

1. DEFINITIONS:

For the purposes of this Request for Tenders and Purchase Order process

- i) **“Bid”** or **“Tender”** means an offer by a Bidder, to supply the goods requested by the QEC in this Request for Tenders (RFT) at the prices submitted by the Bidder on the Tender Forms provided herein, which will be subject to acceptance by the Buyer under the terms and conditions of this Appendix A.
- ii) **“Bidder”** means any legal entity in the business of supplying goods who may submit, or has submitted, a bid (tender) in response to this RFT;
- iii) **“Buyer”** means the representative, authorized by the Contracting Authority, to request Tenders and issue Purchase Orders on behalf of the Qulliq Energy Corporation;
- iv) **“Contract”** or **“Purchase Order”** means the goods supply contract between the Qulliq Energy Corporation and the successful Bidder as a result of this RFT. It will consist of the accepted Tender, signed by the Buyer, and the contract, and/or, Purchase Order Terms and Conditions set out in Appendix B hereto, and any other limited terms, conditions or additional quantities as may be mutually agreed to between the Buyer and the Bidder, and will be identified as a Purchase Order. The resulting Contract will be issued to the Supplier by way of facsimile or electronic transmission and will automatically take effect upon the date of issue by the Buyer to the Supplier.
- v) **“Contracting Authority”** means the President and CEO, of the Qulliq Energy Corporation (QEC);
- vi) **“FOB”** means Free on Board – Freight Prepaid and indicates the location at which ownership and responsibility for the goods transfers to QEC. For the purposes of this Contract, the Supplier shall be responsible for and bear all freight charges, own the goods in transit and will file any damages or claims incurred during shipping.
- vii) **“QEC”** means the Qulliq Energy Corporation;
- viii) **“Responsible”** means, in relation to a Bidder, the capability in all respects to perform fully the Contract requirements and the integrity and reliability to assure performance of the Contract obligations;
- ix) **“Responsive”** means, in relation to a Bidder, that the Bidder has submitted a Tender which conforms in all material respects to the RFT;
- x) **“Supplier”** means the legal entity Bidder who is responsible, and who has submitted the Tender that is responsive, and after application of the NNI Policy is lower than that of any other Bidder, and is issued a Purchase Order as a result;

2. RULES FOR SUBMITTING

1. The following documents shall hereinafter be referred to as the Tender Documents:
 - a. Tender Advertisement
 - b. Instructions to Bidders



Electronic submissions must be received in full before the date and time specified on the Closing Time defined below, that is, the last part of the submission must be time-stamped before the Closing Time.

5. Facsimile tenders will **NOT** be accepted for this tender.
6. It is highly recommended that Bidders submit tenders well in advance of Closing Time.
7. Tenders received after the date and time established as the deadline for the receipt of
Tenders will be considered late and will be rejected.

3. Signature and Representation of Authority

1. If the Bidder is a corporation, the tender shall be signed in the Corporation's name and on its behalf by either:
 1. **Two persons**, duly authorized, who shall specify their office, and such signatures shall be witnessed **or**;
 2. By **one person**, duly authorized, who shall specify his/her office.
2. If the Bidder is an individual or a firm other than a corporation, the tender shall be signed by one person, duly authorized, who shall specify his/her office and such signature shall be witnessed.
3. The submission of an executed by a Bidder shall be deemed to be a representation by the Bidder that it has the full power and authority to submit the tender and to be bound by the terms and conditions of the Tender Documents.

4. Closing Time

1. The tender must be received by: **2:00 P.M. EDST, May 3, 2017, hereinafter called "Closing Time"**.
2. Tenders shall be opened after the closing.

5. Liability

1. QEC is not liable for any costs of preparation or presentation of any Tenders.



2. All Tenders and accompanying documentation received by QEC in response to this RFT shall become the property of QEC and will not be returned.
3. Notwithstanding any other provision, a Bidder who submits a Tender in response to this RFT agrees that QEC's liability for any claim for damages or compensation of any kind related directly or indirectly to a breach of contract or other cause of action arising from this RFT process, shall be limited to the Bidder's actual Tender preparation cost. Tender preparation cost is the actual cost borne by a Bidder to prepare and submit its response to this RFT. By submitting a Tender to this RFT a Bidder acknowledges and accepts this limitation.

3. ADJUSTMENTS TO TENDER

1. Adjustments to the tender price may be made prior to Closing Time. Any price adjustment submitted by the Bidder must show only the amount of adjustment and must clearly indicate whether it is an increase or decrease. The price adjustment shall make no reference to the original tendered amount. If the original price has a breakdown, the adjustment to each item shall be shown. The Bidder may, at his own risk, send such form by etenders@qec.nu.ca with Subject Line: **QEC Tender #-pricing** prior to the Closing Time.

4. WITHDRAWAL OF TENDER

1. A tender may be withdrawn if written notice of withdrawal is submitted by letter or email received by QEC by way of contact information provided in Section 1.2.2, prior to Closing Time.

