

GENERAL SERVICE AGREEMENT



For Administrative Purposes Only

Ministry Contract No.: _____

Requisition No.: _____

Solicitation No.(if applicable): _____

Commodity Code: _____

Contractor Information

Supplier Name: **_ Ernst & Young LLP _**

Supplier No.: _____

Telephone No.: _____

E-mail Address: _____

Website: _____

Financial Information

Client: _____

Responsibility Centre: _____

Service Line: _____

STOB: _____

Project: _____

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SCHEDULE A – SERVICES

- Part 1 - Term
- Part 2 - Services
- Part 3 - Related Documentation
- Part 4 - Key Personnel

SCHEDULE B – FEES AND EXPENSES

- Part 1 - Maximum Amount Payable
- Part 2 - Fees
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SCHEDULE C – APPROVED SUBCONTRACTOR(S)

SCHEDULE D – INSURANCE

SCHEDULE E – PRIVACY PROTECTION SCHEDULE

SCHEDULE F – ADDITIONAL TERMS

SCHEDULE G – SECURITY SCHEDULE

THIS AGREEMENT is dated for reference the 12th day of January, 2013.

BETWEEN:

Ernst & Young LLP (the "Contractor") with the following specified address and fax number:
700 West Georgia Street
Vancouver, BC V7Y 1C7

AND:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the Minister of Energy, Mines and Natural Gas (the "Province") with the following specified address and fax number:
8 – 1810 Blanshard Street
Victoria, BC V8W 9N3

The Province wishes to retain the Contractor to provide the services specified in Schedule A and, in consideration for the remuneration set out in Schedule B, the Contractor has agreed to provide those services, on the terms and conditions set out in this Agreement.

As a result, the Province and the Contractor agree as follows:

1 DEFINITIONS

General

1.1 In this Agreement, unless the context otherwise requires:

- (a) "Business Day" means a day, other than a Saturday or Sunday, on which Provincial government offices are open for normal business in British Columbia;
- (b) "Incorporated Material" means any material in existence prior to the start of the Term or developed independently of this Agreement, and that is incorporated or embedded in the Produced Material by the Contractor or a Subcontractor;
- (c) "Material" means the Produced Material and the Received Material;
- (d) "Produced Material" means records, software and other material, whether complete or not, that, as a result of this Agreement, are produced by the Contractor or a Subcontractor and includes the Incorporated Material;
- (e) "Received Material" means records, software and other material, whether complete or not, that, as a result of this Agreement, are received by the Contractor or a Subcontractor from the Province or any other person;
- (f) "Services" means the services described in Part 2 of Schedule A;
- (g) "Subcontractor" means a person described in paragraph (a) or (b) of section 13.4; and
- (h) "Term" means the term of the Agreement described in Part 1 of Schedule A subject to that term ending earlier in accordance with this Agreement.

Meaning of "record"

1.2 The definition of "record" in the *Interpretation Act* is incorporated into this Agreement and "records" will bear a corresponding meaning.

2 SERVICES

Provision of services

2.1 The Contractor must provide the Services in accordance with this Agreement.

Term

- 2.2 Regardless of the date of execution or delivery of this Agreement, the Contractor must provide the Services during the Term.

Supply of various items

- 2.3 Unless the parties otherwise agree in writing, the Contractor must supply and pay for all labour, materials, equipment, tools, facilities, approvals and licenses necessary or advisable to perform the Contractor's obligations under this Agreement, including the license under section 6.4.

Standard of care

- 2.4 Unless otherwise specified in this Agreement, the Contractor must perform the Services to a standard of care, skill and diligence maintained by persons providing, on a commercial basis, services similar to the Services.

Standards in relation to persons performing Services

- 2.5 The Contractor must ensure that all persons employed or retained to perform the Services are qualified and competent to perform them and are properly trained, instructed and supervised.

Instructions by Province

- 2.6 The Province may from time to time give the Contractor reasonable instructions (in writing or otherwise) as to the performance of the Services. The Contractor must comply with those instructions but, unless otherwise specified in this Agreement, the Contractor may determine the manner in which the instructions are carried out.

Confirmation of non-written instructions

- 2.7 If the Province provides an instruction under section 2.6 other than in writing, the Contractor may request that the instruction be confirmed by the Province in writing, which request the Province must comply with as soon as it is reasonably practicable to do so.

Effectiveness of non-written instructions

- 2.8 Requesting written confirmation of an instruction under section 2.7 does not relieve the Contractor from complying with the instruction at the time the instruction was given.

Applicable laws

- 2.9 In the performance of the Contractor's obligations under this Agreement, the Contractor must comply with all applicable laws.

3 PAYMENT

Fees and expenses

- 3.1 If the Contractor complies with this Agreement, then the Province must pay to the Contractor at the times and on the conditions set out in Schedule B:
- (a) the fees described in that Schedule;
 - (b) the expenses, if any, described in that Schedule if they are supported, where applicable, by proper receipts and, in the Province's opinion, are necessarily incurred by the Contractor in providing the Services; and

- (c) any applicable taxes payable by the Province under law or agreement with the relevant taxation authorities on the fees and expenses described in paragraphs (a) and (b).

The Province is not obliged to pay to the Contractor more than the "Maximum Amount" specified in Schedule B on account of fees and expenses.

Statements of accounts

- 3.2 In order to obtain payment of any fees and expenses under this Agreement, the Contractor must submit to the Province a written statement of account in a form satisfactory to the Province upon completion of the Services or at other times described in Schedule B.

Withholding of amounts

- 3.3 Without limiting section 9.1, the Province may withhold from any payment due to the Contractor an amount sufficient to indemnify, in whole or in part, the Province and its employees and agents against any liens or other third-party claims that have arisen or could arise in connection with the provision of the Services. An amount withheld under this section must be promptly paid by the Province to the Contractor upon the basis for withholding the amount having been fully resolved to the satisfaction of the Province.

Appropriation

- 3.4 The Province's obligation to pay money to the Contractor is subject to the *Financial Administration Act*, which makes that obligation subject to an appropriation being available in the fiscal year of the Province during which payment becomes due.

Currency

- 3.5 Unless otherwise specified in this Agreement, all references to money are to Canadian dollars.

Non-resident income tax

- 3.6 If the Contractor is not a resident in Canada, the Contractor acknowledges that the Province may be required by law to withhold income tax from the fees described in Schedule B and then to remit that tax to the Receiver General of Canada on the Contractor's behalf.

Prohibition against committing money

- 3.7 Without limiting section 13.10(a), the Contractor must not in relation to performing the Contractor's obligations under this Agreement commit or purport to commit the Province to pay any money except as may be expressly provided for in this Agreement.

Refunds of taxes

- 3.8 The Contractor must:
 - (a) apply for, and use reasonable efforts to obtain, any available refund, credit, rebate or remission of federal, provincial or other tax or duty imposed on the Contractor as a result of this Agreement that the Province has paid or reimbursed to the Contractor or agreed to pay or reimburse to the Contractor under this Agreement; and
 - (b) immediately on receiving, or being credited with, any amount applied for under paragraph (a), remit that amount to the Province.

4 REPRESENTATIONS AND WARRANTIES

4.1 As at the date this Agreement is executed and delivered by, or on behalf of, the parties, the Contractor represents and warrants to the Province as follows:

- (a) except to the extent the Contractor has previously disclosed otherwise in writing to the Province,
 - (i) all information, statements, documents and reports furnished or submitted by the Contractor to the Province in connection with this Agreement (including as part of any competitive process resulting in this Agreement being entered into) are in all material respects true and correct,
 - (ii) the Contractor has sufficient trained staff, facilities, materials, appropriate equipment and approved subcontractual agreements in place and available to enable the Contractor to fully perform the Services, and
 - (iii) the Contractor holds all permits, licenses, approvals and statutory authorities issued by any government or government agency that are necessary for the performance of the Contractor's obligations under this Agreement; and
- (b) if the Contractor is not an individual,
 - (i) the Contractor has the power and capacity to enter into this Agreement and to observe, perform and comply with the terms of this Agreement and all necessary corporate or other proceedings have been taken and done to authorize the execution and delivery of this Agreement by, or on behalf of, the Contractor, and
 - (ii) this Agreement has been legally and properly executed by, or on behalf of, the Contractor and is legally binding upon and enforceable against the Contractor in accordance with its terms except as enforcement may be limited by bankruptcy, insolvency or other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

5 PRIVACY, SECURITY AND CONFIDENTIALITY

Privacy

5.1 The Contractor must comply with the Privacy Protection Schedule attached as Schedule E.

Security

5.2 The Contractor must:

- (a) make reasonable security arrangements to protect the Material from unauthorized access, collection, use, disclosure, alteration or disposal; and
- (b) comply with the Security Schedule attached as Schedule G.

Confidentiality

5.3 The Contractor must treat as confidential all information in the Material and all other information accessed or obtained by the Contractor or a Subcontractor (whether verbally, electronically or otherwise) as a result of this Agreement, and not permit its disclosure or use without the Province's prior written consent except:

- (a) as required to perform the Contractor's obligations under this Agreement or to comply with applicable laws;
- (b) if it is information that is generally known to the public other than as result of a breach of this Agreement; or
- (c) if it is information in any Incorporated Material.

Public announcements

- 5.4 Any public announcement relating to this Agreement will be arranged by the Province and, if such consultation is reasonably practicable, after consultation with the Contractor.

Restrictions on promotion

- 5.5 The Contractor must not, without the prior written approval of the Province, refer for promotional purposes to the Province being a customer of the Contractor or the Province having entered into this Agreement.

6 MATERIAL AND INTELLECTUAL PROPERTY

Access to Material

- 6.1 If the Contractor receives a request for access to any of the Material from a person other than the Province, and this Agreement does not require or authorize the Contractor to provide that access, the Contractor must promptly advise the person to make the request to the Province.

Ownership and delivery of Material

- 6.2 The Province exclusively owns all property rights in the Material which are not intellectual property rights. The Contractor must deliver any Material to the Province immediately upon the Province's request.

Matters respecting intellectual property

- 6.3 The Province exclusively owns all intellectual property rights, including copyright, in:

- (a) Received Material that the Contractor receives from the Province; and
- (b) Produced Material, other than any Incorporated Material.

Upon the Province's request, the Contractor must deliver to the Province documents satisfactory to the Province that irrevocably waive in the Province's favour any moral rights which the Contractor (or employees of the Contractor) or a Subcontractor (or employees of a Subcontractor) may have in the Produced Material and that confirm the vesting in the Province of the copyright in the Produced Material, other than any Incorporated Material.

Rights in relation to Incorporated Material

- 6.4 Upon any Incorporated Material being embedded or incorporated in the Produced Material and to the extent that it remains so embedded or incorporated, the Contractor grants to the Province:
- (a) a non-exclusive, perpetual, irrevocable, royalty-free, worldwide license to use, reproduce, modify and distribute that Incorporated Material; and
 - (b) the right to sublicense to third-parties the right to use, reproduce, modify and distribute that Incorporated Material.

7 RECORDS AND REPORTS

Work reporting

- 7.1 Upon the Province's request, the Contractor must fully inform the Province of all work done by the Contractor or a Subcontractor in connection with providing the Services.

Time and expense records

- 7.2 If Schedule B provides for the Contractor to be paid fees at a daily or hourly rate or for the Contractor to be paid or reimbursed for expenses, the Contractor must maintain time records and books of account, invoices, receipts and vouchers of expenses in support of those payments, in form and content satisfactory to the Province. Unless otherwise specified in this Agreement, the Contractor must retain such documents for a period of not less than seven years after this Agreement ends.

8 AUDIT

- 8.1 In addition to any other rights of inspection the Province may have under statute or otherwise, the Province may at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises to inspect and, at the Province's discretion, copy any of the Material and the Contractor must permit, and provide reasonable assistance to, the exercise by the Province of the Province's rights under this section.

9 INDEMNITY AND INSURANCE

Indemnity

- 9.1 The Contractor must indemnify and save harmless the Province and the Province's employees and agents from any losses, claims, damages, actions, causes of action, costs and expenses that the Province or any of the Province's employees or agents may sustain, incur, suffer or be put to at any time, either before or after this Agreement ends, including any claim of infringement of third-party intellectual property rights, where the same or any of them are based upon, arise out of or occur, directly or indirectly, by reason of any act or omission by the Contractor or by any of the Contractor's agents, employees, officers, directors or Subcontractors in connection with this Agreement, excepting always liability arising out of the independent acts or omissions of the Province and the Province's employees and agents.

Insurance

- 9.2 The Contractor must comply with the Insurance Schedule attached as Schedule D.

Workers compensation

- 9.3 Without limiting the generality of section 2.9, the Contractor must comply with, and must ensure that any Subcontractors comply with, all applicable occupational health and safety laws in relation to the performance of the Contractor's obligations under this Agreement, including the *Workers Compensation Act* in British Columbia or similar laws in other jurisdictions.

Personal optional protection

- 9.4 The Contractor must apply for and maintain personal optional protection insurance (consisting of income replacement and medical care coverage) during the Term at the Contractor's expense if:
- (a) the Contractor is an individual or a partnership of individuals and does not have the benefit of mandatory workers compensation coverage under the *Workers Compensation Act* or similar laws in other jurisdictions; and
 - (b) such personal optional protection insurance is available for the Contractor from WorkSafeBC or other sources.

Evidence of coverage

- 9.5 Within 10 Business Days of being requested to do so by the Province, the Contractor must provide the Province with evidence of the Contractor's compliance with sections 9.3 and 9.4.

10 FORCE MAJEURE

Definitions relating to force majeure

10.1 In this section and sections 10.2 and 10.3:

- (a) "Event of Force Majeure" means one of the following events:
 - (i) a natural disaster, fire, flood, storm, epidemic or power failure,
 - (ii) a war (declared and undeclared), insurrection or act of terrorism or piracy,
 - (iii) a strike (including illegal work stoppage or slowdown) or lockout, or
 - (iv) a freight embargoif the event prevents a party from performing the party's obligations in accordance with this Agreement and is beyond the reasonable control of that party; and
- (b) "Affected Party" means a party prevented from performing the party's obligations in accordance with this Agreement by an Event of Force Majeure.

Consequence of Event of Force Majeure

10.2 An Affected Party is not liable to the other party for any failure or delay in the performance of the Affected Party's obligations under this Agreement resulting from an Event of Force Majeure and any time periods for the performance of such obligations are automatically extended for the duration of the Event of Force Majeure provided that the Affected Party complies with the requirements of section 10.3.

Duties of Affected Party

10.3 An Affected Party must promptly notify the other party in writing upon the occurrence of the Event of Force Majeure and make all reasonable efforts to prevent, control or limit the effect of the Event of Force Majeure so as to resume compliance with the Affected Party's obligations under this Agreement as soon as possible.

11 DEFAULT AND TERMINATION

Definitions relating to default and termination

11.1 In this section and sections 11.2 to 11.4:

- (a) "Event of Default" means any of the following:
 - (i) an Insolvency Event,
 - (ii) the Contractor fails to perform any of the Contractor's obligations under this Agreement, or
 - (iii) any representation or warranty made by the Contractor in this Agreement is untrue or incorrect; and
- (b) "Insolvency Event" means any of the following:
 - (i) an order is made, a resolution is passed or a petition is filed, for the Contractor's liquidation or winding up,
 - (ii) the Contractor commits an act of bankruptcy, makes an assignment for the benefit of the Contractor's creditors or otherwise acknowledges the Contractor's insolvency,
 - (iii) a bankruptcy petition is filed or presented against the Contractor or a proposal under the *Bankruptcy and Insolvency Act* (Canada) is made by the Contractor,
 - (iv) a compromise or arrangement is proposed in respect of the Contractor under the *Companies' Creditors Arrangement Act* (Canada),
 - (v) a receiver or receiver-manager is appointed for any of the Contractor's property, or

- (vi) the Contractor ceases, in the Province's reasonable opinion, to carry on business as a going concern.

Province's options on default

- 11.2 On the happening of an Event of Default, or at any time thereafter, the Province may, at its option, elect to do any one or more of the following:
- (a) by written notice to the Contractor, require that the Event of Default be remedied within a time period specified in the notice;
 - (b) pursue any remedy or take any other action available to it at law or in equity; or
 - (c) by written notice to the Contractor, terminate this Agreement with immediate effect or on a future date specified in the notice, subject to the expiration of any time period specified under section 11.2(a).

Delay not a waiver

- 11.3 No failure or delay on the part of the Province to exercise its rights in relation to an Event of Default will constitute a waiver by the Province of such rights.

Province's right to terminate other than for default

- 11.4 In addition to the Province's right to terminate this Agreement under section 11.2(c) on the happening of an Event of Default, the Province may terminate this Agreement for any reason by giving at least 10 days' written notice of termination to the Contractor.

Payment consequences of termination

- 11.5 Unless Schedule B otherwise provides, if the Province terminates this Agreement under section 11.4:
- (a) the Province must, within 30 days of such termination, pay to the Contractor any unpaid portion of the fees and expenses described in Schedule B which corresponds with the portion of the Services that was completed to the Province's satisfaction before termination of this Agreement; and
 - (b) the Contractor must, within 30 days of such termination, repay to the Province any paid portion of the fees and expenses described in Schedule B which corresponds with the portion of the Services that the Province has notified the Contractor in writing was not completed to the Province's satisfaction before termination of this Agreement.

Discharge of liability

- 11.6 The payment by the Province of the amount described in section 11.5(a) discharges the Province from all liability to make payments to the Contractor under this Agreement.

Notice in relation to Events of Default

- 11.7 If the Contractor becomes aware that an Event of Default has occurred or anticipates that an Event of Default is likely to occur, the Contractor must promptly notify the Province of the particulars of the Event of Default or anticipated Event of Default. A notice under this section as to the occurrence of an Event of Default must also specify the steps the Contractor proposes to take to address, or prevent recurrence of, the Event of Default. A notice under this section as to an anticipated Event of Default must specify the steps the Contractor proposes to take to prevent the occurrence of the anticipated Event of Default.

12 DISPUTE RESOLUTION

Dispute resolution process

- 12.1 In the event of any dispute between the parties arising out of or in connection with this Agreement, the following dispute resolution process will apply unless the parties otherwise agree in writing:
- (a) the parties must initially attempt to resolve the dispute through collaborative negotiation;
 - (b) if the dispute is not resolved through collaborative negotiation within 15 Business Days of the dispute arising, the parties must then attempt to resolve the dispute through mediation under the rules of the British Columbia Mediator Roster Society; and
 - (c) if the dispute is not resolved through mediation within 30 Business Days of the commencement of mediation, the dispute must be referred to and finally resolved by arbitration under the *Commercial Arbitration Act*.

Location of arbitration or mediation

- 12.2 Unless the parties otherwise agree in writing, an arbitration or mediation under section 12.1 will be held in Victoria, British Columbia.

Costs of mediation or arbitration

- 12.3 Unless the parties otherwise agree in writing or, in the case of an arbitration, the arbitrator otherwise orders, the parties must share equally the costs of a mediation or arbitration under section 12.1 other than those costs relating to the production of expert evidence or representation by counsel.

13 MISCELLANEOUS

Delivery of notices

- 13.1 Any notice contemplated by this Agreement, to be effective, must be in writing and delivered as follows:
- (a) by fax to the addressee's fax number specified on the first page of this Agreement, in which case it will be deemed to be received on the day of transmittal unless transmitted after the normal business hours of the addressee or on a day that is not a Business Day, in which cases it will be deemed to be received on the next following Business Day;
 - (b) by hand to the addressee's address specified on the first page of this Agreement, in which case it will be deemed to be received on the day of its delivery; or
 - (c) by prepaid post to the addressee's address specified on the first page of this Agreement, in which case if mailed during any period when normal postal services prevail, it will be deemed to be received on the fifth Business Day after its mailing.

Change of address or fax number

- 13.2 Either party may from time to time give notice to the other party of a substitute address or fax number, which from the date such notice is given will supersede for purposes of section 13.1 any previous address or fax number specified for the party giving the notice.

Assignment

- 13.3 The Contractor must not assign any of the Contractor's rights under this Agreement without the Province's prior written consent.

Subcontracting

- 13.4 The Contractor must not subcontract any of the Contractor's obligations under this Agreement to any person without the Province's prior written consent, excepting persons listed in the attached Schedule C. No subcontract, whether consented to or not, relieves the Contractor from any obligations under this Agreement. The Contractor must ensure that:
- (a) any person retained by the Contractor to perform obligations under this Agreement; and
 - (b) any person retained by a person described in paragraph (a) to perform those obligations fully complies with this Agreement in performing the subcontracted obligations.

Waiver

- 13.5 A waiver of any term or breach of this Agreement is effective only if it is in writing and signed by, or on behalf of, the waiving party and is not a waiver of any other term or breach.

Modifications

- 13.6 No modification of this Agreement is effective unless it is in writing and signed by, or on behalf of, the parties.

Entire agreement

- 13.7 This Agreement (including any modification of it) constitutes the entire agreement between the parties as to performance of the Services.

Survival of certain provisions

- 13.8 Sections 2.9, 3.1 to 3.4, 3.7, 3.8, 5.1 to 5.5, 6.1 to 6.4, 7.1, 7.2, 8.1, 9.1, 9.2, 9.5, 10.1 to 10.3, 11.2, 11.3, 11.5, 11.6, 12.1 to 12.3, 13.1, 13.2, 13.8, and 13.10, any accrued but unpaid payment obligations, and any other sections of this Agreement (including schedules) which, by their terms or nature, are intended to survive the completion of the Services or termination of this Agreement, will continue in force indefinitely, even after this Agreement ends.

Schedules

- 13.9 The schedules to this Agreement (including any appendices or other documents attached to, or incorporated by reference into, those schedules) are part of this Agreement.

Independent contractor

- 13.10 In relation to the performance of the Contractor's obligations under this Agreement, the Contractor is an independent contractor and not:

- (a) an employee or partner of the Province; or
- (b) an agent of the Province except as may be expressly provided for in this Agreement.

The Contractor must not act or purport to act contrary to this section.

Personnel not to be employees of Province

- 13.11 The Contractor must not do anything that would result in personnel hired or used by the Contractor or a Subcontractor in relation to providing the Services being considered employees of the Province.

Key Personnel

- 13.12 If one or more individuals are specified as "Key Personnel" of the Contractor in Part 4 of Schedule A, the Contractor must cause those individuals to perform the Services on the Contractor's behalf, unless the Province otherwise approves in writing, which approval must not be unreasonably withheld.

Pertinent information

- 13.13 The Province must make available to the Contractor all information in the Province's possession which the Province considers pertinent to the performance of the Services.

Conflict of interest

- 13.14 The Contractor must not provide any services to any person in circumstances which, in the Province's reasonable opinion, could give rise to a conflict of interest between the Contractor's duties to that person and the Contractor's duties to the Province under this Agreement.

Time

- 13.15 Time is of the essence in this Agreement and, without limitation, will remain of the essence after any modification or extension of this Agreement, whether or not expressly restated in the document effecting the modification or extension.

Conflicts among provisions

- 13.16 Conflicts among provisions of this Agreement will be resolved as follows:
- (a) a provision in the body of this Agreement will prevail over any conflicting provision in, attached to or incorporated by reference into a schedule, unless that conflicting provision expressly states otherwise; and
 - (b) a provision in a schedule will prevail over any conflicting provision in a document attached to or incorporated by reference into a schedule, unless the schedule expressly states otherwise.

Agreement not permit nor fetter

- 13.17 This Agreement does not operate as a permit, license, approval or other statutory authority which the Contractor may be required to obtain from the Province or any of its agencies in order to provide the Services. Nothing in this Agreement is to be construed as interfering with, or fettering in any manner, the exercise by the Province or its agencies of any statutory, prerogative, executive or legislative power or duty.

Remainder not affected by invalidity

- 13.18 If any provision of this Agreement or the application of it to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected or impaired and will be valid and enforceable to the extent permitted by law.

Further assurances

- 13.19 Each party must perform the acts, execute and deliver the writings, and give the assurances as may be reasonably necessary to give full effect to this Agreement.

Additional terms

- 13.20 Any additional terms set out in the attached Schedule F apply to this Agreement.

Governing law

- 13.21 This Agreement is governed by, and is to be interpreted and construed in accordance with, the laws applicable in British Columbia.

14 INTERPRETATION

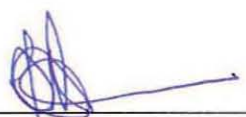
14.1 In this Agreement:

- (a) "includes" and "including" are not intended to be limiting;
- (b) unless the context otherwise requires, references to sections by number are to sections of this Agreement;
- (c) the Contractor and the Province are referred to as "the parties" and each of them as a "party";
- (d) "attached" means attached to this Agreement when used in relation to a schedule;
- (e) unless otherwise specified, a reference to a statute by name means the statute of British Columbia by that name, as amended or replaced from time to time;
- (f) the headings have been inserted for convenience of reference only and are not intended to describe, enlarge or restrict the scope or meaning of this Agreement or any provision of it;
- (g) "person" includes an individual, partnership, corporation or legal entity of any nature; and
- (h) unless the context otherwise requires, words expressed in the singular include the plural and *vice versa*.

15 EXECUTION AND DELIVERY OF AGREEMENT

- 15.1 This Agreement may be entered into by a separate copy of this Agreement being executed by, or on behalf of, each party and that executed copy being delivered to the other party by a method provided for in section 13.1 or any other method agreed to by the parties.

The parties have executed this Agreement as follows:

<p>SIGNED on the ___12th day of ___January___, 2013 by the Contractor (or, if not an individual, on its behalf by its authorized signatory or signatories):</p> <p> _____ Signature(s)</p> <p><u>Tim Hilborn</u> _____ Print Name(s)</p> <p><u>PARTNER</u> _____ Print Title(s)</p>	<p>SIGNED on the ___12th day of ___January___, 2013 on behalf of the Province by its duly authorized representative:</p> <p> _____ Signature</p> <p><u>Brian Hansen</u> _____ Print Name</p> <p><u>ADM/Lead Negotiator, MEMNG</u> _____ Print Title</p>
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Schedule A – Services

PART 1. TERM:

1. Subject to section 2 of this Part 1, the term of this Agreement commences on January 12, 2013 and ends on April 30, 2013.

PART 2. SERVICES:

1. The Contractor has been selected by reason of urgency, expertise and confidentiality.
2. If, as and when requested by the Province, the Province will provide a draft Statement of Work to the Contractor for consideration. Upon execution of a Statement of Work, the Contractor agrees to provide the Services described in the applicable Statement of Work, which becomes part of Schedule A.
3. The Contractor will meet any timelines, provide deliverables and comply with reporting requirements, as described in each Statement of Work.
4. The Contractor has been selected by direct award due to significant time constraints, availability, subject matter expertise and confidentiality of subject matter information.

PART 3. KEY PERSONNEL:

1. The Key Personnel of the Contractor are as follows:
 - (a) Tim Philpotts, Senior Vice President
2. The Contractor may request changes to the Key Personnel and, if agreeable to the Province, the parties will execute an amendment detailing such changes.

Schedule B – Fees and Expenses

1. MAXIMUM AMOUNT PAYABLE:

Maximum Amount: \$145,000 CDN is the maximum amount which the Province is obliged to pay to the Contractor for fees and expenses under this Agreement, cumulative for all Statements of Work (exclusive of any applicable taxes described in section 3.1(c) of this Agreement). Each Statement of Work will specify the maximum amount payable pursuant to that Statement of Work.

2. FEES:

Each Statement of Work will detail the applicable fees. However, under no circumstances will any fees under a Statement of Work be permitted to exceed rates prescribed in **Statement of Work 2013 – 1 (EMNG – EY)**, included as part of Schedule A.

3. EXPENSES:

Each Statement of Work will detail the applicable expenses.

4. STATEMENTS OF ACCOUNT:

Each Statement of Work will detail the applicable process for obtaining payment of any fees and expenses. In the event that a Statement of Work does not specify a process, the following will apply.

Statements of Account: In order to obtain payment of any fees and expenses under a Statement of Work (each a "Billing Period"), the Contractor must deliver to the Ministry or Organizational Lead specified in the Statement of Work on a date after the Billing Period (each a "Billing Date"), a written statement of account in a form satisfactory to the Ministry or Organizational Lead containing:

- (a) the Contractor's legal name and address;
- (b) the date of the statement, and the Billing Period to which the statement pertains;
- (c) the Contractor's calculation of all fees claimed for that Billing Period, including a declaration by the Contractor of all hours worked on during the Billing Period, or all (units/deliverables) provided during the Billing Period, as applicable, for which the Contractor claims fees and a description of the applicable fee rates;
- (d) a chronological listing, in reasonable detail, of any expenses claimed by the Contractor for the Billing Period with receipts attached, if applicable, and, if the Contractor is claiming reimbursement of any HST or other applicable taxes paid or payable by the Contractor in relation to those expenses, a description of any credits, rebates, refunds or remissions the Contractor is entitled to from the relevant taxation authorities in relation to those taxes;
- (e) the Contractor's calculation of any applicable taxes payable in relation to the Services for the Billing Period;
- (f) a description of this Agreement and the applicable Statement of Work;
- (g) a statement number for identification; and
- (h) any other billing information reasonably requested by the Ministry or Organizational Lead.

Schedule C – Approved Subcontractor(s)

None.

Schedule D – Insurance

1. The Contractor must, without limiting the Contractor's obligations or liabilities and at the Contractor's own expense, purchase and maintain throughout the Term the following insurances with insurers licensed in Canada in forms and amounts acceptable to the Province:
 - (a) Commercial General Liability in an amount not less than \$2,000,000.00 inclusive per occurrence against bodily injury, personal injury and property damage and including liability assumed under this Agreement and this insurance must
 - (i) include the Province as an additional insured,
 - (ii) be endorsed to provide the Province with 30 days advance written notice of cancellation or material change, and
 - (iii) include a cross liability clause.
2. All insurance described in section 1 of this Schedule must:
 - (a) be primary; and
 - (b) not require the sharing of any loss by any insurer of the Province.
3. The Contractor must provide the Province with evidence of all required insurance as follows:
 - (a) within 10 Business Days of commencement of the Services, the Contractor must provide to the Province evidence of all required insurance in the form of a completed Province of British Columbia Certificate of Insurance;
 - (b) if any required insurance policy expires before the end of the Term, the Contractor must provide to the Province within 10 Business Days of the policy's expiration, evidence of a new or renewal policy meeting the requirements of the expired insurance in the form of a completed Province of British Columbia Certificate of Insurance; and
 - (c) despite paragraph (a) or (b) above, if requested by the Province at any time, the Contractor must provide to the Province certified copies of the required insurance policies.
4. The Contractor must obtain, maintain and pay for any additional insurance which the Contractor is required by law to carry, or which the Contractor considers necessary to cover risks not otherwise covered by insurance specified in this Schedule in the Contractor's sole discretion.

Schedule E – Privacy Protection Schedule

Definitions

1. In this Schedule,
 - (a) “access” means disclosure by the provision of access;
 - (b) “Act” means the *Freedom of Information and Protection of Privacy Act* (British Columbia);
 - (c) “contact information” means information to enable an individual at a place of business to be contacted and includes the name, position name or title, business telephone number, business address, business email or business fax number of the individual;
 - (d) “personal information” means recorded information about an identifiable individual, other than contact information, collected or created by the Contractor as a result of the Agreement or any previous agreement between the Province and the Contractor dealing with the same subject matter as the Agreement but excluding any such information that, if this Schedule did not apply to it, would not be under the “control of a public body” within the meaning of the Act.

Purpose

2. The purpose of this Schedule is to:
 - (a) enable the Province to comply with the Province’s statutory obligations under the Act with respect to personal information; and
 - (b) ensure that, as a service provider, the Contractor is aware of and complies with the Contractor’s statutory obligations under the Act with respect to personal information.

Collection of personal information

3. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor may only collect or create personal information that is necessary for the performance of the Contractor’s obligations, or the exercise of the Contractor’s rights, under the Agreement.
4. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor must collect personal information directly from the individual the information is about.
5. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor must tell an individual from whom the Contractor collects personal information:
 - (a) the purpose for collecting it;
 - (b) the legal authority for collecting it; and
 - (c) the title, business address and business telephone number of the person designated by the Province to answer questions about the Contractor’s collection of personal information.

Accuracy of personal information

6. The Contractor must make every reasonable effort to ensure the accuracy and completeness of any personal information to be used by the Contractor or the Province to make a decision that directly affects the individual the information is about.

Requests for access to personal information

7. If the Contractor receives a request for access to personal information from a person other than the Province, the Contractor must promptly advise the person to make the request to the Province unless the Agreement

expressly requires the Contractor to provide such access and, if the Province has advised the Contractor of the name or title and contact information of an official of the Province to whom such requests are to be made, the Contractor must also promptly provide that official's name or title and contact information to the person making the request.

Correction of personal information

8. Within 5 Business Days of receiving a written direction from the Province to correct or annotate any personal information, the Contractor must correct or annotate the information in accordance with the direction.
9. When issuing a written direction under section 8, the Province must advise the Contractor of the date the correction request to which the direction relates was received by the Province in order that the Contractor may comply with section 10.
10. Within 5 Business Days of correcting or annotating any personal information under section 8, the Contractor must provide the corrected or annotated information to any party to whom, within one year prior to the date the correction request was made to the Province, the Contractor disclosed the information being corrected or annotated.
11. If the Contractor receives a request for correction of personal information from a person other than the Province, the Contractor must promptly advise the person to make the request to the Province and, if the Province has advised the Contractor of the name or title and contact information of an official of the Province to whom such requests are to be made, the Contractor must also promptly provide that official's name or title and contact information to the person making the request.

Protection of personal information

12. The Contractor must protect personal information by making reasonable security arrangements against such risks as unauthorized access, collection, use, disclosure or disposal, including any expressly set out in the Agreement.

Storage and access to personal information

13. Unless the Province otherwise directs in writing, the Contractor must not store personal information outside Canada or permit access to personal information from outside Canada.

Retention of personal information

14. Unless the Agreement otherwise specifies, the Contractor must retain personal information until directed by the Province in writing to dispose of it or deliver it as specified in the direction.

Use of personal information

15. Unless the Province otherwise directs in writing, the Contractor may only use personal information if that use is for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Agreement.

Disclosure of personal information

16. Unless the Province otherwise directs in writing, the Contractor may only disclose personal information inside Canada to any person other than the Province if the disclosure is for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Agreement.
17. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor must not disclose personal information outside Canada.

Notice of foreign demands for disclosure

18. In addition to any obligation the Contractor may have to provide the notification contemplated by section 30.2 of the Act, if in relation to personal information in the custody or under the control of the Contractor, the Contractor:
- (a) receives a foreign demand for disclosure;
 - (b) receives a request to disclose, produce or provide access that the Contractor knows or has reason to suspect is for the purpose of responding to a foreign demand for disclosure; or
 - (c) has reason to suspect that an unauthorized disclosure of personal information has occurred in response to a foreign demand for disclosure

the Contractor must immediately notify the Province and, in so doing, provide the information described in section 30.2(3) of the Act. In this section, the phrases "foreign demand for disclosure" and "unauthorized disclosure of personal information" will bear the same meanings as in section 30.2 of the Act.

