

**REVENUE TRANSFORMATION INITIATIVE AGREEMENT**

**BETWEEN**

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA,  
REPRESENTED BY THE MINISTER OF FINANCE**

**(THE “PROVINCE”)**

**AND**

**FAST CANADIAN ENTERPRISES LTD.**

**(“FAST”)**

November 24, 2015

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## REVENUE TRANSFORMATION INITIATIVE AGREEMENT

Contract # C16RTI34432

**THIS AGREEMENT** is made the 24<sup>th</sup> day of November, 2015.

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA,**  
represented by the Minister of Finance, Information Management Branch

(the "**Province**")

OF THE FIRST PART

AND:

**FAST CANADIAN ENTERPRISES LTD.,** a body corporate incorporated under the laws  
of British Columbia (Incorporation No. BC0576919), and having an office at 185-911  
Yates Street, Suite 205, Victoria, British Columbia, V8V 4Y9

(the "**FAST**")

OF THE SECOND PART

**WHEREAS:**

- A. The Province issued the Request for Qualification;
- B. FAST submitted a response, and was the only qualified respondent pursuant to the Request for Qualification;
- C. The Province wishes to retain FAST to provide the Services; and
- D. FAST wishes to provide the Services to the Province, on the terms and conditions contained in this Agreement.

**NOW THEREFORE** in consideration of the premises and covenants, agreements, representations, warranties and payments set out in this Agreement, the parties agree as follows:

### ARTICLE 1 DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

Unless otherwise provided in this Agreement, capitalized terms will have the meanings given to those terms in the attached Schedule "A".



## **1.2 Interpretation**

Unless expressly stated otherwise or unless the context otherwise requires, in this Agreement:

- (a) a reference to a statute, whether or not that statute has been defined, means a statute of the Province of British Columbia and includes all amendments to it, the regulations under it and any enactment passed in substitution therefor or replacement thereof;
- (b) words importing the singular number only include the plural, and *vice versa*;
- (c) any reference in the body of this Agreement to an Article, section or subsection by number is a reference to the appropriate Article, section or subsection in the body of this Agreement, and any reference in a Schedule to a section or subsection by number is a reference to the appropriate section or subsection in that Schedule;
- (d) references to "person" include a natural person, corporation, firm, partnership, association, unincorporated organization, society, government or governmental authority, as the context may require;
- (e) the words "includes" and "including" are not intended to be limiting;
- (f) "attached" means attached to this Agreement when used in relation to a Schedule;
- (g) where the words "discretion", "option" or any variations thereof are used with respect to a party's entitlement to make any decision, act in any manner or exercise any right, they will be deemed to mean such party's sole, absolute and unfettered discretion or option; and
- (h) any reference to "knowledge" of either party or any officer or other personnel of that party means the knowledge of such party after having made due inquiry, and if such party fails to make such due enquiry, then the knowledge that such party would have had if such party had conducted reasonable enquiry into the subject matter.

## **1.3 Headings**

The headings or captions in this Agreement are inserted for convenience only and do not form a part of this Agreement or in any way define, limit, alter or enlarge the scope or meaning of any provision of this Agreement.

## **1.4 Currency**

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

## **1.5 Schedules**

The following Schedules attached to this Agreement are an integral part of this Agreement as if set out at length in the body of this Agreement:

Schedule "A" Definitions

Schedule "B" Services

Schedule "C" Governance

Schedule "D" Key Personnel

Schedule "E" Fees and Expenses

Schedule "F" Privacy Protection Schedule

Schedule "G" Security Schedule

Schedule "H" Phase 1 Project Plan

Schedule "I" LNG Project Plan

Schedule "J" Phase 2 Project Plan.

## **1.6 Conflict of Provisions**

If there is a conflict or inconsistency between a provision in a Schedule to this Agreement and any other provision in the body of this Agreement, the provision in the Schedule is inoperative to the extent of the conflict unless it states that it operates despite a conflicting provision in the body of this Agreement. Notwithstanding the foregoing and despite any other provision of this Agreement, if there is a conflict between a term of this Agreement and a term in Schedule "F" or "G", the term in this Agreement will be inoperative to the extent of the conflict.

## **1.7 Acting Reasonably**

Any requirement in this Agreement for a party to act reasonably, use reasonable efforts, or any variations thereof, will mean that the party must use all reasonable commercial efforts having regard to the surrounding circumstances, unless expressly provided otherwise. Any requirement in this Agreement for a party to act reasonably, use reasonable efforts, or any variations thereof (including any requirement for approvals or consent by the Province not to be unreasonably withheld), will not require the party to act in a manner that is contrary to or inconsistent with any policies, directives, executive directions, Treasury Board (as defined in the FAA) decisions, guidelines, rules, regulations, legislation or other determinations of the Province. In addition, both parties expressly acknowledge and confirm that nothing contained in this Agreement will be construed or otherwise interpreted in any manner that would or could cause that party to fetter its discretion.

## **ARTICLE 2 TERM AND RENEWAL**

### **2.1 Term**

The term of this Agreement will commence on the date of execution and delivery of this Agreement and will end on March 31, 2016 (the "**Initial Term**").

### **2.2 Renewal**

The Province may renew this Agreement on the same terms and conditions except this provision as to renewal for up to three additional one-year periods (each a "**Renewal Term**") by giving FAST written notice of any such renewal not later than sixty (60) days prior to the end of the Initial Term or the then current Renewal Term as the case may be.

## **ARTICLE 3 SERVICES AND DELIVERABLES**

### **3.1 Services**

FAST will provide the Services in accordance with the provisions set out in this Agreement.

### **3.2 Deliverables**

FAST will carry out all work required to create and deliver to the Province all Deliverables in accordance with the Project Plans. All Deliverables will be subject to Acceptance Testing in accordance with Article 6 and the Project Plans.

### **3.3 Technology to Comply with Standards**

In performing the Services and providing the Deliverables pursuant to the Project Plans, FAST must ensure that technologies used to develop any of the Phases of the Project comply with the Province's technology architecture standards for application development and technology platform unless the Province provides written permission to FAST to deviate from those standards.

### **3.4 Governance**

The parties will jointly participate in the Governance Process, as set out in Schedule "C", as amended from time to time in accordance with this Agreement.

### **3.5 Documentation**

FAST will create and maintain Documentation as specified in this Agreement and provide Documentation that it typically provides with the Software. Additional Documentation will be created as mutually agreed upon by the parties.