5. BIDDER'S RESPONSIBILITY

1. Examination of Documents
 1. Bidders are required to thoroughly examine the Tender Documents and are required to thoroughly inform themselves of all aspects of the proposed work.
 2. Bidders shall initial each page of the Instructions to Bidders in the space provided to signify that they have read and understood its contents. No plea of ignorance of conditions that exist or that may hereafter exist, or of conditions or difficulties that may be encountered in the execution of the work under this Contract, as a result of failure to make the necessary and reasonable examinations and investigations, will be accepted as grounds for any failure or omission on the part of the Bidder to fulfill in every detail all requirements of the Tender Documents, nor will such reasons be accepted as a basis for any claims whatsoever for extra compensation, or for an extension of time in the

performance and completion of the proposed work.

2. Clarification

1. Should any details necessary for a clear and comprehensive understanding be omitted, or any error appears in the Tender Documents, it shall be the responsibility of the Bidder to obtain clarifications before submitting his tender. Requests for such clarifications shall be made in writing at least five (5) working days before the Tender closing date and time, and to the contact provided below. A response to any question received after this deadline is not guaranteed.

Qulliq Energy Corporation
 1st Floor
 243 Umiaq Crescent, P.O. Box 250
 Iqaluit, NU X0A 0H0
 Attn: Purchasing/Contracting
 Or
 The following QEC Purchasing/Contracting official:
 E-mail: csimailak@qec.nu.ca

2. Requests for clarification will be answered by Addenda which will be posted on the Nunavuttenders.ca website. The Addenda may include the question.
3. QEC will neither be responsible for nor held liable as a result of any instructions or information given to any Bidder either orally or in writing except as provided for in posted Addenda.

6. ADDENDA TO THE TENDER DOCUMENTS

1. Any changes to the Tender Documents will be posted on the QEC website. All addenda shall become part of the Tender Documents.
2. Bidders are responsible for keeping themselves aware of Addenda.
3. Acknowledgement shall also be noted on the Tender Form submission that all addenda have been received and that the tender has been prepared in accordance therewith.

7. ACCEPTANCE OF TENDERS



1. QEC reserves the right to reject any and all tenders and the lowest tender, after application of price adjustments permitted by the NNI Policy, will not necessarily be accepted.
2. QEC reserves the right to accept Tenders in whole or in part and award separate Contracts based on unit pricing.
3. Further, QEC reserves the right to refuse to award the tender to the lowest Bidder in circumstances where the lowest Bidder has, in QEC's sole opinion, poorly performed in previous contracts/work/service or supplied goods to QEC which were found to be of poor quality or not suitable for the purpose for which they were acquired or where there is an ongoing or past legal dispute related to poor or unsatisfactory performance between QEC and the lowest Bidder. Examples of unsatisfactory performance include, but is not limited to, failure to complete or deliver work/service/goods within the stipulated time frame, unauthorized change orders/change orders occasioned by the negligence or lack of foresight on the part of a Contractor/Vendor, use of poor quality/unsuitable materials or inferior workmanship/service/goods or failure to provide the work/service/goods at all.
4. Non-Compliant Tenders
 1. A tender that is informal, incomplete, unqualified or non-compliant with the requirements of the Tender Documents, or otherwise irregular in any way, shall be declared invalid and rejected by QEC.
 2. Bidders must bid on each and every item listed or the Tender will be non-compliant.
 3. QEC may accept or waive a minor or inconsequential irregularity, or where practicable to do so, QEC may, as a condition of tender acceptance, request a Bidder to correct a minor or inconsequential irregularity with no change in tender price. QEC further reserves the right to request additional clarification after the Closing Time.
 4. The determination of what is, or is not, a minor or inconsequential irregularity, the determination of whether to accept, waive or require correction of an irregularity, and the final determination of the validity of a Tender, shall be at the QEC's sole discretion.



5. Tender Acceptance Period

The period for acceptance of a tender, hereinafter called the “Tender Acceptance Period”, shall be limited to sixty (60) days following Closing Time, and notwithstanding that another tender has been accepted, each tender submitted shall remain irrevocable and open to acceptance by QEC at any time within the Tender Acceptance Period.

6. Notification of Award

QEC shall provide written notice to the successful Bidder, hereinafter called the “Notice of Award”, confirming therein the awarding of a Contract in respect of the proposed work, hereinafter called the “Contract”. The Notice of Award shall be delivered to the successful Bidder’s contact person as set forth on the Bidder’s submission. The Bidder shall be deemed to have received the Notice of Award on the second business day following the date of email delivery by QEC.

7. The successful Bidder will be expected to fulfill their obligations as set out in the Request for Tender and meet the terms set out in the attached Purchase Order. Bidders should familiarize themselves with those terms and price the tender accordingly.

8. Where the total Bid price is determined by unit pricing and estimated quantities, the Tender will be evaluated on the unit prices and estimated quantities rather than the total Tender price. The total Tender price will be verified by the Buyer to confirm there are no mathematical errors in the Bidder’s calculations. In the event of an error or discrepancy, the unit prices shall govern and the total Bid price shall be based upon the corrected mathematical calculation. The nature of the error will be considered in evaluating whether the bid is compliant.

8. QUALIFICATIONS OF BIDDER

1. Each Bidder shall furnish satisfactory evidence to QEC that it has the necessary ability, experience, capital and plant to supply the required goods/service/work and to complete same within the period stipulated. Each Bidder, in order to be qualified as acceptable, must have previously and successfully completed an undertaking of comparable nature and scope and must provide documentation to this effect. Where a Bidder has supplied the same or comparable goods/services or performed the same or comparable work to the Corporation before, the Corporation may, in its entire discretion waive the submission of documentary proof.