Notice of unauthorized disclosure

19. In addition to any obligation the Contractor may have to provide the notification contemplated by section 30.5 of the Act, if the Contractor knows that there has been an unauthorized disclosure of personal information in the custody or under the control of the Contractor, the Contractor must immediately notify the Province. In this section, the phrase "unauthorized disclosure of personal information" will bear the same meaning as in section 30.5 of the Act.

Inspection of personal information

20. In addition to any other rights of inspection the Province may have under the Agreement or under statute, the Province may, at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises to inspect any personal information in the possession of the Contractor or any of the Contractor's information management policies or practices relevant to the Contractor's management of personal information or the Contractor's compliance with this Schedule, and the Contractor must permit and provide reasonable assistance to any such inspection.

Compliance with the Act and directions

21. The Contractor must in relation to personal information comply with:
- (a) the requirements of the Act applicable to the Contractor as a service provider, including any applicable order of the commissioner under the Act; and
 - (b) any direction given by the Province under this Schedule.
22. The Contractor acknowledges that it is familiar with the requirements of the Act governing personal information that are applicable to it as a service provider.

Notice of non-compliance

23. If for any reason the Contractor does not comply, or anticipates that it will be unable to comply, with a provision in this Schedule in any respect, the Contractor must promptly notify the Province of the particulars of the non-compliance or anticipated non-compliance and what steps it proposes to take to address, or prevent recurrence of, the non-compliance or anticipated non-compliance.

Termination of Agreement

24. In addition to any other rights of termination which the Province may have under the Agreement or otherwise at law, the Province may, subject to any provisions in the Agreement establishing mandatory cure periods for defaults by the Contractor, terminate the Agreement by giving written notice of such termination to the Contractor, upon any failure of the Contractor to comply with this Schedule in a material respect.

Interpretation

25. In this Schedule, references to sections by number are to sections of this Schedule unless otherwise specified in this Schedule.
26. Any reference to the "Contractor" in this Schedule includes any subcontractor or agent retained by the Contractor to perform obligations under the Agreement and the Contractor must ensure that any such subcontractors and agents comply with this Schedule.
27. The obligations of the Contractor in this Schedule will survive the termination of the Agreement.
28. If a provision of the Agreement (including any direction given by the Province under this Schedule) conflicts with a requirement of the Act or an applicable order of the commissioner under the Act, the conflicting provision of the Agreement (or direction) will be inoperative to the extent of the conflict.
29. The Contractor must comply with the provisions of this Schedule despite any conflicting provision of this Agreement or, subject to section 30, the law of any jurisdiction outside Canada.
30. Nothing in this Schedule requires the Contractor to contravene the law of any jurisdiction outside Canada unless such contravention is required to comply with the Act.

Schedule F – Additional Terms

1. In addition to section 5.3 of this Agreement, the Contractor agrees to execute the Undertaking of Confidentiality attached as Appendix 1 to this Schedule F. The Contractor acknowledges and agrees that the Undertaking of Confidentiality will apply to each Statement of Work.
2. In the event that Key Personnel are added to this Agreement pursuant to Part 3 of Schedule A, the Contractor will cause each additional Key Personnel to execute the Undertaking of Confidentiality attached as Appendix 1 to this Schedule F before commencing Services under any Schedule of Work.
3. The Contractor acknowledges and agrees that each Statement of Work will require full completion of a Conflict of Interest Disclosure, to the satisfaction of the Province, prior to the commencement of Services under any Schedule of Work. The Conflict of Interest Disclosure to be completed is attached as Appendix 2 to this Schedule F.
4. Despite section 9.2 of this Agreement, the parties agree that the following applies

Unless otherwise specified in a Statement of Work, the Contractor must comply with the Insurance Schedule attached as Schedule D.
5. Despite section 9.4 of this Agreement, the parties agree that the following applies.

Personal optional protection

If specified in a Statement of Work, the Contractor must apply for and maintain personal optional protection insurance (consisting of income replacement and medical care coverage) during the Term at the Contractor's expense if:
 - (a) the Contractor is an individual or a partnership of individuals and does not have the benefit of mandatory workers compensation coverage under the *Workers Compensation Act* or similar laws in other jurisdictions; and
 - (b) such personal optional protection insurance is available for the Contractor from WorkSafeBC or other sources.
6. Sections 4 and 5 of this Schedule F are intended to survive the completion of the Services or termination of this Agreement, will continue in force indefinitely, even after this Agreement ends.

**Appendix 1 to Schedule F – Undertaking of Confidentiality (Information Only – Refer to Statement of Work
At Schedule A)**

1. In consideration of the roles of Ernest and Young Orenda Corporate Finance Inc. and Tim Philpotts, Senior Vice President pursuant to this Agreement and each Statement of Work, each of Ernest and Young Orenda Corporate Finance Inc. and Tim Philpotts, Senior Vice President undertake to treat as confidential and not disclose or permit to be disclosed, at any time, information they provide to, or obtain from, the Province or its Crown corporations and agencies (verbally, electronically or in writing) in relation to or resulting from their roles under this Agreement or any Statement of Work, including but not limited to the following:
 - (a) the contents of materials, including and presentations brought to meetings or circulated within the BC public sector;
 - (b) the conversations and discussions held within the BC public sector;
 - (c) any part of the agendas of the meetings of established or ad hoc committees of government or public sector bodies and agencies;
 - (d) the fact that they have attended or been scheduled to attend meetings of established or ad hoc committees of government or public sector bodies and agencies;
 - (e) the outcomes or decisions of government, employer associations, employers, pension plan boards of trustees, or pension plan partners that they may become aware of by virtue of this contract;
 - (f) any reports, recommendations or analysis prepared for or in connection with that they may become aware of by virtue of this Agreement or any Statement of Work; and
 - (g) the terms of this Undertaking.
2. Section 1 of this Undertaking does not apply insofar as:
 - (a) the disclosure is expressly permitted in writing by the Province or its Crown corporations and agencies;
 - (b) the information to be disclosed is general public knowledge;
 - (c) the disclosure is to staff of the Government of British Columbia; or
 - (d) the information is as described in section 12(2)(a) to (c) of the *Freedom of Information and Protection of Privacy Act*, which can be accessed at <http://www.oipc.bc.ca/>
3. Ernest and Young Orenda Corporate Finance Inc. and Tim Philpotts, Senior Vice President undertake that on request of the Province or its Crown corporations and agencies, they will return to the appropriate party all information received from such party or parties, including all copies, derivatives, reports and analysis containing such information.
4. Ernest and Young Orenda Corporate Finance Inc. and Tim Philpotts, Senior Vice President undertake not to use any of the information referenced in Section 1 above for any other purpose other than those of related to each Statement of Work.
5. Ernest and Young Orenda Corporate Finance Inc. and Tim Philpotts, Senior Vice President also undertake that they will immediately notify Brian Hansen, Ministry of Energy Mines and Natural Gas, if Ernest and Young Orenda Corporate Finance Inc. and Tim Philpotts, Senior Vice President receive a summons, subpoena, order or similar instrument or otherwise become subject to a legal obligation requiring disclosure of any information required to be kept confidential under this Undertaking.
6. Despite the execution date of this Undertaking, it is deemed effective as of January 12, 2013

Ernest and Young Orenda Corporate Finance Inc.

Per: Tim Philpotts
(Name)

Date: _____

Title: Partner
(Title)

SIGNED on the 12 day of January, 2013)

Tim Philpotts
Tim Philpotts

Appendix 2 to Schedule F – Conflict of Interest Disclosure (Information Only – Refer to Statement of Work At Schedule A)

A conflict of interest arises where you have an interest which conflicts (or might conflict, or might be perceived to conflict) with the interests of the Organization¹.

A conflict of interest may take a number of forms. It may be financial or non-financial. It may be direct or indirect. It may be professional or family related.

A conflict of interest may arise from directorships or other employment; interests in business enterprises or professional practices; share ownership; beneficial interests in trusts; existing professional or personal associations with the Organization; professional associations or relationships with other organizations; personal associations with other groups or organizations; or family relationships.

Special advisors to the Province must disclose any duty or interest that might conflict with his or her duty or interest to the Organization. This disclosure covers each and both of Ernest and Young Orenda Corporate Finance Inc. and Tim Philpotts, Senior Vice President. A direct or indirect conflict with my/our duties as Special Advisor(s) to the Province may arise because (please indicate if non-applicable):

- a) I/We, or my/our associates², hold the following offices (appointed or elected):

[CONTRACTOR TO COMPLETE]

- b) I/WE, my/our associates, or any trustee or any nominee on my/our behalf, own or possess, directly or indirectly, the following interests (i.e., shares, businesses, or properties):

[CONTRACTOR TO COMPLETE]

- c) I/We, or my/our associates, have the following interests in existing or proposed transactions with the Organization.

[CONTRACTOR TO COMPLETE]

2. The nature and extent of the conflicting office duty or interest referred to in sub-paragraphs 1(a) or 1(b) is (please indicate if non-applicable):

[CONTRACTOR TO COMPLETE]

3. A real or perceived conflict of interest with my/our duties as Special Advisor(s) to the Province may arise because I/We receive financial remuneration (either for services performed by me/us, as an owner or part owner, trustee, or employee or otherwise) from the following sources (please indicate if non-applicable):

¹ "Organization" means the Province and its Crown corporations and agencies.

² "Associate" of a person means any person closely connected by blood or otherwise including, but not limited to, a spouse (including common-law spouse), parent, grandparent, brother, sister, child or grandchild.

[CONTRACTOR TO COMPLETE]

4. The following is a list of each subsidiary³ or affiliate⁴ of a company listed in section 1 of this declaration.

Company Listed in Paragraph 1(b)	Name of Subsidiary or Affiliate	Type of Business Ordinarily Carried on by Subsidiary or Affiliate
CONTRACTOR TO COMPLETE IF RELEVANT		

5. If, at any time following the signing of this Conflict of Interest declaration, there are changes to the information given herein regarding conflict of interest, either by way or addition or deletion, I shall forthwith file with the Ministry of (NAME) a supplementary disclosure statement describing such change.

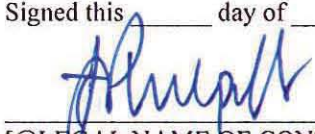
Yes: No:

6. Other than disclosed above, do you have any relationships or interests that could compromise, or be perceived to compromise, your ability to exercise judgment with a view to the best interests of the Province, as Special Advisor(s)? If so, please specify.

Yes: No:

If yes, specify below. [CONTRACTOR TO COMPLETE]

Signed this _____ day of _____, 20____.



[@LEGAL NAME OF CONTRACTOR] ERNEST WONG, LL.B.
(authorized signatory)

³ For the purposes of this declaration, a corporation is a subsidiary of another corporation where:

- (a) it is controlled by:
 - (i) that other corporation;
 - (ii) that other corporation and one or more other corporations, each of which is controlled by that other corporation; or
 - (iii) two or more other corporations, each of which is controlled by that other corporation; or
- (b) it is a subsidiary or a subsidiary of that other corporation.

⁴ For the purposes of this declaration, one corporation is affiliated with another corporation where one of them is the subsidiary of the other, or both are subsidiaries of the same corporation, or each of them is controlled by the same person.

Schedule G – Security Schedule

Definitions

1. In this Schedule,

- (a) "Equipment" means any equipment, including interconnected systems or subsystems of equipment, software and networks, used or to be used by the Contractor to provide the Services;
- (b) "Facilities" means any facilities at which the Contractor provides or is to provide the Services;
- (c) "Information" means information
 - (i) in the Material, or
 - (ii) accessed, produced or obtained by the Contractor (whether verbally, electronically or otherwise) as a result of the Agreement;
- (d) "Record" means a "record" as defined in the *Interpretation Act*;
- (e) "Sensitive Information" means
 - (i) Information that is "personal information" as defined in the *Freedom of Information and Protection of Privacy Act*, or
 - (ii) any other Information specified as "Sensitive Information" in Appendix G6, if attached; and
- (f) "Services Worker" means an individual involved in providing the Services for or on behalf of the Contractor and, for greater certainty, may include
 - (i) the Contractor or a subcontractor if an individual, or
 - (ii) an employee or volunteer of the Contractor or of a subcontractor.

Schedule contains additional obligations

2. The obligations of the Contractor in this Schedule are in addition to any other obligations in the Agreement or the schedules attached to it relating to security including, without limitation, the obligations of the Contractor in the Privacy Protection Schedule, if attached.

Services Worker confidentiality agreements

3. The Contractor must not permit a Services Worker who is an employee or volunteer of the Contractor to have access to Sensitive Information unless the Services Worker has first entered into a confidentiality agreement with the Contractor to keep Sensitive Information confidential on substantially similar terms as those that apply to the Contractor under the Agreement.

Services Worker security screening

4. The Contractor may only permit a Services Worker who is an employee or a volunteer of the Contractor to have access to Sensitive Information or otherwise be involved in providing the Services if, after having subjected the Services Worker to the personnel security screening requirements set out in Appendix G1 and any additional requirements the Contractor may consider appropriate, the Contractor is satisfied that the Services Worker does not constitute an unreasonable security risk. The Contractor must create, obtain

and retain Records documenting the Contractor's compliance with the security screening requirements set out in Appendix G1 in accordance with the provisions of that appendix.

Services Worker activity logging

5. Subject to section 6, the Contractor must create and maintain detailed Records logging the activities of all Service Workers in relation to:
 - (a) their access to Sensitive Information; and
 - (b) other matters specified by the Province in writing for the purposes of this section.
6. The Records described in section 5 must be made and maintained in a manner, and contain information, specified in Appendix G2, if attached.

Facilities and Equipment protection and access control

7. The Contractor must create, maintain and follow a documented process to:
 - (a) protect Facilities and Equipment of the Contractor required by the Contractor to provide the Services from loss, damage or any other occurrence that may result in any of those Facilities and Equipment being unavailable when required to provide the Services; and
 - (b) limit access to Facilities and Equipment of the Contractor
 - (i) being used by the Contractor to provide the Services, or
 - (ii) that may be used by someone to access Informationto those persons who are authorized to have that access and for the purposes for which they are authorized, which process must include measures to verify the identity of those persons.
8. If the Province makes available to the Contractor any Facilities or Equipment of the Province for the use of the Contractor in providing the Services, the Contractor must comply with any policies and procedures provided to it by the Province on acceptable use, protection of, and access to, such Facilities or Equipment.

Sensitive Information access control

9. The Contractor must:
 - (a) create, maintain and follow a documented process for limiting access to Sensitive Information to those persons who are authorized to have that access and for the purposes for which they are authorized, which process must include measures to verify the identity of those persons; and
 - (b) comply with the information access control requirements set out in Appendix G3, if attached.

Integrity of Information

10. The Contractor must:
 - (a) create, maintain and follow a documented process for maintaining the integrity of Information while possessed or accessed by the Contractor; and
 - (b) comply with the information integrity requirements set out in Appendix G4, if attached.

11. For the purposes of section 10, maintaining the integrity of Information means that, except to the extent expressly authorized by the Agreement or approved in writing by the Province, the Information has:
 - (a) remained as complete as when it was acquired or accessed by the Contractor; and
 - (b) not been altered in any material respect.

Documentation of changes to processes

12. The Contractor must create and maintain detailed Records logging any changes it makes to the processes described in sections 7, 9 and 10.

Notice of security breaches

13. If Contractor becomes aware that:
 - (a) unauthorized access, collection, use, disclosure, alteration or disposal of Information or Records containing Information; or
 - (b) unauthorized access to Facilities or Equipment

has occurred or is likely to occur (whether or not related to a failure by the Contractor to comply with this Schedule or the Agreement), the Contractor must immediately notify the Province of the particulars of that occurrence or likely occurrence. If the Contractor provides a notification under this section other than in writing, that notification must be confirmed in writing to the Province as soon as it is reasonably practicable for the Contractor to do so.

Review of security breaches

14. If the Province decides to conduct a review of a matter described in section 13 (whether or not the matter came to the attention of the Province as a result of a notification under section 13), the Contractor must, on the request of the Province, participate in the review to the extent that it is reasonably practicable for the Contractor to do so.

Retention of Records

15. Unless the Agreement otherwise specifies, the Contractor must retain all Records in the Contractor's possession that contain Information until directed by the Province in writing to dispose of them or deliver them as specified in the direction.

Storage of Records

16. Until disposed of or delivered in accordance with section 15, the Contractor must store any Records in the Contractor's possession that contain Information in accordance with the provisions of Appendix G5, if attached.

Audit

17. In addition to any other rights of inspection the Province may have under the Agreement or under statute, the Province may, at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises to inspect and, at the Province's discretion, copy:
 - (a) any Records in the possession of the Contractor containing Information; or

- (b) any of the Contractor's Information management policies or processes (including the processes described in sections 7, 9 and 10 and the logs described in sections 5 and 12) relevant to the Contractor's compliance with this Schedule

and the Contractor must permit, and provide reasonable assistance to the exercise by the Province of the Province's rights under this section.

Termination of Agreement

- 18. In addition to any other rights of termination which the Province may have under the Agreement or otherwise at law, the Province may, subject to any provisions in the Agreement establishing mandatory cure periods for defaults by the Contractor, terminate the Agreement by giving written notice of such termination to the Contractor, upon any failure of the Contractor to comply with this Schedule in a material respect.

Interpretation

- 19. In this Schedule, unless otherwise specified:
 - (a) references to sections are to sections of this Schedule; and
 - (b) references to appendices are to the appendices attached to this Schedule.
- 20. Any reference to the "Contractor" in this Schedule includes any subcontractor retained by the Contractor to perform obligations under the Agreement and the Contractor must ensure that any such subcontractors comply with this Schedule.
- 21. The appendices attached to this Schedule are part of this Schedule.
- 22. If there is a conflict between a provision in an appendix attached to this Schedule and any other provision of this Schedule, the provision in the appendix is inoperative to the extent of the conflict unless the appendix states that it operates despite a conflicting provision of this Schedule.
- 23. If there is a conflict between:
 - (a) a provision of the Agreement, this Schedule or an appendix attached to this Schedule; and
 - (b) a documented process required by this Schedule to be created or maintained by the Contractorthe provision of the Agreement, Schedule or appendix will prevail to the extent of the conflict.
- 24. The obligations of the Contractor in this Schedule will survive the termination of the Agreement.

SCHEDULE G – Appendix G1 – Security screening requirements

The personnel security screening requirements set out in this Appendix G1 are for the purpose of assisting the Contractor determine whether or not a Services Worker constitutes an unreasonable security risk.

Verification of name, date of birth and address

- The Contractor must verify the name, date of birth and current address of a Services Worker by viewing at least one piece of "primary identification" of the Services Worker and at least one piece of "secondary identification" of the Services Worker,* as described in the table following this section. The Contractor must obtain or create, as applicable, Records of all such verifications and retain a copy of those Records. For a Services Worker from another province or jurisdiction, reasonably equivalent identification documents are acceptable.

Primary Identification	Secondary Identification
<p>Issued by ICBC:</p> <ul style="list-style-type: none"> B.C. driver's licence or learner's licence (must have photo) B.C. Identification (BCID) card <p>Issued by provincial or territorial government:</p> <ul style="list-style-type: none"> Canadian birth certificate <p>Issued by Government of Canada:</p> <ul style="list-style-type: none"> Canadian Citizenship Card Permanent Resident Card Canadian Record of Landing/Canadian Immigration Identification Record 	<ul style="list-style-type: none"> School ID card (student card) Bank card (only if holder's name is on card) Credit card (only if holder's name is on card) Passport Foreign birth certificate (a baptismal certificate is not acceptable) Canadian or U.S. driver's licence Naturalization certificate Canadian Forces identification Police identification Foreign Affairs Canada or consular identification Vehicle registration (only if owner's signature is shown) Picture employee ID card Firearms Acquisition Certificate Social Insurance Card (only if has signature strip) B.C. CareCard Native Status Card Parole Certificate ID Correctional Service Conditional Release Card

*It is not necessary that each piece of identification viewed by the Contractor contains the name, date of birth and current address of the Services Worker. It is sufficient that, in combination, the identification viewed contains that information.

Verification of education and professional qualifications

- The Contractor must verify, by reasonable means, any relevant education and professional qualifications of a Services Worker, obtain or create, as applicable, Records of all such verifications, and retain a copy of those Records.

Verification of employment history and reference checks

- The Contractor must verify, by reasonable means, any relevant employment history of a Services Worker, which will generally consist of the Contractor requesting that a Services Worker provide employment references and the Contractor contacting those references. If a Services Worker has no relevant employment history, the Contractor must seek to verify the character or other relevant personal characteristics of the Services Worker by requesting the Services Worker to provide one or more personal references and contacting those references. The Contractor must obtain or create, as applicable, Records of all such verifications and retain a copy of those Records.

Security interview

- The Contractor must allow the Province to conduct a security-focused interview with a Services Worker if the Province identifies a reasonable security concern and notifies the Contractor it wishes to do so.

STATEMENT OF WORK
BUSINESS ADVISOR – STRATEGIC INITIATIVES

Contractor	Ernst & Young LLP
Supplier#	TBD
Contract ID#	TBD
Statement of Work Ref#	2013 – 1 (EMNG - EY)

Services:

1. The Contractor will provide the Services described in this Statement of Work.
 - A. The Province (Ministry of Energy, Mines and Natural Gas – EMNG) would like to determine what an estimated range of total potential provincial government revenues from corporate income tax and related (royalty payments and carbon tax) – Government Take – could be if an Australian tax regime were applied to a scenario where 5 liquefied natural gas (LNG) projects were developed in BC (the LNG Projects Scenario or Scenario).

In order to estimate the potential for revenues under the Scenario it is to be assumed that the Australian royalty/tax laws are extended to BC/Canada for comparative purposes – the Objective. With this Objective, the Contractor will:

- I. Undertake a high level review of the financial model (the Original Model) previously developed for EMNG by its Advisor and assess the methodology and approach used in the creation and functioning of that model given the Objective. The review will not constitute an audit or review conducted in accordance with generally accepted auditing standards;
- II. Review select input parameters and assumptions provided by EMNG and its Advisor to assess the appropriateness of the parameters used in meeting the Objective. The assumptions provided by EMNG and its Advisor in relation to the costs and operating parameters of the LNG Projects Scenario will be based on aggregated data obtained by EMNG and its Advisor, and will not be specific to any project that may or may not be developed in British Columbia;
- III. Revise the model, methodologies and assumptions as required, to provide a range of potential forecasts of total Government Take ranges that could be obtained from the assumed LNG Projects Scenario;

- IV. Produce potential revenue forecasts for the Government Take under a range of alternative scenarios and assumptions considered appropriate by the Contractor in consultation with EMNG and its Advisor. Such Government Take estimates will contain modelled estimates of other provincial revenues, including provincial sales tax on project material purchases, and personal income tax on projected employment impacts. Such other provincial revenue estimate assumptions will be provided by EMNG and/or its Advisor;
 - V. Provide verbal and written drafts of a Short Report prepared by the Contractor, for the purpose of making that report public on or before February 19, 2013, commensurate with the release of *Budget 2013*, including but not limited to reviewing and providing information and advice on provincial LNG material to be released in advance of *Budget 2013* as required, and providing resources to respond to public and media enquiries directly related to the public release of the Short Report. The form and content of the Short Report will be agreed to by EMNG and the Contractor;
 - VI. Provide verbal and written updates and drafts of a Long Report prepared by the Contractor, for the purpose of providing further detail on summarized elements contained in the Short Report, and to further assist EMNG in developing a provincial revenue framework specific to LNG development in BC. The form, content and timing of the completion of the Long Report will be agreed to by EMNG and the Contractor;
 - VII. Provide to EMNG a copy of the working version of the financial model used by the Contractor in the estimates of provincial Government Take under the various scenarios.
 - VIII. Further criteria and requirements are described in Appendix 4 and are integral to this **Statement of Work 2013 – 1 (EMNG – EY)**;
- 2. In the event that the Contractor wishes for a person other than the Contractor to provide any or all of the Services, the Contractor will seek the prior approval of Brian Hansen, Assistant Deputy Minister and Lead Negotiator, LNG Initiatives, EMNG or his designate.
 - 3. Prior to commencing any Services, the Contractor must deliver to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or his designate, a fully completed and signed “Conflict of Interest Disclosure”, attached to this **Statement of Work 2013 – 1 (EMNG – EY)** as Appendix 2, and the “Undertaking of Confidentiality”, attached as Appendix 3.

4. To the extent that the contractor has identified persons within its employment would will have access to confidential information and perform confidential work for EMNG under this **Statement of Work 2013 – 1 (EMNG – EY)**, the Contractor shall provide a list of names of such personnel to be appended as Appendix 5, with a representation that the terms and conditions of Appendix 2 and 3 shall apply to all such identified persons in Appendix 5.
5. To the extent that other persons have been identified and approved under Services – section 1.2, the Contractor must deliver to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or his designate, a fully completed and signed “Conflict of Interest Disclosure” and “Undertaking of Confidentiality” for each of those persons,

Timelines:

Start date: January 12, 2013

Completion: April 30, 2013

Reporting to: Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG (or his designate).

Specific Deliverables and Schedule:

1. Contractor to provide to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or his designate:
 - A. A revised model based on the Original Model, using revised assumptions, as appropriate, providing a range of potential forecasts for potential Government Take if the assumed LNG Projects Scenario occurs in BC consistent with the Objective and Appendix 4 (including plant, pipeline and up-stream); and were taxed and/or levied using the current Australian tax/royalty laws. The forecasts will be subject to certain key assumptions and limitations that have been agreed with or provided by EMNG and/or its Advisor;
 - B. A high level discussion paper/report outlining the range of potential forecast government tax and related revenue generally, and specifically for British Columbia, highlighting key considerations, assumptions and caveats; Comments on key areas where there is uncertainty and risk of important exogenous factors (e.g. Australia’s Petroleum Resource Rent Tax – PRRT – tax pool, LNG pricing, etc.); Such discussion paper/report to include recommendations for next steps to improve the analysis. Contractor to provide preliminary written analysis by end of day **January 15, 2013**;
 - C. Contractor to provide preliminary drafts of a Short Report prepared by the Contractor for the purpose of making that report public on or before February 19, 2013, commensurate with the release of *Budget 2013*, including but not

limited to reviewing and providing information and advice on provincial LNG material to be released in advance of *Budget 2013* as required, and providing resources to respond to public and media enquiries directly related to the public release of the Short Report. The form and content of the Short Report will be agreed to by EMNG and the Contractor, and the final Short Report shall be provided to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or his designate, by **February 16, 2013**. Such Short Report will acknowledge and present forecasts of provincial government revenue (Government Take) as those that have been independently arrived at by the Contractor based on assumptions provided by EMNG, its Advisor, and any other information and analysis that the Contractor has collected or created with its own expertise;

- D. Provide verbal and written updates and drafts of a Long Report prepared by the Contractor, for the purpose of providing further detail on summarized elements contained in the Short Report, and to further assist EMNG in developing a provincial revenue framework specific to LNG development in BC. The form, content and timing of the completion of the Long Report will be agreed to by EMNG and the Contractor, and will be provided to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or his designate, by **end of this Statement of Work term**, unless further amended by Brian Hansen or his designate;
- E. Provide to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or his designate, a copy of the working version of the financial model used by the Contractor in the estimates of provincial Government Take under the various scenarios. The shall be provided by **end of this Statement of Work term**, unless further amended by Brian Hansen or his designate;

Hourly/Daily Rates:

The Contractor will be reimbursed at the rate of based on the level of the personnel utilized on the engagement as set out in the table below:

	Hourly Rate (\$)
Partner	
Senior Manager	
Manager	s.21
Associate	

Total value of Services under this **Statement of Work #2013 – 1 (EMNG – EY)** must not exceed **(\$145,000)**, including all service and travel fees and expenses, without prior written approval from Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or such other person as the he may designate.

Travel/Other Expenses/ Insurance Requirements or Waiving of and Reason For:
Expenses:

1. travel, accommodation and meal expenses for travel outside of Victoria on the same basis as the Province pays its Group II employees when they are on travel status (see attached Appendix 1 – Group II Rates Expenses for Contractors); and
2. the Contractor's actual long distance telephone, fax, postage and other identifiable communication expenses; and

excluding Harmonized sales tax ("HST") or other applicable tax paid or payable by the Contractor on expenses described in (1) to (2) above to the extent that the Contractor is entitled to claim credits (including HST input tax credits), rebates, refunds or remissions of the tax from the relevant taxation authorities.

Please include the following coding in your invoice(s) for this Work Assignment:

Client: RC: SL: STOB: Project:
Client: RC: SL: STOB: Project:

Other Terms Not Covered Above:

1. N/A

Lead Approval:

Name:	Brian Hansen	Title:	ADM and Lead Negotiator, LNG Initiatives, EMNG
E-mail:	Brian.Hansen@gov.bc.ca	Tel:	250 – 952 –0124

Execution:

This Statement of Work may be entered into by each party signing a separate copy (including a photocopy or facsimile copy) and delivering it to the other party by facsimile transmission or by email with a scanned copy in PDF format.

SIGNED on behalf of Her Majesty the)
Queen in Right of the Province of)
British Columbia by a duly authorized)
representative of the Ministry of Energy,)
Mines and Natural Gas this 12th day)
of January, 2013, in the presence of:)
)
)
)
)
)
)



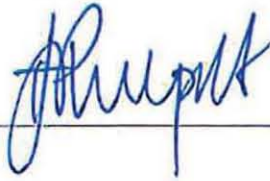
(Witness)



Brian Hansen, ADM and Lead Negotiator,
Deputy Minister's Office, EMNG

Contractor

Per: Tim Philpotts
(Name)



Date: January 12, 2013

Title: Partner
(Title)

APPENDIX 1 – GROUP II RATES EXPENSES FOR CONTRACTORS

APPENDIX 1 - Group 2 Rates EXPENSES FOR CONTRACTORS

The following are allowable expenses for contractors. All expenses must be paid by the contractor. Expenses cannot be direct billed to the ministry except in unusual circumstances (in these cases a special clause must be included in the contract). Original receipts must be submitted with the expense claim (when receipts are required) but photocopies of receipts will be accepted if the contractor requires the original for another purpose (e.g., to claim for HST credits).

Travel Expenses

The contractor must be outside their headquarters area (32 kilometres from where they ordinarily perform their duties) to be eligible to claim travel, meal and accommodation expenses.

1. Meal Allowances:

Effective March 29, 2009, the following meal allowances can be claimed which must not exceed \$49.00 per day (receipts are not required):

Breakfast only	\$22.00	claim if travel starts before 7:00 a.m. or ends after 7:00 a.m.
Lunch only	\$22.00	claim if travel starts before 12:00 noon or ends after 12:00 noon.
Dinner only	\$28.50	claim if travel starts before 6:00 p.m. or ends after 6:00 p.m.
Breakfast and lunch only	\$30.00	see above
Breakfast and dinner only	\$36.50	see above
Lunch and dinner only	\$36.50	see above
Full day	\$49.00	

2. Mileage Rates When Using Private Vehicle:

Effective March 29, 2009, the private mileage allowance is \$.50 per kilometre (receipts are not required). This rate can be claimed when using a private vehicle for travel. It is intended to cover costs of gas and maintenance.

3. Taxi and Parking:

Taxi and parking charges will be reimbursed if receipts/copies of receipts are provided. Tips identified separately on taxi receipts cannot be claimed.

4. Car Rentals:

Approved car rental agencies and the maximum rates for each community are listed at www.pss.gov.bc.ca/csa/categories/vehicle_rentals/vehicle_rentals_daily/vehicle_rentals_daily.html#suppliers. Other agencies are to be used only when these agencies cannot supply vehicles or when renting a vehicle outside BC. Contractors should ask for the government rate. Receipts/copies of receipts are required. PAI (personal accident insurance) will not be reimbursed. CDW/LDW (collision/loss damage waiver) will be reimbursed only when renting from a company not on the approved list for the specific community or when renting outside BC.

5. Accommodation:

a) **Hotel/motel** (Receipt/copy of receipt and proof of payment required).

Approved hotels and the maximum rates that may be claimed for rooms and supplementary items (e.g., parking) are listed in the Accommodation Guide at www.pss.gov.bc.ca/csa/categories/accommodation/list-of-properties.html. Rates may vary between summer, winter and shoulder seasons. Only the single government rate will be reimbursed. The "number in party" identified on the receipt must show only one person.

Process for Selecting Accommodation:

- Select the most cost-effective hotel from the accommodation guide that meets your business requirements.
- Ensure the expectations of the ministry expense authority are clarified (through the contract manager) regarding the price of accommodation before travel takes place.
- Ensure the rates charged by the hotel for the room and supplementary charges are at or below the rates quoted in the accommodation guide.

If the contractor cannot stay at any of the hotels listed in the guide due to an exceptional or emergency situation, pre-approval must be obtained from the ministry expense authority and attached to the expense claim. This approval should be obtained through the contract manager.

b) **Private lodging** (receipts are not required):

\$30 per night may be claimed when private lodging is arranged (e.g., staying with friends).

6. Airfare:

Economy airfare only will be reimbursed. Receipts/copies of receipts and proof of payment are required.

7. Miscellaneous Travel Expenses:

Laundry, gratuities, portage and personal phone calls cannot be claimed. Ferry charges and highway tolls can be claimed if supported by an original receipt. Other miscellaneous expenses incurred when travelling (e.g., courier and photocopying charges) can also be claimed if supported by a receipt/copy of receipt.

8. Out-of-Province Travel:

When B.C. contractors are required to travel out-of-province, a Travel Authorization form approved by the ministry director must accompany the expense claim.

Other Expenses

1. Business Expenses (e.g., all costs associated with meetings, including business and guest meals):
Claims for business expenses must be accompanied by an approved Business Expense Approval form (which should be completed by the ministry, not the contractor).

2. HST:

When receipts are submitted for reimbursement, they should be adjusted to deduct the embedded HST. A contractor with an HST registration number can claim input tax credits from Canada Revenue Agency.

3. Miscellaneous Expenses

(e.g. business telephone/fax calls, newspapers, etc.):
Miscellaneous expenses will be paid if supported by original receipts and in our opinion are necessarily incurred by you in providing the service. Contact the contract manager before incurring any miscellaneous expenses.

APPENDIX 2 – CONFLICT OF INTEREST DISCLOSURE

A conflict of interest arises where you have an interest which conflicts (or might conflict, or might be perceived to conflict) with the interests of the Organization¹.

A conflict of interest may take a number of forms. It may be financial or non-financial. It may be direct or indirect. It may be professional or family related.

A conflict of interest may arise from directorships or other employment; interests in business enterprises or professional practices; share ownership; beneficial interests in trusts; existing professional or personal associations with the Organization; professional associations or relationships with other organizations; personal associations with other groups or organizations; or family relationships.