### **3.6 Knowledge Transfer**

FAST will provide the Province and any Province Personnel with knowledge transfer as agreed upon in training plans identified in Schedules "I" and "J". FAST will provide any ongoing knowledge transfer with respect to the Services in such manner as may be requested by the Province from time to time and mutually agreed upon. The purpose of the knowledge transfer is so that the Province is a well-informed customer regarding the manner in which the Services are delivered and has sufficient knowledge to understand and obtain the benefit of and, if necessary to transition and continue, the Services previously performed or then being performed by FAST. At the request of the Province, and as mutually agreed upon, FAST will provide Province Personnel who have duties related to the Services or Deliverables with additional orientation and training relating to the Services, Deliverables or other matters relevant to such Province Personnel's duties. FAST will not rely upon Article 12 or any other obligation of confidentiality to limit or restrict the knowledge transfer provided for under this section 3.6, provided that FAST will be entitled to obtain from the Province and any Province Personnel assurances consistent with Article 12 that any Confidential Information provided as a result of the knowledge transfer under this section 3.6 will be maintained in confidence and used in accordance with Article 12.

### **3.7 Service Location(s)**

FAST will perform the Services in Victoria, British Columbia, at 1810 Blanshard Street, 1802 Douglas Street and 617 Government Street or such other location as may be specifically approved by the Province in writing from time to time.

### **3.8 Disabling Code**

Unless otherwise mutually agreed by the parties in this Agreement, FAST covenants and agrees that the Software Deliverables, at the time such Software Deliverables are delivered and at the time the Software Deliverables may be updated by FAST, will not contain any software code, key, routine or other device designed to disable a computer program automatically with the passage of time, as a result of use of any Software Deliverable on other than a specified system, server or other hardware or under the control of a person other than the Province or for any other reason, nor any software routine designed to cause unauthorized access to disable, erase or otherwise harm the Software Deliverable, the Province Systems or the Province's data.

## **ARTICLE 4 FACILITIES AND PERSONNEL**

### **4.1 FAST Personnel**

In carrying out the Services, FAST will provide FAST Personnel to fulfill the roles as specified in Schedule "D" to this Agreement.

FAST Personnel identified in Schedule "D" will have the roles, responsibilities and planned utilization for the Term as set out in such Schedule "D" and this Article 4.

Any FAST Personnel identified as "Key Personnel" in Schedule "D" will be deemed to be

Key Personnel for the performance of the Services and delivery of Deliverables.

#### **4.2 Province Facilities**

The Province will provide facilities, equipment, third-party and Province-owned or licensed routine software (other than the Software) and office supplies for the Project Team, which includes FAST Personnel assigned to the Project and located onsite at the Province's premises. If FAST requires any specific facilities, equipment, software or supplies, the provision of such supplies and resources must be approved in writing in advance by the Province.

#### **4.3 Province Facilities Terms of Use**

FAST will use Province facilities only to provide Services to the Province. FAST will keep Province facilities in good order, and comply with all of the Province Policies in respect of them, including those for physical security and workplace safety. FAST will not make any structural, mechanical or electrical alterations to the Province facilities without the Province's written approval. Upon termination or expiry of this Agreement, FAST will return such Province facilities to the Province in the same condition as when FAST began using them, reasonable wear and tear and mutually agreed changes excepted.

#### **4.4 FAST Facilities**

Unless otherwise approved by the Province, FAST will be responsible for the costs of any FAST's obligations under this Agreement that is performed at its own facilities including the costs of labour, materials, facilities, equipment, tools, software, and resources.

#### **4.5 Access to Province Systems**

The Province will provide to FAST such access to the Province Systems as may be necessary for performance of the Services and the creation, testing, correction, installation, implementation, maintenance and support of Deliverables, including access to and use of development, testing and production environments on the Province Systems. FAST will, and will require FAST Personnel to comply with Schedule "G" in connection with all access to and use of the Province Systems.

#### **4.6 Access Use and Security**

FAST will, and will ensure that all FAST Personnel:

- (a) comply with all security, acceptable use, conduct and other policies and procedures specified and provided by the Province with respect to the access to and use by FAST and FAST Personnel of the Province Systems and premises;
- (b) access and use the Province Systems and premises only for the purposes of performing the Services and working on the Deliverables; and
- (c) do not provide or permit any other person to have access to or the use of the Province Systems or premises.

#### **4.7 FAST Project Director**

FAST agrees to appoint the person specified in Schedule "D" as the FAST Project Director. The FAST Project Director will be FAST's principal representative in connection with this Agreement, be accountable for the overall conduct of FAST and FAST Personnel, work with the Province at a planning and management level, have authority to resolve issues that may arise between FAST and the Province and, if necessary, escalate larger issues to a higher authority within FAST for resolution. The FAST Project Director is authorized to act for and bind FAST in all matters pertaining to the Services and Deliverables, except for amendments, which must be signed by an authorized signatory of FAST. FAST will not change the FAST Project Director without the Province's prior written consent, unless the person then designated as the FAST Project Director becomes unavailable for reasons beyond FAST's control (such as death, disability or resignation of employment) or has been terminated by FAST (and not engaged by FAST on a contractor basis).

#### **4.8 Key Personnel**

- (a) FAST agrees to perform the Services and deliver the Deliverables using the individuals identified in Schedule "D" as "Key Personnel", or subject in each case to the Province's prior approval (acting reasonably), replacing Key Personnel with individuals having equivalent qualifications, expertise and experience. Either party may escalate Key Personnel changes or proposed changes through the Governance Process at any time for notification purposes.
- (b) FAST will not remove an individual that is designated as a Key Personnel without the Province's prior written consent, such consent not to be unreasonably withheld, unless that individual has permanently and completely finished the Services or work to which he or she was assigned, or becomes unavailable for reasons beyond FAST's control (such as death, disability or resignation of employment) or has been terminated by FAST (and not engaged by FAST on a contractor basis).
- (c) Not less than annually, the parties will jointly review the list of Key Personnel in order to determine any appropriate changes, each party acting reasonably.
- (d) If FAST removes any Key Personnel other than with the Province's prior written consent, or if any Key Personnel ceases to perform the Services and work on Deliverables to which he or she is assigned, other than in accordance with this section 4.8, then removal of a Key Personnel will be promptly escalated through the Governance Process for notification purposes and the following consultative process will be followed:
  - (i) FAST will identify a candidate to replace that Key Personnel and present the candidate's qualifications, in writing, to the Province;
  - (ii) the Province may interview the candidate identified;
  - (iii) subject to the Province's consent, the parties will jointly develop a transition plan to minimize the impact of the replacement on this Agreement; and
  - (iv) FAST will be responsible for all costs incurred in educating the replacement

team member to the same level of Project knowledge as the previous Key Personnel.