2. Notwithstanding the submission by a Bidder of the documentation requested in Clause



8.1 above, QEC reserves the right to disqualify such Bidder if QEC is not satisfied, in its absolute discretion, with the Bidder's qualifications.

3. Further, QEC reserves the right to determine and accept other forms of evidence other than documents to substantiate a Bidder's ability, experience and capacity to provide the required goods/service or to provide and complete the work.

9. PRICING REQUIREMENTS

1. Firm price tenders are resolved from EITHER a proposed number of units times a firm unit price OR a firm lump sum price. The firm lump sum price shall include all costs of carrying out and completing the work specified.

10. DISCLOSURE OF DOCUMENTS AND INFORMATION

1. The Bidder is advised that the Tender Documents and the Contract are subject to the provisions under the Access to Information and Protection of Privacy Act, S.N.W.T 1994 c.20 as amended for Nunavut.

11. THE NUNAVUMMI NANGMINIQAQTUNIK IKAJUUTI (NNI) POLICY

1. One of the priorities of QEC is to ensure that Nunavut, Inuit and Local materials, equipment and labour are used in QEC contracts; therefore, the "Nunavummi Nangminiqagtunik Ikajuuti (NNI Policy) applies to this RFT. The NNI Policy permits Nunavut, Inuit and Local adjustments to the bid amounts of companies listed in the GN's NNI Registry (www.nni.gov.nu.ca/search) or in the NTI Inuit Firm Database (<http://inuitfirm.tungavik.com/search-the-registry/>). For the purposes of ensuring the correct bid adjustments are applied, Bidders should indicate their NNI and NTI Registration Numbers on the RFT Tender Form.
2. QEC reserves the right to make adjustments to a Bid following Tender closing in accordance with the NNI Policy by taking into account any information that will assist it in doing so, including by taking into account information obtained from the NNI Business Directory maintained by the NNI Secretariat and the Inuit Firm Registry maintained by NTI. For greater certainty, if QEC determines that a bidder should, or should not, receive a bid adjustment pursuant to the NNI Policy, it can adjust the evaluation of the bid accordingly.

12. SHIPPING AND PRICING

1. Prices must include all charges for containers, packing and cartage to the FOB point and QEC shall not be bound to pay any additional separate freight or shipping charges not identified in the Tender.
2. The Bidder will, where applicable, accurately state the gross shipping weight, as well as the height, width and length of any shipment, in metric terms.
3. Where one or more FOB points are identified in this RFT, prices and costs must be shown separately for each stated FOB point.
4. Freight rates shall be consistent with QEC's contracted air freight and sealift rates which are available from the Buyer on request. For goods requiring marine transportation, the sealift freight rates contracted by QEC with sealift carriers apply. For goods requiring air transportation, QEC's Standing Offer rates with air carriers apply. If additional information is required, it should be requested from the Buyer in accordance with the instructions herein.
5. Transportation of Materials
 1. Transportation/shipping and handling of materials and all associated costs thereof are the responsibility of the Contractor unless otherwise noted. Modes of transporting materials shall be decided by the Contractor unless by marine transport in which case Clause 2 of this Section shall apply.
 2. Whenever marine (water) transport is to be utilized, the Contractor shall use the Government of Nunavut specified carriers, and space shall be booked directly with the carriers, as follows:

For the following communities in the following regions:

(Area A) High Arctic including North Baffin: Arctic Bay, Clyde River, Grise Fiord, Nanisivik, Pond Inlet, Qikiqtarjuaq, Resolute Bay, and Kugaaruk as far as Nanisivik

and

(Area B) Foxe Basin: Hall Beach, Igloolik, and Repulse Bay

and

(Area D) South Baffin: Cape Dorset, Kimmirut, and Pangnirtung

THE CARRIER IS:

Nunavut Sealink and Supply Inc. (NSSI)

By ships loading at the Port of Ste-Catherine, Quebec



ᑭᓄᓐᓇᓇᓇ ᓇᓄᓇᓇᓇᓇᓇᓇ ᓇᓇᓇᓇ
Qulliq Energy Corporation
Société d'énergie Qulliq
Qulliq Aluyaktuqtunik Ikumatjutiit

Tender Number: 2017009

Location: Cambridge Bay, Nunavut

Contact: Daniel Desgagnés

Phone: (450) 635-0833 or Toll Free (866) 732-5438

Fax: (450) 635-5126

and



For (Area C) Iqaluit:

THE CARRIER IS:

Nunavut Eastern Arctic Shipping (NEAS)

by ships loading at the Port of Valleyfield, Quebec

Contact: Mark Bray

Phone: (877) 225-6327 (Toll Free)

Fax: (514) 523-7875

Email: mbray@neas.ca

and

For (Area E) the Kivalliq Region: Arviat, Baker Lake, Chesterfield Inlet, Coral Harbour, Rankin Inlet, Sanikiluaq, and Whale Cove

THE CARRIER IS:

Nunavut Sealink and Supply Inc. (NSSI)

by ships loading at the Port of Ste-Catherine, Quebec

Contact: Daniel Desgagnés

Phone: (450) 635-0833 or Toll free (866) 732-5438

Fax: (450) 635-5126

OR

Nunavut Sealink and Supply Inc. (NSSI)

by ships loading at the Port of Churchill, Manitoba

Contact: Francois Gaudreua

Phone: (450) 635-0833 or Toll free (866) 732-5438

Fax: (204) 943-5458

NOTE: For transport to Sanikiluaq, services are from Port of St. Cahterine only.

