Contractor 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 Contractor'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 Contractor with written 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 **Error! Reference source not found.** above. The Parties will negotiate in good faith and discuss any disputed amount. The Parties agree that the Contractor may be paid in accordance with any further written agreement between the Parties regarding the amount to be paid in satisfaction of the Contractor's claim. The payment of any invoice shall not prejudice CNL's right to dispute such invoice.
- (g) Final payment to the Contractor shall not relieve the Contractor of any of its obligations or liabilities under this Contract.
29. **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 Contractor fails or neglects to prosecute the Services diligently, CNL may Notify the Contractor that the Contractor is in default of the Contract and instruct the Contractor to correct the default within ten (10) days immediately following the receipt of such Notice.
- (c) If the Contractor fails to correct the default, then CNL may:
- correct such default and deduct the cost thereof from any payment, then or thereafter, due to the Contractor or otherwise withheld by CNL, or
 - upon Notice to the Contractor, terminate the Contract.
- (d) If CNL terminates the Contract, CNL shall be entitled to:
- take possession of the Services subject to the rights of third parties, utilize the Contractor's equipment, and finish the Services by whatever method CNL may consider expedient;
 - pay to the Contractor fair compensation, either by purchase or rental, for any equipment retained by CNL for use in performing the Services; and
 - charge the Contractor the reasonable costs of completing the Services including any costs of rectifying defects in the Services and, if set-off against the price hereunder is insufficient, shall be a debt from the Contractor to CNL.
- (e) 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 Contractor whatsoever by providing Notice of such termination to the Contractor. In such event, CNL shall pay for the Services performed up to the date of termination, together with any reasonable demobilization costs, and for such other reasonable additional costs (if any) incurred by the Contractor as a result of such termination. CNL shall not be liable to the Contractor for any other costs or damages whatsoever arising from such termination of the Contract including consequential damages.
- (f) Upon Notice of termination, the Contractor 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 Contractor shall promptly return to CNL all CNL property which had been entrusted to it including trade secrets of CNL, keys, instruments, equipment, inventory, tools devices, computers, files, client lists, documents, computer printouts, software, records, drawings, materials, papers, electronic information, etc.
30. **Suspension.** CNL may suspend the Services upon Notice to the Contractor. If the Services are suspended or otherwise delayed for a period of sixty (60) consecutive days or more and the suspension or delay is not the result of an act or default of the Contractor, the Contractor may, by written Notice to CNL and without prejudice to any other right or remedy the Contractor may have, terminate the Contract. In such circumstances, the Contractor shall be entitled to be paid for the Services completed to the date of termination and such reasonable costs as the Contractor has incurred during the period of suspension or delay.
31. **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.
32. **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.
33. **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.
34. **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 Contractor 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.
35. **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."
36. **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.
37. **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 Contractor's proposal, invoice, or other form of document which add to, vary from, or conflict with the Contract Terms.