- (e) Any disagreement between the parties with respect to the removal of any Key Personnel from the performance of his or her obligations under this Agreement will be first escalated through the Governance Process before such Key Personnel is removed by FAST. For greater certainty, and without limiting the foregoing, additional individuals in other roles may be added to the list of "Key Personnel" in Schedule "D" and individuals listed as "Key Personnel" in Schedule "D" may be removed from that list without a replacement through the Change Order Process.

#### **4.9 Familiarization**

FAST will be responsible, at its expense, to ensure that each FAST Personnel is, to the extent necessary for the performance of the work to which he or she is assigned, familiar with the Province, the Province Systems and the requirements of this Agreement. FAST will not charge the Province any additional fees or other additional amounts for work done by any FAST Personnel specifically to familiarize himself or herself with the Province, the Province Systems and the requirements of this Agreement.

#### **4.10 Standards of Conducts**

FAST will comply with, and cause FAST Personnel to be knowledgeable of and to comply with, all policies, practices and procedures established by the Province with respect to safety, security, conduct, behaviour and other matters in and around the Province premises and Province Personnel, and with respect to the use of the Province Systems, and which are communicated in writing by the Province to FAST from time to time, including the Standards of Conduct and the CPPM. FAST will, upon request by the Province, remove any FAST Personnel who fails to comply with the Province's policies, practices and procedures or who acts in an unprofessional manner as determined by the Province, in its discretion.

#### **4.11 Removal**

If the Province, in its discretion, decides that such a request would be in the interest of the Project, the Province may, from time to time, acting reasonably, request that FAST remove any FAST Personnel from the Project Team. Upon receiving such a request, FAST will immediately remove such FAST Personnel, use its best efforts to provide a temporary replacement therefor within ten (10) Business Days from receipt of the request, and use its best efforts to permanently replace such FAST Personnel within thirty (30) days from receipt of the request, and FAST will submit to the Province, for written approval by the Province, the proposed replacement person. Either party may escalate any such request by the Province for discussion purposes through the Governance Process.

#### **4.12 FAST Responsibility**

- (a) FAST will be responsible for the management and supervision of, and for the acts, omissions and performance of, and claims and losses caused by, FAST Personnel. FAST will ensure that all FAST Personnel:



- (i) possess a degree of skill and experience appropriate to the tasks to which they are assigned,
  - (ii) receive appropriate training (including quality training courses, refresher courses and retraining programs) for the performance of the Services and compliance with the confidentiality provisions and privacy obligations set forth in Article 12 and in Schedule "F" of this Agreement,
  - (iii) perform the Services in accordance with FAST's obligations and to the standards set out in this Agreement, and
  - (iv) strictly comply with the privacy, security and confidentiality provisions set forth in Article 12, Schedule "F" and Schedule "G".
- (b) FAST will use every reasonable effort to ensure that FAST Personnel will remain assigned to the Project for the Term or for such other period as may be judged necessary by the Project Steering Committee.

#### **4.13 Province Project Director**

The Province, by notice to FAST, will appoint a person as the Province Project Director in connection with this Agreement. The Province Project Director is authorized to act for and bind the Province in all matters pertaining to this Agreement, except for amendments, which must be signed by an authorized signatory of the Province. The Province, by notice to FAST, may revoke any appointment made under this section 4.13 and appoint another person as the Province Project Director.

#### **4.14 Province Personnel Availability**

The Province will use reasonable efforts to ensure that appropriate Province Personnel are available as required to facilitate or enable FAST's performance under this Agreement, but the Province will not be in default of any of its obligations under this Agreement if, in the Province's discretion, it is necessary to reallocate any Province Personnel to other business functions of the Province, provided that if a reallocation of Province Personnel is likely to have a material impact on the delivery of any Services or Deliverables, then the provision of Article 5 will apply as if a Change was being proposed by the Province.

#### **4.15 Province Personnel Issues**

If FAST is experiencing problems with any Province Personnel, then FAST may review those problems with the Province Project Director, escalate those problems for discussion purposes through the Governance Process or both.

### **ARTICLE 5 CHANGE ORDER PROCESS**

#### **5.1 Change Order Process**

A Change will be approved in accordance with the process described as follows (the "**Change Order Process**");

- (a) the Province may propose a Change by delivering to FAST a written request signed by the Province Project Director specifying the requested Change and referencing the relevant portions of the Agreement that are proposed to be amended;
- (b) upon receipt of a written request pursuant to subsection (a) above, FAST will, within five (5) Business Days, submit to the Province for its review a good faith estimate of the effort required to complete the Change Order;
- (c) the estimate referred to in subsection (b) above will be limited to those adjustments that FAST will reasonably require to implement the requested Change, will be in a format approved by the Province, and will contain:
  - (i) a detailed description of the proposed Change, including, as necessary, any changes or additions to the Services and Deliverables,
  - (ii) the change, if any, to the applicable delivery dates for any Services and Deliverables,
  - (iii) the change, if any, to the amounts to be paid under the Agreement as a result of the proposed Change along with any supporting information that the Province may request to substantiate the proposed Change,
  - (iv) the change, if any, to the terms of this Agreement, and
  - (v) any other information relevant related to this Agreement or the affected Services or Deliverables that may be impacted by the Change;
- (d) FAST may propose a change in the Services and in any one or more portions of the Project Plans by delivering a written request meeting the requirements of subsection (c) above to the Province Project Director, and the Province will evaluate and respond to FAST with respect to the proposed Change Order on or before the fifth (5) Business Day after its receipt of the written request;
- (e) a proposed Change Order that appears likely to have a significant impact upon the scope of Services, schedule or budget will be referred to the Project Steering Committee for review and to the Project Sponsor for approval;
- (f) upon written execution of a proposed Change Order by duly authorized representatives of the parties, the proposed Change Order will become effective as a Change Order and the portions or provisions of this Agreement affected by the Change Order will be deemed to be amended to incorporate such change or changes in accordance with the Change Order; and
- (g) if a proposed Change Order delivered by FAST is unacceptable to the Province, the Province will so notify FAST within ten (10) Business Days following its receipt of the proposed Change Order and submit the matter to be resolved through the Governance Process.