For (Area G) the following communities in the Kitikmeot Region: Bathurst Inlet, Cambridge Bay, Gjoa Haven, Kugluktuk, Taloyoak and Umingmaktok (Bay Chimo):

Nunavut Sealink and Supply Inc. (NSSI)

By ships loading at the Port of Ste-Catherine, Quebec



Contact: Daniel Desgagnés

Phone: (450) 635-0833 or Toll free (866) 732-5438

Fax: (450) 635-5126

3. The annual shipping rates offered by marine carriers are dependent upon anticipated cargo quantities including the materials for construction projects; therefore, Contractors are to bid using the published sailing schedules and rates available from the above marine carriers. These schedules and rates are also available from the Department of Community & Government Services, Purchasing, Logistics & Contract Support Division, Contact: John Paton, Manager Logistics at (867) 975-5437.
4. If a Contractor uses a marine carrier other than the marine carrier specified by QEC this Appendix without having obtained QEC's prior written authorization to do so, the Contractor shall be solely responsible for any extra freight costs, administrative costs or any other costs incurred by QEC which result either directly or indirectly from the Contractor's failure to use the QEC specified marine carrier as set out in this Appendix. The Contractor shall issue a credit in favour of QEC for any monies saved by the Contractor obtained from using a marine carrier other than the specified marine carriers identified in this Appendix.
5. In exceptional or extraordinary circumstances, where a specified marine carrier's sailing schedule is in substantial conflict with the project schedule, QEC will review the circumstances, taking into account the potential adverse impact on the project and the specified marine carrier's interests, and, at its sole discretion, QEC may provide authorization to allow the relevant cargo to be shipped with a marine carrier other than a specified marine carrier; such authorization must be in writing and must be obtained prior to contracting for the marine transport.

13. ADDITIONAL INSTRUCTIONS

1. Where a "trade-in" is tendered in lieu of a specified item, it shall be identified in the Declaration of Conformity Bid form and the amount of credit offered for the trade-in must be stated separately from the quote offer for the required item(s). Trade-ins or alternatives may not necessarily be accepted. Bidders should question the Buyer in accordance with these Instructions.
2. In the case of an RFT for Mobile Equipment, QEC has relied on information provided by manufacturers to develop a specification for equipment with a specific purpose. Should the Bidder determine that any option, specification, attachment or accessory is either not available or not recommended, then the Bidder should advise the Buyer prior to the closing date and time.



3. Goods or equipment requested in this RFT shall be protected by a minimum twelve (12) month manufacturer's warranty and QEC shall be the direct beneficiary of such warranty; therefore, Bidders are required to submit the particulars of all warranties as part of the Bid. Failure to provide warranty details, including costs, information on service depot, field and remote location, crew and service capabilities may result in the Bid being disqualified.
4. QEC reserves the option of requesting complete details of the Bidder's warranty particulars and service capabilities. Failure to provide information sufficient to satisfy the requirements of this RFT may result in the Bidder bid being deemed 'Not Responsible' and disqualified from further consideration.
5. The Electrical Protection Act, R.S.N.W.T. (Nu.) 1988, c. E-3 (Nunavut) prohibits the sale, installation or use of uncertified electrical products in Nunavut. Therefore, any items or products provided by the Supplier that are electrical in nature or that are operated by electrical energy or contain electrical components must be certified by the Canadian Standards Association (CSA).



Declaration of Conformity

Material Conformity: The Bidder hereby acknowledges and agrees that the Tender must be fully compliant with all mandatory requirements in order for the Tender to be considered.

Substantial Conformity (Bidder Options & Substitutions): When an exception or alternative is proposed regarding a specified product, it will be evaluated to ensure that the performance capability meets the minimum requirements. The Bidder acknowledges and agrees that listing an exception or alternative does not necessarily constitute compliance with the specification, and that acceptance is subject to QEC's satisfaction that the exception or alternative does not constitute a material non-compliance with a mandatory requirement. Bidders are strongly encouraged to seek pre-approval from QEC prior to the stated Closing Date and Time.

| QEC REQUIREMENTS/SPECIFICATIONS THAT WILL NOT BE MET BY SUBMISSION | | |
|--|-----------------------|------------------------|
| The Bidder hereby identifies the following exceptions or alternatives to the products specified on page 1. | | |
| Item Reference # | Exception/Alternative | Performance Capability |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

If more space is required, photocopy and attach additional pages. Bidder should indicate the RFT Reference No., "Cont'd" and initial each additional page.

This declaration forms an integral part of the tender and shall be signed by the Bidder and included with the Tender submission as per the Instructions to Bidders regardless of any alternatives being submitted or not.