Special advisors to the Province must disclose any duty or interest that might conflict with his or her duty or interest to the Organization. This disclosure covers each and both of Ernst & Young LLP and its employees utilized in carrying out work under **Statement of Work #2013 – 1 (EMNG – EY)**.

1. A direct or indirect conflict with my/our duties as Special Advisor(s) to the Province may arise because (please indicate if non-applicable):
 - a) I/We, or my/our associates², hold the following offices (appointed or elected):

N/A
 - b) I/We, my/our associates, or any trustee or any nominee on my/our behalf, own or possess, directly or indirectly, the following interests (i.e., shares, businesses, or properties):

N/A
 - c) I/We, or my/our associates, have the following interests in existing or proposed transactions with the Organization.

N/A

¹ “Organization” means the Province and its Crown corporations and agencies.

² “Associate” of a person means any person closely connected by blood or otherwise including, but not limited to, a spouse (including common-law spouse), parent, grandparent, brother, sister, child or grandchild.

2. The nature and extent of the conflicting office duty or interest referred to in subparagraphs 1(a) or 1(b) is (please indicate if non-applicable):

N/A

3. A real or perceived conflict of interest with my/our duties as Special Advisor(s) to the Province may arise because I/We receive financial remuneration (either for services performed by me/us, as an owner or part owner, trustee, or employee or otherwise) from the following sources (please indicate if non-applicable):

N/A

4. The following is a list of each subsidiary³ or affiliate⁴ of a company listed in section 1 of this declaration.

Company Listed in Paragraph 1(b)	Name of Subsidiary or Affiliate	Type of Business Ordinarily Carried on by Subsidiary or Affiliate
N/A		

³ For the purposes of this declaration, a corporation is a subsidiary of another corporation where:

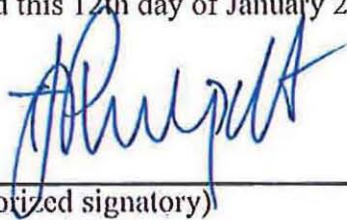
- (a) it is controlled by:
 - (i) that other corporation;
 - (ii) that other corporation and one or more other corporations, each of which is controlled by that other corporation; or
 - (iii) two or more other corporations, each of which is controlled by that other corporation; or
- (b) it is a subsidiary or a subsidiary of that other corporation.

⁴ For the purposes of this declaration, one corporation is affiliated with another corporation where one of them is the subsidiary of the other, or both are subsidiaries of the same corporation, or each of them is controlled by the same person.

5. If, at any time following the signing of this Conflict of Interest declaration, there are changes to the information given herein regarding conflict of interest, either by way or addition or deletion, I shall forthwith file with the Ministry of EMNG a supplementary disclosure statement describing such change.
6. Other than disclosed above, do you have any relationships or interests that could compromise, or be perceived to compromise, your ability to exercise judgment with a view to the best interests of the Province, as Special Advisor(s)? If so, please specify.

No;

Signed this 12th day of January 2013.



(authorized signatory)

Ernst & Young LLP Per Tim PHILPOTTS.


APPENDIX 3 – UNDERTAKING OF CONFIDENTIALITY

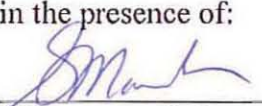
1. In consideration of their role as Special Advisors to Ministry of Energy, Mines and Natural Gas, Ernst & Young LLP and its employees engaged in this **Statement of Work #2013 – 1 (EMNG – EY)** undertake that they will treat as confidential and not disclose or permit to be disclosed, at any time, information they provide to, or obtain from, the Province or its Crown corporations, agencies or clients (verbally, electronically or in writing) in relation to or resulting from their role as Special Advisors to the Ministry of Energy, Mines and Natural Gas, including but not limited to the following:
 - (a) the contents of materials, including and presentations brought to meetings or circulated to the BC public service or public sector agencies or clients or other materials received at meetings of the BC public service or public sector agencies or clients;
 - (b) the conversations and discussions held at the meetings of the BC public service or public sector agencies or clients , including the comments of the members of the BC public service or public sector agencies or clients;
 - (c) any part of the agendas of the meetings of the BC public service or public sector agencies or clients;
 - (d) the fact that I have attended or been scheduled to attend meetings of the BC public service or public sector agencies or clients;
 - (e) the outcomes or decisions of the the BC public service or public sector agencies or clients or as result of the meetings of the BC public service or public sector agencies or clients;
 - (f) any reports, recommendations or analysis prepared for or in connection with or by the BC public service or public sector agencies or clients; and
 - (g) the terms of this Undertaking.
2. Section 1 of this Undertaking does not apply insofar as:
 - (a) the disclosure is expressly permitted in writing by the Province or its Crown corporations and agencies;
 - (b) the information to be disclosed is general public knowledge;
 - (c) the disclosure is to staff of the Government of British Columbia in attendance at meetings of the BC public service or public sector agencies or clients; or
 - (d) the information is as described in section 12(2)(a) to (c) of the *Freedom of Information and Protection of Privacy Act*, which can be accessed at <http://www.oipc.bc.ca/>
3. Ernst & Young LLP and its employees engaged in this **Statement of Work #2013 – 1 (EMNG – EY)** undertake that upon request of Province or its Crown corporations and agencies, (I) we will return to that party and all information received from such parties, including all copies, derivatives, reports and analysis containing such information.
4. Ernst & Young LLP and its employees engaged in this **Statement of Work #2013 – 1 (EMNG – EY)** undertake not to use any of the information referenced in

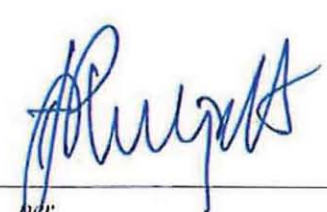
Section 1 above for any other purpose other than those expressly provided for under this Statement of Work #2013 – 1 (EMNG – 1).

5. Ernst & Young LLP and its employees engaged in this **Statement of Work #2013 – 1 (EMNG – EY)** also undertake that (I) we will immediately notify to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG (or his designate), if they receive a summons, subpoena, order or similar instrument or otherwise become subject to a legal obligation requiring disclosure of any information required to keep confidential under this Undertaking.

SIGNED AND DELIVERED)


this 12th day of January 2013)
in the presence of:)


(Signature of witness)


Ernst & Young LLP, per TIM PHILPOTTS

**APPENDIX 4 – PROVINCE OF BC – CONSULTING ASSIGNMENT IN
RELATION TO LIQUEFIED NATURAL GAS (LNG)**

This document has been shared with the Contractor in advance, as part of negotiations leading to the development of Statement of Work #2013 – 1 (EMNG – EY), and is integral to section 1 (Services) of that Statement of Work.

Objectives

- B. Province would like to determine an estimated range of total potential government corporate tax and related (royalty payments and carbon tax) direct provincial government revenue (Government Take) ranges could be if the Australian tax regime were applied to a scenario where 5 liquefied natural gas (LNG) projects developed in BC. In order to estimate the potential for revenues under the scenario it is to be assumed that the Australian royalty/tax laws extended to BC/Canada for comparative purposes.) (the Objective)
- C. In order to assist the Province in undertaking the Objective the Contractor will undertake the tasks as set out in Services:

Background

- The Original Model provided to the Contractor by EMNG and Detken is an aggregated and simplified model, in part based on parameters provided by proponents.
- The Original Model provides cost and operating assumptions at a high level and does not provided a breakdown of any of the costs into specific items. For example the capital and operating expenditures are broken down into three broad headings (Upstream, Pipeline and Downstream) and four types of costs within these headings (Operating, Exploration, Capex and Depreciation). As a result of the level of detail provided by the assumptions in the Original Model any tax calculation contained with the Original Model or any subsequent model produced by the Contractor will be undertaken on a high level basis as in order to complete a detailed tax calculation detailed analysis of the costs and their treatment and eligibility for tax purposes is required.
- The Original Model and any assumptions provided do not contain any proponent-specific inputs, and have been generalized and simplified, nevertheless the model is highly confidential
- The Original Model is aggregated model based on the assumption of 5 LNG plants being developed in BC
- The Original Model has been designed to estimate the maximum direct Government Take if the 5 LNG plants were developed in BC and Australian tax law and rules were applied

Model Considerations

- The Contractor's primary focus should be on the tax considerations implied by the cash flows as well as an assessment of non-model items that may impact taxes
 - Income Taxes: Ensure that income taxes are being calculated correctly based on the level of assumptions provided by EMNG and Deetken and develop a range of potential Government Take estimates.
 - Application of the PRRT (Australia Petroleum and Resource Rent Tax): ensure that PRRT is modelled correctly based on the level of the assumptions provided by EMNG and Deetken and develop a range of potential estimated PRRT
 - Application of royalties: ensure state taxes are applied appropriately based on the current royalty laws and any other assumptions agreed with the EMNG
 - Carbon Taxes: ensure carbon taxes are applied appropriately based on the current royalty laws and any other assumptions agreed with the EMNG
 - Other taxes: consider other taxes as required and agreed with EMNG
- Advisor to consider prices of both feedstock and off-take in the analysis
 - Consider alternatives price forecasts for LNG and NG (Original Model currently uses CBOE strip and EIA forecast)
- Given time constraints of, and limitations on the information provided to Contractor, this assignment, Contractor is not required to consider the assumptions provided for capex and opex as these are project specific and generally well understood. The capex and opex is based on information collected from proponents. In order to undertake sensitivity analysis to capex and opex the Contractor should utilise ranges as set out below:
 - Plant and pipeline capex and opex - sensitivities of up to +30%
 - Upstream capex and opex - sensitivities of +/-50%
- Advisor should not focus on items such as CO2 emissions as these are project specific and generally well understood

Deliverables

- A revised model based on the Original Model, using revised assumptions, as appropriate, providing a range of potential forecasts for potential Government Take if the assumed 5 LNG projects are developed in BC consistent with the Objective and Appendix 4 (including plant, pipeline and up-stream), were taxed using the current Australian tax/royalty laws. The forecasts will be subject to certain key assumptions and limitations that have been agreed with or provided by the EMNG;
- A high level discussion paper/report outlining the range of potential forecast government tax and related revenue generally, and specifically for British Columbia, highlighting key considerations, assumptions and caveats;
- Comments on key areas where there is uncertainty and risk of important exogenous factors (e.g. Australia's Petroleum Resource Rent Tax – PRRT – tax pool, LNG pricing, etc.); and

- Recommendations for next steps to improve the analysis.
- Advisor to provide preliminary analysis by end of day January 15, 2013, with a more complete report at a later date specified by the Province
- Contractor to present forecasts as those that have been independently arrived at by the Contractor based on the assumptions agreed with EMNG.

APPENDIX 5 – LIST OF CONTRACTOR EMPLOYEES TO BE UTILIZED IN PERFORMING STATEMENT OF WORK #2013 – 1 (EMNG – EY)

- Provide list of employees, locations and classifications as per section
- Provide very brief description of duties/work perform by each person listed

Personnel	Rate	Description duties
Tim Philpotts	s.21	Project lead
Andre Koncewicz		Project manager and financial analysis
Barry Munro		Canadian O+G market
Andrew Nelson		Australian tax
Mark McKenzie		Australian tax
Jim Wheeler		Review of deliverables
Doug Campbell		Review of deliverables
Kirsten Tisdale		Review of deliverables
Elise Rees		Canadian Tax
Johnny Lai		Financial modeling and review
Evgenia Rolzing		Financial modeling and review

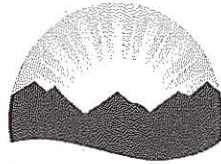
Province of British Columbia
Statement of Work Ref # 2013-2 (EMNG)

Schedule

to 28 March 2013

Staff/Task(s)	Partner	Senior Manager	Manager	Associate	TOTAL
	Hours	Hours		Hours	Hours
Tim Philpotts					
Elise Rees					
Andre Koncewicz					
Andrew Nelson					
Mark McKenzie					
Barry Munro					
John Chan					
Kirsten Tisdale			s.21		
Doug Campbell					
Jim Wheeler					
Evgenia Rolzing					
Johnny Lai					
Total hours					
Hourly rate					
Total	\$60,840.00	\$63,360.00	\$4,350.00	\$2,250.00	\$130,800.00

GENERAL SERVICE AGREEMENT



BRITISH
COLUMBIA

The Best Place on Earth

For Administrative Purposes Only

Ministry Contract No **C13CFFS26568**

Requisition No.: **26568**

Solicitation No.(if applicable): **RFP#BA-MF1**

Commodity Code: **AB.AB02**

Contractor Information

Supplier Name: **Grant Thornton LLP -**

Contact Patti Daum

Supplier No.: **105944-007**

Telephone No.: **604-443-2138**

E-mail Address: **Patti.Daum@ca.gt.com**

Website: _____

Financial Information

Client: **022**

Responsibility Centre: **32056**

Service Line: **34083**

STOB: **6101**

Project: **3200000**

Template version: **October 21, 2010**

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SCHEDULE A – SERVICES

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- Part 2 - Services**
- Part 3 - Related Documentation**
- Part 4 - Key Personnel**

SCHEDULE B – FEES AND EXPENSES

- Part 1 - Maximum Amount Payable**
- Part 2 - Fees**
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SCHEDULE C – APPROVED SUBCONTRACTOR(S)

SCHEDULE D – INSURANCE

SCHEDULE E – PRIVACY PROTECTION SCHEDULE

SCHEDULE F – ADDITIONAL TERMS

SCHEDULE G – SECURITY SCHEDULE

THIS AGREEMENT is dated for reference the 24th day of March, 2012.

BETWEEN:

Grant Thornton LLP (the "Contractor") with the following specified address and fax number:
1600 – 333 Seymour Street
Vancouver British Columbia
V6B 0A4
FAX NUMBER 604-685-6569

AND:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the Minister of Finance, Deputy Minister's Office (the "Province") with the following specified address and fax number:
1st Floor – 617 Government Street
Victoria British Columbia
V8W 9V1
Fax Number: 250-387-9093

The Province wishes to retain the Contractor to provide the services specified in Schedule A and, in consideration for the remuneration set out in Schedule B, the Contractor has agreed to provide those services, on the terms and conditions set out in this Agreement.

As a result, the Province and the Contractor agree as follows:

1 DEFINITIONS

General

1.1 In this Agreement, unless the context otherwise requires:

- (a) "Business Day" means a day, other than a Saturday or Sunday, on which Provincial government offices are open for normal business in British Columbia;
- (b) "Incorporated Material" means any material in existence prior to the start of the Term or developed independently of this Agreement, and that is incorporated or embedded in the Produced Material by the Contractor or a Subcontractor;
- (c) "Material" means the Produced Material and the Received Material;
- (d) "Produced Material" means records, software and other material, whether complete or not, that, as a result of this Agreement, are produced by the Contractor or a Subcontractor and includes the Incorporated Material;
- (e) "Received Material" means records, software and other material, whether complete or not, that, as a result of this Agreement, are received by the Contractor or a Subcontractor from the Province or any other person;
- (f) "Services" means the services described in Part 2 of Schedule A;
- (g) "Subcontractor" means a person described in paragraph (a) or (b) of section 13.4; and
- (h) "Term" means the term of the Agreement described in Part 1 of Schedule A subject to that term ending earlier in accordance with this Agreement.

Meaning of "record"

1.2 The definition of "record" in the *Interpretation Act* is incorporated into this Agreement and "records" will bear a corresponding meaning.

2 SERVICES

Provision of services

- 2.1 The Contractor must provide the Services in accordance with this Agreement.

Term

- 2.2 Regardless of the date of execution or delivery of this Agreement, the Contractor must provide the Services during the Term.

Supply of various items

- 2.3 Unless the parties otherwise agree in writing, the Contractor must supply and pay for all labour, materials, equipment, tools, facilities, approvals and licenses necessary or advisable to perform the Contractor's obligations under this Agreement, including the license under section 6.4.

Standard of care

- 2.4 Unless otherwise specified in this Agreement, the Contractor must perform the Services to a standard of care, skill and diligence maintained by persons providing, on a commercial basis, services similar to the Services.

Standards in relation to persons performing Services

- 2.5 The Contractor must ensure that all persons employed or retained to perform the Services are qualified and competent to perform them and are properly trained, instructed and supervised.

Instructions by Province

- 2.6 The Province may from time to time give the Contractor reasonable instructions (in writing or otherwise) as to the performance of the Services. The Contractor must comply with those instructions but, unless otherwise specified in this Agreement, the Contractor may determine the manner in which the instructions are carried out.

Confirmation of non-written instructions

- 2.7 If the Province provides an instruction under section 2.6 other than in writing, the Contractor may request that the instruction be confirmed by the Province in writing, which request the Province must comply with as soon as it is reasonably practicable to do so.

Effectiveness of non-written instructions

- 2.8 Requesting written confirmation of an instruction under section 2.7 does not relieve the Contractor from complying with the instruction at the time the instruction was given.

Applicable laws

- 2.9 In the performance of the Contractor's obligations under this Agreement, the Contractor must comply with all applicable laws.

3 PAYMENT

Fees and expenses

- 3.1 If the Contractor complies with this Agreement, then the Province must pay to the Contractor at the times and on the conditions set out in Schedule B:
- (a) the fees described in that Schedule;

- (b) the expenses, if any, described in that Schedule if they are supported, where applicable, by proper receipts and, in the Province's opinion, are necessarily incurred by the Contractor in providing the Services; and
- (c) any applicable taxes payable by the Province under law or agreement with the relevant taxation authorities on the fees and expenses described in paragraphs (a) and (b).

The Province is not obliged to pay to the Contractor more than the "Maximum Amount" specified in Schedule B on account of fees and expenses.

Statements of accounts

- 3.2 In order to obtain payment of any fees and expenses under this Agreement, the Contractor must submit to the Province a written statement of account in a form satisfactory to the Province upon completion of the Services or at other times described in Schedule B.

Withholding of amounts

- 3.3 Without limiting section 9.1, the Province may withhold from any payment due to the Contractor an amount sufficient to indemnify, in whole or in part, the Province and its employees and agents against any liens or other third-party claims that have arisen or could arise in connection with the provision of the Services. An amount withheld under this section must be promptly paid by the Province to the Contractor upon the basis for withholding the amount having been fully resolved to the satisfaction of the Province.

Appropriation

- 3.4 The Province's obligation to pay money to the Contractor is subject to the *Financial Administration Act*, which makes that obligation subject to an appropriation being available in the fiscal year of the Province during which payment becomes due.

Currency

- 3.5 Unless otherwise specified in this Agreement, all references to money are to Canadian dollars.

Non-resident income tax

- 3.6 If the Contractor is not a resident in Canada, the Contractor acknowledges that the Province may be required by law to withhold income tax from the fees described in Schedule B and then to remit that tax to the Receiver General of Canada on the Contractor's behalf.

Prohibition against committing money

- 3.7 Without limiting section 13.10(a), the Contractor must not in relation to performing the Contractor's obligations under this Agreement commit or purport to commit the Province to pay any money except as may be expressly provided for in this Agreement.

Refunds of taxes

- 3.8 The Contractor must:

- (a) apply for, and use reasonable efforts to obtain, any available refund, credit, rebate or remission of federal, provincial or other tax or duty imposed on the Contractor as a result of this Agreement that the Province has paid or reimbursed to the Contractor or agreed to pay or reimburse to the Contractor under this Agreement; and
- (b) immediately on receiving, or being credited with, any amount applied for under paragraph (a), remit that amount to the Province.

4 REPRESENTATIONS AND WARRANTIES

4.1 As at the date this Agreement is executed and delivered by, or on behalf of, the parties, the Contractor represents and warrants to the Province as follows:

- (a) except to the extent the Contractor has previously disclosed otherwise in writing to the Province,
 - (i) all information, statements, documents and reports furnished or submitted by the Contractor to the Province in connection with this Agreement (including as part of any competitive process resulting in this Agreement being entered into) are in all material respects true and correct,
 - (ii) the Contractor has sufficient trained staff, facilities, materials, appropriate equipment and approved subcontractual agreements in place and available to enable the Contractor to fully perform the Services, and
 - (iii) the Contractor holds all permits, licenses, approvals and statutory authorities issued by any government or government agency that are necessary for the performance of the Contractor's obligations under this Agreement; and
- (b) if the Contractor is not an individual,
 - (i) the Contractor has the power and capacity to enter into this Agreement and to observe, perform and comply with the terms of this Agreement and all necessary corporate or other proceedings have been taken and done to authorize the execution and delivery of this Agreement by, or on behalf of, the Contractor, and
 - (ii) this Agreement has been legally and properly executed by, or on behalf of, the Contractor and is legally binding upon and enforceable against the Contractor in accordance with its terms except as enforcement may be limited by bankruptcy, insolvency or other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

5 PRIVACY, SECURITY AND CONFIDENTIALITY

Privacy

5.1 The Contractor must comply with the Privacy Protection Schedule attached as Schedule E.

Security

5.2 The Contractor must:

- (a) make reasonable security arrangements to protect the Material from unauthorized access, collection, use, disclosure, alteration or disposal; and
- (b) comply with the Security Schedule attached as Schedule G.

Confidentiality

5.3 The Contractor must treat as confidential all information in the Material and all other information accessed or obtained by the Contractor or a Subcontractor (whether verbally, electronically or otherwise) as a result of this Agreement, and not permit its disclosure or use without the Province's prior written consent except:

- (a) as required to perform the Contractor's obligations under this Agreement or to comply with applicable laws;
- (b) if it is information that is generally known to the public other than as result of a breach of this Agreement; or
- (c) if it is information in any Incorporated Material.

Public announcements

- 5.4 Any public announcement relating to this Agreement will be arranged by the Province and, if such consultation is reasonably practicable, after consultation with the Contractor.

Restrictions on promotion

- 5.5 The Contractor must not, without the prior written approval of the Province, refer for promotional purposes to the Province being a customer of the Contractor or the Province having entered into this Agreement.

6 MATERIAL AND INTELLECTUAL PROPERTY

Access to Material

- 6.1 If the Contractor receives a request for access to any of the Material from a person other than the Province, and this Agreement does not require or authorize the Contractor to provide that access, the Contractor must promptly advise the person to make the request to the Province.

Ownership and delivery of Material

- 6.2 The Province exclusively owns all property rights in the Material which are not intellectual property rights. The Contractor must deliver any Material to the Province immediately upon the Province's request.

Matters respecting intellectual property

- 6.3 The Province exclusively owns all intellectual property rights, including copyright, in:
- (a) Received Material that the Contractor receives from the Province; and
 - (b) Produced Material, other than any Incorporated Material.

Upon the Province's request, the Contractor must deliver to the Province documents satisfactory to the Province that irrevocably waive in the Province's favour any moral rights which the Contractor (or employees of the Contractor) or a Subcontractor (or employees of a Subcontractor) may have in the Produced Material and that confirm the vesting in the Province of the copyright in the Produced Material, other than any Incorporated Material.

Rights in relation to Incorporated Material

- 6.4 Upon any Incorporated Material being embedded or incorporated in the Produced Material and to the extent that it remains so embedded or incorporated, the Contractor grants to the Province:
- (a) a non-exclusive, perpetual, irrevocable, royalty-free, worldwide license to use, reproduce, modify and distribute that Incorporated Material; and
 - (b) the right to sublicense to third-parties the right to use, reproduce, modify and distribute that Incorporated Material.

7 RECORDS AND REPORTS

Work reporting

- 7.1 Upon the Province's request, the Contractor must fully inform the Province of all work done by the Contractor or a Subcontractor in connection with providing the Services.

Time and expense records

- 7.2 If Schedule B provides for the Contractor to be paid fees at a daily or hourly rate or for the Contractor to be paid or reimbursed for expenses, the Contractor must maintain time records and books of account, invoices, receipts and vouchers of expenses in support of those payments, in form and content satisfactory to the Province. Unless otherwise specified in this Agreement, the Contractor must retain such documents for a period of not less than seven years after this Agreement ends.

8 AUDIT

- 8.1 In addition to any other rights of inspection the Province may have under statute or otherwise, the Province may at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises to inspect and, at the Province's discretion, copy any of the Material and the Contractor must permit, and provide reasonable assistance to, the exercise by the Province of the Province's rights under this section.

9 INDEMNITY AND INSURANCE

Indemnity

- 9.1 The Contractor must indemnify and save harmless the Province and the Province's employees and agents from any losses, claims, damages, actions, causes of action, costs and expenses that the Province or any of the Province's employees or agents may sustain, incur, suffer or be put to at any time, either before or after this Agreement ends, including any claim of infringement of third-party intellectual property rights, where the same or any of them are based upon, arise out of or occur, directly or indirectly, by reason of any act or omission by the Contractor or by any of the Contractor's agents, employees, officers, directors or Subcontractors in connection with this Agreement, excepting always liability arising out of the independent acts or omissions of the Province and the Province's employees and agents.

Insurance

- 9.2 The Contractor must comply with the Insurance Schedule attached as Schedule D.

Workers compensation

- 9.3 Without limiting the generality of section 2.9, the Contractor must comply with, and must ensure that any Subcontractors comply with, all applicable occupational health and safety laws in relation to the performance of the Contractor's obligations under this Agreement, including the *Workers Compensation Act* in British Columbia or similar laws in other jurisdictions.

Personal optional protection

- 9.4 The Contractor must apply for and maintain personal optional protection insurance (consisting of income replacement and medical care coverage) during the Term at the Contractor's expense if:
- (a) the Contractor is an individual or a partnership of individuals and does not have the benefit of mandatory workers compensation coverage under the *Workers Compensation Act* or similar laws in other jurisdictions; and
 - (b) such personal optional protection insurance is available for the Contractor from WorkSafeBC or other sources.

Evidence of coverage

- 9.5 Within 10 Business Days of being requested to do so by the Province, the Contractor must provide the Province with evidence of the Contractor's compliance with sections 9.3 and 9.4.

10 FORCE MAJEURE

Definitions relating to force majeure

10.1 In this section and sections 10.2 and 10.3:

- (a) "Event of Force Majeure" means one of the following events:
 - (i) a natural disaster, fire, flood, storm, epidemic or power failure,
 - (ii) a war (declared and undeclared), insurrection or act of terrorism or piracy,
 - (iii) a strike (including illegal work stoppage or slowdown) or lockout, or
 - (iv) a freight embargoif the event prevents a party from performing the party's obligations in accordance with this Agreement and is beyond the reasonable control of that party; and
- (b) "Affected Party" means a party prevented from performing the party's obligations in accordance with this Agreement by an Event of Force Majeure.

Consequence of Event of Force Majeure

- 10.2 An Affected Party is not liable to the other party for any failure or delay in the performance of the Affected Party's obligations under this Agreement resulting from an Event of Force Majeure and any time periods for the performance of such obligations are automatically extended for the duration of the Event of Force Majeure provided that the Affected Party complies with the requirements of section 10.3.

Duties of Affected Party

- 10.3 An Affected Party must promptly notify the other party in writing upon the occurrence of the Event of Force Majeure and make all reasonable efforts to prevent, control or limit the effect of the Event of Force Majeure so as to resume compliance with the Affected Party's obligations under this Agreement as soon as possible.

11 DEFAULT AND TERMINATION

Definitions relating to default and termination

11.1 In this section and sections 11.2 to 11.4:

- (a) "Event of Default" means any of the following:
 - (i) an Insolvency Event,
 - (ii) the Contractor fails to perform any of the Contractor's obligations under this Agreement, or
 - (iii) any representation or warranty made by the Contractor in this Agreement is untrue or incorrect; and
- (b) "Insolvency Event" means any of the following:
 - (i) an order is made, a resolution is passed or a petition is filed, for the Contractor's liquidation or winding up,
 - (ii) the Contractor commits an act of bankruptcy, makes an assignment for the benefit of the Contractor's creditors or otherwise acknowledges the Contractor's insolvency,
 - (iii) a bankruptcy petition is filed or presented against the Contractor or a proposal under the *Bankruptcy and Insolvency Act* (Canada) is made by the Contractor,
 - (iv) a compromise or arrangement is proposed in respect of the Contractor under the *Companies' Creditors Arrangement Act* (Canada),
 - (v) a receiver or receiver-manager is appointed for any of the Contractor's property, or

- (vi) the Contractor ceases, in the Province's reasonable opinion, to carry on business as a going concern.

Province's options on default

- 11.2 On the happening of an Event of Default, or at any time thereafter, the Province may, at its option, elect to do any one or more of the following:
- (a) by written notice to the Contractor, require that the Event of Default be remedied within a time period specified in the notice;
 - (b) pursue any remedy or take any other action available to it at law or in equity; or
 - (c) by written notice to the Contractor, terminate this Agreement with immediate effect or on a future date specified in the notice, subject to the expiration of any time period specified under section 11.2(a).

Delay not a waiver

- 11.3 No failure or delay on the part of the Province to exercise its rights in relation to an Event of Default will constitute a waiver by the Province of such rights.

Province's right to terminate other than for default

- 11.4 In addition to the Province's right to terminate this Agreement under section 11.2(c) on the happening of an Event of Default, the Province may terminate this Agreement for any reason by giving at least 10 days' written notice of termination to the Contractor.

Payment consequences of termination

- 11.5 Unless Schedule B otherwise provides, if the Province terminates this Agreement under section 11.4:
- (a) the Province must, within 30 days of such termination, pay to the Contractor any unpaid portion of the fees and expenses described in Schedule B which corresponds with the portion of the Services that was completed to the Province's satisfaction before termination of this Agreement; and
 - (b) the Contractor must, within 30 days of such termination, repay to the Province any paid portion of the fees and expenses described in Schedule B which corresponds with the portion of the Services that the Province has notified the Contractor in writing was not completed to the Province's satisfaction before termination of this Agreement.

Discharge of liability

- 11.6 The payment by the Province of the amount described in section 11.5(a) discharges the Province from all liability to make payments to the Contractor under this Agreement.

Notice in relation to Events of Default

- 11.7 If the Contractor becomes aware that an Event of Default has occurred or anticipates that an Event of Default is likely to occur, the Contractor must promptly notify the Province of the particulars of the Event of Default or anticipated Event of Default. A notice under this section as to the occurrence of an Event of Default must also specify the steps the Contractor proposes to take to address, or prevent recurrence of, the Event of Default. A notice under this section as to an anticipated Event of Default must specify the steps the Contractor proposes to take to prevent the occurrence of the anticipated Event of Default.

12 DISPUTE RESOLUTION

Dispute resolution process

- 12.1 In the event of any dispute between the parties arising out of or in connection with this Agreement, the following dispute resolution process will apply unless the parties otherwise agree in writing:
- (a) the parties must initially attempt to resolve the dispute through collaborative negotiation;
 - (b) if the dispute is not resolved through collaborative negotiation within 15 Business Days of the dispute arising, the parties must then attempt to resolve the dispute through mediation under the rules of the British Columbia Mediator Roster Society; and
 - (c) if the dispute is not resolved through mediation within 30 Business Days of the commencement of mediation, the dispute must be referred to and finally resolved by arbitration under the *Commercial Arbitration Act*.

Location of arbitration or mediation

- 12.2 Unless the parties otherwise agree in writing, an arbitration or mediation under section 12.1 will be held in Victoria, British Columbia.

Costs of mediation or arbitration

- 12.3 Unless the parties otherwise agree in writing or, in the case of an arbitration, the arbitrator otherwise orders, the parties must share equally the costs of a mediation or arbitration under section 12.1 other than those costs relating to the production of expert evidence or representation by counsel.

13 MISCELLANEOUS

Delivery of notices

- 13.1 Any notice contemplated by this Agreement, to be effective, must be in writing and delivered as follows:
- (a) by fax to the addressee's fax number specified on the first page of this Agreement, in which case it will be deemed to be received on the day of transmittal unless transmitted after the normal business hours of the addressee or on a day that is not a Business Day, in which cases it will be deemed to be received on the next following Business Day;
 - (b) by hand to the addressee's address specified on the first page of this Agreement, in which case it will be deemed to be received on the day of its delivery; or
 - (c) by prepaid post to the addressee's address specified on the first page of this Agreement, in which case if mailed during any period when normal postal services prevail, it will be deemed to be received on the fifth Business Day after its mailing.

Change of address or fax number

- 13.2 Either party may from time to time give notice to the other party of a substitute address or fax number, which from the date such notice is given will supersede for purposes of section 13.1 any previous address or fax number specified for the party giving the notice.

Assignment

- 13.3 The Contractor must not assign any of the Contractor's rights under this Agreement without the Province's prior written consent.

Subcontracting

- 13.4 The Contractor must not subcontract any of the Contractor's obligations under this Agreement to any person without the Province's prior written consent, excepting persons listed in the attached Schedule C. No subcontract, whether consented to or not, relieves the Contractor from any obligations under this Agreement. The Contractor must ensure that:
- (a) any person retained by the Contractor to perform obligations under this Agreement; and
 - (b) any person retained by a person described in paragraph (a) to perform those obligations fully complies with this Agreement in performing the subcontracted obligations.

Waiver

- 13.5 A waiver of any term or breach of this Agreement is effective only if it is in writing and signed by, or on behalf of, the waiving party and is not a waiver of any other term or breach.

Modifications

- 13.6 No modification of this Agreement is effective unless it is in writing and signed by, or on behalf of, the parties.

Entire agreement

- 13.7 This Agreement (including any modification of it) constitutes the entire agreement between the parties as to performance of the Services.

Survival of certain provisions

- 13.8 Sections 2.9, 3.1 to 3.4, 3.7, 3.8, 5.1 to 5.5, 6.1 to 6.4, 7.1, 7.2, 8.1, 9.1, 9.2, 9.5, 10.1 to 10.3, 11.2, 11.3, 11.5, 11.6, 12.1 to 12.3, 13.1, 13.2, 13.8, and 13.10, any accrued but unpaid payment obligations, and any other sections of this Agreement (including schedules) which, by their terms or nature, are intended to survive the completion of the Services or termination of this Agreement, will continue in force indefinitely, even after this Agreement ends.

Schedules

- 13.9 The schedules to this Agreement (including any appendices or other documents attached to, or incorporated by reference into, those schedules) are part of this Agreement.

Independent contractor

- 13.10 In relation to the performance of the Contractor's obligations under this Agreement, the Contractor is an independent contractor and not:
- (a) an employee or partner of the Province; or
 - (b) an agent of the Province except as may be expressly provided for in this Agreement.

The Contractor must not act or purport to act contrary to this section.

Personnel not to be employees of Province

- 13.11 The Contractor must not do anything that would result in personnel hired or used by the Contractor or a Subcontractor in relation to providing the Services being considered employees of the Province.

Key Personnel

- 13.12 If one or more individuals are specified as "Key Personnel" of the Contractor in Part 4 of Schedule A, the Contractor must cause those individuals to perform the Services on the Contractor's behalf, unless the Province otherwise approves in writing, which approval must not be unreasonably withheld.

Pertinent information

- 13.13 The Province must make available to the Contractor all information in the Province's possession which the Province considers pertinent to the performance of the Services.