## **5.2 Change to Increase Fees under the Agreement**

FAST acknowledges that:

- (a) if a proposed Change Order will result in the Province becoming obligated to pay FAST an amount that exceeds the maximum fees payable as set out in Schedule "E", then the Province must seek and obtain any necessary government financial approvals before it can approve and execute the proposed Change Order and subsequent amendment to this Agreement; and
- (b) the inability of the Province to obtain approval to increase the maximum fees payable does not constitute an Event of Default under this Agreement.

## **5.3 Records of Changes**

The Province Project Director will maintain an accurate and complete record of all Change Orders and will number and log all Change Orders in a "Change Control Log" as outlined in the Ministry of Finance's change control procedures.

## **5.4 Change Order Dispute**

Any disagreement between the parties with respect to the impact of a proposed Change, including any change to the fees payable under this Agreement, will be resolved in accordance with the dispute resolution process set out in Article 20.

# **ARTICLE 6 ACCEPTANCE CRITERIA**

## **6.1 Acceptance Criteria**

The Acceptance Criteria for each of the Deliverables is set out in the Project Plans. At any time prior to Acceptance of a Deliverable, either party may propose a change to the Acceptance Criteria for that Deliverable using the Change Order Process set out in Article 5.

## **6.2 Principles Governing Acceptance Criteria**

The parties agree that the following principles govern the definition of the Acceptance Criteria for the Project:

- (a) a Deliverable meets the fitness for use criteria if it serves its intended purpose;
- (b) a Deliverable meets the reflection of program area business and technical requirements criteria if it captures the stated needs of the program area within the Project scope in an Accurate, Complete and Consistent manner,
  - (i) "**Accurate**" means the business requirements identified in accord with the agreed Project schedule, as expressed by the program area, have been captured as stated,

- (ii) **"Complete"** means the business requirements, requirements identified in accord with the agreed Project schedule as expressed by the program area, have been included in the document, and
- (iii) **"Consistent"** means the business and technical requirements are documented to the pre-defined level of detail and the information is non-contradictory; and
- (c) subject to section 3.3, the Province and FAST agree to the use of the FAST methodology for the production of all Deliverables and their implementation into the Software.

### 6.3 Collaborative Process

- (a) The parties acknowledge that the Acceptance Testing processes set out in this Article will be facilitated by ongoing consultation between the parties and visibility of interim and intermediate Deliverables. In general, the parties will seek to collaborate to the extent practicable in the productions of the Deliverables, both to maximize the quality of the Deliverables and to facilitate subsequent Acceptance of the Deliverables by the Province. The Province will evaluate intermediate Deliverables and identify any perceived Defects in respect of the same.
- (b) Prior to delivery of any Notice of Readiness, FAST will take all steps reasonably required to satisfy itself that the Deliverables conform to and perform in accordance with their Acceptance Criteria and are ready for the Province to conduct Acceptance Tests.
- (c) Where prior to a Notice of Readiness being provided by FAST to the Province in respect of a Deliverable either party identifies any perceived Defects with respect to such Deliverable that it reasonably believes would individually or collectively cause such Deliverable not to be accepted, it will notify the other party and may escalate such matter through the Governance Process. While any such matter with respect to such Deliverable is being addressed by the parties in the Governance Process, FAST will not be permitted to deliver such Deliverable to the Province for Acceptance Testing unless otherwise agreed by the Province.

### 6.4 Acceptance Testing

- (a) Subject to section 6.3, when FAST is satisfied that a Deliverable is complete and ready for Acceptance, FAST will provide the Deliverable to the Province along with a Notice of Readiness. After receipt of the Notice of Readiness by the Province, FAST will, to the extent applicable, provide all implementation, installation, training and other Services set out in this Agreement or otherwise reasonably required to enable the Province to conduct Acceptance Testing of each Deliverable in accordance with this Agreement.
- (b) Upon receipt of a Notice of Readiness, the Province will be entitled to conduct Acceptance Testing of the Deliverable. Such Acceptance Testing may include, at the Province's option and to the extent applicable: (i) if the Deliverable is a Deliverable that is not in a paper form, the operation of such Deliverable in a live production or commercial environment (including the integration and operation of



such Deliverable in a live production or commercial environment with the systems of the Province); and (ii) any other testing or reviews (which may, for greater certainty, include testing by any of the Province's contractors) that the Province, in its discretion, requires to determine whether the Deliverable conforms to the Acceptance Criteria for such Deliverable. Upon request by the Province, FAST will collaborate with and assist the Province in respect of its Acceptance Testing of a Deliverable.

- (c) The Acceptance by the Province of any Deliverable that is not in a paper form is without prejudice to the right of the Province to conduct cumulative Acceptance Tests for one or more Deliverables that are not in a paper form as a functioning whole in order to determine whether all such Deliverables conform to their Acceptance Criteria.

## **6.5 Failure to Pass Acceptance Testing**

- (a) If all or any part of any Deliverable fails to pass Acceptance Testing, the Province will deliver to FAST a failure notice, which will include a description of the reasons for the failure to pass Acceptance Testing (a "**Failure Notice**"). The Province will make reasonable efforts to communicate any Defects that it identifies to FAST in advance of delivery of a Failure Notice.
- (b) Upon receipt for a Failure Notice, FAST will:
  - (i) promptly conduct a root cause analysis to determine the cause of the Defects identified by the Province in the Failure Notice and prepare and provide to the Province for the Province's approval an action item repair plan for correcting such Defects within five (5) Business Days (or such longer period as the parties may agree) following receipt by FAST of the Failure Notice; and
  - (ii) upon written approval of such repair plan by the Province, promptly thereafter begin making the necessary corrections and will engage in all activities required to correct the Defects in the Deliverable in accordance with such repair plan no later than three (3) Business Days (or such longer period as the parties may agree) following receipt by FAST of the Province's written approval of such repair plan.
- (c) Upon the completion by FAST of the activities described in subsection (b) above and acceptance by the Province of the new Notice of Readiness, the Province will be entitled to resume Acceptance Testing in accordance with section 6.4. The provisions of section 6.4 and this section 6.5 will apply to any such additional Acceptance Testing.

## **6.6 Acceptance**

Acceptance of a Deliverable will occur only upon the delivery by the Province to FAST of a Notice of Acceptance signed by the Province Project Director for such Deliverable.