Signed by Bidder's Authorized Representative

_____ Name & Title

_____ Date



| NNI Adjustment Table - Goods Only | | | | | | | |
|---|-----------------------------|--|--|--|--------------------------------|--|---------------------------------|
| Company Name Insert your company Name | Value of Bid (\$) | Nunavut Business Enter 5% or 0 | Inuit Firm (IFR1, IFR2, IFR3) Enter 5%, 10%, 15% or 0 | Local Business Enter 5% or 0 | Total Adjustment (%) | Value of Adjustment (\$ x %) | Final Adjusted Bid Value |
| | | | | | 0% | \$0.00 | \$0.00 |
| | | | | | 0% | \$0.00 | \$0.00 |
| | | | | | 0% | \$0.00 | \$0.00 |
| | | | | | 0% | \$0.00 | \$0.00 |
| | | | | | 0% | \$0.00 | \$0.00 |
| | | | | | 0% | \$0.00 | \$0.00 |
| | | | | | 0% | \$0.00 | \$0.00 |
| | | | | | 0% | \$0.00 | \$0.00 |

TO RECEIVE BID ADJUSTMENTS UNDER THE NNI POLICY, the Bidder MUST complete and submit this form. This Form must be submitted at the Tender Close in accordance with the Instructions to Bidders. The name of the applicable company, to be considered for bid adjustment. Indicate the company name as it appears on the GN or NTI list of approved companies, indicate the total value of your bid, and enter the appropriate NNI adjustment percentages as indicated in the columns of this form (Nunavut Business, Inuit Firm, Local Business). The Nunavut, Local and Inuit status, as defined by the NNI Policy, of named companies will be verified by the Owner. The Owner reserves the right to request substantiation of information provided and make any corrections necessary in accordance with the GN and NTI lists.



ᑭᓄᓐ-ᓐᓄᓐ ᐅᐱᓐᓄᓐᓂᓐᓄᓐᓂᓐ ᓂᓐᓄᓐ
Qulliq Energy Corporation
Société d'énergie Qulliq
Qulliq Aluyaktuqtunik Ikumatjutiit

Contract Number: 2017009

Location: Cambridge Bay NU

TENDER SUBMISSION FORM



ᑭᓄᓚᓐᓄᓚ ᐅᐱᓴᓐᓄᓚᓚᓐᓴᓐᓴᓚ ᓄᓴᓐᓄᓚ
Qulliq Energy Corporation
Société d'énergie Qulliq
Qulliq Aluyaktuqtunik Ikumatjutiit

Contract Number: 2017009

Location: Cambridge Bay NU

PURCHASE ORDER TERMS & CONDITIONS

DEFINITIONS

- i) “**Buyer**” means the representative, authorized by the Contracting Authority, to request Tenders and issue Purchase Orders on behalf of QEC;
- ii) “**Confidential Information**”, as used in this Contract, includes any files, documents, materials or information that has or could have commercial value or other utility in the business in which QEC is engaged and was previously or subsequently disclosed to the Supplier or recognized by the Supplier as relating to QEC and may be identified as being proprietary and/or confidential, or that, by the nature of the circumstances surrounding the disclosure or the Supplier’s recognition, reasonably ought to be treated as proprietary, confidential or information that may, if disclosed, violate the privacy of QEC stakeholders, including, but not limited to customers, suppliers and other third parties.
- iii) “**Contract**” or “**Purchase Order**” means this goods supply contract between QEC and the Supplier entered into as a result of a request for tenders (RFT). It consists of the accepted tender and the terms and conditions set out in this Appendix B hereto, and any other limited terms, conditions or additional qualifications as may be mutually agreed to between the Supplier and the Bidder, and is identified as a Purchase Order. This Contract takes effect upon the date of issue by the Buyer to the Supplier.
- iv) “**Contracting Authority**” means the President/CEO, of Qulliq Energy Corporation (QEC);
- v) “**FOB**” means Free on Board – Freight Prepaid and indicates the location at which ownership and responsibility for the goods transfers to QEC. For the purposes of this Contract, the Supplier shall be responsible for and bear all freight charges, own the goods in transit and will file any damages or claims incurred during shipping.
- vi) “**QEC**” means the Qulliq Energy Corporation;
- vii) “**Supplier**” means the party to this Contract whose bid was accepted by the Buyer, and who, as a result, is bound to supply the goods requested by QEC at the prices tendered, under the terms and conditions herein. Where the context is appropriate, Supplier may also be referred to as a contractor or vendor.

In consideration of the Supplier supplying the goods or services forming the subject matter of this Contract and QEC making the payments as set out herein, the parties hereby acknowledge the sufficiency of such good and valuable consideration. Accordingly, the parties hereby agree as follows:

GENERAL

Applicable Law

1. This Contract shall be interpreted and governed in accordance with the laws of Nunavut and the laws of Canada as they apply in Nunavut.

Entire Agreement

2. This Contract sets forth the entire agreement of the parties and supersedes all previous communications, negotiations, representations and agreements, whether written or verbal and whether express or implied, unless expressly incorporated by reference in this Contract.

Supplier’s Terms and Conditions

3. QEC does not accept any condition, reservation, customary or otherwise, subject to which the Supplier may purport to sell, ship or deliver the goods other than those stated herein.

Arm’s Length Relationship

4. No employer-employee, principal-agent or partnership relationship of any kind, between the parties, is intended or deemed to be created by this Contract.