Conflict of interest

- 13.14 The Contractor must not provide any services to any person in circumstances which, in the Province's reasonable opinion, could give rise to a conflict of interest between the Contractor's duties to that person and the Contractor's duties to the Province under this Agreement.

Time

- 13.15 Time is of the essence in this Agreement and, without limitation, will remain of the essence after any modification or extension of this Agreement, whether or not expressly restated in the document effecting the modification or extension.

Conflicts among provisions

- 13.16 Conflicts among provisions of this Agreement will be resolved as follows:
- (a) a provision in the body of this Agreement will prevail over any conflicting provision in, attached to or incorporated by reference into a schedule, unless that conflicting provision expressly states otherwise; and
 - (b) a provision in a schedule will prevail over any conflicting provision in a document attached to or incorporated by reference into a schedule, unless the schedule expressly states otherwise.

Agreement not permit nor fetter

- 13.17 This Agreement does not operate as a permit, license, approval or other statutory authority which the Contractor may be required to obtain from the Province or any of its agencies in order to provide the Services. Nothing in this Agreement is to be construed as interfering with, or fettering in any manner, the exercise by the Province or its agencies of any statutory, prerogative, executive or legislative power or duty.

Remainder not affected by invalidity

- 13.18 If any provision of this Agreement or the application of it to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected or impaired and will be valid and enforceable to the extent permitted by law.

Further assurances

- 13.19 Each party must perform the acts, execute and deliver the writings, and give the assurances as may be reasonably necessary to give full effect to this Agreement.

Additional terms

- 13.20 Any additional terms set out in the attached Schedule F apply to this Agreement.

Governing law

- 13.21 This Agreement is governed by, and is to be interpreted and construed in accordance with, the laws applicable in British Columbia.

14 INTERPRETATION

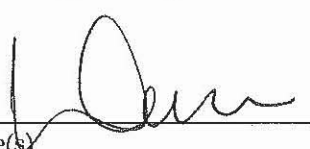
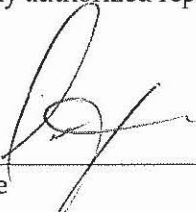
14.1 In this Agreement:

- (a) "includes" and "including" are not intended to be limiting;
- (b) unless the context otherwise requires, references to sections by number are to sections of this Agreement;
- (c) the Contractor and the Province are referred to as "the parties" and each of them as a "party";
- (d) "attached" means attached to this Agreement when used in relation to a schedule;
- (e) unless otherwise specified, a reference to a statute by name means the statute of British Columbia by that name, as amended or replaced from time to time;
- (f) the headings have been inserted for convenience of reference only and are not intended to describe, enlarge or restrict the scope or meaning of this Agreement or any provision of it;
- (g) "person" includes an individual, partnership, corporation or legal entity of any nature; and
- (h) unless the context otherwise requires, words expressed in the singular include the plural and *vice versa*.

15 EXECUTION AND DELIVERY OF AGREEMENT

- 15.1 This Agreement may be entered into by a separate copy of this Agreement being executed by, or on behalf of, each party and that executed copy being delivered to the other party by a method provided for in section 13.1 or any other method agreed to by the parties.

The parties have executed this Agreement as follows:

<p>SIGNED on the <u>18</u> day of <u>April</u>, 20<u>12</u> by the Contractor (or, if not an individual, on its behalf by its authorized signatory or signatories):</p> <p></p> <p>Signature(s)</p> <p><u>PATTI DANY</u></p> <p>Print Name(s)</p> <p><u>PARTNER</u></p> <p>Print Title(s)</p>	<p>SIGNED on the <u>4</u> day of <u>May</u>, 20<u>12</u> on behalf of the Province by its duly authorized representative:</p> <p></p> <p>Signature</p> <p><u>D. FOSTER</u></p> <p>Print Name</p> <p><u>RE/Dir FINANCE & MO.</u></p> <p>Print Title</p>
--	---

Schedule A – Services

PART 1. TERM:

1. Subject to section 2 of this Part 1, The term of this Agreement commences on April 13, 2012 and ends on March 31, 2014.
2. At the discretion of the Ministry and subject to available appropriation, the initial Contract Term may be extended for an additional period of not greater than two (2) years.
 - April 1, 2014 – March 31, 2016

2. PART 2. SERVICES:

Schedule A: Works / Services Schedule

The Contractor shall:

1. Background:

The Ministry of Finance ("the Ministry") plays a key role in establishing, implementing, reviewing and overseeing government's economic, fiscal, financial management and taxation policies and initiatives. The Ministry also delivers tax administration and revenue and treasury management that provide funding essential for government programs for British Columbians.

The Ministry also provides critical supporting and consultant functions for a variety of government committees and cross-agency priority projects and initiatives.

The Ministry draws on both internal and external resources to plan and carry out its mandate.

2. Scope of Consultant Services:

The Consultant will provide a wide range of business and executive level strategic and expert advice, analysis and assistance as necessary to plan and manage public sector finances, procurement, projects and various other priorities and initiatives that the Ministry undertakes or participates in from time-to-time.

The Consultant has appointed one individual, Patti Daum, to act as the Advisor. Additional Supporting Resources may be appointed at the rates set out in Schedule B, Payment Schedule. The Advisor will report to the Ministry Manager and will represent the Consultant in all matters pertaining to the Contract and the Services. All resources provided by or through the Consultant will report to, be co-ordinated by, or work under the direction of the Advisor unless otherwise expressly agreed in writing by the Ministry Manager.

The Consultant may, from time to time, be called on by the Ministry to identify and provide, either as employees or sub-consultants, such additional specialized resources as may be necessary to affect the proper and timely performance of the Services.

The Consultant will provide all Services on an "if, as and when requested by the Province" basis. No retainer is expected to require full time availability. The Consultant shall not be entitled to a minimum guarantee of work in association with the Contract.

Services may be required for a single project from concept through completion, and/or various levels of assistance or advice may be required for one or more projects at various stages of completion. Specific assignments may be initiated by a work assignment letter, or the Ministry may call on the Consultant for "ad hoc" assistance or advice on short notice.

Confidentiality: The Ministry recognizes that Consultants may have concurrent retainers with other public and private sector clients and expects all parties to work co-operatively to ensure that potential conflicts of interests are disclosed and avoided in a timely manner.

It is anticipated that the Consultant will have access to information that is commercially significant and may be subject to Cabinet level confidentiality. Therefore, the Consultant shall not be eligible to provide advice to or act directly for any other parties associated with any project for which they have performed an assignment under this Contract without the express written consent of the Ministry Manager.

Note: The Ministry reserves the right to expand or reduce the scope of the Consultant's Services at any time during the term of the Contract.

3. Ministry Obligations during the Contract Term

During the term of the Contract, responsibilities of the Ministry will include:

1. Appoint a Ministry Manager to act as the Consultant's primary point of contact with the Ministry on all matters related to the performance of the Services.
2. Provide the Consultant with clear written or verbal instructions regarding the scope, schedule, and reporting relationships involved in each assignment.
3. Provide the Consultant with timely access to Ministry source documents, files, and computer systems as required to perform any Services.
4. Provide timely review, feedback, and approval, where appropriate, of all workplans, reports, and other deliverables delivered by the Consultant in the performance of the Services.
5. Meet periodically with the Consultant to discuss progress of the Services.
6. Provide periodic verbal and written performance evaluation and feedback to the Consultant.
7. Be available to constructively resolve any performance issues as they may arise.
8. Provide timely review of invoices and approval for payment, where appropriate.

The Ministry reserves the right to expand or reduce the scope of its obligations during the term of the Contract.

The Ministry Manager, as of the commencement of this Contract, is Doug Foster, phone #: 250-387-9022, e-mail: Doug.Foster@gov.bc.ca, address: Ministry of Finance, 1st Floor – 617 Government Street, Victoria British Columbia V8W 9V1.

All Services will be performed on an "if, as and when requested by the Province" basis. No Consultant is guaranteed to be called on either to perform any Services or to prepare any work plans and cost estimates regarding any potential Services as a result of entering into a Contract with the Province. No Consultant is expected to guarantee that they will be available to either provide any Services or to prepare a work plan and cost estimate for a potential assignment that might subsequently be offered to them by the Province.

As the Province has retained more than one Consultant to provide the Services, the Province will have the sole discretion in determining:

- (a) whether a particular Consultant or Consultants are invited to undertake any specific assignment or assignments; or
 - (b) whether one or more Consultants will be invited to prepare a work plan and cost estimate to assist the Province in determining which Consultant or Consultants will be selected to undertake a potential assignment.
- Such determination may be based on the Province's understanding of which Consultant or Consultants have the most appropriate combination of knowledge, skills and abilities to undertake the assignment in a manner consistent with the Province's priorities and understanding of the assignment.

If the Province elects to invite one or one or more Consultants to prepare a work plan and cost estimate to assist the Province in determining which Consultant or Consultants will be selected to undertake a potential assignment, the criteria for subsequently selecting the Consultant or Consultants to undertake that assignment shall be as disclosed by the Province in the invitation to prepare the work plan and cost estimate. The invitation will clearly state the nature and scope of the work plan and cost estimate as well as the date by which it must be submitted to be considered valid.

4. Option to Renew

All Services are expected to be performed within an initial Contract Term of two (2) years. At the discretion of the Ministry and subject to available appropriation, the initial Contract Term may be extended for an additional period of not greater than two (2) years.

Reporting requirements

- Provide timely review, feedback, reports, and other deliverables delivered by the consultant in the performance of Services as outlined in the individual Work Assignment Letter.

PART 3. RELATED DOCUMENTATION:

1. The Contractor must perform the Services in accordance with the obligations set out in this Schedule A including any engagement letter, Solicitation document excerpt, proposal excerpt or other documentation attached as an Appendix to, or specified as being incorporated by reference in, this Schedule.
2. The following are Appendices to this Schedule A:

Appendix 1 – Engagement Letter - e-mail/ <u>formal letter to be signed</u>	ATTACHED:
Appendix 2 – Solicitation document RFP #BA-MF1	ATTACHED:
Appendix 3 – Proposal excerpt	NOT APPLICABLE:
Appendix 4 – Ministry Invoice Payment Policy	ATTACHED:
Appendix 5 – Ministry Example of Invoice	ATTACHED:
Appendix 6 – Appendix 1 – Group 2 Rates	ATTACHED:
Appendix 7 – Certificate of Insurance - to be completed	ATTACHED:
Appendix 8 – Notice to Contractors – Lobbyists	ATTACHED:
Appendix 9 – Travel Expense Claim for Service Contractors	ATTACHED:

PART 3. RELATED DOCUMENTATION:

1. The Contractor must perform the Services in accordance with the obligations set out in this Schedule A including any engagement letter, Solicitation document excerpt, proposal excerpt or other documentation attached as an Appendix to, or specified as being incorporated by reference in, this Schedule.

PART 4. KEY PERSONNEL:

1. The Key Personnel of the Contractor are as follows:
 - (a) Patti Daum - Advisor



April 6, 2012

Grant Thornton LLP
1600 – 333 Seymour Street
Vancouver, British Columbia
V6B 0A4

Dear Patti Daum:

Re: Request for Proposal (RFP) #BA-MF1 – Business Advisor, Strategic Initiatives

This is to formally confirm the Ministry of Transportation's e-mail of March 8, 2012 notifying you that you have been identified as a Preferred Proponent.

We would ask that you confirm by signature your e-mail response (attached as Appendix 1) to the Ministry of Transportation's following questions.

1. Whether you are able to keep your offer open for a further thirty (30) days in order for this process to take place; and
2. That you will keep this notification **confidential** until the Contract is Awarded.

Signature(s)

Patti Daum

Print Name(s)

PARTNER

Print Title(s)

Signature

Doug Foster

Print Name

Executive Director

Print Title

SIGNED on the 18 day of
April, 2012 by the
Contractor

SIGNED on the 6 day of
April, 2012 on behalf of the
Province

Boudreau, Kim L FIN:EX

From: Daum, Patti [Patti.Daum@ca.gt.com]
Sent: Thursday, March 8, 2012 4:13 PM
To: MoT Procurement Process TRAN:EX
Subject: RE: RFP #BA-MF1 - Business Advisor, Strategic Initiatives

Hi Claire,

1. Yes
2. Yes.

Best regards,

Patti Daum

Patti Daum, CA, CBV | Partner
Grant Thornton LLP
Suite 1600, Grant Thornton Place | 333 Seymour Street | Vancouver | BC | V6B 0A4
T +1 604 443 2188 Ext 2188 | F +1 604 685 6569
E Patti.Daum@ca.gt.com | W <http://www.grantthornton.ca/>



Grant Thornton LLP is proud to be recognized as one of Canada's best workplaces for our fourth consecutive year!

From: MoT Procurement Process TRAN:EX [<mailto:Procurement.Process@gov.bc.ca>]
Sent: Thursday, March 08, 2012 3:07 PM
To: Daum, Patti
Subject: RFP #BA-MF1 - Business Advisor, Strategic Initiatives

To: Patti Daum, Grant Thornton

Re: RFP #BA-MF1 - Business Advisor, Strategic Initiatives

With reference to your Proposal submitted in response to the above RFP, this is to notify you that you have been identified as a Preferred Proponent. We will be in touch with you in the near future with the intention of negotiating the terms of a proposed contract.

In the meantime, please advise ASAP by replying to this e-mail:

1. Whether you are able to keep your offer open for a further thirty (30) days in order for this process to take place; and

2. That you will keep this notification **confidential** until the Contract is Awarded.

Thanks and regards,

Claire Ingram

Ministry of Transportation and Infrastructure

Contact Person


Fax: 250.356.2112

procurement.process@gov.bc.ca

This email is intended solely for the person or entity to which it is addressed and may contain confidential and/or privileged information. Any review, dissemination, copying, printing or other use of this email by persons or entities other than the addressee is prohibited. If you have received this email in error, please contact the sender immediately and delete the material from any computer.

Request for Proposal e-Advertisement

**Ministry of Transportation and
Infrastructure**
**RFP Business Advisor, Strategic
Initiatives**
**Consulting Assignments - Business
Services**

- All Locations Specified
-  Supplier Attachments Exist

For more information contact:

Ingram, Claire
Contact person

Ministry of Transportation and
Infrastructure
5A, 940 Blanshard Street
Victoria, British Columbia
V8W 3E6

Phone: 1 (250) 387-2673

Fax: 1 (250) 356-2112

Email: claire.ingram@gov.bc.ca

 **Final**

Solicitation Number: RFP #BA-MF1
Amendment #2
Original Publish Date: 2011/12/16
Publish Date: 2012/01/03
Close Date & Time: 2012/01/10 14:00
Time Zone: Local Time

Approx. Time Left:

All dates are yyyy/mm/dd

Summary Details:

Amendment #2:

Please see amended Q&A Summary #1 Issued January 3, 2012, which replaces that originally
Issued December 23, 2011.

Amendment #1:

Please see the attached Q&A Summary #1 Issued December 23, 2011,
and Addendum #1 Issued December 23, 2011.

NOTE: The Ministry of Transportation and Infrastructure is administering this RFP on
behalf of the Ministry of Finance.

The Consultant(s) selected as a result of this RFP will provide a wide range of business
and executive level strategic and expert advice, analysis and assistance as necessary to
plan and manage public sector finances, procurement, projects and various other priorities
and initiatives that the Ministry of Finance undertakes or participates in from time-to-
time.

Proposals should clearly demonstrate that the individual nominated to provide the Services
has knowledge, experience and expertise acting in a senior management position or as a
lead advisor directly involved in or responsible for planning, implementing and overseeing
strategic initiatives, including but not limited to major capital and other strategic
procurement projects and other public/private sector priorities, with significant social,
economic, or public policy consequences.

For full details, please see the attached RFP BA-MF1.





21067564




Close X

Additional Information to Download

Supplier Attachments may exist as header attachments, at the top of the tender plus, for certain notices or ITQs, in the body of the notice. Please check to make sure that you have opened all supplier attachments.

Attachment Title	RFP #BA-MF1  (92.48 kB) Supplier
Attachment Title	Attachment 1 - General Service Agreement  (180.84 kB) Supplier
Attachment Title	Addendum #1  (32.94 kB) Supplier
Attachment Title	Q&A Summary #1 as amended  (32.96 kB) Added Supplier

If you are having difficulty viewing one of the above files, this could be because it is in Microsoft Office 2007 format. These document types end in ".x". For example, Microsoft Word 07 documents are in ".docx" format. Click here for help 



REQUEST FOR PROPOSALS BUSINESS ADVISOR, STRATEGIC INITIATIVES

RFP Number: BA-MF1 CONFORMED COPY

RFP Issue date: December 16, 2011

CONTACT PERSON

All enquiries related to this Request for Proposals ("RFP"), including any requests for information and clarification, must be directed, in writing, to the following **Contact Person**:

CLAIRE INGRAM

Email: procurement.process@gov.bc.ca

Fax: 250-356-2112

No telephone or in person enquiries please

DELIVERY OF PROPOSALS

Proposals must be delivered to the following **Closing Location**:

CLAIRE INGRAM

5A - 940 BLANSHARD STREET

MINISTRY OF TRANSPORTATION & INFRASTRUCTURE

VICTORIA BC V8W 3E6

Proposals must be received at the Closing Location on or before the following **Closing Time**:

2:00:00 PM local time, Tuesday, January 10, 2012

PROPOSERS' MEETING

A Proposers' meeting has NOT been scheduled at this time.

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PART A. TERMS OF REFERENCE

A1. Purpose

The purpose of this Request for Proposal ("RFP") is to invite Proposals from eligible Proponents for the provision of the Services described in this RFP.

Subject to the terms and conditions of this RFP and the acceptability of Proposals, the Province intends to select and retain one or more Consultants as a result of this RFP to provide the Services.

A1.1 Background

The Ministry of Finance ("the Ministry") plays a key role in establishing, implementing, reviewing and overseeing government's economic, fiscal, financial management and taxation policies and initiatives. The Ministry also delivers tax administration and revenue and treasury management that provide funding essential for government programs for British Columbians.

The Ministry also provides critical supporting and consultant functions for a variety of government committees and cross-agency priority projects and initiatives.

The Ministry draws on both internal and external resources to plan and carry out its mandate.

A2. Scope of Consultant Services

The Consultant(s) selected as a result of this RFP will provide a wide range of business and executive level strategic and expert advice, analysis and assistance as necessary to plan and manage public sector finances, procurement, projects and various other priorities and initiatives that the Ministry undertakes or participates in from time-to-time.

Services may be required for a single project from concept through completion, and/or various levels of assistance or advice may be required for one or more projects at various stages of completion. Specific assignments may be initiated by a work assignment letter, or the Ministry may call on the Consultant for "ad hoc" assistance or advice on short notice.

The Consultant will nominate one individual, as the Advisor. The Advisor will report to the Ministry Manager and that individual will represent the Consultant in all matters pertaining to the Contract and the Services. Unless otherwise approved in writing by the Ministry Manager, all Services will be performed personally by the Advisor. All approved supporting resources provided by or through the Consultant will report to, be co-ordinated by, or be under the direction of the Advisor at all times unless otherwise agreed in writing by the Ministry Manager.

The Consultant will provide all Services on an "as and when required" basis. No retainer is expected to require full time availability. The Consultant shall not be entitled to a minimum guarantee of work in association with the Contract.

Confidentiality: The Ministry recognizes that Consultants may have concurrent retainers with other public and private sector clients and expects all parties to work co-operatively to ensure that potential conflicts of interests are disclosed and avoided in a timely manner.

It is anticipated that the Consultant will have access to information that is commercially significant and may be subject to Cabinet level confidentiality. Therefore, the Consultant shall not be eligible to provide advice to or act directly for any other parties associated with any project for which they have performed an assignment under this Contract without the express written consent of the Ministry Manager.

Note: The Ministry reserves the right to expand or reduce the scope of the Consultant's Services at any time during the term of the Contract.

The Consultant may, from time to time, be called on by the Ministry to identify and provide, either as employees or sub-consultants, such additional specialized resources as may be necessary to affect the proper and timely performance of the Services.

A3. Ministry Obligations during the Contract Term

During the term of the Contract, responsibilities of the Ministry will include:

1. Appoint a Ministry Manager to act as the Consultant's primary point of contact with the Ministry on all matters related to the performance of the Services.
2. Provide the Consultant with clear written or verbal instructions regarding the scope, schedule, and reporting relationships involved in each assignment.
3. Provide the Consultant with timely access to Ministry source documents, files, and computer systems as required to perform any Services.
4. Provide timely review, feedback, and approval, where appropriate, of all workplans, reports, and other deliverables delivered by the Consultant in the performance of the Services.
5. Meet periodically with the Consultant to discuss progress of the Services.
6. Provide periodic verbal and written performance evaluation and feedback to the Consultant.
7. Be available to constructively resolve any performance issues as they may arise.
8. Provide timely review of invoices and approval for payment, where appropriate.

The Ministry reserves the right to expand or reduce the scope of its obligations during the term of the Contract.

PART B. THE CONTRACT

B1. Form of Contract

The Contract entered into by the Province and the Consultant shall be on the terms and conditions contained in the **General Service Agreement** which is attached to this RFP.

The terms and conditions of the **General Service Agreement** and its Schedules are not negotiable.

The Contract shall be prepared by the Ministry and shall also include;

- 1) parts of this RFP, including but not limited to **Part A. Terms of Reference** and **Part B. The Contract**, as deemed appropriate by the Ministry, and
- 2) parts of the Proponent's Proposal including any clarifications, rectifications, and negotiated changes, as deemed appropriate by the Ministry.

Where any part of the Proponent's Proposal, whether incorporated into the Contract or not, contradicts or conflicts with any other part(s) of the Contract, the other part(s) of the Contract shall prevail.

B2. Term & Payment

All Services are expected to be performed within an initial Contract Term of two (2) years. At the discretion of the Ministry and subject to available appropriation, the initial Contract Term may be extended for an additional period of not greater than two (2) years.

The Province will pay the Consultant monthly in arrears on the basis of the agreed all inclusive Hourly or Daily Rates plus approved expenses ("time and expenses"). All Rates are to be inclusive of all costs associated with performing the Services including all overhead and out-of-pocket costs such as local travel, office space, copying, and printing.

Rates established at Contract commencement will be firm during the initial Term of the Contract. The Rates for the extended Term, if any, will be subject to negotiation annually with all other contract terms remaining the same.

It is anticipated that the only approved expenses will be travel and lodging at approved Group 2 rates for approved travel. Out of Province travel, as pre-approved by the Ministry Manager, may be required.

Except as expressly set out in the Contract, the Province will not be liable to any party, including the Consultant, for any costs, expenses, or other charges in association with any part of the Services.

The Consultant will provide all services on an "as and when required" basis. The Consultant shall not be entitled to a minimum guarantee of work in association with the Contract.

The Province does not expect total payments for Services rendered during the initial Term to exceed \$300,000.00.

B3. Location

The Consultant will perform the majority of the Services within their own premises. The Consultant may be called on, from time to time, to attend meetings in-person at various locations in BC and outside the Province.

B4. Insurance

The Consultant will be required to show proof of \$2,000,000 CGL insurance coverage consistent with the **General Service Agreement** unless otherwise expressly waived by the Ministry.

B5. Registration with Workers' Compensation Board

The Consultant, its employees, and approved sub-consultant's must be registered with the Workers' Compensation Board (WCB). WCB coverage must be maintained for the duration of the Contract. Prior to receiving any payment, the Consultant may be required to submit a WCB Clearance Letter indicating that all WCB assessments have been paid.

PART C. PROPOSAL REQUIREMENTS

The following Proposal delivery, format, and content requirements should be followed to facilitate Proposal evaluation and to ensure each Proposal receives full consideration.

C1. Proposal Purpose

The purpose of each Proposal should be to demonstrate to the Province that the individual nominated by the Proponent to act as the Advisor and to personally perform the Services have the education, training, knowledge, skills, and abilities necessary to provide the services described in **Part A** of this RFP in a professional, timely, reliable, confidential, and cost effective manner.

During evaluation, preference will be given to Proposals that demonstrate that the individual nominated to provide the Services has knowledge, experience and expertise acting in a senior management position or as a lead advisor directly involved in or responsible for planning, implementing and overseeing strategic initiatives, including but not limited to major capital and other strategic procurement projects and other public/private sector priorities, with significant social, economic, or public policy consequences.

During evaluation, consideration will be given to whether a Proposal demonstrates that the individual nominated to provide the Services has experience, at senior management or lead advisor level, in some or all of the following categories on projects of relevant scale and complexity;

1. Project management and best practices
2. Risk management
3. Strategic planning and analysis
4. Business planning and analysis

5. Strategic procurement and process
6. Accounting and financial analysis/administration
7. Business/project contract development and management
8. Strategic negotiations expertise as well as facilitation
9. Knowledge of the BC economy (macro and micro)
10. Sector expertise in social and economic development/resource areas
11. Problem solving skills
12. Transition/change management
13. Organization design and best practices
14. Communication
15. Leadership and team building
16. Public sector policy development
17. Critical program reviews and value-for-money assessment
18. Knowledge and expertise of the BC public sector and its programs and processes

The purpose of each Proposal should also be to demonstrate to the Province that the Proponent has a clear understanding of the key issues and considerations that are likely to affect the satisfactory performance of the Services and an explanation of how their cited skills, qualifications and experience are particularly suitable to address those issues and Service delivery considerations.

C2. Proposal Delivery

Proposals must be received at the Closing Location on or before the Closing Time.

Proposals delivered by facsimile or by email will not be considered valid and will be rejected.

Late Proposals, including Proposals delivered by or through Canada Post, *Expresspost*, or *Priority™ Worldwide* that arrive at the Closing Location after the Closing Time, will not be considered valid and will be rejected.

In the event of a dispute regarding delivery, the Closing Time and Closing Location as determined by the Contact Person shall prevail whether accurate or not.

Proposals are to be delivered in one package or envelope, clearly labelled with the "RFP Title", "Contact Person", and "Closing Location" all as shown on the RFP cover page.

The name and mailing address of the Proponent should also be clearly shown on the exterior of the package or envelope containing the Proposal.

C3. Proposal Format

Each of the three (3) complete paper copies of the Proposal contained within the package or envelope is to be loose-leaf (corner stapled is acceptable), 3-ring bound or cerlox bound on 8.5" x 11" paper. Where practical, text should be printed single sided, 1.5 line spaced and not smaller than 11-point typeface.

Proposals must be in English to be considered valid.

C4. Proposal Content

Each Proposal must, in the opinion of the evaluation committee, substantially comply with the form and content requirements of C4.1 through C4.6 inclusive to be considered valid.

C4.1 Cover Letter

In this section of the Proposal, provide a Cover Letter matching the form and content of the specimen Cover Letter attached to this RFP, signed by an Authorized Representative of the Proponent. Provide the Proponent's full legal name and business address and clearly identify the Proponent's Authorized Representative including the telephone number and email address at which they can be contacted.

C4.2 Advisor

In this section of the Proposal, provide the following information about the **one person** nominated by the Proponent to provide the Services of the Advisor as anticipated by this RFP:

- 1) **Name & Summary of Experience** – Provide the individual's full name, contact information, and corporate affiliation if any. The Summary of Experience needs to clearly demonstrate that the individual has the relevant education, training, experience, knowledge, skills, and abilities to take overall responsibility for satisfactory performance of the foreseeable Services described in this RFP.

The Advisor's Name & Summary of Experience should not exceed two (2) pages.

- 2) **Resume and List of Projects** - A resume or curriculum vitae describing the individual's relevant education and work experience. Provide information on their relevant employment or project experience. For each employer or project cited, provide the information listed below.
 - a. **The employer / project** – Entity name / Project title, a brief description of the nature of the entity annual capital budgets, and typical projects. Project information is to include: owner or lead agency, location, scope of the work, start and completion date, total program or capital budget, and key project challenges.
 - b. **Role** – The individual's title as an employee or contractor on the project, and a summary of their specific roles and responsibilities, reporting relationships, and estimated total time (in hours) spent in that role, and any additional information demonstrating relevant skills, experience and ability.
 - c. **References** - The name and telephone number of an employer or client contact that can and will confirm the satisfactory performance and scope of the cited roles and responsibilities.

The information provided should clearly demonstrate that the individual nominated as the Advisor has significant experience acting in a senior management position or as a lead advisor on major program, capital and other strategic procurement projects and other public/private sector priorities, with significant social, economic, or public policy consequences.

The Advisor's Resume and List of Projects should not exceed six (6) pages.

C4.3 Supporting Resources

In this section of the Proposal, provide information on any administrative and other supporting resources that the Proponent anticipates employing to perform the Services.

Information on Supporting Resources should not exceed two (2) pages.

C4.4 Understanding of Issues & Role

In this section of the Proposal, provide a brief description of the Proponent's understanding of the key issues, considerations, and risks that are likely to affect the satisfactory performance of the Services. This should include an explanation of how the cited skills, qualifications and experience of the individual nominated to provide the Services as described elsewhere in the Proposal, are particularly suitable to address and manage those issues and considerations.

The "Understanding of Issues and Role" section of the Proposal should not exceed four (4) pages.

C4.5 Corporate Affiliation & Conflict of Interest

Where the Proponent is, or is affiliated with a firm that is, likely to have a foreseeable commercial, business, or professional interest in strategic initiatives, including but not limited to major program, capital and other strategic procurement projects, and/or other public/private sector priorities in BC with significant social, economic, or public policy consequences; in this part of the Proposal, the Proponent shall disclose how they intend to manage potential conflicts of interest on assignments requiring access to commercially sensitive information.

C4.6 Price Envelope

Include a separate sealed price envelope. The sealed price envelope should be clearly labeled "Price Envelope" and show the Proponent's name and the RFP Title.

Inside the sealed price envelope, clearly specify the "all found" Hourly or Daily Rate for:

- 1) the Advisor nominated at C4.2 of the Proposal;
- 2) for each person or position named as a Supporting Resources at C4.3 of the Proposal.

In accordance with B2. Term & Payment, each Hourly or Daily Rate established at Contract commencement will remain firm during the initial two (2) year Contract Term. The Rates for the Extended Term, if any, will be subject to negotiation annually with all other contract terms remaining the same.

All Rates quoted are to be in Canadian dollars and are to be exclusive of HST. The Province, including the Ministry, does pay HST on all applicable services.

NOTE:

**CONSULTANTS WHO WISH TO NOMINATE MORE THAN ONE CANDIDATE AS AN ADVISOR
MUST SUBMIT A SEPARATE PROPOSAL FOR EACH CANDIDATE.**

PART D. DEFINITIONS AND TERMS & CONDITIONS

D1. Definitions

Throughout this Request for Proposals, the following definitions apply:

- a) "Addenda" or "Addendum" means documents of the same name that may be issued by the Province for the express purpose of amending any part of this Request For Proposal.
- b) "Award" means formal written notice from the Province advising a Proponent of the Province's acceptance of their Proposal and of the Province's intent to enter into a Contract with that Proponent.
- c) "Authorized Representative" means the individual having full legal authority and capacity to represent and bind the Proponent in any and all matters related to this RFP and the Proponent's Proposal.
- d) "BC Bid" means the website operated by the Province for the purpose of communicating with prospective suppliers about government business opportunities;
- e) "Closing Location" means the location shown on the cover page of this RFP as the only acceptable location for delivery of a Proposal.
- f) "Closing Time" means the time and date shown on the cover page of this RFP as the last acceptable time and date for delivery of a Proposal.
- g) "Contact Person" means the person named on the cover page of this RFP as the only party authorized to communicate with prospective Proponents on behalf of the Province.
- h) "Contract" means a written agreement resulting from this Request for Proposals, as described in **Part C. The Contract**, as executed by the Province and the Consultant.
- i) "Contractor" or "Consultant" means the Proponent who enters into a written Contract with the Province as a result of this RFP.
- j) "Ministry" means the Ministry of Finance of the Province of British Columbia and the Ministry of Transportation and Infrastructure and their authorized servants, agents, representatives, employees, and advisors.
- k) "Proponent" means an individual or other legal entity that has submitted a valid Proposal in response to this RFP.
- l) "Proponents' Meeting" means a telephone conference, video conference, in-person meeting, and/or site visit that all prospective Proponents are eligible to attend for the purpose of discussing the subject matter of this RFP.
- m) "Proposal" means an offer prepared and delivered by a Proponent in a manner that substantially complies with the requirements of this RFP.
- n) "Province" means Her Majesty the Queen in Right of the Province of British Columbia and includes the Ministry.
- o) "Reference Document" means any document(s) listed in this RFP under the heading "Reference Documents" and provided by the Ministry in direct association with this RFP.
- p) "Request for Proposals" or "RFP" means this document, including all appendices and attachments, as issued by the Province, as it may be amended from time to time by Addenda.
- q) "Services" means the professional, technical, and other activities to be performed by the Consultant as necessary to fulfil their Contractual obligations to the Province.

D2. Terms and Conditions

The following terms and conditions will apply to this Request for Proposals ("RFP"). Submission of a Proposal in response to this RFP indicates acceptance of all the terms and conditions of this RFP, including any and all Addenda.

D3. Eligibility

This RFP is open to any party capable of demonstrating to the satisfaction of the Province that it is able to perform the Services in a manner acceptable to the Province.

D4. Contact Person

Only the Contact Person is authorized to communicate with Proponents on behalf of the Province with regard to the subject matter of this RFP. All enquiries related to this RFP, including any requests for information and clarification, are to be directed, in writing, to the Contact Person who will respond if time permits. In person and telephone enquiries are not permitted.

Enquiries and any responses will be recorded and may, at the Province's option, be posted by the Contact Person to the BC Bid website where this RFP was originally posted. Information obtained from any source other than the Contact Person is not official, will not be binding on the Province, and must not be relied on or otherwise used in any way for any purpose whatsoever.

D5. Clarification

Prospective Proponents may seek clarification regarding any aspect of this RFP or any aspect of this proposal call process. All requests for clarification and any other communications relating to this RFP, including without limitation, submission of a Proposal, and the Proposal evaluation process must be directed in writing to the Contact Person. In person and telephone queries are not permitted.

The Province, in its discretion, will respond through the Contact Person to requests for clarifications or other inquiries in writing as time permits. Requests for confidential or exclusive responses to a Proponent's queries will not be considered valid. All queries and responses will be recorded and may, at the Province's option, be made available to all prospective Proponents in the form of one or more Question and Answer Summaries posted to the BC Bid website where this RFP was originally posted.

Information provided in a response to a prospective Proponent or in a Question and Answer Summary is intended to be informal and does not constitute an Addendum.

D6. No Lobbying

Proponents must not attempt to communicate directly or indirectly with any employee, contractor or representative of the Province other than the Contact Person, including the evaluation committee and any elected officials of the Province, or with members of the public or the media, about the project described in this RFP or otherwise in respect of the RFP and its related processes, other than as expressly directed or permitted in writing by the Contact Person. Any such communication may, at the sole discretion of the Province, be considered lobbying and result in the Proponent being deemed ineligible to respond to this RFP and disqualified from further consideration for award of a Contract.