## **ARTICLE 7 FEES AND PAYMENT**

### **7.1 Fees and Expenses**

If FAST complies with this Agreement, the Province will pay to FAST the Fees and expenses in accordance with Schedule "E".

### **7.2 Payment on Acceptance**

The Province will not be obligated to pay any Fees applicable to a Deliverable or for Services in connection with the creation, delivery or testing of a Deliverable until that Deliverable has been accepted by the Province in accordance with Article 6.

### **7.3 Invoices**

In order to obtain payment of any Fees and expenses, FAST must submit to the Province a written invoice in a form satisfactory to the Province, as described in Schedule "E". The payment of any invoice by the Province will not be deemed to constitute approval or acceptance of such invoice, and no such payment will preclude the Province from disputing any amount set forth in an invoice at any later date in accordance with the dispute resolution process set out in Article 20.

### **7.4 Payments Due**

Subject to the Holdback Amount, the Province will pay to FAST the Fees and expenses within sixty (60) days after receipt by the Province of an invoice delivered by FAST in accordance with section 7.3.

### **7.5 Interest on Overdue Payments**

Interest on any overdue payments will be payable in accordance with the *Interest on Overdue Accounts Payable Regulation*, B.C. Reg. 215/83, as amended.

### **7.6 Appropriation**

Notwithstanding any other provision of this Agreement, the payment of money by the Province to FAST pursuant to this Agreement is subject to:

- (a) there being sufficient monies available in an appropriation, as defined in the FAA, to enable the Province, in any fiscal year or part thereof when any payment of money by the Province to FAST falls due pursuant to this Agreement, to make that payment; and
- (b) Treasury Board, as defined in the FAA, has not controlled or limited, pursuant to the FAA, expenditure under any appropriation referred to in subsection 7.6(a).

### **7.7 Prohibition against committing money**

Without limiting any other provision of this Agreement, FAST must not, in relation to performing its 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.

#### **7.8 Refunds of Taxes**

FAST will:

- (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 FAST as a result of this Agreement that the Province has paid or reimbursed to FAST or agreed to pay or reimburse to FAST under this Agreement; and
- (b) immediately on receiving, or being credited with, any amount applied for under subsection 7.8(a), remit that amount to the Province.

### **ARTICLE 8 RECORDS, REPORTING AND AUDITS**

#### **8.1 Records and Books of Account**

FAST will establish and maintain books of account, including supporting documentation relating to the Services and Deliverables, in form and content satisfactory to the Province.

Unless otherwise specified in this Agreement, FAST must maintain such document for a period of not less than seven years after this Agreement ends.

#### **8.2 Reports**

Unless the parties otherwise specify in a Project Plan, during the Term, the FAST Project Director will deliver a written progress report to the Province Project Director not less frequently than bi-weekly and the report will be in sufficient detail to enable the Province to assess and identify:

- (a) progress on the completion of the Deliverables relative to their respective delivery dates;
- (b) the results of any completed Acceptance Testing of the Deliverables in relation to the applicable Acceptance Criteria; and
- (c) any issue that is likely to cause a Change to a Deliverable or to its associated delivery date.

#### **8.3 Inspection**

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 FAST, enter on FAST's premises to inspect and, at the Province's discretion, copy any of the Material and FAST must permit, and provide reasonable assistance to, the exercise by the Province of the Province's rights under this section.

#### **8.4 Audit**

The Province may appoint an internal or external auditor having qualifications suitable to the subject matter to be audited to conduct an audit of any matter relating to this Agreement, including without limitation:

- (a) any matter related to the Services, including
  - (i) FAST's compliance with applicable law, Province Policies and privacy and security processes,
  - (ii) FAST's general controls, practices and procedures in connection with the Services, and
  - (iii) the completeness and accuracy of reports, data and any other documentation or material provided by FAST to the Province;
- (b) books of account and supporting documentation referred to in section 8.1; and
- (c) operational and other audits as may be requested or otherwise required to be undertaken under the FAA or any other applicable law regarding any aspect of this Agreement.

#### **8.5 Costs**

Subject to section 8.6, each party will bear its own costs in connection with an audit or inspection under this Article 8, including in the case of FAST the cost of the time and effort of FAST and FAST Personnel to comply with any requests or requirements of the auditor or inspector.

#### **8.6 Conduct of Parties**

In connection with any audit or inspection conducted under this Article 8:

- (a) the Province will cause all such audits and inspections to be performed during FAST's normal business hours, and unless the Province reasonably believes FAST to be in breach of this Agreement, upon reasonable prior notice to FAST;
- (b) the Province will, and will require its auditors and inspectors to:
  - (i) use reasonable efforts not to hinder or interfere with the performance of the Services by FAST, and
  - (ii) comply with security and other similar policies of FAST, including signing a non-disclosure agreement if requested by FAST and if the signing of such non-disclosure agreement is not incompatible with, or in contravention of, any statutory professional or other obligations or standards by which such auditors and inspectors may be bound, while at FAST's premises, provided that the Province has been provided with reasonable prior notice of such policies and that such policies do not unduly hinder or interfere with the conduct of the audit or inspection;

- (c) FAST will, and will cause FAST Personnel to:
  - (i) cooperate with the Province's auditors and inspectors, and
  - (ii) make available, upon request by the Province or its auditors or inspectors, on a timely basis, FAST Personnel and any records, books of account and supporting documentation relevant to the audit or investigation.

## **8.7 Deficiencies**

If an audit or investigation under this Article 8 reveals a material deficiency, as determined by the Province in its discretion, FAST will remedy such deficiency in a manner and within a time period satisfactory to the Province, acting reasonably.

## **ARTICLE 9 SPECIFIC WARRANTIES**

### **9.1 Services Warranty**

FAST represents and warrants to the Province that FAST will perform the Services in a good and proficient manner to the same reasonable standards of professional skill and competence generally applicable to generally recognized providers of services of the same type as the Services.

### **9.2 Warranty on Software, Province Material and FAST Material**

Subject to the provisions of section 9.3 and notwithstanding the expiration of the Term, FAST will use every reasonable effort to ensure that, during the Warranty Period, the Software, New Material and FAST Material will be of merchantable quality and free of defects in labour and materials and FAST will, at its cost, during the Warranty Period:

- (a) promptly remedy any defect or error in the development or installation of the Software, New Material and FAST Material; and
- (b) monitor and assess the effectiveness of the Software in connection with the Province Systems and advise the Province of any matters required to be addressed in order to effectively support the Software.