Accrual of Contract Benefits

5. This Contract shall accrue to the benefit of and be binding on the administrators, executors, successors and assigns of both parties.

Amendments

6. Any clarification of, amendment to, or alteration of any term or condition of this Contract may be made mutually only by the Contracting Authority or their duly authorized delegates and the Supplier’s duly authorized representative, and no other QEC or Supplier employee. Such clarification of, amendment to, or alteration of any term or condition of this Contract, including but not limited to subsequent increases in quantities of goods specified, shall be made and agreed to in writing prior to the agreed delivery time limit set out herein or as may be negotiated and mutually agreed upon.

Delegation by Contracting Authority

7. The Contracting Authority may delegate any of his/her authority and undertaking pursuant to this Contract to any officer, employee or agent of QEC.

Severability of the Contract

8. If any provision of this Contract is found by a court of competent jurisdiction to be unenforceable, the remainder of this agreement shall not be affected, and this Contract shall continue in full force and effect so as best to effect the intent of the parties. Moreover, if any court determines that the restrictions as set forth herein are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which the court deems reasonable.

Waiver

9. The failure by QEC to insist upon strict compliance with any part of this Contract shall not prejudice QEC's right to insist upon strict compliance in the future. Further, the failure by QEC to exercise any right provided in this Contract shall not be deemed to be a waiver of that right, prior or subsequent rights. No waiver of any provision of this Contract shall be of any effect unless it is given in writing and signed by the parties. A waiver in writing shall operate or be effective only with respect to the specific provision(s) of this Contract.

SUPPLIER'S RIGHTS AND OBLIGATIONS

Compliance with the Law

10. At all times during the performance of this Contract, the Supplier shall abide by and comply with all laws, regulations, by-laws and policies of the GN, QEC, or Canada, as applicable, with regard to the sale, supply and delivery of goods.

Satisfactory Performance

11. The Supplier agrees to perform this Contract, formed as a result of an RFT process and resulting issuance of a Purchase Order, in full accordance with these terms and conditions and to the full satisfaction of QEC.

Assignment

12. This Contract may not be assigned or sub-contracted by the Supplier, either in whole or in part, without the prior written consent of QEC. It is acknowledged that in the case of certain contracts, certain portions or parts of the goods might only be obtained by the Supplier from a third party and in such an instance it shall not be considered to be assigned or sub-contracted for the purpose of this article.

Payment

13. In consideration of the Supplier's full satisfactory delivery of the goods governed by this Contract, QEC agrees to pay the Supplier, in full satisfaction, the sums tendered and agreed to as a result of the RFT process; subject to the payment terms and conditions contained herein.

Delivery

14. Delivery of the goods by the Supplier shall be made within the time limits and in the manner stipulated in these Contract documents, including any specifications attached herewith. Time shall be of the essence.

Obtaining Permissions

15. The Supplier will be responsible for obtaining all permissions, permits, rights, licenses and warranties from all agencies, levels of government and/or government departments, dealers or other suppliers, which may be necessary or required by any law in order for the Supplier to carry out or observe the terms of this Contract.

Inspection of Goods

16. All goods supplied shall be subject to inspection and may be rejected, returned or re-supplied at the Supplier's sole expense if they are found to be not acceptable to QEC, or not in accordance with the specifications of this Contract, and shall be returned to the Supplier. Supplier may be required to make the goods available for a pre-shipment inspection prior to any crating, containerization or any other form of packaging. The pre-shipment inspection shall be performed by QEC or its agents at a predetermined location and shall not, in any event, constitute acceptance by QEC. Acceptance shall only occur at final destination, upon receipt of the goods and final inspection satisfactory to QEC.

RFT and PO Reference Numbers

17. The RFT and PO Reference Number for this Contract must be clearly shown on all invoices, packing slips, express receipts, Bills of Lading, and on all packing cases and each separate piece of material, as well as all relevant correspondence.

Warranty

18. The Supplier warrants that all goods or materials supplied shall be new, of merchantable quality, free of any defects and deficiencies, fit for their intended purpose(s), and in complete conformance to the specifications, drawings, plans or samples specified in this Contract. This warranty shall survive any inspection, delivery, acceptance, or payment made by the Contract Authority of or for the materials and the purchaser may reject and return, at the risk and expense of the Supplier, any materials which are defective or do not comply with the said specifications, drawings and samples.

Vesting of Title

19. Title to any report, drawing, photograph, plan specification, model, prototype, pattern, sample design, logo, technical information, invention, method or process and all other property, work or materials which are produced by the Supplier in performing this Contract or conceived, developed or first actually reduced to practice in performing this Contract (herein called "the property") shall vest in QEC and the Supplier hereby absolutely assigns to QEC the copyright in the property for the whole of the term of the copyright.

Installation and use of Local Labour

20. Where applicable, installation shall include unloading materials, moving to site, assembly in accordance with floor plan, and fastening in place, as well as cleanup and clearing of site. Pursuant to the spirit and intent of the NNI Policy, (which is binding on QEC) wherever possible, the use of local labour in the performance of this Contract, including, but not limited to, offloading and installation phase, under the direct supervision of the Supplier, is encouraged.