D7. Addenda

The Province may, at its sole discretion, at any time prior to Closing Time, amend this RFP by means of written Addenda issued through the Contact Person. This RFP may not be amended in any other way whatsoever by anyone.

Addenda are effective and binding when issued. Addenda will be deemed to be issued at the time they are posted by the Contact Person to the BC Bid website where this RFP was originally posted. The Province makes no guarantee, warranty or representation as to timely or effective delivery of any Addenda to any party.

D8. Complete RFP

It is the Proponent's responsibility to ensure that they have verified receipt of a complete RFP, including any and all Addenda. Each and every Proposal will be considered to have been made on the basis of the complete RFP, including any and all Addenda. By delivery of a Proposal, the Proponent is deemed to have received, accepted, and understood the complete RFP, including any and all Addenda.

D9. Ministry Supplied Information

Without limiting any other disclaimers contained in this RFP including **D10. Reference Documents**; any information, statements, representations, data, or conclusions, set out in or made available by or through the Ministry in connection with this RFP, including without limitation, as set out in responses to Proponents' requests for clarification, is not stated, guaranteed, represented or warranted to be accurate, complete, relevant, suitable, comprehensive, or reliable by the Province, in whole or in part, and must not be considered or treated as such by a Proponent, or by any person whatsoever.

D10. Reference Documents

While the factual data expressly set out in the Reference Documents is believed by the Province to be accurate unless otherwise stated elsewhere in this RFP; the Province in no way whatsoever represents, warrants or guarantees that such data is complete, relevant, suitable, or representative or indicative of anticipated or actual conditions, or assumes responsibility or liability for the sufficiency, interpretation or analysis of such data or opinions arrived at in whole or in part on the basis of such data. Each Proponent remains solely responsible to independently investigate and satisfy itself of every condition affecting the Services and to ensure that the Proposal is prepared and submitted solely on the basis of information independently obtained and verified by the Proponent and the Proponent's independent investigations, examinations, knowledge, analysis, experience, interpretation, information and judgement.

The Province assumes no responsibility or liability for any interpretation, analysis, or opinion contained in any Reference Document. Where both an electronic and a paper copy of a Reference Document is provided by the Ministry in association with this RFP, the paper copy of that Reference Document shall prevail for the purposes of this RFP unless stated otherwise in this RFP.

D11. Proponents' Meetings

The Province may, at its sole discretion, schedule one or more Proponents' Meetings prior to Closing Time. Information regarding the place and time of any Proponents' Meeting will be posted to the BC Bid website not less than seventy-two (72) hours before the Proponents' Meeting commences.

Proponents are strongly encouraged to attend all Proponents' Meetings. Attendance at any Proponents' Meeting is not mandatory.

Written questions and requests for topics to be addressed at Proponents' Meetings may be submitted to the Contact Person in advance of any meeting.

Unless expressly incorporated into this RFP by way of Addenda or issued and listed as a Reference Document; information, statements, representations, data, opinions, or conclusions, whether oral or written, disclosed or made available at any Proponents' Meeting does not form a part of this RFP nor is it a Reference Document and therefore should not be relied upon in any way for any purpose whatsoever by any Proponent.

Minutes of Proponents' Meetings will not be available.

Private meetings with individual Proponents or groups of Proponents will not be available.

D12. Licenses and Permits

The Proponent assumes full responsibility for obtaining and holding any and all rights, permits, licences, consents, approvals and authorities issued by any governmental agency or authority or other person required to carry out its investigations regarding the Services.

D13. Conflict of Interest and Restricted Parties

If, in the opinion of the Province, the current or past corporate or other interests or relationships of any person named in the Proposal, including the Proponent, gives rise to an actual, potential or perceived conflict of interest or unfair advantage, the Province may at any time and in its sole discretion;

- a) exclude the Proponent and its Proposal from further evaluation and consideration for Award, or
- b) require the Proponent to name a substitute for the person(s) of concern to the Province as a condition of the Proponent's continued eligibility. Any required substitution(s) may be subject to such terms and conditions as the Province may stipulate.

D14. Investigation & Liability for Errors

While the Province has used considerable efforts to ensure information in this RFP and otherwise provided by the Ministry directly in association with this RFP is accurate, the information is supplied solely as a guideline for Proponents. The information is not guaranteed or warranted to be accurate by the Province, nor is it necessarily comprehensive, exhaustive, or indicative of actual conditions that may be encountered.

Nothing in this RFP is intended to relieve Proponents from the responsibility for conducting their own investigation and forming their own opinions with respect to the subject matter of this RFP and their Proposal.

Except as otherwise expressly stated in this RFP, the Proponent shall not rely on the representations or information contained in this RFP or referenced in this RFP, or otherwise obtained from the Contact Person or from any meeting as being descriptive of the risks and conditions associated with the safe, timely, or cost effective performance of the Services required by the Province.

Each Proposal shall be made and shall only be accepted on the basis that:

- a) the Proponent has fully investigated and satisfied itself of all risks regarding conditions affecting the service, including but not limited to labour, equipment, material, and other resources to be provided;
- b) the Proponent's investigation has been based on its own independent examination, experience, knowledge, information, and judgement, and not upon any representation or information made or given by the Province; and
- c) the Proponent is willing to assume and does assume all risks regarding conditions affecting their ability to perform their obligations arising from the Contract.

D15. Proposal Requirements

Proponents are solely responsible for ensuring that their Proposal complies with the delivery, form, and content requirements of this RFP. All questions or concerns regarding Proposal requirements should be directed in writing to the Contact Person.

D16. Changes to Proposals

By submission of a clear and detailed written notice, the Proponent may amend or withdraw its Proposal prior to the Closing Time. Upon Closing Time, all Proposals become irrevocable.

The Proponent will not be permitted to clarify or change its Proposal after Closing Time unless so requested by the Province for purposes of clarification or rectification during Proposal Evaluation as anticipated by this RFP.

D17. Proposals are Binding Offers

Proposals will be unconditionally open for acceptance by the Province for sixty (60) days from the Closing Time.

D18. Proponent's Expenses

Each Proponent is solely responsible for its own costs and expenses associated with its participation in this proposal call, including but not limited to; conducting investigations, attending meetings, preparing and delivering its Proposal, communicating with the Province during Proposal Evaluation, and any subsequent processes or negotiations with the Province that may occur.

D19. Proposal Evaluation

D19.1 Evaluation Committee

Evaluation of Proposals will be conducted by a committee formed by the Province, which may include representatives of government ministries and external advisors.

In carrying out their obligations, the committee may, in confidence, obtain and rely upon any technical, managerial, and other input and direction from any third party to aid them in carrying out such obligations.

D19.2 Evaluation & Selection

Acting on behalf of the Province, the committee shall review and evaluate the Proposals according to its own judgment with regard to the appropriate application of the evaluation criteria and weighting described in this RFP, and shall have the right to recommend to the Province the Proponent(s) that the committee judges best able to meet the Province's needs, interests, and objectives.

Proposals will be assessed against the Mandatory Criteria listed at **D19.2.1 Mandatory Criteria**. Any Proposal that fails to substantially comply with any of the Mandatory Criteria may, at the sole discretion of the committee, be disqualified from further consideration as a valid Proposal.

Proposals not disqualified for non-compliance with the Mandatory Criteria will be assessed against the Rated Criteria. For each Rated Criteria Category listed at **D19.2.2 Rated Criteria**, Proposals will be assessed and scored in accordance with **D19.2.3 Weighting**.

Subject to the terms and conditions of this RFP and the acceptability of Proposals, the Province intends to select and retain one or more Consultants as a result of this RFP.

D19.2.1 Mandatory Criteria

RFP	Mandatory Criteria	Assessment
C2.	Received at Closing Location on or before Closing Time.	Yes / No
C3. & C4.	Substantially complies with format and content requirements.	Yes / No

D19.2.2 Rated Criteria

RFP	Rated Criteria Category	Available Points
C4.2	Advisor	75
C4.4	Understanding of Issues & Role	25
	Total Points Available to Earn	100

D19.2.3 Weighting

Assessment	% of Available Points Earned
<ul style="list-style-type: none"> No response or response does not satisfy any of the requirements. 	0
<ul style="list-style-type: none"> Meets some requirements, and Seriously lacking in one or more areas. 	Up to 25%
<ul style="list-style-type: none"> Meets most requirements, and Lacking or marginal in one or more areas. 	26% to 49%
<ul style="list-style-type: none"> Meets the basic requirements, and Generally acceptable. 	50% to 75%
<ul style="list-style-type: none"> Meets or exceeds the basic requirements, and Some value added. 	76% or 85%
<ul style="list-style-type: none"> Meets or exceeds the basic requirements, and Significant value added. 	86% to 100%

A Proposal that earns less than 50% of the available points in any Rated Criteria Category may, at the sole discretion of the committee, be disqualified from further consideration as a valid Proposal.

To assist in determining suitability, acceptability, and credibility of Proposals, the committee shall have the right but not the obligation to conduct reference checks with some or all of the references cited in the Proposal. The committee shall have the right but not the obligation to give greater credence to information obtained from a cited reference over information contained in the Proposal. If the experience cited cannot be verified through reference checks, or if the information provided by a cited reference is unsatisfactory or apparently contradictory, the committee shall have the right but not the obligation to disregard or discount the unverified information when considering the Proposal. The committee shall have the right but not the obligation to seek and give consideration to references obtained from sources other than those provided by the Proponent.

D19.3 Clarification, Rectification, & Presentation

As part of the Proposal evaluation process and to assist with Mandatory Criteria and Rated Criteria evaluation, the committee reserves the right to request clarifications, rectifications, and additional information from any Proponent after the Closing Time and for that purpose the committee may enter into separate and confidential discussions with individual Proponents. The committee is not obligated to have such discussions with all Proponents or to provide all Proponents with the same questions.

The committee shall have the right but not the obligation to consider information provided by any Proponent in response to a request for clarifications, rectifications, and additional information as being a part of the Proponent's Proposal at the Closing Location at Closing Time.

As part of the Proposal evaluation process and to assist with Mandatory Criteria and Rated Criteria evaluation, the committee shall have the right but not the obligation to call on any Proponent, to participate in presentations or interviews either "in person" or by conference call, including responding to questions, on any aspect of the RFP and the response provided in their Proposal. The committee is not obligated to call on all Proponents to make such a presentation nor to provide all Proponents with the opportunity to respond to the same or any questions.

D19.4 Selection

The Proponents earning the highest Total Points Score will be considered the preferred Proponents.

Subject to the terms and conditions of this RFP and the acceptability of Proposals, the Province intends to select and retain one or more Consultants as a result of this RFP.

The number of preferred Proponents selected and retained will be decided by the Province, at its sole discretion, based on the Province's perception of the anticipated need for the Services and the skill sets identified among the Proponents.

D19.5 Price Envelopes

All Price Envelopes will remain sealed until the evaluation of the Rated Criteria has been completed.

D19.6 Negotiations

If the Province selects one or more preferred Proponents, then the Province will enter into separate discussions with each preferred Proponent in an attempt to negotiate one or more formal written Contracts as described in **Part B. The Contract**. The Province shall have the right to request and negotiate changes to any part of **A2. Scope of Consultant Services** and to any part of a Proponent's Proposal.

If, in the opinion of the Province, it appears that an agreement satisfactory to the Province is unlikely to be achieved, the Province may, at its discretion and without delay, terminate discussions with any preferred Proponent, and may, at its discretion, select another Proponent as the preferred Proponent and enter into Contract discussions with that Proponent. In such an event, the above provisions regarding negotiation and termination of negotiations will apply to the newly selected preferred Proponent.

The Province reserves the full right not to select any Proponent as a preferred Proponent, and may, at any time before awarding a Contract, cancel this RFP and related processes.

D19.7 Debriefing

At the conclusion of the Proposal evaluation process, all Proponents will be notified regarding which, if any, Proponent was selected as the Preferred Proponent. Any Proponent may, within thirty (30) days of being notified of the outcome of the Proposal evaluation process, request a confidential debriefing with the evaluation committee to discuss their Proposal and the Proposal evaluation process.

D20. Dispute Resolution & Limitation of Damages

By submitting a Proposal, each Proponent irrevocably agrees that:

- a) The Proponent will, within fourteen (14) days of any dispute arising in connection with this RFP, submit written notice to the Contact Person of such dispute;
- b) All disputes not resolved through negotiation between the Province and the applicable Proponent within twenty-one (21) days of the date of the written notice to the Contact Person will be referred to and finally resolved by binding arbitration in accordance with the Commercial Arbitration Act, and such arbitration will take place in Victoria, British Columbia and will be governed by the laws of British Columbia;
- c) The Province shall not be liable to any Proponent or any person whatsoever, for any claims of any nature (in contract, in tort, or otherwise), for any costs, expenses, compensation, damages, or anything whatsoever, in excess of an amount equivalent to the actual and reasonable costs and expenses directly and necessarily incurred by the Proponent in preparing and delivering its Proposal.

Notwithstanding any notice of dispute delivered to the Contact Person, the Province may at its sole discretion, but in no event will be obligated to, proceed with the matters contemplated under this RFP without prejudice to any ongoing dispute resolution proceedings or discussions, including any negotiations or binding arbitration contemplated hereunder.

D21. Acceptance of Proposals

This RFP should not be construed as an agreement to purchase goods or services. The Province is not obligated to make an Award or enter into a Contract with the Proponent who submits the lowest priced or highest rated Proposal or with any Proponent.

The Province reserves the right, at its sole discretion, to; reject any or all Proposals, cancel this RFP and related processes, re-issue this RFP or a similar RFP, issue or implement any other procurement process for, or take any steps or actions to procure the same or similar Services or any part thereof at any time and from time to time.

Neither acceptance of a Proposal nor execution of a Contract will constitute approval of any activity or development contemplated in any proposal that requires any approval, permit or license pursuant to any federal, provincial, regional district or municipal statute, regulation or by-law.

D22. Definition of Contract

Notice in writing, in the form of an Award letter, to a Proponent that it has been identified as the preferred Proponent and the subsequent full execution of a written Contract by both parties will constitute a Contract for the goods and/or services anticipated by this RFP. No Proponent will acquire any legal or equitable rights or privileges relative to the goods or services anticipated by this RFP until the occurrence of both such events.

D23. Execution of Contract

By submission of a Proposal, the Proponent agrees that should it be identified as the preferred Proponent, the Proponent will enter into a Contract prepared by the Province on the terms set out in **Part B. The Contract**.

D24. Ownership of Proposals

All Proposals submitted to the Province become the property of the Province. Proposals will be received and held in confidence by the Province, subject to the provisions of the *Freedom of Information and Protection of Privacy Act* and this RFP.

D25. Collection and Use of Personal Information

Proponents are solely responsible for familiarizing themselves, and ensuring that they comply, with the laws applicable to the collection and dissemination of information, including resumes and other personal information concerning employees and employees of any subcontractors. If this RFP requires Proponents to provide the Province with personal information of employees who have been included as resources in response to this RFP, Proponents will ensure that they have obtained written consent from each of those employees before forwarding such personal information to the Province. Such written consents are to specify that the personal information may be forwarded to the Province for the purposes of responding to this RFP and use by the Province for the purposes set out in the RFP. The Province may, at any time, request the original consents, or copies of the original consents, from Proponents, and upon such request being made, Proponents will immediately supply such originals or copies to the Province.

SPECIMEN COVER LETTER

Proponent's Letterhead or name and address

Date

Attention: Claire Ingram

Partnerships Department

Ministry of Transportation & Infrastructure

By Hand or Courier to: 5A 940 Blanshard Street

Victoria BC V8W 3E6

Re: Request for Proposals (RFP)

Business Advisor, Strategic Initiatives RFP #BA-MF1

I, the undersigned Authorized Representative, being the authorized agent for the Proponent named below, declare the following to be true:

I have full authority to represent the Proponent in any and all matters related to this Proposal, including but not limited to providing clarifications, rectifications, and additional information or negotiations that may be requested in association with the above RFP or the Proponent's Proposal.

The enclosed Proposal is submitted by the Proponent in response to the above RFP and is an offer to perform the Services anticipated by the above RFP.

I/we have obtained and carefully read, examined, and understood the entire RFP, including any and all Addenda issued by the Province.

I/we agree to all of the terms and conditions of the entire RFP, including any and all Addenda issued by the Province.

The Proponent agrees to be bound by all statements and representations made in the enclosed Proposal and in any responses to requests for clarification and/or rectification sought by the Province during Proposal evaluation.

The Proponent has fully investigated and satisfied itself of all risks regarding conditions affecting the service, including but not limited to the labour, equipment, material, and other resources to be provided.

The Proponent's investigation has been based on its own independent examination, experience, knowledge, information, and judgement, and not upon any representation or information made or given by the Province except as expressly permitted in the RFP.

The Proponent agrees to enter into a Contract with the Province if requested to do so.

The Proponent is willing to assume and does assume all risks regarding conditions affecting their ability to perform their obligations arising from the Contract.

Notwithstanding any clarifications, rectifications, and/or negotiations that may take place after the Closing Time, this Proposal is irrevocable for sixty (60) days from the Closing Time.

Legal name of Proponent: _____

Business Address: _____

Business Address: _____

Telephone: _____ Email: _____

Name and title of Authorized Representative: _____

Signature of Authorized Representative

Date

ATTACHMENTS

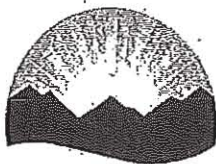
The document listed below forms a part of this RFP and is available from the BC Bid website where this RFP was originally posted.

1. General Service Agreement

REFERENCE DOCUMENTS

There are no "Reference Documents" for this RFP.

GENERAL SERVICE AGREEMENT



**BRITISH
COLUMBIA**

The Best Place on Earth

For Administrative Purposes Only

Ministry Contract No.: _____

Requisition No.: _____

Solicitation No.(if applicable): _____

Commodity Code: _____

Contractor Information

Supplier Name: _____

Supplier No.: _____

Telephone No.: _____

E-mail Address: _____

Website: _____

Financial Information

Client: _____

Responsibility Centre: _____

Service Line: _____

STOB: _____

Project: _____

Template version: October 21, 2010

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SCHEDULE A - SERVICES

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- Part 1 - Maximum Amount Payable
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SCHEDULE D - INSURANCE

SCHEDULE E - PRIVACY PROTECTION SCHEDULE

SCHEDULE F - ADDITIONAL TERMS

SCHEDULE G - SECURITY SCHEDULE

THIS AGREEMENT is dated for reference the ____ day of _____, 20__.

BETWEEN:

@LEGAL NAME AND, IF APPLICABLE, DESCRIPTION, OF CONTRACTOR (the "Contractor") with the following specified address and fax number:

@ADDRESS

@POSTAL CODE

@FAX NUMBER

AND:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by _____ (the "Province") with the following specified address and fax number:

@ADDRESS

@POSTAL CODE

@FAX NUMBER

The Province wishes to retain the Contractor to provide the services specified in Schedule A and, in consideration for the remuneration set out in Schedule B, the Contractor has agreed to provide those services, on the terms and conditions set out in this Agreement.

As a result, the Province and the Contractor agree as follows:

1 DEFINITIONS

General

1.1 In this Agreement, unless the context otherwise requires:

- (a) "Business Day" means a day, other than a Saturday or Sunday, on which Provincial government offices are open for normal business in British Columbia;
- (b) "Incorporated Material" means any material in existence prior to the start of the Term or developed independently of this Agreement, and that is incorporated or embedded in the Produced Material by the Contractor or a Subcontractor;
- (c) "Material" means the Produced Material and the Received Material;
- (d) "Produced Material" means records, software and other material, whether complete or not, that, as a result of this Agreement, are produced by the Contractor or a Subcontractor and includes the Incorporated Material;
- (e) "Received Material" means records, software and other material, whether complete or not, that, as a result of this Agreement, are received by the Contractor or a Subcontractor from the Province or any other person;
- (f) "Services" means the services described in Part 2 of Schedule A;
- (g) "Subcontractor" means a person described in paragraph (a) or (b) of section 13.4; and
- (h) "Term" means the term of the Agreement described in Part 1 of Schedule A subject to that term ending earlier in accordance with this Agreement.

Meaning of "record"

1.2 The definition of "record" in the *Interpretation Act* is incorporated into this Agreement and "records" will bear a corresponding meaning.

2 SERVICES

Provision of services

2.1 The Contractor must provide the Services in accordance with this Agreement.

Term

- 2.2 Regardless of the date of execution or delivery of this Agreement, the Contractor must provide the Services during the Term.

Supply of various items

- 2.3 Unless the parties otherwise agree in writing, the Contractor must supply and pay for all labour, materials, equipment, tools, facilities, approvals and licenses necessary or advisable to perform the Contractor's obligations under this Agreement, including the license under section 6.4.

Standard of care

- 2.4 Unless otherwise specified in this Agreement, the Contractor must perform the Services to a standard of care, skill and diligence maintained by persons providing, on a commercial basis, services similar to the Services.

Standards in relation to persons performing Services

- 2.5 The Contractor must ensure that all persons employed or retained to perform the Services are qualified and competent to perform them and are properly trained, instructed and supervised.

Instructions by Province

- 2.6 The Province may from time to time give the Contractor reasonable instructions (in writing or otherwise) as to the performance of the Services. The Contractor must comply with those instructions but, unless otherwise specified in this Agreement, the Contractor may determine the manner in which the instructions are carried out.

Confirmation of non-written instructions

- 2.7 If the Province provides an instruction under section 2.6 other than in writing, the Contractor may request that the instruction be confirmed by the Province in writing, which request the Province must comply with as soon as it is reasonably practicable to do so.

Effectiveness of non-written instructions

- 2.8 Requesting written confirmation of an instruction under section 2.7 does not relieve the Contractor from complying with the instruction at the time the instruction was given.

Applicable laws

- 2.9 In the performance of the Contractor's obligations under this Agreement, the Contractor must comply with all applicable laws.

3 PAYMENT

Fees and expenses

- 3.1 If the Contractor complies with this Agreement, then the Province must pay to the Contractor at the times and on the conditions set out in Schedule B:
- (a) the fees described in that Schedule;
 - (b) the expenses, if any, described in that Schedule if they are supported, where applicable, by proper receipts and, in the Province's opinion, are necessarily incurred by the Contractor in providing the Services; and

- (c) any applicable taxes payable by the Province under law or agreement with the relevant taxation authorities on the fees and expenses described in paragraphs (a) and (b).

The Province is not obliged to pay to the Contractor more than the "Maximum Amount" specified in Schedule B on account of fees and expenses.

Statements of accounts

- 3.2 In order to obtain payment of any fees and expenses under this Agreement, the Contractor must submit to the Province a written statement of account in a form satisfactory to the Province upon completion of the Services or at other times described in Schedule B.

Withholding of amounts

- 3.3 Without limiting section 9.1, the Province may withhold from any payment due to the Contractor an amount sufficient to indemnify, in whole or in part, the Province and its employees and agents against any liens or other third-party claims that have arisen or could arise in connection with the provision of the Services. An amount withheld under this section must be promptly paid by the Province to the Contractor upon the basis for withholding the amount having been fully resolved to the satisfaction of the Province.

Appropriation

- 3.4 The Province's obligation to pay money to the Contractor is subject to the *Financial Administration Act*, which makes that obligation subject to an appropriation being available in the fiscal year of the Province during which payment becomes due.

Currency

- 3.5 Unless otherwise specified in this Agreement, all references to money are to Canadian dollars.

Non-resident income tax

- 3.6 If the Contractor is not a resident in Canada, the Contractor acknowledges that the Province may be required by law to withhold income tax from the fees described in Schedule B and then to remit that tax to the Receiver General of Canada on the Contractor's behalf.

Prohibition against committing money

- 3.7 Without limiting section 13.10(a), the Contractor must not in relation to performing the Contractor's obligations under this Agreement commit or purport to commit the Province to pay any money except as may be expressly provided for in this Agreement.

Refunds of taxes

- 3.8 The Contractor must:

- (a) apply for, and use reasonable efforts to obtain, any available refund, credit, rebate or remission of federal, provincial or other tax or duty imposed on the Contractor as a result of this Agreement that the Province has paid or reimbursed to the Contractor or agreed to pay or reimburse to the Contractor under this Agreement; and
- (b) immediately on receiving, or being credited with, any amount applied for under paragraph (a), remit that amount to the Province.

4 REPRESENTATIONS AND WARRANTIES

4.1 As at the date this Agreement is executed and delivered by, or on behalf of, the parties, the Contractor represents and warrants to the Province as follows:

- (a) except to the extent the Contractor has previously disclosed otherwise in writing to the Province,
 - (i) all information, statements, documents and reports furnished or submitted by the Contractor to the Province in connection with this Agreement (including as part of any competitive process resulting in this Agreement being entered into) are in all material respects true and correct,
 - (ii) the Contractor has sufficient trained staff, facilities, materials, appropriate equipment and approved subcontractual agreements in place and available to enable the Contractor to fully perform the Services, and
 - (iii) the Contractor holds all permits, licenses, approvals and statutory authorities issued by any government or government agency that are necessary for the performance of the Contractor's obligations under this Agreement; and
- (b) if the Contractor is not an individual,
 - (i) the Contractor has the power and capacity to enter into this Agreement and to observe, perform and comply with the terms of this Agreement and all necessary corporate or other proceedings have been taken and done to authorize the execution and delivery of this Agreement by, or on behalf of, the Contractor, and
 - (ii) this Agreement has been legally and properly executed by, or on behalf of, the Contractor and is legally binding upon and enforceable against the Contractor in accordance with its terms except as enforcement may be limited by bankruptcy, insolvency or other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

5 PRIVACY, SECURITY AND CONFIDENTIALITY

Privacy

5.1 The Contractor must comply with the Privacy Protection Schedule attached as Schedule E.

Security

5.2 The Contractor must:

- (a) make reasonable security arrangements to protect the Material from unauthorized access, collection, use, disclosure, alteration or disposal; and
- (b) comply with the Security Schedule attached as Schedule G.

Confidentiality

5.3 The Contractor must treat as confidential all information in the Material and all other information accessed or obtained by the Contractor or a Subcontractor (whether verbally, electronically or otherwise) as a result of this Agreement, and not permit its disclosure or use without the Province's prior written consent except:

- (a) as required to perform the Contractor's obligations under this Agreement or to comply with applicable laws;
- (b) if it is information that is generally known to the public other than as result of a breach of this Agreement; or
- (c) if it is information in any Incorporated Material.

Public announcements

- 5.4 Any public announcement relating to this Agreement will be arranged by the Province and, if such consultation is reasonably practicable, after consultation with the Contractor.

Restrictions on promotion

- 5.5 The Contractor must not, without the prior written approval of the Province, refer for promotional purposes to the Province being a customer of the Contractor or the Province having entered into this Agreement.

6 MATERIAL AND INTELLECTUAL PROPERTY

Access to Material

- 6.1 If the Contractor receives a request for access to any of the Material from a person other than the Province, and this Agreement does not require or authorize the Contractor to provide that access, the Contractor must promptly advise the person to make the request to the Province.

Ownership and delivery of Material

- 6.2 The Province exclusively owns all property rights in the Material which are not intellectual property rights. The Contractor must deliver any Material to the Province immediately upon the Province's request.

Matters respecting intellectual property

- 6.3 The Province exclusively owns all intellectual property rights, including copyright, in:

- (a) Received Material that the Contractor receives from the Province; and
- (b) Produced Material, other than any Incorporated Material.

Upon the Province's request, the Contractor must deliver to the Province documents satisfactory to the Province that irrevocably waive in the Province's favour any moral rights which the Contractor (or employees of the Contractor) or a Subcontractor (or employees of a Subcontractor) may have in the Produced Material and that confirm the vesting in the Province of the copyright in the Produced Material, other than any Incorporated Material.

Rights in relation to Incorporated Material

- 6.4 Upon any Incorporated Material being embedded or incorporated in the Produced Material and to the extent that it remains so embedded or incorporated, the Contractor grants to the Province:
- (a) a non-exclusive, perpetual, irrevocable, royalty-free, worldwide license to use, reproduce, modify and distribute that Incorporated Material; and
 - (b) the right to sublicense to third-parties the right to use, reproduce, modify and distribute that Incorporated Material.

7 RECORDS AND REPORTS

Work reporting

- 7.1 Upon the Province's request, the Contractor must fully inform the Province of all work done by the Contractor or a Subcontractor in connection with providing the Services.

Time and expense records

- 7.2 If Schedule B provides for the Contractor to be paid fees at a daily or hourly rate or for the Contractor to be paid or reimbursed for expenses, the Contractor must maintain time records and books of account, invoices, receipts and vouchers of expenses in support of those payments, in form and content satisfactory to the Province. Unless otherwise specified in this Agreement, the Contractor must retain such documents for a period of not less than seven years after this Agreement ends.

8 AUDIT

- 8.1 In addition to any other rights of inspection the Province may have under statute or otherwise, the Province may at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises to inspect and, at the Province's discretion, copy any of the Material and the Contractor must permit, and provide reasonable assistance to, the exercise by the Province of the Province's rights under this section.

9 INDEMNITY AND INSURANCE

Indemnity

- 9.1 The Contractor must indemnify and save harmless the Province and the Province's employees and agents from any losses, claims, damages, actions, causes of action, costs and expenses that the Province or any of the Province's employees or agents may sustain, incur, suffer or be put to at any time, either before or after this Agreement ends, including any claim of infringement of third-party intellectual property rights, where the same or any of them are based upon, arise out of or occur, directly or indirectly, by reason of any act or omission by the Contractor or by any of the Contractor's agents, employees, officers, directors or Subcontractors in connection with this Agreement, excepting always liability arising out of the independent acts or omissions of the Province and the Province's employees and agents.

Insurance

- 9.2 The Contractor must comply with the Insurance Schedule attached as Schedule D.

Workers compensation

- 9.3 Without limiting the generality of section 2.9, the Contractor must comply with, and must ensure that any Subcontractors comply with, all applicable occupational health and safety laws in relation to the performance of the Contractor's obligations under this Agreement, including the *Workers Compensation Act* in British Columbia or similar laws in other jurisdictions.

Personal optional protection

- 9.4 The Contractor must apply for and maintain personal optional protection insurance (consisting of income replacement and medical care coverage) during the Term at the Contractor's expense if:
- (a) the Contractor is an individual or a partnership of individuals and does not have the benefit of mandatory workers compensation coverage under the *Workers Compensation Act* or similar laws in other jurisdictions; and
 - (b) such personal optional protection insurance is available for the Contractor from WorkSafeBC or other sources.

Evidence of coverage

- 9.5 Within 10 Business Days of being requested to do so by the Province, the Contractor must provide the Province with evidence of the Contractor's compliance with sections 9.3 and 9.4.

10 FORCE MAJEURE

Definitions relating to force majeure

10.1 In this section and sections 10.2 and 10.3:

(a) "Event of Force Majeure" means one of the following events:

- (i) a natural disaster, fire, flood, storm, epidemic or power failure,
- (ii) a war (declared and undeclared), insurrection or act of terrorism or piracy,
- (iii) a strike (including illegal work stoppage or slowdown) or lockout, or
- (iv) a freight embargo

if the event prevents a party from performing the party's obligations in accordance with this Agreement and is beyond the reasonable control of that party; and

(b) "Affected Party" means a party prevented from performing the party's obligations in accordance with this Agreement by an Event of Force Majeure.

Consequence of Event of Force Majeure

10.2 An Affected Party is not liable to the other party for any failure or delay in the performance of the Affected Party's obligations under this Agreement resulting from an Event of Force Majeure and any time periods for the performance of such obligations are automatically extended for the duration of the Event of Force Majeure provided that the Affected Party complies with the requirements of section 10.3.

Duties of Affected Party

10.3 An Affected Party must promptly notify the other party in writing upon the occurrence of the Event of Force Majeure and make all reasonable efforts to prevent, control or limit the effect of the Event of Force Majeure so as to resume compliance with the Affected Party's obligations under this Agreement as soon as possible.

11 DEFAULT AND TERMINATION

Definitions relating to default and termination

11.1 In this section and sections 11.2 to 11.4:

(a) "Event of Default" means any of the following:

- (i) an Insolvency Event,
- (ii) the Contractor fails to perform any of the Contractor's obligations under this Agreement, or
- (iii) any representation or warranty made by the Contractor in this Agreement is untrue or incorrect; and

(b) "Insolvency Event" means any of the following:

- (i) an order is made, a resolution is passed or a petition is filed, for the Contractor's liquidation or winding up,
- (ii) the Contractor commits an act of bankruptcy, makes an assignment for the benefit of the Contractor's creditors or otherwise acknowledges the Contractor's insolvency,
- (iii) a bankruptcy petition is filed or presented against the Contractor or a proposal under the *Bankruptcy and Insolvency Act* (Canada) is made by the Contractor,
- (iv) a compromise or arrangement is proposed in respect of the Contractor under the *Companies' Creditors Arrangement Act* (Canada),
- (v) a receiver or receiver-manager is appointed for any of the Contractor's property, or

- (vi) the Contractor ceases, in the Province's reasonable opinion, to carry on business as a going concern.

Province's options on default

- 11.2 On the happening of an Event of Default, or at any time thereafter, the Province may, at its option, elect to do any one or more of the following:
- (a) by written notice to the Contractor, require that the Event of Default be remedied within a time period specified in the notice;
 - (b) pursue any remedy or take any other action available to it at law or in equity; or
 - (c) by written notice to the Contractor, terminate this Agreement with immediate effect or on a future date specified in the notice, subject to the expiration of any time period specified under section 11.2(a).

Delay not a waiver

- 11.3 No failure or delay on the part of the Province to exercise its rights in relation to an Event of Default will constitute a waiver by the Province of such rights.

Province's right to terminate other than for default

- 11.4 In addition to the Province's right to terminate this Agreement under section 11.2(c) on the happening of an Event of Default, the Province may terminate this Agreement for any reason by giving at least 10 days' written notice of termination to the Contractor.

Payment consequences of termination

- 11.5 Unless Schedule B otherwise provides, if the Province terminates this Agreement under section 11.4:
- (a) the Province must, within 30 days of such termination, pay to the Contractor any unpaid portion of the fees and expenses described in Schedule B which corresponds with the portion of the Services that was completed to the Province's satisfaction before termination of this Agreement; and
 - (b) the Contractor must, within 30 days of such termination, repay to the Province any paid portion of the fees and expenses described in Schedule B which corresponds with the portion of the Services that the Province has notified the Contractor in writing was not completed to the Province's satisfaction before termination of this Agreement.

Discharge of liability

- 11.6 The payment by the Province of the amount described in section 11.5(a) discharges the Province from all liability to make payments to the Contractor under this Agreement.

Notice in relation to Events of Default

- 11.7 If the Contractor becomes aware that an Event of Default has occurred or anticipates that an Event of Default is likely to occur, the Contractor must promptly notify the Province of the particulars of the Event of Default or anticipated Event of Default. A notice under this section as to the occurrence of an Event of Default must also specify the steps the Contractor proposes to take to address, or prevent recurrence of, the Event of Default. A notice under this section as to an anticipated Event of Default must specify the steps the Contractor proposes to take to prevent the occurrence of the anticipated Event of Default.