### **9.3 Notice to Remedy Defects**

The Province will give reasonable notice to FAST of any matter under section 9.2 and if such notice is given, then FAST will, at its cost, promptly remedy or cure such failure or defect.

### **9.4 Additional Resources to Remedy Defects**

FAST will, if required during the Warranty Period, supply or furnish such resources as may be reasonably necessary to remedy or rectify any material defect or failure in a Deliverable.



#### **9.5 Warranty Void if Negligence or Misuse**

The provisions of section 9.2 will not apply to damages or defects attributable to negligence or misuse by the Province of the Software, Province Material and FAST Material or to the maintenance or modification of the Software, Province Material or FAST Material not in conformity with standards recommended by FAST.

#### **9.6 Further Warranties**

FAST represents and warrants that:

- (a) the Software Deliverables delivered to the Province will be virus checked before delivery to the Province using the latest version of a virus checker;
- (b) the Deliverables or any part of them, developed, produced or provided to the Province by FAST under this Agreement will be original works unless previously authorized by the Province and will not infringe on any Canadian or United States patent, copyright, trademark or other proprietary right of any person.

#### **9.7 Documentation**

The Documentation as initially delivered to the Province under this Agreement describes, and any future versions of such Documentation required to be delivered during the Term of this Agreement will continue to describe, fully and correctly the use and operation of the Deliverables to which such Documentation relates determined at the time of Acceptance of such Deliverable subject to any Documentation updates or changes contemplated in this Agreement. If, during the Warranty Period, there is a breach by FAST of the warranty set out in this section 9.7, FAST will replace any affected non-conforming Documentation delivered under this Agreement with Documentation that complies with the warranty set out in this section 9.7, free of any additional fee, charge or cost to the Province.

### **ARTICLE 10 REPRESENTATIONS, WARRANTIES AND COVENANTS**

#### **10.1 FAST Representations and Warranties**

FAST represents and warrants to and covenants with the Province that:

- (a) it is incorporated under the laws of British Columbia, and is and throughout the Term will remain a corporation duly organized and validly existing;
- (b) it is in good standing according to the laws of British Columbia;
- (c) it has the power and capacity to enter into this Agreement and to observe, perform and comply with the terms of this Agreement;
- (d) this Agreement has been duly authorized by all necessary corporate action of FAST and this Agreement constitutes a valid, subsisting and legally binding

obligation upon FAST that is enforceable against FAST in accordance with its terms;

- (e) with the exception of any information provided by the Province and which is incorporated into FAST's documents, all information, statements, documents and reports furnished or submitted by FAST to the Province in connection with this Agreement, including FAST's response to the Request For Qualification, are true and correct to the best of FAST's knowledge;
- (f) it has no knowledge of any fact that materially adversely affects or, so far as it can foresee, might materially adversely affect its properties, assets, condition (financial or otherwise), business or operations or its ability to fulfill its obligations under this Agreement;
- (g) the observance and performance of the terms and conditions of this Agreement will not constitute a breach by it of or a default by it under
  - (i) any statute, bylaw or regulation of British Columbia or Canada applicable to or binding upon it,
  - (ii) its constituting documents, or
  - (iii) any contract or agreement to which it is a party;
- (h) it is not a party to and has no knowledge of any legal claims against it that would materially affect its undertaking or financial condition;
- (i) it has filed all tax, corporate information and other returns required to be filed by the laws of British Columbia and Canada and has complied with all workers compensation legislation and other similar legislation to which it may be subject and has paid all taxes, fees and assessments calculated to be due by it under those laws as of the date of this Agreement;
- (j) it is not in breach of any statute, regulation or bylaw applicable to it or its operations;
- (k) it holds and will maintain throughout the Term all permits, licenses, consents and authorizations issued by any federal, provincial, regional or municipal government, or an agency of any of them, that are necessary in connection with its operations and the performance of its obligations under this Agreement;
- (l) it has no knowledge of any untrue or incorrect representation or assurance, whether verbal or written, given by it or its directors or officers to the Province in connection with this Agreement;
- (m) it possesses, and FAST Personnel possess, the necessary skills, expertise and experience to carry out and complete the Services and Deliverables in accordance with the terms of this Agreement;
- (n) it has and will maintain throughout the Term sufficient trained staff, facilities, materials, appropriate equipment and approved subcontractual agreements, if

any, in place and available to enable it to fully perform its obligations under this Agreement;

- (o) it has obtained and will maintain throughout the Term all necessary arrangements and licenses with third parties to ensure that FAST can fully perform its obligations under this Agreement; and
- (p) it has sufficient rights to grant to the Province the licenses described in Article 11, and that such grant of licenses does not and will not infringe upon the intellectual property rights of any third party.

## **10.2 Specific Covenants**

FAST will:

- (a) except as expressly otherwise agreed herein, supply all labour, materials and approvals necessary or advisable to provide the Services and Deliverables at its own expense;
- (b) comply with all applicable municipal, provincial and federal laws in the performance of its obligations under this Agreement;
- (c) without limiting the generality of subsection 10.2(b), in accordance with the *Workers Compensation Act*,
  - (i) be registered with the Workers' Compensation Board ("**WCB**"),
  - (ii) ensure that any Approved Subcontractors are registered with the WCB,
  - (iii) maintain WCB coverage for the duration of this Agreement, and
  - (iv) submit to the Province a WCB clearance letter indicating that all WCB assessments have been paid, prior to receiving any payment under this Agreement; and
- (d) ensure that all persons employed or retained by it in connection with the provision of the Services are adequately trained, fully instructed and supervised.

## **10.3 Reliance by Province**

All representations, warranties and covenants made or provided by FAST under this Agreement are material and will conclusively be deemed to have been relied upon by the Province, notwithstanding any prior or subsequent investigation by the Province.

## **10.4 Province Representations and Warranties**

The Province represents and warrants to and covenants with FAST that:

- (a) it has the power and capacity to enter into this Agreement and to observe, perform and comply with the terms of this Agreement;



- (b) this Agreement has been duly authorized by all necessary action of the Province and this Agreement constitutes a valid, subsisting and legally binding obligation upon the Province that is enforceable against the Province in accordance with its terms;
- (c) the observance and performance of the terms and conditions of this Agreement will not constitute a breach of any statute or regulation of British Columbia or Canada by which it may be bound;
- (d) with the exception of any information provided by FAST and which is incorporated into Province's documents, all information, statements and documents furnished by the Province to FAST in connection with this Agreement, are true and correct to the best of the Province's knowledge;
- (e) it has no knowledge of any fact that materially adversely affects or, so far as it can foresee, might materially adversely affect its ability to fulfill its obligations under this Agreement;
- (f) the observance and performance of the terms and conditions of this Agreement will not constitute a breach by it of or a default by it under any contract or agreement to which it is a party; and
- (g) it has no knowledge of any untrue or incorrect representation or assurance, whether verbal or written, given by its employees or agents to FAST in connection with this Agreement.