Registration with Nunavut Corporate Registrar

21. The Supplier agrees that, if it is not incorporated in Nunavut, it will, in accordance with section 281(1) of the *Business Corporations Act*, S.N.W.T. (NU.) 1996, c. 19 register with the Nunavut Corporate Registrar within 30 days of commencing business in Nunavut. In this section, commencing business in Nunavut refers to the time by which the Supplier's obligations to supply or deliver the goods or services forming the subject matter of this Contract falls due.

Grant of Option

22. The Supplier grants QEC an irrevocable option, which may be exercised at the sole discretion of QEC within 60 days of the issue date of this Purchase Order, for an additional quantity at the same price stated herein.

SHIPPING AND HANDLING

Shipping Dangerous Goods

23. The Supplier shall ensure that any goods or materials classified as "DANGEROUS GOODS" pursuant to either the *Transportation of Dangerous Goods Act, 1992, S.C. 1992, c. 34*, (Canada), or the *Transportation Of Dangerous Goods Act, 1990, R.S.N.W.T.* (Nunavut), shall be properly packaged, labeled, and shipped in accordance with such Acts as may be amended from time to time.

Information on Bills of Lading

24. The Supplier shall state gross shipping weight as well as height, width and length dimensions in metric on all packing slips, waybills or bills of lading.

Compliance with WHMIS Requirements

25. The Supplier shall conform to all Supplier responsibilities applicable under the Worksite Hazardous Materials Information System (W.H.M.I.S.) regulations, pursuant to the *Safety Act, R.S.N.W.T. 1988, c. S-1* (Nunavut) as may be amended from time to time.

Failure to deliver FOB on due Date

26. When items ordered for marine transport are not delivered to the FOB point by the required delivery date, the Supplier is in default. QEC may do any act it deems necessary to rectify such default including refusal of the goods or making alternate delivery arrangements, the costs of which will be borne by the Supplier. Delivery of goods after the specified delivery date but prior to sailing may result in higher shipping charges to QEC, the cost of which will be borne by the Supplier.

Indemnity

27. The Supplier shall indemnify and hold harmless QEC, its officers, employees, servants and agents from and against all claims, actions, causes of action, demands, losses, costs, damages, expenses, suits, settlements or other proceedings by whomsoever made, brought or prosecuted in any manner based upon, arising out of or related to, directly or indirectly, the activities or performance of the Supplier under this Contract; including an infringement or alleged infringement of any kind of intellectual property right.

Liability for loss or damage to QEC Property

28. The Supplier shall take due care of QEC property supplied to or put in the custody and control of the Supplier. The standard of care expected of the Supplier is the same kind of care that the Supplier would reasonably take to safeguard and secure its own property. The Supplier shall be liable to QEC for any loss or damage to property or equipment that is supplied to or placed in the care, custody or control of the Supplier for use in connection with the Contract whether or not such loss or damage is attributable to causes beyond the Supplier's control.

CONFIDENTIALITY

Access to Confidential Information

29. The Supplier understands and accepts that during the performance of this Contract with QEC, it may gain knowledge of, or have access to, Confidential Information and or intellectual property relating to the business and affairs of QEC, its customers, suppliers, other stakeholders and third parties who may from time-to-time have dealings with QEC. All Confidential Information obtained from, supplied to, or otherwise concerning QEC or any of its stakeholders, including, but not limited to agents, employees, clients, contractors or suppliers, in the performance of this Contract, shall be and remain confidential.

Discovery or Creation of Intellectual Property

30. If the Supplier, in the performance of this Contract should use, provide, or incorporate into any goods, equipment, machines or services of QEC any intellectual property owned by it (the Supplier) or in which the Supplier has an interest, the Supplier hereby grants QEC, any and all of the Supplier's intellectual proprietary rights, including, but not limited to perpetual, irrevocable, royalty free rights to make, use, copy, modify, and create derivative works of such intellectual property, publicly perform or display, import, broadcast, transmit, distribute, license, offer to sell, and sell, rent, lease or lend copies of such intellectual property (and derivative works thereof) and to sublicense to third parties the foregoing rights, including the right to sublicense to further third parties.

Use of Confidential Information

31. The Supplier shall use the Confidential Information exclusively for the benefit of QEC and shall not use Confidential Information for its own benefit or any other purpose except for the purposes of and to the extent reasonably necessary for its performance of this Contract and such other purposes as QEC may expressly consent to in writing.

Disclosure of Confidential Information

32. The Supplier shall not disclose, without prior QEC written consent, Confidential Information and shall carefully restrict access to any other persons or entities except to the Supplier's employees, contractors or subcontractors who have a legitimate business need and are authorized to receive and use such information in the performance and discharge of the Supplier's obligations pursuant to this agreement or who need to know such information in order to perform their duties and shall require those persons to sign nondisclosure restrictions at least as protective as those in this agreement.

33. Preservation of Confidential Information

The Supplier shall take all necessary steps to secure, preserve and take reasonable care of such Confidential Information at all times regardless of the form in which it is recorded, transmitted, observed or expressed, or to which it may be converted or transcribed. The Supplier shall not, among other obligations, publish, distribute, alter, copy, interfere, tamper with, destroy, reverse engineer, disassemble, or decompile the Confidential Information, any prototypes, software, or other files that are provided to you except in accordance with the written instructions and permission of QEC.