12 DISPUTE RESOLUTION

Dispute resolution process

- 12.1 In the event of any dispute between the parties arising out of or in connection with this Agreement, the following dispute resolution process will apply unless the parties otherwise agree in writing:
- (a) the parties must initially attempt to resolve the dispute through collaborative negotiation;
 - (b) if the dispute is not resolved through collaborative negotiation within 15 Business Days of the dispute arising, the parties must then attempt to resolve the dispute through mediation under the rules of the British Columbia Mediator Roster Society; and
 - (c) if the dispute is not resolved through mediation within 30 Business Days of the commencement of mediation, the dispute must be referred to and finally resolved by arbitration under the *Commercial Arbitration Act*.

Location of arbitration or mediation

- 12.2 Unless the parties otherwise agree in writing, an arbitration or mediation under section 12.1 will be held in Victoria, British Columbia.

Costs of mediation or arbitration

- 12.3 Unless the parties otherwise agree in writing or, in the case of an arbitration, the arbitrator otherwise orders, the parties must share equally the costs of a mediation or arbitration under section 12.1 other than those costs relating to the production of expert evidence or representation by counsel.

13 MISCELLANEOUS

Delivery of notices

- 13.1 Any notice contemplated by this Agreement, to be effective, must be in writing and delivered as follows:
- (a) by fax to the addressee's fax number specified on the first page of this Agreement, in which case it will be deemed to be received on the day of transmittal unless transmitted after the normal business hours of the addressee or on a day that is not a Business Day, in which cases it will be deemed to be received on the next following Business Day;
 - (b) by hand to the addressee's address specified on the first page of this Agreement, in which case it will be deemed to be received on the day of its delivery; or
 - (c) by prepaid post to the addressee's address specified on the first page of this Agreement, in which case if mailed during any period when normal postal services prevail, it will be deemed to be received on the fifth Business Day after its mailing.

Change of address or fax number

- 13.2 Either party may from time to time give notice to the other party of a substitute address or fax number, which from the date such notice is given will supersede for purposes of section 13.1 any previous address or fax number specified for the party giving the notice.

Assignment

- 13.3 The Contractor must not assign any of the Contractor's rights under this Agreement without the Province's prior written consent.

Subcontracting

- 13.4 The Contractor must not subcontract any of the Contractor's obligations under this Agreement to any person without the Province's prior written consent, excepting persons listed in the attached Schedule C. No subcontract, whether consented to or not, relieves the Contractor from any obligations under this Agreement. The Contractor must ensure that:
- (a) any person retained by the Contractor to perform obligations under this Agreement; and
 - (b) any person retained by a person described in paragraph (a) to perform those obligations fully complies with this Agreement in performing the subcontracted obligations.

Waiver

- 13.5 A waiver of any term or breach of this Agreement is effective only if it is in writing and signed by, or on behalf of, the waiving party and is not a waiver of any other term or breach.

Modifications

- 13.6 No modification of this Agreement is effective unless it is in writing and signed by, or on behalf of, the parties.

Entire agreement

- 13.7 This Agreement (including any modification of it) constitutes the entire agreement between the parties as to performance of the Services.

Survival of certain provisions

- 13.8 Sections 2.9, 3.1 to 3.4, 3.7, 3.8, 5.1 to 5.5, 6.1 to 6.4, 7.1, 7.2, 8.1, 9.1, 9.2, 9.5, 10.1 to 10.3, 11.2, 11.3, 11.5, 11.6, 12.1 to 12.3, 13.1, 13.2, 13.8, and 13.10, any accrued but unpaid payment obligations, and any other sections of this Agreement (including schedules) which, by their terms or nature, are intended to survive the completion of the Services or termination of this Agreement, will continue in force indefinitely, even after this Agreement ends.

Schedules

- 13.9 The schedules to this Agreement (including any appendices or other documents attached to, or incorporated by reference into, those schedules) are part of this Agreement.

Independent contractor

- 13.10 In relation to the performance of the Contractor's obligations under this Agreement, the Contractor is an independent contractor and not:
- (a) an employee or partner of the Province; or
 - (b) an agent of the Province except as may be expressly provided for in this Agreement.

The Contractor must not act or purport to act contrary to this section.

Personnel not to be employees of Province

- 13.11 The Contractor must not do anything that would result in personnel hired or used by the Contractor or a Subcontractor in relation to providing the Services being considered employees of the Province.

Key Personnel

- 13.12 If one or more individuals are specified as "Key Personnel" of the Contractor in Part 4 of Schedule A, the Contractor must cause those individuals to perform the Services on the Contractor's behalf, unless the Province otherwise approves in writing, which approval must not be unreasonably withheld.

Pertinent information

- 13.13 The Province must make available to the Contractor all information in the Province's possession which the Province considers pertinent to the performance of the Services.

Conflict of interest

- 13.14 The Contractor must not provide any services to any person in circumstances which, in the Province's reasonable opinion, could give rise to a conflict of interest between the Contractor's duties to that person and the Contractor's duties to the Province under this Agreement.

Time

- 13.15 Time is of the essence in this Agreement and, without limitation, will remain of the essence after any modification or extension of this Agreement, whether or not expressly restated in the document effecting the modification or extension.

Conflicts among provisions

- 13.16 Conflicts among provisions of this Agreement will be resolved as follows:
- (a) a provision in the body of this Agreement will prevail over any conflicting provision in, attached to or incorporated by reference into a schedule, unless that conflicting provision expressly states otherwise; and
 - (b) a provision in a schedule will prevail over any conflicting provision in a document attached to or incorporated by reference into a schedule, unless the schedule expressly states otherwise.

Agreement not permit nor fetter

- 13.17 This Agreement does not operate as a permit, license, approval or other statutory authority which the Contractor may be required to obtain from the Province or any of its agencies in order to provide the Services. Nothing in this Agreement is to be construed as interfering with, or fettering in any manner, the exercise by the Province or its agencies of any statutory, prerogative, executive or legislative power or duty.

Remainder not affected by invalidity

- 13.18 If any provision of this Agreement or the application of it to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected or impaired and will be valid and enforceable to the extent permitted by law.

Further assurances

- 13.19 Each party must perform the acts, execute and deliver the writings, and give the assurances as may be reasonably necessary to give full effect to this Agreement.

Additional terms

- 13.20 Any additional terms set out in the attached Schedule F apply to this Agreement.

Governing law

- 13.21 This Agreement is governed by, and is to be interpreted and construed in accordance with, the laws applicable in British Columbia.

14 INTERPRETATION

14.1 In this Agreement:

- (a) "includes" and "including" are not intended to be limiting;
- (b) unless the context otherwise requires, references to sections by number are to sections of this Agreement;
- (c) the Contractor and the Province are referred to as "the parties" and each of them as a "party";
- (d) "attached" means attached to this Agreement when used in relation to a schedule;
- (e) unless otherwise specified, a reference to a statute by name means the statute of British Columbia by that name, as amended or replaced from time to time;
- (f) the headings have been inserted for convenience of reference only and are not intended to describe, enlarge or restrict the scope or meaning of this Agreement or any provision of it;
- (g) "person" includes an individual, partnership, corporation or legal entity of any nature; and
- (h) unless the context otherwise requires, words expressed in the singular include the plural and *vice versa*.

15 EXECUTION AND DELIVERY OF AGREEMENT

- 15.1 This Agreement may be entered into by a separate copy of this Agreement being executed by, or on behalf of, each party and that executed copy being delivered to the other party by a method provided for in section 13.1 or any other method agreed to by the parties.

The parties have executed this Agreement as follows:

<p>SIGNED on the ____ day of _____, 20__ by the Contractor (or, if not an individual, on its behalf by its authorized signatory or signatories):</p> <p>_____ Signature(s)</p> <p>_____ Print Name(s)</p> <p>_____ Print Title(s)</p>	<p>SIGNED on the ____ day of _____, 20__ on behalf of the Province by its duly authorized representative:</p> <p>_____ Signature</p> <p>_____ Print Name</p> <p>_____ Print Title</p>
---	---

Schedule A – Services

PART 1. TERM:

1. Subject to section 2 of this Part 1, The term of this Agreement commences on _____ and ends on _____.

2. PART 2. SERVICES:

Outputs

Reporting requirements

PART 3. RELATED DOCUMENTATION:

1. The Contractor must perform the Services in accordance with the obligations set out in this Schedule A including any engagement letter, Solicitation document excerpt, proposal excerpt or other documentation attached as an Appendix to, or specified as being incorporated by reference in, this Schedule.

PART 4. KEY PERSONNEL:

1. The Key Personnel of the Contractor are as follows:

(a)

(b)

(c)

Schedule B – Fees and Expenses

1. MAXIMUM AMOUNT PAYABLE:

Maximum Amount: Despite sections 2 and 3 of this Schedule, \$_____ is the maximum amount which the Province is obliged to pay to the Contractor for fees and expenses under this Agreement (exclusive of any applicable taxes described in section 3.1(c) of this Agreement).

2. FEES:

Daily Rate

Fees: at a rate of \$_____ per day (based on a day of _____ hours) for those days during the Term when the Contractor provides the Services. If the Contractor provides the Services for less than the required hours on any day, then fees for that day will be reduced proportionally.

3. EXPENSES:

Expenses: travel, accommodation and meal expenses for travel greater than 32 kilometers away from _____ on the same basis as the Province pays its Group II employees when they are on travel status; and

a. the Contractor's actual long distance telephone, fax, postage and other identifiable communication expenses; and

b.

excluding Harmonized sales tax ("HST") or other applicable tax paid or payable by the Contractor on expenses described in (a) to (c) above [change to "(a) and (b) above" if (c) is to be deleted above] to the extent that the Contractor is entitled to claim credits (including HST input tax credits), rebates, refunds or remissions of the tax from the relevant taxation authorities.

4. STATEMENTS OF ACCOUNT:

Statements of Account: In order to obtain payment of any fees and expenses under this Agreement for each monthly "Billing Period", the Contractor must deliver to the Province on a date after the Billing Period (each a "Billing Date"), a written statement of account in a form satisfactory to the Province containing:

a period from and including the 1st day of a month to and including the last day of that month"

- (a) the Contractor's legal name and address;
- (b) the date of the statement, and the Billing Period to which the statement pertains;
- (c) the Contractor's calculation of all fees claimed for that Billing Period, including a declaration by the Contractor of
all hours worked on each day during the Billing Period";
- (d) a chronological listing, in reasonable detail, of any expenses claimed by the Contractor for the Billing Period with receipts attached, if applicable, and, if the Contractor is claiming reimbursement of any HST or other applicable taxes paid or payable by the Contractor in relation to those expenses, a description of any credits, rebates, refunds or remissions the Contractor is entitled to from the relevant taxation authorities in relation to those taxes;
- (e) the Contractor's calculation of any applicable taxes payable by the Province in relation to the Services for the Billing Period;
- (f) a description of this Agreement;
- (g) a statement number for identification; and
- (h) any other billing information reasonably requested by the Province.

Statements of Account: In order to obtain payment of any fees and expenses under this Agreement, the Contractor must deliver to the Province at the end of the Term or, if the Contractor completes the Services before that time, on the completion of the Services, a written statement of account in a form satisfactory to the Province containing:

- (a) the Contractor's legal name and address;
- (b) the date of the statement;
- (c) the Contractor's calculation of all fees claimed under this Agreement, including a declaration that the Services for which the Contractor claims fees have been completed;
- (d) a chronological listing, in reasonable detail, of any expenses claimed by the Contractor with receipts attached, if applicable, and, if the Contractor is claiming reimbursement of any HST or other applicable taxes paid or payable by the Contractor in relation to those expenses, a description of any credits, rebates, refunds or remissions the Contractor is entitled to from the relevant taxation authorities in relation to those taxes;
- (e) the Contractor's calculation of all applicable taxes payable by the Province in relation to the Services;
- (f) a description of this Agreement to which the statement relates;
- (g) a statement number for identification; and
- (h) any other billing information reasonably requested by the Province.

5. PAYMENTS DUE:

Payments Due: Within 30 days of the Province's receipt of the Contractor's written statement of account delivered in accordance with this Schedule, the Province must pay the Contractor the fees and expenses (plus all applicable taxes) claimed in the statement if they are in accordance with this Schedule. Statements of account or contract invoices offering an early payment discount may be paid by the Province as required to obtain the discount.

Schedule C – Approved Subcontractor(s)

Schedule D – Insurance

1. The Contractor must, without limiting the Contractor's obligations or liabilities and at the Contractor's own expense, purchase and maintain throughout the Term the following insurances with insurers licensed in Canada in forms and amounts acceptable to the Province:
 - (a) Commercial General Liability in an amount not less than \$2,000,000.00 inclusive per occurrence against bodily injury, personal injury and property damage and including liability assumed under this Agreement and this insurance must
 - (i) include the Province as an additional insured,
 - (ii) be endorsed to provide the Province with 30 days advance written notice of cancellation or material change, and
 - (iii) include a cross liability clause;
2. All insurance described in section 1 of this Schedule must:
 - (a) be primary; and
 - (b) not require the sharing of any loss by any insurer of the Province.
3. The Contractor must provide the Province with evidence of all required insurance as follows:
 - (a) within 10 Business Days of commencement of the Services, the Contractor must provide to the Province evidence of all required insurance in the form of a completed Province of British Columbia Certificate of Insurance;
 - (b) if any required insurance policy expires before the end of the Term, the Contractor must provide to the Province within 10 Business Days of the policy's expiration, evidence of a new or renewal policy meeting the requirements of the expired insurance in the form of a completed Province of British Columbia Certificate of Insurance; and
 - (c) despite paragraph (a) or (b) above, if requested by the Province at any time, the Contractor must provide to the Province certified copies of the required insurance policies.
4. The Contractor must obtain, maintain and pay for any additional insurance which the Contractor is required by law to carry, or which the Contractor considers necessary to cover risks not otherwise covered by insurance specified in this Schedule in the Contractor's sole discretion.

Schedule E – Privacy Protection Schedule

Definitions

1. In this Schedule,
 - (a) "access" means disclosure by the provision of access;
 - (b) "Act" means the *Freedom of Information and Protection of Privacy Act* (British Columbia);
 - (c) "contact information" means information to enable an individual at a place of business to be contacted and includes the name, position name or title, business telephone number, business address, business email or business fax number of the individual;
 - (d) "personal information" means recorded information about an identifiable individual, other than contact information, collected or created by the Contractor as a result of the Agreement or any previous agreement between the Province and the Contractor dealing with the same subject matter as the Agreement but excluding any such information that, if this Schedule did not apply to it, would not be under the "control of a public body" within the meaning of the Act.

Purpose

2. The purpose of this Schedule is to:
 - (a) enable the Province to comply with the Province's statutory obligations under the Act with respect to personal information; and
 - (b) ensure that, as a service provider, the Contractor is aware of and complies with the Contractor's statutory obligations under the Act with respect to personal information.

Collection of personal information

3. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor may only collect or create personal information that is necessary for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Agreement.
4. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor must collect personal information directly from the individual the information is about.
5. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor must tell an individual from whom the Contractor collects personal information:
 - (a) the purpose for collecting it;
 - (b) the legal authority for collecting it; and
 - (c) the title, business address and business telephone number of the person designated by the Province to answer questions about the Contractor's collection of personal information.

Accuracy of personal information

6. The Contractor must make every reasonable effort to ensure the accuracy and completeness of any personal information to be used by the Contractor or the Province to make a decision that directly affects the individual the information is about.

Requests for access to personal information

7. If the Contractor receives a request for access to personal information from a person other than the Province, the Contractor must promptly advise the person to make the request to the Province unless the Agreement

expressly requires the Contractor to provide such access and, if the Province has advised the Contractor of the name or title and contact information of an official of the Province to whom such requests are to be made, the Contractor must also promptly provide that official's name or title and contact information to the person making the request.

Correction of personal information

8. Within 5 Business Days of receiving a written direction from the Province to correct or annotate any personal information, the Contractor must correct or annotate the information in accordance with the direction.
9. When issuing a written direction under section 8, the Province must advise the Contractor of the date the correction request to which the direction relates was received by the Province in order that the Contractor may comply with section 10.
10. Within 5 business days of correcting or annotating any personal information under section 8, the Contractor must provide the corrected or annotated information to any party to whom, within one year prior to the date the correction request was made to the Province, the Contractor disclosed the information being corrected or annotated.
11. If the Contractor receives a request for correction of personal information from a person other than the Province, the Contractor must promptly advise the person to make the request to the Province and, if the Province has advised the Contractor of the name or title and contact information of an official of the Province to whom such requests are to be made, the Contractor must also promptly provide that official's name or title and contact information to the person making the request.

Protection of personal information

12. The Contractor must protect personal information by making reasonable security arrangements against such risks as unauthorized access, collection, use, disclosure or disposal, including any expressly set out in the Agreement.

Storage and access to personal information

13. Unless the Province otherwise directs in writing, the Contractor must not store personal information outside Canada or permit access to personal information from outside Canada.

Retention of personal information

14. Unless the Agreement otherwise specifies, the Contractor must retain personal information until directed by the Province in writing to dispose of it or deliver it as specified in the direction.

Use of personal information

15. Unless the Province otherwise directs in writing, the Contractor may only use personal information if that use is for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Agreement.

Disclosure of personal information

16. Unless the Province otherwise directs in writing, the Contractor may only disclose personal information inside Canada to any person other than the Province if the disclosure is for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Agreement.
17. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor must not disclose personal information outside Canada.

Notice of foreign demands for disclosure

18. In addition to any obligation the Contractor may have to provide the notification contemplated by section 30.2 of the Act, if in relation to personal information in the custody or under the control of the Contractor, the Contractor:
- (a) receives a foreign demand for disclosure;
 - (b) receives a request to disclose, produce or provide access that the Contractor knows or has reason to suspect is for the purpose of responding to a foreign demand for disclosure; or
 - (c) has reason to suspect that an unauthorized disclosure of personal information has occurred in response to a foreign demand for disclosure

the Contractor must immediately notify the Province and, in so doing, provide the information described in section 30.2(3) of the Act. In this section, the phrases "foreign demand for disclosure" and "unauthorized disclosure of personal information" will bear the same meanings as in section 30.2 of the Act.

Notice of unauthorized disclosure

19. In addition to any obligation the Contractor may have to provide the notification contemplated by section 30.5 of the Act, if the Contractor knows that there has been an unauthorized disclosure of personal information in the custody or under the control of the Contractor, the Contractor must immediately notify the Province. In this section, the phrase "unauthorized disclosure of personal information" will bear the same meaning as in section 30.5 of the Act.

Inspection of personal information

20. In addition to any other rights of inspection the Province may have under the Agreement or under statute, the Province may, at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises to inspect any personal information in the possession of the Contractor or any of the Contractor's information management policies or practices relevant to the Contractor's management of personal information or the Contractor's compliance with this Schedule, and the Contractor must permit and provide reasonable assistance to any such inspection.

Compliance with the Act and directions

21. The Contractor must in relation to personal information comply with:
- (a) the requirements of the Act applicable to the Contractor as a service provider, including any applicable order of the commissioner under the Act; and
 - (b) any direction given by the Province under this Schedule.
22. The Contractor acknowledges that it is familiar with the requirements of the Act governing personal information that are applicable to it as a service provider.

Notice of non-compliance

23. If for any reason the Contractor does not comply, or anticipates that it will be unable to comply, with a provision in this Schedule in any respect, the Contractor must promptly notify the Province of the particulars of the non-compliance or anticipated non-compliance and what steps it proposes to take to address, or prevent recurrence of, the non-compliance or anticipated non-compliance.

Termination of Agreement

24. In addition to any other rights of termination which the Province may have under the Agreement or otherwise at law, the Province may, subject to any provisions in the Agreement establishing mandatory cure periods for defaults by the Contractor, terminate the Agreement by giving written notice of such termination to the Contractor, upon any failure of the Contractor to comply with this Schedule in a material respect.

Interpretation

25. In this Schedule, references to sections by number are to sections of this Schedule unless otherwise specified in this Schedule.
26. Any reference to the "Contractor" in this Schedule includes any subcontractor or agent retained by the Contractor to perform obligations under the Agreement and the Contractor must ensure that any such subcontractors and agents comply with this Schedule.
27. The obligations of the Contractor in this Schedule will survive the termination of the Agreement.
28. If a provision of the Agreement (including any direction given by the Province under this Schedule) conflicts with a requirement of the Act or an applicable order of the commissioner under the Act, the conflicting provision of the Agreement (or direction) will be inoperative to the extent of the conflict.
29. The Contractor must comply with the provisions of this Schedule despite any conflicting provision of this Agreement or, subject to section 30, the law of any jurisdiction outside Canada.
30. Nothing in this Schedule requires the Contractor to contravene the law of any jurisdiction outside Canada unless such contravention is required to comply with the Act.

Schedule F – Additional Terms

Schedule G – Security Schedule

Definitions

1. In this Schedule,

- (a) "Equipment" means any equipment, including interconnected systems or subsystems of equipment, software and networks, used or to be used by the Contractor to provide the Services;
- (b) "Facilities" means any facilities at which the Contractor provides or is to provide the Services;
- (c) "Information" means information
 - (i) in the Material, or
 - (ii) accessed, produced or obtained by the Contractor (whether verbally, electronically or otherwise) as a result of the Agreement;
- (d) "Record" means a "record" as defined in the *Interpretation Act*;
- (e) "Sensitive Information" means
 - (i) Information that is "personal information" as defined in the *Freedom of Information and Protection of Privacy Act*, or
 - (ii) any other Information specified as "Sensitive Information" in Appendix G6, if attached; and
- (f) "Services Worker" means an individual involved in providing the Services for or on behalf of the Contractor and, for greater certainty, may include
 - (i) the Contractor or a subcontractor if an individual, or
 - (ii) an employee or volunteer of the Contractor or of a subcontractor.

Schedule contains additional obligations

2. The obligations of the Contractor in this Schedule are in addition to any other obligations in the Agreement or the schedules attached to it relating to security including, without limitation, the obligations of the Contractor in the Privacy Protection Schedule, if attached.

Services Worker confidentiality agreements

3. The Contractor must not permit a Services Worker who is an employee or volunteer of the Contractor to have access to Sensitive Information unless the Services Worker has first entered into a confidentiality agreement with the Contractor to keep Sensitive Information confidential on substantially similar terms as those that apply to the Contractor under the Agreement.

Services Worker security screening

4. The Contractor may only permit a Services Worker who is an employee or a volunteer of the Contractor to have access to Sensitive Information or otherwise be involved in providing the Services if, after having subjected the Services Worker to the personnel security screening requirements set out in Appendix G1 and any additional requirements the Contractor may consider appropriate, the Contractor is satisfied that the Services Worker does not constitute an unreasonable security risk. The Contractor must create, obtain

and retain Records documenting the Contractor's compliance with the security screening requirements set out in Appendix G1 in accordance with the provisions of that appendix.

Services Worker activity logging

5. Subject to section 6, the Contractor must create and maintain detailed Records logging the activities of all Service Workers in relation to:
 - (a) their access to Sensitive Information; and
 - (b) other matters specified by the Province in writing for the purposes of this section.
6. The Records described in section 5 must be made and maintained in a manner, and contain information, specified in Appendix G2, if attached.

Facilities and Equipment protection and access control

7. The Contractor must create, maintain and follow a documented process to:
 - (a) protect Facilities and Equipment of the Contractor required by the Contractor to provide the Services from loss, damage or any other occurrence that may result in any of those Facilities and Equipment being unavailable when required to provide the Services; and
 - (b) limit access to Facilities and Equipment of the Contractor
 - (i) being used by the Contractor to provide the Services, or
 - (ii) that may be used by someone to access Informationto those persons who are authorized to have that access and for the purposes for which they are authorized, which process must include measures to verify the identity of those persons.
8. If the Province makes available to the Contractor any Facilities or Equipment of the Province for the use of the Contractor in providing the Services, the Contractor must comply with any policies and procedures provided to it by the Province on acceptable use, protection of, and access to, such Facilities or Equipment.

Sensitive Information access control

9. The Contractor must:
 - (a) create, maintain and follow a documented process for limiting access to Sensitive Information to those persons who are authorized to have that access and for the purposes for which they are authorized, which process must include measures to verify the identity of those persons; and
 - (b) comply with the information access control requirements set out in Appendix G3, if attached.

Integrity of Information

10. The Contractor must:
 - (a) create, maintain and follow a documented process for maintaining the integrity of Information while possessed or accessed by the Contractor; and
 - (b) comply with the information integrity requirements set out in Appendix G4, if attached.

11. For the purposes of section 10, maintaining the integrity of Information means that, except to the extent expressly authorized by the Agreement or approved in writing by the Province, the Information has:
- (a) remained as complete as when it was acquired or accessed by the Contractor; and
 - (b) not been altered in any material respect.

Documentation of changes to processes

12. The Contractor must create and maintain detailed Records logging any changes it makes to the processes described in sections 7, 9 and 10.

Notice of security breaches

13. If Contractor becomes aware that:

- (a) unauthorized access, collection, use, disclosure, alteration or disposal of Information or Records containing Information; or
- (b) unauthorized access to Facilities or Equipment

has occurred or is likely to occur (whether or not related to a failure by the Contractor to comply with this Schedule or the Agreement), the Contractor must immediately notify the Province of the particulars of that occurrence or likely occurrence. If the Contractor provides a notification under this section other than in writing, that notification must be confirmed in writing to the Province as soon as it is reasonably practicable for the Contractor to do so.

Review of security breaches

14. If the Province decides to conduct a review of a matter described in section 13 (whether or not the matter came to the attention of the Province as a result of a notification under section 13), the Contractor must, on the request of the Province, participate in the review to the extent that it is reasonably practicable for the Contractor to do so.

Retention of Records

15. Unless the Agreement otherwise specifies, the Contractor must retain all Records in the Contractor's possession that contain Information until directed by the Province in writing to dispose of them or deliver them as specified in the direction.

Storage of Records

16. Until disposed of or delivered in accordance with section 15, the Contractor must store any Records in the Contractor's possession that contain Information in accordance with the provisions of Appendix G5, if attached.

Audit

17. In addition to any other rights of inspection the Province may have under the Agreement or under statute, the Province may, at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises to inspect and, at the Province's discretion, copy:
- (a) any Records in the possession of the Contractor containing Information; or

- (b) any of the Contractor's Information management policies or processes (including the processes described in sections 7, 9 and 10 and the logs described in sections 5 and 12) relevant to the Contractor's compliance with this Schedule.

and the Contractor must permit, and provide reasonable assistance to the exercise by the Province of the Province's rights under this section.

Termination of Agreement

18. In addition to any other rights of termination which the Province may have under the Agreement or otherwise at law, the Province may, subject to any provisions in the Agreement establishing mandatory cure periods for defaults by the Contractor, terminate the Agreement by giving written notice of such termination to the Contractor, upon any failure of the Contractor to comply with this Schedule in a material respect.

Interpretation

19. In this Schedule, unless otherwise specified:
- (a) references to sections are to sections of this Schedule; and
 - (b) references to appendices are to the appendices attached to this Schedule.
20. Any reference to the "Contractor" in this Schedule includes any subcontractor retained by the Contractor to perform obligations under the Agreement and the Contractor must ensure that any such subcontractors comply with this Schedule.
21. The appendices attached to this Schedule are part of this Schedule.
22. If there is a conflict between a provision in an appendix attached to this Schedule and any other provision of this Schedule, the provision in the appendix is inoperative to the extent of the conflict unless the appendix states that it operates despite a conflicting provision of this Schedule.
23. If there is a conflict between:
- (a) a provision of the Agreement, this Schedule or an appendix attached to this Schedule; and
 - (b) a documented process required by this Schedule to be created or maintained by the Contractor
- the provision of the Agreement, Schedule or appendix will prevail to the extent of the conflict.
24. The obligations of the Contractor in this Schedule will survive the termination of the Agreement.

SCHEDULE G – Appendix G1 – Security screening requirements

The personnel security screening requirements set out in this Appendix G1 are for the purpose of assisting the Contractor determine whether or not a Services Worker constitutes an unreasonable security risk.

Verification of name, date of birth and address

1. The Contractor must verify the name, date of birth and current address of a Services Worker by viewing at least one piece of "primary identification" of the Services Worker and at least one piece of "secondary identification" of the Services Worker,* as described in the table following this section. The Contractor must obtain or create, as applicable, Records of all such verifications and retain a copy of those Records. For a Services Worker from another province or jurisdiction, reasonably equivalent identification documents are acceptable.

Primary Identification	Secondary Identification
<p>Issued by ICBC:</p> <ul style="list-style-type: none"> • B.C. driver's licence or learner's licence (must have photo) • B.C. Identification (BCID) card <p>Issued by provincial or territorial government:</p> <ul style="list-style-type: none"> • Canadian birth certificate <p>Issued by Government of Canada:</p> <ul style="list-style-type: none"> • Canadian Citizenship Card • Permanent Resident Card • Canadian Record of Landing/Canadian Immigration Identification Record 	<ul style="list-style-type: none"> • School ID card (student card) • Bank card (only if holder's name is on card) • Credit card (only if holder's name is on card) • Passport • Foreign birth certificate (a baptismal certificate is not acceptable) • Canadian or U.S. driver's licence • Naturalization certificate • Canadian Forces identification • Police identification • Foreign Affairs Canada or consular identification • Vehicle registration (only if owner's signature is shown) • Picture employee ID card • Firearms Acquisition Certificate • Social Insurance Card (only if has signature strip) • B.C. CareCard • Native Status Card • Parole Certificate ID • Correctional Service Conditional Release Card

*It is not necessary that each piece of identification viewed by the Contractor contains the name, date of birth and current address of the Services Worker. It is sufficient that, in combination, the identification viewed contains that information.

Verification of education and professional qualifications

2. The Contractor must verify, by reasonable means, any relevant education and professional qualifications of a Services Worker, obtain or create, as applicable, Records of all such verifications, and retain a copy of those Records.

Verification of employment history and reference checks

3. The Contractor must verify, by reasonable means, any relevant employment history of a Services Worker, which will generally consist of the Contractor requesting that a Services Worker provide employment references and the Contractor contacting those references. If a Services Worker has no relevant employment history, the Contractor must seek to verify the character or other relevant personal characteristics of the Services Worker by requesting the Services Worker to provide one or more personal references and contacting those references. The Contractor must obtain or create, as applicable, Records of all such verifications and retain a copy of those Records.

Security interview

4. The Contractor must allow the Province to conduct a security-focused interview with a Services Worker if the Province identifies a reasonable security concern and notifies the Contractor it wishes to do so.

Issued December 23, 2011

Request For Proposals
Business Advisor – Strategic Initiatives, RFP Number BA-MF1



ADDENDUM #01

to

REQUEST FOR PROPOSALS (RFP)

Business Advisor – Strategic Initiatives, RFP Number BA-MF1

The following one (1) change is hereby made to the above RFP:

The following is deleted from the 3rd paragraph of **C1. Proposal Purpose**,

“During evaluation, consideration will be given to whether a Proposal demonstrates that the individual nominated to provide the Services has relevant experience in;”

And replaced with;

“During evaluation, consideration will be given to whether a Proposal demonstrates that the individual nominated to provide the Services has experience, at senior management or lead advisor level, in some or all of the following categories on projects of relevant scale and complexity;”

~ End of Addendum #01 ~

All other information in the above RFP remains unchanged.

Claire Ingram
Contact Person
Fax: 250-356-2112

Procurement.Process@gov.bc.ca

**Request For Proposals
Business Advisor – Strategic Initiatives, RFP Number BA-MF1**



**Responses to Proponent Queries Summary #01 (amended January 3, 2012)
to
REQUEST FOR PROPOSALS (RFP)
Business Advisor – Strategic Initiatives, RFP Number BA-MF1
Issued December 16, 2011**

Please note: The following information is provided in response to requests for clarification received from one or more Proponents. In some cases, questions have been consolidated or edited for clarity or brevity.

The following questions and answers:

- 1) are intended to be informal;
- 2) are NOT binding on the Province, and
- 3) do NOT constitute an Addendum.

This Q&A Summary contains Questions & Answers #1 to #7 only

Question #1: Can the same person be nominated under Section C4.2 Advisor and Section C4.3 Supporting Resources?

Answer #1: Our preference is that separate people be nominated for each of Section C4.2 Advisor and Section C4.3 Supporting Resources. However, consideration will be given to proposals where the same person is nominated to both positions if they are suitably qualified.

Question #2: Will there be only one strategic advisor identified through this process or might there be more than one?

Answer #2: Please refer to Section A1 Purpose, which states that "...the Province intends to retain one or more Consultants as a result of this RFP to provide the Services."

Question #3: Since this RFP makes no guarantee of work and clearly anticipates a non-exclusive arrangement, will the Consultant be obligated to undertake all assignments either directly or with an approved sub-consultant, or will there be an ability for the Advisor to indicate whether they have the capacity available to undertake an assignment when it is brought forward?

Answer #3: If awarded the Contract, the Province will negotiate with the Consultant or approved sub-consultant their availability to undertake each work assignment.

**Request For Proposals
Business Advisor – Strategic Initiatives, RFP Number BA-MF1**

Question #4: What is the relationship between the Ministry of Finance and the Ministry of Transportation and Infrastructure with respect to the work that will result from this RFP?

Answer #4: The involvement of the Ministry of Transportation and Infrastructure in this RFP is limited to handling the administration of this procurement, i.e. posting to BC Bid, responding to queries, and receiving submissions. All other aspects of the procurement, contract award etc. will be the responsibility of the Ministry of Finance.

Question #5: Are there any specific projects that will fall under this RFP that can be shared to help identify the appropriate Advisor for the Ministry?

Answer #5: We are not able to identify specific projects or initiatives at this time.

Question #6: Is it permissible to identify multiple options for the Advisor position in addition to the supporting resources?

Answer #6: Please refer to the Note after Article 4.6 Price Envelope, which states that: "Consultants who wish to nominate more than one candidate as an Advisor must submit a separate Proposal for each candidate."

Question #7: Are Proponents required to have experience in all of the categories listed in the 3rd paragraph of C1. Proposal Purpose?

Answer #7: No. Preference will be given to Proponents who demonstrate that they have experience, at senior management or lead advisor level, in some or all of the categories listed in the 3rd paragraph of C1. Proposal Purpose on projects of relevant scale and complexity. An Addendum will be issued to clarify this point.