#### **10.5 Reliance by FAST**

All representations, warranties and covenants made or provided by the Province under this Agreement are material and will conclusively be deemed to have been relied upon by FAST, notwithstanding any prior or subsequent investigation by FAST.

### **ARTICLE 11 INTELLECTUAL PROPERTY**

#### **11.1 Confirmation of License and Ownership**

FAST hereby confirms on its own behalf and on behalf of FAST Enterprises, LLC:

- (a) the Province's perpetual, irrevocable, fully paid, royalty free, non-exclusive license to use, modify, reproduce and distribute the Software as it exists as of the date of execution of this Agreement up to and including version 9 for the business purposes of the Province;
- (b) the right to sublicense to the Province's contractors and subcontractors all such rights for the sole purpose of allowing such contractors and subcontractors to assist the Province in the exercise of the rights granted to it in subsection 11.1(a); and
- (c) that the Province has all right, title and interest in and to any interfaces (including

source codes), documentation and other material that was created pursuant to the Services Agreement and the Statement of Work, except for any Fast Material as defined in the Services Agreement.

## 11.2 License for Subsequent Versions

During the Term of this Agreement, if any new version of the Software is created and provided to the Province, effective upon the date of provision of such new version of the Software to the Province, FAST hereby grants to the Province on its own behalf and on behalf of FAST Enterprises, LLC:

- (a) a perpetual, irrevocable, fully paid, royalty free, non-exclusive license to use, reproduce and distribute such version of the Software for the business purposes of the Province; and
- (b) the right to sublicense to the Province's contractors and subcontractors all such rights for the sole purpose of allowing such contractors and subcontractors to assist the Province in the exercise of the rights granted to it in subsection 11.2(a).

## 11.3 Materials

FAST will, upon the request of the Province, fully inform the Province of the work done and to be done by FAST or an Approved Subcontractor in connection with the provision of the Services and will, subject to section 11.3, permit the Province at all reasonable times to inspect, examine, and review any and all Deliverables, findings, data, specifications, drawings, working papers, reports, documents, software, code, and other programming documentation whether written or readable by machine, and other material, whether complete or otherwise, that, as a result of this Agreement, have been:

- (a) produced by FAST or an Approved Subcontractor for the sole use of the Province (the "**New Material**");
- (b) provided by FAST or an Approved Subcontractor to the Province, or incorporated or embedded by FAST or an Approved Subcontractor in the New Material, and that were
  - (i) pre-existing materials at the time of execution of this Agreement,
  - (ii) developed independently of this Agreement, or
  - (iii) produced by FAST or an Approved Subcontractor for the use of multiple FAST clients(collectively the "**FAST Material**"); and
- (c) provided by, or on behalf of, the Province to FAST (the "**Province Material**").

## 11.4 Exclusions

For the purposes of this Agreement, the Material will not include general knowledge of matters. Notwithstanding section 11.3, the Province will not have the right to inspect,

examine, review or otherwise have access to FAST Material created for the use of multiple FAST clients.

#### **11.5 Delivery**

FAST will deliver to the Province:

- (a) upon the Province's request or immediately following the expiration or sooner termination of this Agreement, the Province Material; and
- (b) the Material, in accordance with the delivery dates indicated in the Project Plans or as may be otherwise requested by the Province following the completion of each major Deliverable or at the end of each Rollout.

Notwithstanding the foregoing, FAST will ensure that all Material is provided to the Province within ten (10) Business Days following the completion of any of the Phases of the Project or immediately following the expiration or sooner termination of this Agreement, whichever is sooner.

#### **11.6 Vesting of Rights in Material**

The Province is the exclusive owner of all property rights, including copyright, in the Province Material and New Material, and at the request of the Province, FAST will provide documents satisfactory to the Province:

- (a) confirming the vesting of ownership and copyright in the New Material (except for any FAST Material) to the Province; and
- (b) waiving in the Province's favour any moral rights which FAST Personnel may have in the New Material.

#### **11.7 Reservation of Rights**

Any rights of the Province not expressly granted to FAST by the Province pursuant to this Agreement will remain with the Province.

#### **11.8 Ownership of FAST Material**

The Province acknowledges and agrees that FAST is the exclusive owner of all property rights, including copyright, in the FAST Material or has all necessary rights, licenses, permissions, or authorizations to grant to the Province the licenses described in sections 11.2 and 11.9 of this Agreement.

#### **11.9 License to Use FAST Material**

FAST hereby grants to the Province:

- (a) a non-exclusive, perpetual, irrevocable, royalty-free, fully paid, worldwide license to use, reproduce, modify and distribute any of the FAST Material contained in the New Material, for so long as the FAST Material remains embedded in the New Material; and

- (b) the right to sublicense to the Province's contractors and subcontractors all such rights for the sole purpose of allowing such contractors and subcontractors to assist the Province in the exercise of the rights granted to it in subsection 11.9(a).

#### **11.10 License to Use New Material**

The Province hereby grant to FAST a non-exclusive, perpetual, irrevocable, royalty-free, fully paid, worldwide license to use, reproduce, modify and distribute the New Material, excluding any Province Material incorporated or embedded in the New Material, as long as such New Material is used in connection with the Software.

### **ARTICLE 12 CONFIDENTIALITY, PRIVACY AND SECURITY**

#### **12.1 Confidentiality**

Subject to section 12.2, the Receiving Party will maintain the Confidential Information disclosed to it by the Disclosing Party in confidence, and will not, without the prior written consent of the Disclosing Party, publish, release or disclose or permit to be published, released or disclosed either before or after the expiration or sooner termination of this Agreement, the Confidential Information except where:

- (a) the information is, at the time of the disclosure by the Disclosing Party to the Receiving Party, publicly available, or subsequently becomes publicly available through no act or omission of the Receiving Party;
- (b) the information is lawfully and in good faith obtained by the Receiving Party from an independent third party without breach of this Agreement, as shown by documentation establishing the third party as a source of the information, and not obtained by the third party from the Disclosing Party;
- (c) the Receiving Party can establish, by written record or other tangible evidence, that the information was in its possession prior to disclosure of that information by the Disclosing Party to the Receiving Party;
- (d) the information is independently developed by the Receiving Party without reference to the Confidential Information; or
- (e) the publication, release or disclosure is required by law including, without limitation, the *Freedom of Information and Protection of Privacy Act*, provided that the Receiving Party provides prompt notification to the Disclosing Party of such required publication, release or disclosure.