Return of Confidential Information

34. Depending on the nature of the Confidential Information, the Supplier shall return all such Confidential Information as soon as it is no longer required by the Supplier for the due performance of this Contract or immediately upon notice from QEC, whichever occurs first. The parties are alive to the possibility that in certain cases the Confidential Information may have to be destroyed after use instead of being returned.

Non-Disclosure Agreement

35. The Supplier may be required, as a condition of this Contract, to sign a separate non-disclosure agreement; without liability, cost or expense to QEC.

TERMS OF PAYMENT

Payment to non-Nunavut Business

36. Provided all terms and conditions on the part of the Supplier have been complied with, each invoice (less applicable holdbacks, if any) shall be paid thirty (30) calendar days after receipt of the invoice, or thirty (30) calendar days after delivery of the goods, whichever is later.

Payment to Nunavut Business

37. Provided all terms and conditions on the part of the Supplier have been complied with, invoices (less applicable holdbacks, if any) from a Nunavut Business, as defined by the NNI Policy, shall be paid twenty (20) calendar days after receipt of the invoice, or twenty calendar days after receipt of the goods, whichever is later.

Options Available to QEC on Payment

38. In addition to its rights under this Contract, QEC specifically reserves the following rights:

- a) to deduct or set off any monies owed or due to QEC from any monies owed to the Supplier under this or any other contract;
- b) to do any act QEC deems necessary to remedy or rectify any failure of the Supplier to perform its obligations under this Contract, and to set off the costs of such remedy or rectification from any monies owed to the Supplier under this or any other contract;
- c) to holdback, in whole or in part, any payment due or becoming due to the Supplier without penalty, liability or expense in the event the Supplier is, in the opinion of QEC, failing to perform its obligations under this Contract; until such time as the breach is cured to the full satisfaction of QEC.

Release of Holdbacks

39. The holdbacks will be disbursed upon:

- a) satisfactory delivery of the goods in accordance with this Contract;
- b) all damaged items are replaced and/or repaired so that they are deemed to be in compliance with the specifications; or
- c) upon final delivery and inspection to the satisfaction of QEC.

No Limitation on QEC Remedies

40. The exercise by QEC of any of its rights under this Contract are in addition to any rights and remedies it may have in law or equity. In the event this Contract must be terminated, QEC reserves the right to exercise all available remedies including, but not limited to the recovery of damages.

TERMINATION

Failure to Comply with Contract

41. Failure to comply with these terms and conditions of this Contract may result in its termination with no liability on the part of QEC for any losses, damages, expenses or costs incurred by the Supplier. QEC further reserves the right in its sole discretion to terminate this Contract in whole or in part for other reasonable grounds upon thirty (30) calendar days' written notice to the Supplier

Labour Disruptions

42. In the event of any actual or threatened labour disruption which may, or could, delay the timely performance of this Contract in any way, directly or indirectly, the Supplier shall forthwith provide written notice to QEC detailing the circumstances, causes and anticipated outcome of such disruption. QEC reserves the right and sole discretion in such an event, to terminate this Contract in whole or in part, without penalty, liability or cost, and may give written notice to this effect to the Supplier.



Tender Number: 2017009
Project Name:
Location: Cambridge Bay Nunavut

Other Reasons for Termination

43. QEC reserves the right and sole discretion, to terminate this Contract at any time, without notice or compensation, if in the opinion of QEC:
- a) the Supplier has failed to perform its obligations under this Contract in a satisfactory manner, including failure to deliver the goods by the required delivery deadline;
 - b) the Supplier’s performance under this Contract, or any other QEC contract, is persistently faulty;
 - c) the Supplier has or is about to become insolvent or commit an act of bankruptcy; or
 - d) for any other reason contemplated or described in this Contract.

Reservation of Rights

44. In the event of termination, in whole or in part, QEC shall only be liable to the Supplier for its fees and costs, properly incurred and accounted for, pertaining to the satisfactory performance of this Contract, and nothing thereafter. QEC further reserves the right to exercise all available remedies against the Supplier, including, but not limited to recovery of damages, and deeming the Supplier not responsible for future RFTs of a similar nature.

FORCE MAJEURE

No Liability for Force Majeure Event

45. Neither party shall be responsible for any delay or failure to perform its obligations under this Contract where such failure or delay is due to fire, flood, explosion, war, embargo, governmental action, terrorism, act of a public authority, Act of God or any other cause beyond its control, except labour disruption, without additional notice.

Extreme Weather Conditions

46. The Supplier acknowledges that Nunavut frequently experiences severe weather, shortages in supplies and fuel, and interruptions of power service and communications that might constitute force majeure elsewhere, and the Supplier shall plan for those eventualities as much as possible.

Obligation to notify other Party

47. In the event a Force Majeure event occurs which delays or threatens to delay performance by a party of its obligations under this Contract, that party shall give prompt notice to the other party and shall take all reasonable steps to eliminate the cause or ameliorate the potential disruption and consequent losses.

Event Lasting Longer than 30 Days

48. Should the Force Majeure event last for longer than thirty (30) days, QEC may terminate this Agreement, in whole or in part, without further liability, expense or cost of any kind.

Dated at _____ in the Province/Territory of _____ this _____ day of _____ 20_____

I have authority to bind the corporation.

Per _____
Signature

Print full name: _____

Title: _____