--END OF SUMMARY #01--

**Appendix 3 - Proposal excerpt
Not Applicable**

INVOICE PAYMENT POLICY FOR SERVICE CONTRACT INVOICES

The Ministry of Finance pays service contract invoices as follows:

- These time frames apply to **correctly submitted** invoices only. Refer to "Invoice Instructions for Contractors" for a listing of invoice requirements.
- It is our expectation that your monthly invoice will be **processed by the program area in 5 working days**. It will then be forwarded to the central Accounts Office for payment processing. Contractors should expect to receive a cheque in the mail approximately 30 days from the date the invoice is received in the Accounts Office.
- Payments are processed by the central Accounts Office on a "first in, first out" basis. Requests for special treatment cannot be accommodated.
- Cheques will be mailed directly to the contractor at the address shown on the invoice. Note that this address must match the address on the contract.

Billing Frequency

Contractors must submit invoices no more than once a month.

Interest

Interest is automatically paid effective 61 days after the date the invoice or services are received (whichever is later) at the government mailing address shown on the contract. Interest under \$5.00 will not be paid. Interest is paid at provincial government rates.

Direct Deposit of Cheques

Service contractors may complete an application form for "EFT" (Electronic Funds Transfer) so that cheques are automatically deposited to their bank account. However, the EFT process may add up to 3 working days to the time frames shown above. This extra time is required by financial institutions to ensure EFT payments are processed.

Prepared by Financial Services and Administration,
Ministry of Finance
November 6, 2003

If company letterhead is NOT used, the invoice must be signed by the contractor.

Payee Name and Mailing Address: The name and the address of the contractor must match the full legal name and address shown on the contract. There is a legal requirement to make cheques payable to the name shown on the contract.

ABC Consulting Ltd

INVOICE

123 Anywhere St
Anytown, BC V6H 3H1

Billing Address: This is usually the government mailing address on the contract. Make sure the billing address includes the branch name, the Ministry name and the correct mailing address. Mark the invoice to the attention of the Ministry contact.

To: Ministry of Finance and Corporate Relations
Financial Services Branch
PO Box 9418 STN PROV GOVT
Victoria, BC V8V 1X4
Attn: John Smith

Invoice Date: April 16, 1999
Invoice #: 9912345
Contract #: C00EFG1234
Vendor Number: 987654

Must be included on ALL invoices.

Description of the services provided.

Period the invoice covers.

Include vendor number if known.

Services performed from April 1, 1999 to April 15, 1999:

- Preparation of a draft "Policy and Procedures" document pursuant to the above noted contract.

The date(s) service was performed.

Jane Smith: April 1, 6, 7, 8, 9, 12, 13, 14, 15

9 days @ \$550.00

\$3,850.00

Mary Jones: April 1, 6, 7, 8, 9, 14, 15

7 days @ \$600.00

\$4,200.00

Breakdown of fees being charged.

If work is performed by more than one individual, the invoice must identify the name of the person working the hours.

Total Fees \$ 8,050.00

Total fees to be paid.

Travel expenses from April 6 to 7 for Jane Smith as per attached claim form

\$140.00

Total Expenses \$140.00

The total amount to be paid on invoice.

Contractors are encouraged to use the "Travel Expense Claim For Service Contractors" form and use it as backup to their invoice. If this form is not used, similar information is required.

GRAND TOTAL \$8,190.00

Please note that GST is included on expense claim because ABC Consulting Ltd is not eligible to claim GST reimbursement from Revenue Canada.

Please remit payment to the address above.

GST: If the invoice includes GST (i.e. GST is included on receipts for expenses) the invoice must have this statement.

APPENDIX 1 - Group 2 Rates EXPENSES FOR CONTRACTORS

The following are allowable expenses for contractors. All expenses must be paid by the contractor. Expenses cannot be direct billed to the ministry except in unusual circumstances (in these cases a special clause must be included in the contract). Original receipts must be submitted with the expense claim (when receipts are required) but photocopies of receipts will be accepted if the contractor requires the original for another purpose (e.g., to claim for HST credits).

Travel Expenses

The contractor must be outside their headquarters area (32 kilometres from where they ordinarily perform their duties) to be eligible to claim travel, meal and accommodation expenses.

1. Meal Allowances:

Effective March 29, 2009, the following meal allowances can be claimed which must not exceed \$49.00 per day (receipts are not required):

Breakfast only	\$22.00	claim if travel starts before 7:00 a.m. or ends after 7:00 a.m.
Lunch only	\$22.00	claim if travel starts before 12:00 noon or ends after 12:00 noon.
Dinner only	\$28.50	claim if travel starts before 6:00 p.m. or ends after 6:00 p.m.
Breakfast and lunch only	\$30.00	see above
Breakfast and dinner only	\$36.50	see above
Lunch and dinner only	\$36.50	see above
Full day	\$49.00	

2. Mileage Rates When Using Private Vehicle:

Effective March 29, 2009, the private mileage allowance is \$.50 per kilometre (receipts are not required). This rate can be claimed when using a private vehicle for travel. It is intended to cover costs of gas and maintenance.

3. Taxi and Parking:

Taxi and parking charges will be reimbursed if receipts/copies of receipts are provided. Tips identified separately on taxi receipts cannot be claimed.

4. Car Rentals:

Approved car rental agencies and the maximum rates for each community are listed at www.pss.gov.bc.ca/csa/categories/vehicle_rentals/vehicle_rentals_daily/vehicle_rentals_daily.html#suppliers. Other agencies are to be used only when these agencies cannot supply vehicles or when renting a vehicle outside BC. Contractors should ask for the government rate. Receipts/copies of receipts are required.

PAI (personal accident insurance) will not be reimbursed. **CDW/LDW** (collision/loss damage waiver) will be reimbursed only when renting from a company not on the approved list for the specific community or when renting outside BC.

5. Accommodation:

a) **Hotel/motel** (Receipt/copy of receipt and proof of payment required).

Approved hotels and the maximum rates that may be claimed for rooms and supplementary items (e.g., parking) are listed in the Accommodation Guide at www.pss.gov.bc.ca/csa/categories/accommodation/list-of-properties.html. Rates may vary between summer, winter and shoulder seasons. Only the single government rate will be reimbursed. The "number in party" identified on the receipt must show only one person.

Process for Selecting Accommodation:

- Select the most cost-effective hotel from the accommodation guide that meets your business requirements.
- Ensure the expectations of the ministry expense authority are clarified (through the contract manager) regarding the price of accommodation before travel takes place.
- Ensure the rates charged by the hotel for the room and supplementary charges are at or below the rates quoted in the accommodation guide.

If the contractor cannot stay at any of the hotels listed in the guide due to an exceptional or emergency situation, pre-approval must be obtained from the ministry expense authority and attached to the expense claim. This approval should be obtained through the contract manager.

b) **Private lodging** (receipts are not required):

\$30 per night may be claimed when private lodging is arranged (e.g., staying with friends).

6. Airfare:

Economy airfare only will be reimbursed. Receipts/copies of receipts and proof of payment are required.

7. Miscellaneous Travel Expenses:

Laundry, gratuities, portage and personal phone calls cannot be claimed. Ferry charges and highway tolls can be claimed if supported by an original receipt. Other miscellaneous expenses incurred when travelling (e.g., courier and photocopying charges) can also be claimed if supported by a receipt/copy of receipt.

8. Out-of-Province Travel:

When B.C. contractors are required to travel out-of-province, a Travel Authorization form approved by the ministry director must accompany the expense claim.

Other Expenses

1. Business Expenses (e.g., all costs associated with meetings, including business and guest meals):

Claims for business expenses must be accompanied by an approved Business Expense Approval form (which should be completed by the ministry, not the contractor).

2. HST:

When receipts are submitted for reimbursement, they should be adjusted to deduct the embedded HST. A contractor with an HST registration number can claim input tax credits from Canada Revenue Agency.

3. Miscellaneous Expenses (e.g. business telephone/fax calls, newspapers, etc.):

Miscellaneous expenses will be paid if supported by original receipts and in our opinion are necessarily incurred by you in providing the service. Contact the contract manager before incurring any miscellaneous expenses.

CERTIFICATE OF INSURANCE

Freedom of Information and Protection of Privacy Act
The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Financial Administration Act*. Questions about the collection and use of this information can be directed to the Director, Client Services, Core Government and Crowns at 250 356-8915, PO Box 9405 STN PROV GOVT, Victoria BC V8W 9V1.
Please refer all other questions to the contact named in Part 1.

Part 1 To be completed by the Province


THIS CERTIFICATE IS REQUESTED BY and ISSUED TO (Name of office) Ministry of Finance - Deputy Ministers Office		AGREEMENT IDENTIFICATION NO. C13CFFS26568
PROVINCE'S CONTACT PERSON NAME & TITLE Doug Foster - Executive Director, Strategic Initiatives		PHONE NO. 250 -387-9022
MAILING ADDRESS 1st Floor - 617 Government Street Victoria BC		FAX NO. 250 - 387-9093
CONTRACTOR NAME Grant Thornton LLP - Patti Daum		POSTAL CODE V8W 9V1
CONTRACTOR ADDRESS 1600 - 333 Seymour Street Vancouver BC		POSTAL CODE V6B 0A4

Part 2 To be completed by the Insurance Agent or Broker

INSURED	NAME Grant Thornton LLP, CapServCo LP and Other		
	ADDRESS Suite 1600, 333 Seymour Place, Vancouver, BC and elsewhere in Canada		POSTAL CODE V6B 0A4
OPERATIONS INSURED	PROVIDE DETAILS All professional services at any location		
TYPE OF INSURANCE <i>List each separately</i>	COMPANY NAME, POLICY NO. & BRIEF DESCRIPTION	EXPIRY DATE YYYY/MM/DD	LIMIT OF LIABILITY/AMOUNT
Commercial General Liability		2012/09/01	\$2,000,000 per occurrence
Professional Liability	s.21	2013/02/01	At least \$2,000,000 per claim

This certificate certifies that policies of insurance described herein are in full force and effective as of the date of this certificate and comply with the insurance requirements of the Agreement identified above, except as follows:

AGENT OR BROKER COMMENTS:

AGENT OR BROKERAGE FIRM BFL CANADA Risk and Insurance	ADDRESS 2200-2001 McGill College Montreal QC H3A 1G1	PHONE NO. 514-843-3632
NAME OF AUTHORIZED AGENT OR BROKER (PRINT) Sébastien Bouchard	SIGNATURE OF AGENT OR BROKER ON BEHALF OF THE ABOVE INSURER(S) 	DATE SIGNED 05/07/2012

CERTIFICATE OF INSURANCE

Appendix 7 - Certificate of Insurance
to be completed

Freedom of Information and Protection of Privacy Act
The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Financial Administration Act*. Questions about the collection and use of this information can be directed to the Director, Client Services, Core Government and Crowns at 250 356-8915, PO Box 9405 STN PROV GOVT, Victoria BC V8W 9V1.
Please refer all other questions to the contact named in Part 1.

Part 1 To be completed by the Province

THIS CERTIFICATE IS REQUESTED BY and ISSUED TO (Name of office) Ministry of Finance - Deputy Ministers Office		AGREEMENT IDENTIFICATION NO.
PROVINCE'S CONTACT PERSON NAME & TITLE Doug Foster - Executive Director, Strategic Initiatives		PHONE NO. 250 -387-9022
		FAX NO. 250 - 387-9093
MAILING ADDRESS 1st Floor - 617 Government Street Victoria BC		POSTAL CODE V8W 9V1
CONTRACTOR NAME Grant Thornton LLP		
CONTRACTOR ADDRESS 1600 - 333 Seymour Street Vancouver BC		POSTAL CODE V6B 0A4

Part 2 To be completed by the Insurance Agent or Broker

INSURED	NAME		
	ADDRESS		POSTAL CODE
OPERATIONS INSURED	PROVIDE DETAILS		
TYPE OF INSURANCE <i>List each separately</i>	COMPANY NAME, POLICY NO. & BRIEF DESCRIPTION	EXPIRY DATE YYYY/MM/DD	LIMIT OF LIABILITY/AMOUNT

This certificate certifies that policies of insurance described herein are in full force and effective as of the date of this certificate and comply with the insurance requirements of the Agreement identified above, except as follows:

AGENT OR BROKER COMMENTS:

AGENT OR BROKERAGE FIRM	ADDRESS	PHONE NO.
NAME OF AUTHORIZED AGENT OR BROKER (PRINT)	SIGNATURE OF AGENT OR BROKER ON BEHALF OF THE ABOVE INSURER(S)	DATE SIGNED



NOTICE TO CONTRACTORS

As a contractor with the Province, it is your responsibility to abide by all applicable laws. This is to bring to your attention that if you are conducting services for the province, and you also fall within the parameters of the Lobbyists Registration Act, then it is your responsibility to make this determination and register if necessary.

May 30, 2008

TRAVEL EXPENSE CLAIM FOR SERVICE CONTRACTORS

FORM USAGE

This form is for use by service contractors to claim travel expenses. The original claim form and applicable receipts must be attached as back up to the service contract invoice. Refer to the service contract *Appendix 1* for guidelines, allowable rates and receipt requirements.

DATE OF TRAVEL 20 ____		PLACES TRAVELLED	PERSONAL VEHICLE USE DISTANCE x KM RATE _____	BUS/TAXI/ AIR/FERRY COSTS	B ✓	L ✓	D ✓	MEALS:	ACCOMMODATION COSTS	MISCELLANEOUS (CAR RENTAL, BUSINESS PHONE, ETC.) COST DESCRIPTION		TOTAL DAILY COSTS
M	D	FROM/TO (ENTER CITY NAMES)	KM	\$	\$			\$	\$	\$		\$
Example												
04	06	Victoria	100	50.00	171	00		35	50			156.50
		Vancouver										
											CLAIM TOTAL	

Embedded HST should not be claimed by service contractors. Please ensure HST is deducted from travel receipts.

Service Contractor's Signature

Schedule B – Fees and Expenses

1. MAXIMUM AMOUNT PAYABLE:

Maximum Amount: Despite sections 2 and 3 of this Schedule, \$300,000.00 is the maximum amount which the Province is obliged to pay to the Contractor for fees and expenses under this Agreement (exclusive of any applicable taxes described in section 3.1(a) of this Agreement).

2. FEES:

Hourly Rate

Fees: at a rate per hour for those hours during the Term when the Contractor provides the Services (see payment schedule B below).

Part B. The Contract

B2. Term & Payment

All Services are expected to be performed within an initial Contract Term of two (2) years. At the discretion of the Ministry and subject to available appropriation, the initial Contract Term may be extended for an additional period of not greater than two (2) years.

The Province will pay the Consultant monthly in arrears on the basis of the agreed all inclusive Hourly or Daily Rates plus approved expenses ("time and expenses"). All Rates are to be inclusive of all costs associated with performing the Services including all overhead and out-of-pocket costs such as local travel, office space, copying, and printing.

Rates established at Contract commencement will be firm during the initial Term of the Contract. The Rates for the extended Term, if any, will be subject to negotiation annually with all other contract terms remaining the same.

It is anticipated that the only approved expenses will be travel and lodging at approved Group 2 rates for approved travel.. Out of Province travel, as pre-approved by the Ministry Manager, may be required.

Except as expressly set out in the Contract, the Province will not be liable to any party, including the Consultant, for any costs, expenses, or other charges in association with any part of the Services.

The Consultant will provide all services on an "as and when required" basis. The Consultant shall not be entitled to a minimum guarantee of work in association with the Contract.

The Province does not expect total payments for Services rendered during the initial Term to exceed \$300,000.00.

B3. Location

The Consultant will perform the majority of the Services within their own premises. The Consultant may be called on, from time to time, to attend meetings in-person at various locations in BC and outside the Province.

B4. Insurance

The Consultant will be required to show proof of \$2,000,000 CGL insurance coverage consistent with the General Service Agreement unless otherwise expressly waived by the Ministry.

B5. Registration with Workers' Compensation Board

The Consultant, its employees, and approved sub-consultant's must be registered with the Workers' Compensation Board (WCB). WCB coverage must be maintained for the duration of the Contract. Prior to receiving any payment, the Consultant may be required to submit a WCB Clearance Letter indicating that all WCB assessments have been paid.

PAYMENT SCHEDULE B

METHOD OF PAYMENT

Payments to the Contractor shall be based on the following:

POSITION	HOURLY / DAILY RATE
Advisor – Patti Daum	
Supporting Resource – Barker	
Supporting Resource – Thomson	
Supporting Resource – Brinkman	
Supporting Resource – Sturgess	s.21
Supporting Resource – Steele	
Supporting Resource – Alexander	
Supporting Resource - Stringer	

Advisor assignments will be reimbursed on either a Fixed Fee or Time and Expenses basis as approved by the Ministry Manager.

Time will be reimbursed in accordance with the above Rates. All Rates will be firm for the first two (2) years of the Contract Term. Rates are to be inclusive of all costs associated with performing the Services including all overhead and normal out-of-pocket costs other than travel.

Approved Travel Expenses will be reimbursed in accordance with the attached Schedule of Reimbursable Travel Expenses (Group 2 rates).

FREQUENCY OF PAYMENTS

The Contractor shall invoice the Province monthly in arrears for work performed and accepted as satisfactory by the Ministry.

MAXIMUM AMOUNT PAYABLE

Total payments shall not exceed \$300,000.00

PAYMENT SCHEDULE TERMS AND CONDITIONS

See Schedule A - Services and Schedule B – The Contract

3. EXPENSES:

Expenses:

- a. See Part B – The Contract (above) Term & Payment

excluding Harmonized sales tax ("HST") or other applicable tax paid or payable by the Contractor on expenses described in (a) above to the extent that the Contractor is entitled to claim credits (including HST input tax credits), rebates, refunds or remissions of the tax from the relevant taxation authorities.

4. STATEMENTS OF ACCOUNT:

Statements of Account: In order to obtain payment of any fees and expenses under this Agreement for a period from and including the 1st day of a month to and including the last day of that month each monthly "Billing Period", the Contractor must deliver to the Province on a date after the Billing Period (each a "Billing Date"), a written statement of account in a form satisfactory to the Province containing:

- (a) the Contractor's legal name and address;
- (b) the date of the statement, and the Billing Period to which the statement pertains;
- (c) the Contractor's calculation of all fees claimed for that Billing Period, including a declaration by the Contractor of all hours worked during the billing period.
- (d) a chronological listing, in reasonable detail, of any expenses claimed by the Contractor for the Billing Period with receipts attached, if applicable, and, if the Contractor is claiming reimbursement of any HST or other applicable taxes paid or payable by the Contractor in relation to those expenses, a description of any credits, rebates, refunds or remissions the Contractor is entitled to from the relevant taxation authorities in relation to those taxes;
- (e) the Contractor's calculation of any applicable taxes payable by the Province in relation to the Services for the Billing Period;
- (f) a description of this Agreement;
- (g) a statement number for identification; and
- (h) any other billing information reasonably requested by the Province.

5. PAYMENTS DUE:

Payments Due: Within 30 days of the Province's receipt of the Contractor's written statement of account delivered in accordance with this Schedule, the Province must pay the Contractor the fees and expenses (plus all applicable taxes) claimed in the statement if they are in accordance with this Schedule. Statements of account or contract invoices offering an early payment discount may be paid by the Province as required to obtain the discount.

Schedule C – Approved Subcontractor(s)

Not Applicable

Schedule D – Insurance

1. The Contractor must, without limiting the Contractor's obligations or liabilities and at the Contractor's own expense, purchase and maintain throughout the Term the following insurances with insurers licensed in Canada in forms and amounts acceptable to the Province:
 - (a) Commercial General Liability in an amount not less than \$2,000,000.00 inclusive per occurrence against bodily injury, personal injury and property damage and including liability assumed under this Agreement and this insurance must
 - (i) include the Province as an additional insured,
 - (ii) be endorsed to provide the Province with 30 days advance written notice of cancellation or material change, and
 - (iii) include a cross liability clause;
2. All insurance described in section 1 of this Schedule must:
 - (a) be primary; and
 - (b) not require the sharing of any loss by any insurer of the Province.
3. The Contractor must provide the Province with evidence of all required insurance as follows:
 - (a) within 10 Business Days of commencement of the Services, the Contractor must provide to the Province evidence of all required insurance in the form of a completed Province of British Columbia Certificate of Insurance;
 - (b) if any required insurance policy expires before the end of the Term, the Contractor must provide to the Province within 10 Business Days of the policy's expiration, evidence of a new or renewal policy meeting the requirements of the expired insurance in the form of a completed Province of British Columbia Certificate of Insurance; and
 - (c) despite paragraph (a) or (b) above, if requested by the Province at any time, the Contractor must provide to the Province certified copies of the required insurance policies.
4. The Contractor must obtain, maintain and pay for any additional insurance which the Contractor is required by law to carry, or which the Contractor considers necessary to cover risks not otherwise covered by insurance specified in this Schedule in the Contractor's sole discretion.

Schedule E – Privacy Protection Schedule

Definitions

1. In this Schedule,

- (a) “access” means disclosure by the provision of access;
- (b) “Act” means the *Freedom of Information and Protection of Privacy Act* (British Columbia);
- (c) “contact information” means information to enable an individual at a place of business to be contacted and includes the name, position name or title, business telephone number, business address, business email or business fax number of the individual;
- (d) “personal information” means recorded information about an identifiable individual, other than contact information, collected or created by the Contractor as a result of the Agreement or any previous agreement between the Province and the Contractor dealing with the same subject matter as the Agreement but excluding any such information that, if this Schedule did not apply to it, would not be under the “control of a public body” within the meaning of the Act.

Purpose

2. The purpose of this Schedule is to:

- (a) enable the Province to comply with the Province’s statutory obligations under the Act with respect to personal information; and
- (b) ensure that, as a service provider, the Contractor is aware of and complies with the Contractor’s statutory obligations under the Act with respect to personal information.

Collection of personal information

- 3. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor may only collect or create personal information that is necessary for the performance of the Contractor’s obligations, or the exercise of the Contractor’s rights, under the Agreement.
- 4. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor must collect personal information directly from the individual the information is about.
- 5. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor must tell an individual from whom the Contractor collects personal information:
 - (a) the purpose for collecting it;
 - (b) the legal authority for collecting it; and
 - (c) the title, business address and business telephone number of the person designated by the Province to answer questions about the Contractor’s collection of personal information.

Accuracy of personal information

- 6. The Contractor must make every reasonable effort to ensure the accuracy and completeness of any personal information to be used by the Contractor or the Province to make a decision that directly affects the individual the information is about.

Requests for access to personal information

- 7. If the Contractor receives a request for access to personal information from a person other than the Province, the Contractor must promptly advise the person to make the request to the Province unless the Agreement

expressly requires the Contractor to provide such access and, if the Province has advised the Contractor of the name or title and contact information of an official of the Province to whom such requests are to be made, the Contractor must also promptly provide that official's name or title and contact information to the person making the request.

Correction of personal information

8. Within 5 Business Days of receiving a written direction from the Province to correct or annotate any personal information, the Contractor must correct or annotate the information in accordance with the direction.
9. When issuing a written direction under section 8, the Province must advise the Contractor of the date the correction request to which the direction relates was received by the Province in order that the Contractor may comply with section 10.
10. Within 5 business days of correcting or annotating any personal information under section 8, the Contractor must provide the corrected or annotated information to any party to whom, within one year prior to the date the correction request was made to the Province, the Contractor disclosed the information being corrected or annotated.
11. If the Contractor receives a request for correction of personal information from a person other than the Province, the Contractor must promptly advise the person to make the request to the Province and, if the Province has advised the Contractor of the name or title and contact information of an official of the Province to whom such requests are to be made, the Contractor must also promptly provide that official's name or title and contact information to the person making the request.

Protection of personal information

12. The Contractor must protect personal information by making reasonable security arrangements against such risks as unauthorized access, collection, use, disclosure or disposal, including any expressly set out in the Agreement.

Storage and access to personal information

13. Unless the Province otherwise directs in writing, the Contractor must not store personal information outside Canada or permit access to personal information from outside Canada.

Retention of personal information

14. Unless the Agreement otherwise specifies, the Contractor must retain personal information until directed by the Province in writing to dispose of it or deliver it as specified in the direction.

Use of personal information

15. Unless the Province otherwise directs in writing, the Contractor may only use personal information if that use is for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Agreement.

Disclosure of personal information

16. Unless the Province otherwise directs in writing, the Contractor may only disclose personal information inside Canada to any person other than the Province if the disclosure is for the performance of the Contractor's obligations, or the exercise of the Contractor's rights, under the Agreement.
17. Unless the Agreement otherwise specifies or the Province otherwise directs in writing, the Contractor must not disclose personal information outside Canada.

Notice of foreign demands for disclosure

18. In addition to any obligation the Contractor may have to provide the notification contemplated by section 30.2 of the Act, if in relation to personal information in the custody or under the control of the Contractor, the Contractor:
- (a) receives a foreign demand for disclosure;
 - (b) receives a request to disclose, produce or provide access that the Contractor knows or has reason to suspect is for the purpose of responding to a foreign demand for disclosure; or
 - (c) has reason to suspect that an unauthorized disclosure of personal information has occurred in response to a foreign demand for disclosure

the Contractor must immediately notify the Province and, in so doing, provide the information described in section 30.2(3) of the Act. In this section, the phrases "foreign demand for disclosure" and "unauthorized disclosure of personal information" will bear the same meanings as in section 30.2 of the Act.

Notice of unauthorized disclosure

19. In addition to any obligation the Contractor may have to provide the notification contemplated by section 30.5 of the Act, if the Contractor knows that there has been an unauthorized disclosure of personal information in the custody or under the control of the Contractor, the Contractor must immediately notify the Province. In this section, the phrase "unauthorized disclosure of personal information" will bear the same meaning as in section 30.5 of the Act.

Inspection of personal information

20. In addition to any other rights of inspection the Province may have under the Agreement or under statute, the Province may, at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises to inspect any personal information in the possession of the Contractor or any of the Contractor's information management policies or practices relevant to the Contractor's management of personal information or the Contractor's compliance with this Schedule, and the Contractor must permit and provide reasonable assistance to any such inspection.

Compliance with the Act and directions

21. The Contractor must in relation to personal information comply with:
- (a) the requirements of the Act applicable to the Contractor as a service provider, including any applicable order of the commissioner under the Act; and
 - (b) any direction given by the Province under this Schedule.
22. The Contractor acknowledges that it is familiar with the requirements of the Act governing personal information that are applicable to it as a service provider.

Notice of non-compliance

23. If for any reason the Contractor does not comply, or anticipates that it will be unable to comply, with a provision in this Schedule in any respect, the Contractor must promptly notify the Province of the particulars of the non-compliance or anticipated non-compliance and what steps it proposes to take to address, or prevent recurrence of, the non-compliance or anticipated non-compliance.

Termination of Agreement

24. In addition to any other rights of termination which the Province may have under the Agreement or otherwise at law, the Province may, subject to any provisions in the Agreement establishing mandatory cure periods for defaults by the Contractor, terminate the Agreement by giving written notice of such termination to the Contractor, upon any failure of the Contractor to comply with this Schedule in a material respect.

Interpretation

25. In this Schedule, references to sections by number are to sections of this Schedule unless otherwise specified in this Schedule.
26. Any reference to the "Contractor" in this Schedule includes any subcontractor or agent retained by the Contractor to perform obligations under the Agreement and the Contractor must ensure that any such subcontractors and agents comply with this Schedule.
27. The obligations of the Contractor in this Schedule will survive the termination of the Agreement.
28. If a provision of the Agreement (including any direction given by the Province under this Schedule) conflicts with a requirement of the Act or an applicable order of the commissioner under the Act, the conflicting provision of the Agreement (or direction) will be inoperative to the extent of the conflict.
29. The Contractor must comply with the provisions of this Schedule despite any conflicting provision of this Agreement or, subject to section 30, the law of any jurisdiction outside Canada.
30. Nothing in this Schedule requires the Contractor to contravene the law of any jurisdiction outside Canada unless such contravention is required to comply with the Act.

Schedule F – Additional Terms

Corporate Affiliation & Conflict of Interest

Where the Proponent is, or is affiliated with a firm that is, likely to have a foreseeable commercial, business, or professional interest in strategic initiatives, including but not limited to major program, capital and other strategic procurement projects, and/or other public/private sector priorities in BC with significant social, economic, or public policy consequences; in this part of the Proposal, the Proponent shall disclose how they intend to manage potential conflicts of interest on assignments requiring access to commercially sensitive information.

Conflict of Interest and Restricted Parties

If, in the opinion of the Province, the current or past corporate or other interests or relationships of any person named in the Proposal, including the Proponent, gives rise to an actual, potential or perceived conflict of interest or unfair advantage, the Province may at any time and in its sole discretion;

- a) exclude the Proponent and its Proposal from further evaluation and consideration for Award, or
- b) require the Proponent to name a substitute for the person(s) of concern to the Province as a condition of the Proponent's continued eligibility. Any required substitution(s) may be subject to such terms and conditions as the Province may stipulate.

Schedule G – Security Schedule

Definitions

1. In this Schedule,

- (a) "Equipment" means any equipment, including interconnected systems or subsystems of equipment, software and networks, used or to be used by the Contractor to provide the Services;
- (b) "Facilities" means any facilities at which the Contractor provides or is to provide the Services;
- (c) "Information" means information
 - (i) in the Material, or
 - (ii) accessed, produced or obtained by the Contractor (whether verbally, electronically or otherwise) as a result of the Agreement;
- (d) "Record" means a "record" as defined in the *Interpretation Act*;
- (e) "Sensitive Information" means
 - (i) Information that is "personal information" as defined in the *Freedom of Information and Protection of Privacy Act*, or
 - (ii) any other Information specified as "Sensitive Information" in Appendix G6, if attached; and
- (f) "Services Worker" means an individual involved in providing the Services for or on behalf of the Contractor and, for greater certainty, may include
 - (i) the Contractor or a subcontractor if an individual, or
 - (ii) an employee or volunteer of the Contractor or of a subcontractor.

Schedule contains additional obligations

2. The obligations of the Contractor in this Schedule are in addition to any other obligations in the Agreement or the schedules attached to it relating to security including, without limitation, the obligations of the Contractor in the Privacy Protection Schedule, if attached.

Services Worker confidentiality agreements

3. The Contractor must not permit a Services Worker who is an employee or volunteer of the Contractor to have access to Sensitive Information unless the Services Worker has first entered into a confidentiality agreement with the Contractor to keep Sensitive Information confidential on substantially similar terms as those that apply to the Contractor under the Agreement.

Services Worker security screening

4. The Contractor may only permit a Services Worker who is an employee or a volunteer of the Contractor to have access to Sensitive Information or otherwise be involved in providing the Services if, after having subjected the Services Worker to the personnel security screening requirements set out in Appendix G1 and any additional requirements the Contractor may consider appropriate, the Contractor is satisfied that the Services Worker does not constitute an unreasonable security risk. The Contractor must create, obtain

and retain Records documenting the Contractor's compliance with the security screening requirements set out in Appendix G1 in accordance with the provisions of that appendix.

Services Worker activity logging

5. Subject to section 6, the Contractor must create and maintain detailed Records logging the activities of all Service Workers in relation to:
 - (a) their access to Sensitive Information; and
 - (b) other matters specified by the Province in writing for the purposes of this section.
6. The Records described in section 5 must be made and maintained in a manner, and contain information, specified in Appendix G2, if attached.

Facilities and Equipment protection and access control

7. The Contractor must create, maintain and follow a documented process to:
 - (a) protect Facilities and Equipment of the Contractor required by the Contractor to provide the Services from loss, damage or any other occurrence that may result in any of those Facilities and Equipment being unavailable when required to provide the Services; and
 - (b) limit access to Facilities and Equipment of the Contractor
 - (i) being used by the Contractor to provide the Services, or
 - (ii) that may be used by someone to access Informationto those persons who are authorized to have that access and for the purposes for which they are authorized, which process must include measures to verify the identity of those persons.
8. If the Province makes available to the Contractor any Facilities or Equipment of the Province for the use of the Contractor in providing the Services, the Contractor must comply with any policies and procedures provided to it by the Province on acceptable use, protection of, and access to, such Facilities or Equipment.

Sensitive Information access control

9. The Contractor must:
 - (a) create, maintain and follow a documented process for limiting access to Sensitive Information to those persons who are authorized to have that access and for the purposes for which they are authorized, which process must include measures to verify the identity of those persons; and
 - (b) comply with the information access control requirements set out in Appendix G3, if attached.

Integrity of Information

10. The Contractor must:
 - (a) create, maintain and follow a documented process for maintaining the integrity of Information while possessed or accessed by the Contractor; and
 - (b) comply with the information integrity requirements set out in Appendix G4, if attached.

11. For the purposes of section 10, maintaining the integrity of Information means that, except to the extent expressly authorized by the Agreement or approved in writing by the Province, the Information has:
 - (a) remained as complete as when it was acquired or accessed by the Contractor; and
 - (b) not been altered in any material respect.

Documentation of changes to processes

12. The Contractor must create and maintain detailed Records logging any changes it makes to the processes described in sections 7, 9 and 10.

Notice of security breaches

13. If Contractor becomes aware that:
 - (a) unauthorized access, collection, use, disclosure, alteration or disposal of Information or Records containing Information; or
 - (b) unauthorized access to Facilities or Equipment

has occurred or is likely to occur (whether or not related to a failure by the Contractor to comply with this Schedule or the Agreement), the Contractor must immediately notify the Province of the particulars of that occurrence or likely occurrence. If the Contractor provides a notification under this section other than in writing, that notification must be confirmed in writing to the Province as soon as it is reasonably practicable for the Contractor to do so.

Review of security breaches

14. If the Province decides to conduct a review of a matter described in section 13 (whether or not the matter came to the attention of the Province as a result of a notification under section 13), the Contractor must, on the request of the Province, participate in the review to the extent that it is reasonably practicable for the Contractor to do so.

Retention of Records

15. Unless the Agreement otherwise specifies, the Contractor must retain all Records in the Contractor's possession that contain Information until directed by the Province in writing to dispose of them or deliver them as specified in the direction.

Storage of Records

16. Until disposed of or delivered in accordance with section 15, the Contractor must store any Records in the Contractor's possession that contain Information in accordance with the provisions of Appendix G5, if attached.

Audit

17. In addition to any other rights of inspection the Province may have under the Agreement or under statute, the Province may, at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises to inspect and, at the Province's discretion, copy:
 - (a) any Records in the possession of the Contractor containing Information; or

- (b) any of the Contractor's Information management policies or processes (including the processes described in sections 7, 9 and 10 and the logs described in sections 5 and 12) relevant to the Contractor's compliance with this Schedule

and the Contractor must permit, and provide reasonable assistance to the exercise by the Province of the Province's rights under this section.

Termination of Agreement

- 18. In addition to any other rights of termination which the Province may have under the Agreement or otherwise at law, the Province may, subject to any provisions in the Agreement establishing mandatory cure periods for defaults by the Contractor, terminate the Agreement by giving written notice of such termination to the Contractor, upon any failure of the Contractor to comply with this Schedule in a material respect.

Interpretation

- 19. In this Schedule, unless otherwise specified:
 - (a) references to sections are to sections of this Schedule; and
 - (b) references to appendices are to the appendices attached to this Schedule.
- 20. Any reference to the "Contractor" in this Schedule includes any subcontractor retained by the Contractor to perform obligations under the Agreement and the Contractor must ensure that any such subcontractors comply with this Schedule.
- 21. The appendices attached to this Schedule are part of this Schedule.
- 22. If there is a conflict between a provision in an appendix attached to this Schedule and any other provision of this Schedule, the provision in the appendix is inoperative to the extent of the conflict unless the appendix states that it operates despite a conflicting provision of this Schedule.
- 23. If there is a conflict between:
 - (a) a provision of the Agreement, this Schedule or an appendix attached to this Schedule; and
 - (b) a documented process required by this Schedule to be created or maintained by the Contractorthe provision of the Agreement, Schedule or appendix will prevail to the extent of the conflict.
- 24. The obligations of the Contractor in this Schedule will survive the termination of the Agreement.

SCHEDULE G – Appendix G1 – Security screening requirements

The personnel security screening requirements set out in this Appendix G1 are for the purpose of assisting the Contractor determine whether or not a Services Worker constitutes an unreasonable security risk.

Verification of name, date of birth and address

1. The Contractor must verify the name, date of birth and current address of a Services Worker by viewing at least one piece of "primary identification" of the Services Worker and at least one piece of "secondary identification" of the Services Worker,* as described in the table following this section. The Contractor must obtain or create, as applicable, Records of all such verifications and retain a copy of those Records. For a Services Worker from another province or jurisdiction, reasonably equivalent identification documents are acceptable.

Primary Identification	Secondary Identification
<p>Issued by ICBC:</p> <ul style="list-style-type: none">• B.C. driver's licence or learner's licence (must have photo)• B.C. Identification (BCID) card <p>Issued by provincial or territorial government:</p> <ul style="list-style-type: none">• Canadian birth certificate <p>Issued by Government of Canada:</p> <ul style="list-style-type: none">• Canadian Citizenship Card• Permanent Resident Card• Canadian Record of Landing/Canadian Immigration Identification Record	<ul style="list-style-type: none">• School ID card (student card)• Bank card (only if holder's name is on card)• Credit card (only if holder's name is on card)• Passport• Foreign birth certificate (a baptismal certificate is not acceptable)• Canadian or U.S. driver's licence• Naturalization certificate• Canadian Forces identification• Police identification• Foreign Affairs Canada or consular identification• Vehicle registration (only if owner's signature is shown)• Picture employee ID card• Firearms Acquisition Certificate• Social Insurance Card (only if has signature strip)• B.C. CareCard• Native Status Card• Parole Certificate ID• Correctional Service Conditional Release Card

*It is not necessary that each piece of identification viewed by the Contractor contains the name, date of birth and current address of the Services Worker. It is sufficient that, in combination, the identification viewed contains that information.

Verification of education and professional qualifications

2. The Contractor must verify, by reasonable means, any relevant education and professional qualifications of a Services Worker, obtain or create, as applicable, Records of all such verifications, and retain a copy of those Records.

Verification of employment history and reference checks

3. The Contractor must verify, by reasonable means, any relevant employment history of a Services Worker, which will generally consist of the Contractor requesting that a Services Worker provide employment references and the Contractor contacting those references. If a Services Worker has no relevant employment history, the Contractor must seek to verify the character or other relevant personal characteristics of the Services Worker by requesting the Services Worker to provide one or more personal references and contacting those references. The Contractor must obtain or create, as applicable, Records of all such verifications and retain a copy of those Records.

Security interview

4. The Contractor must allow the Province to conduct a security-focused interview with a Services Worker if the Province identifies a reasonable security concern and notifies the Contractor it wishes to do so.

STATEMENT OF WORK
BUSINESS ADVISOR – STRATEGIC INITIATIVES

Contractor	Grant Thornton LLP
Supplier#	105944
Contract ID#	C13CFFS26568
Statement of Work Ref#	2013 – 1 (EMNG - GT)

Services:

1. The Contractor will cause Patti Daum, and other employees as she may require, to provide the Services described in this Statement of Work.
 - A. The Province (Ministry of Energy, Mines and Natural Gas – EMNG) would like to determine what an estimated range of total potential provincial government revenues from corporate income tax and related (royalty payments and carbon tax) – Government Take – could be if an Australian tax regime were applied to a scenario where 5 liquefied natural gas (LNG) projects were developed in BC (the LNG Projects Scenario or Scenario).

In order to estimate the potential for revenues under the Scenario it is to be assumed that the Australian royalty/tax laws are extended to BC/Canada for comparative purposes – the Objective. With this Objective, the Contractor will:

- I. Undertake a high level review of the financial model (the Original Model) previously developed for EMNG by its Advisor and assess the methodology and approach used in the creation and functioning of that model given the Objective. The review will not constitute an audit or review conducted in accordance with generally accepted auditing standards;
- II. Review select input parameters and assumptions provided by EMNG and its Advisor to assess the appropriateness of the parameters used in meeting the Objective. The assumptions provided by EMNG and its Advisor in relation to the costs and operating parameters of the LNG Projects Scenario will be based on aggregated data obtained by EMNG and its Advisor, and will not be specific to any project that may or may not be developed in British Columbia;

- III. Revise the model, methodologies and assumptions as required, to provide a range of potential forecasts of total Government Take ranges that could be obtained from the assumed LNG Projects Scenario;
 - IV. Produce potential revenue forecasts for the Government Take under a range of alternative scenarios and assumptions considered appropriate by the Contractor in consultation with EMNG and its Advisor. Such Government Take estimates will contain modelled estimates of other provincial revenues, including provincial sales tax on project material purchases, and personal income tax on projected employment impacts. Such other provincial revenue estimate assumptions will be provided by EMNG and/or its Advisor;
 - V. Provide verbal and written drafts of a Short Report prepared by the Contractor, for the purpose of making that report public on or before February 19, 2013, commensurate with the release of *Budget 2013*, including but not limited to reviewing and providing information and advice on provincial LNG material to be released in advance of *Budget 2013* as required, and providing resources to respond to public and media enquiries directly related to the public release of the Short Report. The form and content of the Short Report will be agreed to by EMNG and the Contractor;
 - VI. Provide verbal and written updates and drafts of a Long Report prepared by the Contractor, for the purpose of providing further detail on summarized elements contained in the Short Report, and to further assist EMNG in developing a provincial revenue framework specific to LNG development in BC. The form, content and timing of the completion of the Long Report will be agreed to by EMNG and the Contractor;
 - VII. Provide to EMNG a copy of the working version of the financial model used by the Contractor in the estimates of provincial Government Take under the various scenarios.
 - VIII. Further criteria and requirements are described in Appendix 4 and are integral to this **Statement of Work 2013 – 1 (EMNG – GT)**;
- B. The Province (Ministry of Energy, Mines and Natural Gas – EMNG) would like to understand the potential magnitude of employment impacts that could result from the construction and operation of LNG projects in BC. The scenario that EMNG would like to assess assumes that there will be five LNG projects (LNG Projects Scenario). The Contractor has been engaged to estimate the potential direct employment during the construction phase and the operational phase of the LNG projects, and the potential employment

impacts for supplier businesses and the economy in general (indirect and induced employment impacts). With this Objective, the Contractor will:

- I. Review information provided by the Province and its advisors and, more specifically, estimates related to project capacity, capital expenditures and direct employment;
- II. Review information provided by the Province and its advisors for estimated indirect and induced employment impacts related to construction of the LNG projects;
- III. Review information provided by the Province and its advisors for estimated indirect and induced employment impacts related to annual operation of the LNG projects;
- IV. Research and review estimated employment impacts of other LNG projects;
- V. Work with BC Statistics and the British Columbia Input-Output Model to estimate the indirect and induced employment impacts related to the construction and operation of the LNG projects; and,
- IX. Provide verbal and written drafts of an Employment Impact Report prepared by the Contractor, for the purpose of making that report public on or before February 19, 2013, commensurate with the release of *Budget 2013*, including but not limited to reviewing and providing information and advice on provincial LNG material to be released in advance of *Budget 2013* as required, and providing resources to respond to public and media enquiries directly related to the public release of the Employment Impact Report. The form and content of the Short Report will be agreed to by EMNG and the Contractor;
- VI. Provide to EMNG a copy of the working version of the employment ~~impact model used by the Contractor in the estimates of employment~~ impact under the LNG Projects Scenario.

2. In the event that the Contractor wishes for a person other than the Contractor to provide any or all of the Services, the Contractor will seek the prior approval of Brian Hansen, Assistant Deputy Minister and Lead Negotiator, LNG Initiatives, EMNG or his designate.
3. Prior to commencing any Services, the Contractor must deliver to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or his designate, a fully completed and signed "Conflict of Interest Disclosure", attached to this **Statement of Work 2013 – 1 (EMNG – GT)** as Appendix 2, and the "Undertaking of Confidentiality", attached as Appendix 3.
4. To the extent that the contractor has identified persons within its employment that would have access to confidential information and perform confidential work for

EMNG under this Statement of Work 2013 – 1 (EMNG – GT), the Contractor shall provide a list of names of such personnel to be appended as Appendix 5, with a representation that the terms and conditions of Appendix 2 and 3 shall apply to all such identified persons in Appendix 5.

5. To the extent that other persons have been identified and approved under Services – section 1.2, the Contractor must deliver to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or his designate, a fully completed and signed “Conflict of Interest Disclosure” and “Undertaking of Confidentiality” for each of those persons,

Timelines:

Start date: January 12, 2013

Completion: April 30, 2013

Reporting to: Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG (or his designate).

Specific Deliverables and Schedule:

1. Contractor to provide to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or his designate:
 - A. **Revenue and Employment Forecasts**
 - I. A revised model based on the Original Model, using revised assumptions, as appropriate, providing a range of potential forecasts for potential Government Take if the assumed LNG Projects Scenario occurs in BC consistent with the Objective and Appendix 4 (including plant, pipeline and up-stream); and were taxed and/or levied using the current Australian tax/royalty laws. The forecasts will be subject to certain key assumptions and limitations that have been agreed with or provided by EMNG and/or its Advisor;
 - II. A high level discussion paper/report outlining the range of potential forecast government tax and related revenue generally, and specifically for British Columbia, highlighting key considerations, assumptions and caveats; Comments on key areas where there is uncertainty and risk of important exogenous factors (e.g. Australia’s Petroleum Resource Rent Tax – PRRT – tax pool, LNG pricing, etc.); Such discussion paper/report to include recommendations for next steps to improve the analysis.
 - III. Contractor to provide preliminary drafts of a Short Report and Employment Impact Report prepared by the Contractor for the purpose of making those reports public on or before February 19, 2013,

commensurate with the release of *Budget 2013*, including but not limited to reviewing and providing information and advice on provincial LNG material to be released in advance of *Budget 2013* as required; and providing resources to respond to public and media enquiries directly related to the public release of the Short Report. The form and content of the Short Report will be agreed to by EMNG and the Contractor, and the final Short Report and Employment Impact Report shall be provided to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or his designate, by **February 16, 2013**. Such Short Report and Employment Impact Report will acknowledge and present forecasts of provincial government revenue (Government Take) and employment impacts as those that have been independently arrived at by the Contractor based on assumptions provided by EMNG, its Advisor, and any other information and analysis that the Contractor has collected or created with its own expertise;

IV. Provide verbal and written updates and drafts of a Long Report prepared by the Contractor, for the purpose of providing further detail on summarized elements contained in the Short Report, and to further assist EMNG in developing a provincial revenue framework specific to LNG development in BC. The form, content and timing of the completion of the Long Report will be agreed to by EMNG and the Contractor, and will be provided to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or his designate, by **end of this Statement of Work term**, unless further amended by Brian Hansen or his designate;

B. Provide to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, ~~EMNG, or his designate,~~ a copy of the working version of the financial model used by the Contractor in the estimates of provincial Government Take under the various scenarios, as well as a working version of the employment impact mode. These shall be provided by **end of this Statement of Work term**, unless further amended by Brian Hansen or his designate;

Hourly/Daily Rates:

The Contractor will be reimbursed at the rate of based on the level of the personnel utilized on the engagement as set out in the table below:

	Hourly Rate (\$)
Patti Daum	
Doug Bastin	
Darren Bank	
Tim Hands	s.21
Matt McKenna	
Jennifer Nichol	

Katie Brine	
Administrative support	

s.21

Total value of Services under this Statement of Work #2013 – 1 (EMNG – GT) must not exceed (\$107,000), including all service and travel fees and expenses, but excluding Harmonized sales tax ("HST") or other applicable tax, without prior written approval from Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG, or such other person as he may designate.

Travel/Other Expenses/ Insurance Requirements or Waiving of and Reason For:
Expenses:

1. travel, accommodation and meal expenses for travel outside of Victoria on the same basis as the Province pays its Group II employees when they are on travel status (see attached Appendix 1 – Group II Rates Expenses for Contractors); and
2. the Contractor's actual long distance telephone, fax, postage and other identifiable communication expenses; and

excluding HST or other applicable tax paid or payable by the Contractor on expenses described in (1) to (2) above to the extent that the Contractor is entitled to claim credits (including HST input tax credits), rebates, refunds or remissions of the tax from the relevant taxation authorities.

Please include the following coding in your invoice(s) for this Work Assignment:

Client: 057 RC: 27890 SL: 26554 STOB: 6001 (fees) Project: 2700000
Client: 057 RC: 27890 SL: 26554 STOB: 6002 (expenses) Project: 2700000

Other Terms Not Covered Above:

1. N/A

Lead Approval:

Name:	Brian Hansen	Title:	ADM and Lead Negotiator, LNG Initiatives, EMNG
E-mail:	Brian.Hansen@gov.bc.ca	Tel:	250 – 952 – 0124

Finance DMO Approval:


Master RFP Ref:	RFP #BA-MF1		
Name:	Doug Foster	Title:	ADM, Ministry of Finance
E-mail:	<u>Doug.Foster@gov.bc.ca</u>	Tel:	(250) 387-9022

Execution:

This Statement of Work may be entered into by each party signing a separate copy (including a photocopy or facsimile copy) and delivering it to the other party by facsimile transmission or by email with a scanned copy in PDF format.

SIGNED on behalf of Her Majesty the
Queen in Right of the Province of
British Columbia by a duly authorized
representative of the Ministry of Energy,
Mines and Natural Gas this 12th day
of January, 2013, in the presence of:


(Witness)

)
)
)
)
)
)
)
)

Brian Hansen, ADM and Lead Negotiator,
Deputy Minister's Office, EMNG

Contractor: Grant Thornton LLP

Per: Patti Daum *Grant Thornton LLP* Date: January 12, 2013
(Name)

Title: Partner
(Title)

APPENDIX 1 - GROUP II RATES EXPENSES FOR CONTRACTORS

APPENDIX 1 - Group 2 Rates EXPENSES FOR CONTRACTORS

The following are allowable expenses for contractors. All expenses must be paid by the contractor. Expenses cannot be direct billed to the ministry except in unusual circumstances (in these cases a special clause must be included in the contract). Original receipts must be submitted with the expense claim (when receipts are required) but photocopies of receipts will be accepted if the contractor requires the original for another purpose (e.g., to claim for HST credits).

Travel Expenses

The contractor must be outside their headquarters area (32 kilometres from where they ordinarily perform their duties) to be eligible to claim travel, meal and accommodation expenses.

1. Meal Allowances:

Effective March 29, 2009, the following meal allowances can be claimed which must not exceed \$49.00 per day (receipts are not required):

Breakfast only	\$22.00	claim if travel starts before 7:00 a.m. or ends after 7:00 a.m.
Lunch only	\$22.00	claim if travel starts before 12:00 noon or ends after 12:00 noon.
Dinner only	\$29.50	claim if travel starts before 6:00 p.m. or ends after 6:00 p.m.
Breakfast and lunch only	\$30.00	see above
Breakfast and dinner only	\$36.50	see above
Lunch and dinner only	\$36.50	see above
Full day	\$49.00	

2. Mileage Rates When Using Private Vehicles:

Effective March 29, 2009, the private mileage allowance is \$.50 per kilometre (receipts are not required). This rate can be claimed when using a private vehicle for travel. It is intended to cover costs of gas and maintenance.

3. Taxi and Parking:

Taxi and parking charges will be reimbursed if receipts/copies of receipts are provided. Tips identified separately on taxi receipts cannot be claimed.

4. Car Rentals:

Approved car rental agencies and the maximum rates for each community are listed at www.pss.gov.bc.ca/cso/categories/vehicle_rentals/vehicle_rentals_daily/vehicle_rentals_daily.html#suppliers. Other agencies are to be used only when these agencies cannot supply vehicles or when renting a vehicle outside BC. Contractors should ask for the government rate. Receipts/copies of receipts are required. PAI (personal accident insurance) will not be reimbursed. CDW/LDW (collision/loss damage waiver) will be reimbursed only when renting from a company not on the approved list for the specific community or when renting outside BC.

5. Accommodation:

a) **Hotel/motel** (Receipt/copy of receipt and proof of payment required). Approved hotels and the maximum rates that may be claimed for rooms and supplementary items (e.g., parking) are listed in the Accommodation Guide at www.pss.gov.bc.ca/cso/categories/accommodation/list-of-properties.html. Rates may vary between summer, winter and shoulder seasons. Only the single government rate will be reimbursed. The "number in party" identified on the receipt must show only one person.

Process for Selecting Accommodation:

- Select the most cost-effective hotel from the accommodation guide that meets your business requirements.
- Ensure the expectations of the ministry expense authority are clarified (through the contract manager) regarding the price of accommodation before travel takes place.
- Ensure the rates charged by the hotel for the room and supplementary charges are at or below the rates quoted in the accommodation guide.

If the contractor cannot stay at any of the hotels listed in the guide due to an exceptional or emergency situation, pre-approval must be obtained from the ministry expense authority and attached to the expense claim. This approval should be obtained through the contract manager.

b) Private Lodging (receipts are not required):

\$30 per night may be claimed when private lodging is arranged (e.g., staying with friends).

6. Airfare:

Economy airfare only will be reimbursed. Receipts/copies of receipts and proof of payment are required.

7. Miscellaneous Travel Expenses:

Laundry, gratuities, portage and personal phone calls cannot be claimed. Ferry charges and highway tolls can be claimed if supported by an original receipt. Other miscellaneous expenses incurred when travelling (e.g., courier and photocopying charges) can also be claimed if supported by a receipt/copy of receipt.

8. Out-of-Province Travel:

When B.C. contractors are required to travel out-of-province, a Travel Authorization form approved by the ministry director must accompany the expense claim.

Other Expenses

1. Business Expenses (e.g., all costs associated with meetings, including business and guest meals):

Claims for business expenses must be accompanied by an approved Business Expense Approval form (which should be completed by the ministry, not the contractor).

2. HST:

When receipts are submitted for reimbursement, they should be adjusted to deduct the embedded HST. A contractor with an HST registration number can claim input tax credits from Canada Revenue Agency.

3. Miscellaneous Expenses (e.g. business telephone/fax calls, newspapers, etc.):

Miscellaneous expenses will be paid if supported by original receipts and in our opinion are necessarily incurred by you in providing the service. Contact the contract manager before incurring any miscellaneous expenses.

APPENDIX 2 – CONFLICT OF INTEREST DISCLOSURE

A conflict of interest arises where you have an interest which conflicts (or might conflict, or might be perceived to conflict) with the interests of the Organization¹.

A conflict of interest may take a number of forms. It may be financial or non-financial. It may be direct or indirect. It may be professional or family related.

A conflict of interest may arise from directorships or other employment; interests in business enterprises or professional practices; share ownership; beneficial interests in trusts; existing professional or personal associations with the Organization; professional associations or relationships with other organizations; personal associations with other groups or organizations; or family relationships.

Special advisors to the Province must disclose any duty or interest that might conflict with his or her duty or interest to the Organization. This disclosure covers each and both of PATTI DAUM and GRANT THORNTON LLP, and those employees utilized in carrying out work under Statement of Work #2013 – 1 (EMNG – GT).

1. A direct or indirect conflict with my/our duties as Special Advisor(s) to the Province may arise because (please indicate if non-applicable):

- a) I/We, or my/our associates², hold the following offices (appointed or elected):

[CONTRACTOR TO COMPLETE] N/A

- b) I/We, my/our associates, or any trustee or any nominee on my/our behalf, own or possess, directly or indirectly, the following interests (i.e., shares, businesses, or properties):

[CONTRACTOR TO COMPLETE] N/A

- c) I/We, or my/our associates, have the following interests in existing or proposed transactions with the Organization.

[CONTRACTOR TO COMPLETE] N/A

¹ "Organization" means the Province and its Crown corporations and agencies.

² "Associate" of a person means any person closely connected by blood or otherwise including, but not limited to, a spouse (including common-law spouse), parent, grandparent, brother, sister, child or grandchild.

2. The nature and extent of the conflicting office duty or interest referred to in subparagraphs 1(a) or 1(b) is (please indicate if non-applicable):

[CONTRACTOR TO COMPLETE] N/A

3. A real or perceived conflict of interest with my/our duties as Special Advisor(s) to the Province may arise because I/We receive financial remuneration (either for services performed by me/us, as an owner or part owner, trustee, or employee or otherwise) from the following sources (please indicate if non-applicable):

[CONTRACTOR TO COMPLETE] N/A

The following is a list of each subsidiary³ or affiliate⁴ of a company listed in section 1 of this declaration.

Company Listed in Paragraph 1(b)	Name of Subsidiary or Affiliate	Type of Business Ordinarily Carried on by Subsidiary or Affiliate
CONTRACTOR TO COMPLETE IF RELEVANT		

³ For the purposes of this declaration, a corporation is a subsidiary of another corporation where:

- (a) it is controlled by:
 - (i) that other corporation;
 - (ii) that other corporation and one or more other corporations, each of which is controlled by that other corporation; or
 - (iii) two or more other corporations, each of which is controlled by that other corporation; or
- (b) it is a subsidiary or a subsidiary of that other corporation.

⁴ For the purposes of this declaration, one corporation is affiliated with another corporation where one of them is the subsidiary of the other, or both are subsidiaries of the same corporation, or each of them is controlled by the same person.

4. If, at any time following the signing of this Conflict of Interest declaration, there are changes to the information given herein regarding conflict of interest, either by way or addition or deletion, I shall forthwith file with the Ministry of Finance and Ministry of Energy, Mines and Natural Gas supplementary disclosure statement describing such change.

Yes: ☒ No: ☐

5. Other than disclosed above, do you have any relationships or interests that could compromise, or be perceived to compromise, your ability to exercise judgment with a view to the best interests of the Province, as Special Advisor(s)? If so, please specify.

Yes: ☐ No: ☒

If yes, specify below. [CONTRACTOR TO COMPLETE]

Signed this 12th day of January 2013.

Grant Thornton LLP.

(authorized signatory)

PATTI DAUM/GRANT THORNTON LLP

APPENDIX 3 – UNDERTAKING OF CONFIDENTIALITY


1. In consideration of their role as Special Advisors to Ministry of Energy, Mines and Natural Gas, PATTI DAUM and GRANT THORNTON LLP, and those employees engaged in carrying out work under **Statement of Work #2013 – 1 (EMNG – GT)**, undertake that they will treat as confidential and not disclose or permit to be disclosed, at any time, information they provide to, or obtain from, the Province or its Crown corporations, agencies or clients (verbally, electronically or in writing) in relation to or resulting from their role as Special Advisors to Ministry of Energy, Mines and Natural Gas, including but not limited to the following:
 - (a) the contents of materials, including and presentations brought to meetings or circulated to the BC public service or public sector agencies or clients or other materials received at meetings of the BC public service or public sector agencies or clients;
 - (b) the conversations and discussions held at the meetings of the BC public service or public sector agencies or clients, including the comments of the members of the BC public service or public sector agencies or clients;
 - (c) any part of the agendas of the meetings of the BC public service or public sector agencies or clients;
 - (d) the fact that I have attended or been scheduled to attend meetings of the BC public service or public sector agencies or clients;
 - (e) the outcomes or decisions of the the BC public service or public sector agencies or clients or as result of the meetings of the BC public service or public sector agencies or clients;
 - (f) any reports, recommendations or analysis prepared for or in connection with or by the BC public service or public sector agencies or clients; and
 - (g) the terms of this Undertaking.
2. Section 1 of this Undertaking does not apply insofar as:
 - ~~(a) the disclosure is expressly permitted in writing by the Province or its Crown corporations and agencies;~~
 - (b) the information to be disclosed is general public knowledge;
 - (c) the disclosure is to staff of the Government of British Columbia in attendance at meetings of the BC public service or public sector agencies or clients; or
 - (d) the information is as described in section 12(2)(a) to (c) of the *Freedom of Information and Protection of Privacy Act*, which can be accessed at <http://www.oipc.bc.ca/>
3. PATTI DAUM, GRANT THORNTON LLP and those employees engaged in this **Statement of Work #2013 – 1 (EMNG – GT)** undertake that upon request of Province or its Crown corporations and agencies, (I) we will return to that party and all information received from such parties, including all copies, derivatives, reports and analysis containing such information.
4. PATTI DAUM, GRANT THORNTON LLP and those employees engaged in this **Statement of Work #2013 – 1 (EMNG – GT)** undertake not to use any of the

information referenced in Section 1 above for any other purpose other than those expressly provided for under this Statement of Work.

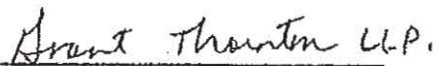
5. PATTI DAUM, GRANT THORNTON LLP and those employees engaged in this Statement of Work #2013 – 1 (EMNG – GT) also undertake that (I) we will immediately notify to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG (or his designate), if they receive a summons, subpoena, order or similar instrument or otherwise become subject to a legal obligation requiring disclosure of any information required to keep confidential under this Undertaking.

SIGNED AND DELIVERED)

_____)
this 12th day of January 2013)
in the presence of:)



(Signature of witness)



per
PATTI DAUM/GRANT THORNTON LLP

APPENDIX 4 – PROVINCE OF BC – CONSULTING ASSIGNMENT IN RELATION TO LIQUEFIED NATURAL GAS (LNG)

This document has been shared with the Contractor in advance, as part of negotiations leading to the development of Statement of Work #2013 – 1 (EMNG – GT), and is integral to section 1 (Services) 1.A. of that Statement of Work.

Objectives

- A. Province would like to determine an estimated range of total potential government corporate tax and related (royalty payments and carbon tax) direct provincial government revenue (Government Take) ranges could be if the Australian tax regime were applied to a scenario where 5 liquefied natural gas (LNG) projects developed in BC. In order to estimate the potential for revenues under the scenario it is to be assumed that the Australian royalty/tax laws extended to BC/Canada for comparative purposes.) (the Objective)
- B. In order to assist the Province in undertaking the Objective the Contractor will undertake the tasks as set out in Services:

Background

- The Original Model provided to the Contractor by EMNG and Detken is an aggregated and simplified model, in part based on parameters provided by proponents.
- The Original Model provides cost and operating assumptions at a high level and does not provided a breakdown of any of the costs into specific items. For example the capital and operating expenditures are broken down into three broad headings (Upstream, Pipeline and Downstream) and four types of costs within these headings (Operating, Exploration, Capex and Depreciation). As a result of the level of detail provided by the assumptions in the Original Model any tax calculation contained with the Original Model or any subsequent model produced by the Contractor will be undertaken on a high level basis as in order to complete a detailed tax calculation detailed analysis of the costs and their treatment and eligibility for tax purposes is required.
- The Original Model and any assumptions provided do not contain any proponent-specific inputs, and have been generalized and simplified, nevertheless the model is highly confidential
- The Original Model is aggregated model based on the assumption of 5 LNG plants being developed in BC
- The Original Model has been designed to estimate the maximum direct Government Take if the 5 LNG plants were developed in BC and Australian tax law and rules were applied

Model Considerations

- The Contractor's primary focus should be on the tax considerations implied by the cash flows as well as an assessment of non-model items that may impact taxes
 - Income Taxes: Ensure that income taxes are being calculated correctly based on the level of assumptions provided by EMNG and Deetken and develop a range of potential Government Take estimates.
 - Application of the PRRT (Australia Petroleum and Resource Rent Tax): ensure that PRRT is modelled correctly based on the level of the assumptions provided by EMNG and Deetken and develop a range of potential estimated PRRT
 - Application of royalties: ensure state taxes are applied appropriately based on the current royalty laws and any other assumptions agreed with the EMNG
 - Carbon Taxes: ensure carbon taxes are applied appropriately based on the current royalty laws and any other assumptions agreed with the EMNG
 - Other taxes: consider other taxes as required and agreed with EMNG
- Advisor to consider prices of both feedstock and off-take in the analysis
 - Consider alternatives price forecasts for LNG and NG (Original Model currently uses CBOE strip and EIA forecast)
- Given time constraints of, and limitations on the information provided to Contractor, this assignment, Contractor is not required to consider the assumptions provided for capex and opex as these are project specific and generally well understood. The capex and opex is based on information collected from proponents. In order to undertake sensitivity analysis to capex and opex the Contractor should utilise ranges as set out below:
 - Plant and pipeline capex and opex - sensitivities of up to +30%
 - ~~Upstream capex and opex - sensitivities of +/- 50%~~
- Advisor should not focus on items such as CO2 emissions as these are project specific and generally well understood

Deliverables

- A revised model based on the Original Model, using revised assumptions, as appropriate, providing a range of potential forecasts for potential Government Take if the assumed 5 LNG projects are developed in BC consistent with the Objective and Appendix 4 (including plant, pipeline and up-stream), were taxed using the current Australian tax/royalty laws. The forecasts will be subject to certain key assumptions and limitations that have been agreed with or provided by the EMNG;
- A high level discussion paper/report outlining the range of potential forecast government tax and related revenue generally, and specifically for British Columbia, highlighting key considerations, assumptions and caveats;

- Comments on key areas where there is uncertainty and risk of important exogenous factors (e.g. Australia's Petroleum Resource Rent Tax – PRRT – tax pool, LNG pricing, etc.); and
- Recommendations for next steps to improve the analysis.
- Advisor to provide preliminary analysis by end of day January 15, 2013, with a more complete report at a later date specified by the Province
- Contractor to present forecasts as those that have been independently arrived at by the Contractor based on the assumptions agreed with EMNG.

**APPENDIX 5 – LIST OF CONTRACTOR EMPLOYEES TO BE UTILIZED IN
PERFORMING STATEMENT OF WORK #2013 – 1 (EMNG – EY)**

- Provide list of employees, locations and classifications as per section
Hourly/Daily Rates
- Provide very brief description of duties/work perform by each person listed



Province of BC WIP
Analysis - to Feb 19 :

Boudreau, Kim L FIN:EX

From: Bumstead, Melissa EMNG:EX
Sent: Friday, April 5, 2013 3:19 PM
To: Boudreau, Kim L FIN:EX
Subject: Grant Thornton - signed Docs

Hi Kim, as I'm not sure who is completing the JV for Grant Thornton, I wanted to make sure that you got these signed documents.



Grant Thornton
LLP.PDF



Grant Thornton
LLP Statement o...

Cheers,
Melissa

Melissa Bumstead

Executive Assistant to Brian Hansen
ADM's Office | Energy and LNG Initiatives
Ministry of Energy, Mines and Natural Gas
Phone: 250.953.3776
Email: Melissa.Bumstead@gov.bc.ca

From: Foster, Doug FIN:EX
Sent: Thursday, April 4, 2013 2:46 PM
To: Hansen, Brian EMNG:EX
Cc: Bumstead, Melissa EMNG:EX; Boudreau, Kim L FIN:EX
Subject: GT bills

Brian, enclosed is:

- 1) A completed and updated SOW in relation to GT's work on LNG. It requires your signature on page 7, plus coding completion on page 6;

<< File: SoW 2013 - 1 (EMNG - GT) - Patti Daum - GT - Re - LNG forecasts- Statement of Work - March 2013 - 1 PED - edits - DF - Final .docx >>

- 2) Executed signature blocks for GT in relation to the SOW;

<< File: 2013-1__EMNG-GT__signatures.pdf >>

- 3) Three invoices to reflect partial progress billing to date.

<< File: 20130404134239.pdf >>

Total before HST: \$93,759

HST: \$11,251

Total: \$105,010

Below, GT thinks that when final bills are issued, the total before taxes is about \$107K. So your accrued at about \$110K all in fees and taxes should be ok and allow for a bit of surge.

Once you have approved invoices, signed and completed the SOW, could you raise the necessary JV and send full package back to my friend Kim for completion?.

Think this should do it for year-end close for this piece. D.

From: Daum, Patti [<mailto:Patti.Daum@ca.gt.com>]

Sent: Thursday, April 4, 2013 8:14 AM

To: Foster, Doug FIN:EX

Subject: RE: Grant Thornton costs

Doug, I adjusted the number to \$107,000 before tax. Existing - \$18,614.50+\$48,594.00+26,550 = \$93,785.50 + anticipated 12,500 = \$106,258.

I am going to do the signatures and scan and email you those pages.


4)

information referenced in Section 1 above for any other purpose other than those expressly provided for under this Statement of Work.

5. PATTI DAUM, GRANT THORNTON LLP and those employees engaged in this **Statement of Work #2013 – 1 (EMNG – GT)** also undertake that (I) we will immediately notify to Brian Hansen, Assistant Deputy Minister and Lead Negotiator, EMNG (or his designate), if they receive a summons, subpoena, order or similar instrument or otherwise become subject to a legal obligation requiring disclosure of any information required to keep confidential under this Undertaking.

SIGNED AND DELIVERED)

_____)
this 12th day of January 2013)
in the presence of:)



(Signature of witness)



per
PATTI DAUM/GRANT THORNTON LLP

4. If, at any time following the signing of this Conflict of Interest declaration, there are changes to the information given herein regarding conflict of interest, either by way or addition or deletion, I shall forthwith file with the Ministry of Finance and Ministry of Energy, Mines and Natural Gas supplementary disclosure statement describing such change.

Yes: ☒ No: ☐

5. Other than disclosed above, do you have any relationships or interests that could compromise, or be perceived to compromise, your ability to exercise judgment with a view to the best interests of the Province, as Special Advisor(s)? If so, please specify.

Yes: ☐ No: ☒

If yes, specify below. [CONTRACTOR TO COMPLETE]

Signed this 12th day of January 2013.

Grant Thornton LLP.

(authorized signatory)


PATTI DAUM/GRANT THORNTON LLP

Execution:

This Statement of Work may be entered into by each party signing a separate copy (including a photocopy or facsimile copy) and delivering it to the other party by facsimile transmission or by email with a scanned copy in PDF format.

SIGNED on behalf of Her Majesty the
Queen in Right of the Province of
British Columbia by a duly authorized
representative of the Ministry of Energy,
Mines and Natural Gas this 12th day
of January, 2013, in the presence of:


(Witness)

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)

Brian Hansen, ADM and Lead Negotiator,
Deputy Minister's Office, EMNG

Contractor: Grant Thornton LLP

Per: Patti Daum *Grant Thornton LLP* Date: January 12, 2013
(Name)

Title: Partner
(Title)