## **12.2 Identification of Confidential Information**

If the Disclosing Party desires that the information provided to the Receiving Party under the Agreement be held in confidence and be qualified as Confidential Information, the Disclosing Party will:

- (a) identify the information by labeling it as "Confidential" or "Proprietary" with respect to any written or tangible form; and
- (b) clearly notify the Receiving Party, prior to disclosing the information orally, that the information about to be disclosed by the Disclosing Party is Confidential Information of the Disclosing Party.

For greater certainty, the parties agree that the Software is Confidential Information.

## **12.3 Protection of Confidential Information**

The Receiving Party will:

- (a) not disclose the Confidential Information in any manner whatsoever in whole or in part, except that the Receiving Party may disclose such Confidential Information to its employees who have a need to know, and any other party with the Disclosing Party's prior written consent. Before disclosure to any other party other than the employees of the Receiving Party who have a need to know, the Receiving Party will have a written agreement with that party sufficient to require that party to treat the Confidential Information in accordance with this Agreement; and
- (b) be responsible for maintaining the security and confidentiality of the Confidential Information using the same standard of care that it uses for its own confidential information.

## **12.4 Privacy and Security Obligations and Point of Contact**

FAST will comply, and will ensure that FAST Personnel comply with Schedule "F" and Schedule "G" attached to this Agreement. FAST will provide in writing to the Province contact information for a FAST Personnel who will be the point of contact for any matters in connection with FAST's and any subcontractors' compliance with Schedules "F" and "G". If there is any change to the point of contact designated by FAST pursuant to this section, FAST will notify the Province of such change in writing and will designate a new point of contact for the matters contemplated in this section.



## **ARTICLE 13 SUBCONTRACTING**

### **13.1 Subcontracting**

FAST will not, without the prior written approval of the Province, subcontract any of FAST's obligations under this Agreement to any person, other than to persons listed in Schedule "D".

### **13.2 Province Approval**

If FAST wishes to retain any subcontractor in the performance or delivery of any Services or Deliverables, FAST will submit a written request to the Province specifying the Services or Deliverables for which approval of such subcontractor is sought. FAST will provide the Province with such information regarding the proposed subcontractor as may be requested by the Province. The Province may approve and add to Schedule "D" or reject any proposed subcontractor, acting reasonably. The approval by the Province of a proposed subcontractor will pertain only to the retainment of such subcontractor for the specific Services or Deliverables described in FAST's request for the Province's approval.

### **13.3 Responsibility for Subcontractors**

No subcontract, whether approved by the Province or not, will relieve FAST of any of its obligations under this Agreement or impose any obligation or liability upon the Province in relation to any such subcontractor. Without limiting the general nature of the foregoing, FAST will be solely responsible for all fees, charges, expenses and other amounts payable to its subcontractors and will be fully liable for all actions and omissions of its subcontractors.

### **13.4 Subcontract Terms**

FAST will ensure that any subcontractor retained by it fully complies with this Agreement in performing the subcontracted obligations. Without limiting the general nature of the foregoing, FAST will ensure that no subcontract includes any term or provision that is inconsistent with, or contrary to, the terms and conditions of this Agreement.

## **ARTICLE 14 ASSIGNMENT**

### **14.1 Assignment by the Province**

The Province may assign at any time, in its discretion, and without the consent of FAST but upon reasonable prior written notice, this Agreement or any of its rights or obligations under this Agreement to any 'government body' as defined in the FAA.

### **14.2 Assignment by FAST**

FAST will not assign, either directly or indirectly, this Agreement or any of its rights or

obligations under this Agreement, without the prior written consent of the Province, which consent may be given or withheld by the Province in its discretion.

## **ARTICLE 15 LEGAL RELATIONSHIP**

### **15.1 Independent Contractor**

FAST is an independent contractor and not the servant, employee, partner or agent of the Province.

### **15.2 No Partnership**

No partnership, joint venture or agency will be created or will be deemed to be created by this Agreement or any action of the parties under this Agreement.

### **15.3 No Authority**

FAST does not have any authority to, and will not, in any manner whatsoever, commit or purport to commit the Province to any obligation or liability of any kind whatsoever, including the payment of any money to any person.

## **ARTICLE 16 INDEMNITY AND LIABILITY**

### **16.1 Indemnity**

FAST 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 FAST or by any of FAST's agents, employees, officers, directors or subcontractors in connection with this Agreement (each a "**Loss**"), excepting always liability arising out of the independent acts or omissions of the Province and the Province's employees and agents.

### **16.2 Province to Notify Contractor of Loss**

To claim indemnification for a Loss pursuant to section 16.1, the Province must notify FAST in writing of the Loss as soon as reasonably practicable after the Province becomes aware of the Loss provided that a failure by the Province to provide such notification will not invalidate the claim unless FAST is materially prejudiced by that failure.

### **16.3 Intellectual Property Infringement Claims**

If the Loss is on the basis of a third-party claim that any element of the Material infringes the intellectual property rights of any person:

- (a) then FAST must defend the Province against that claim at FAST's expense and FAST must pay all associated costs, damages and legal fees that a court or arbitrator finally awards or are included in a settlement agreed to by FAST; and
- (b) subject to the *Attorney General Act*, the Province must cooperate with FAST in the defence of the claim and allow FAST to appoint and instruct counsel and otherwise control the defence and any related settlement negotiations.

## **ARTICLE 17 INSURANCE**

### **17.1 Insurance**

FAST must, without limiting FAST's obligation or liabilities and at FAST'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 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 thirty (30) days advance written notice of cancellation or material change, and
  - (iii) include a cross liability clause; and
- (b) Professional Errors and Omissions Liability insuring the Contractor's liability resulting from errors or omissions in the performance of the Services in an amount per occurrence, and in the aggregate not less than \$2,000,000.

### **17.2 Insurance Requirements**

All insurance described in section 17.1 must:

- (a) be primary; and
- (b) not require the sharing of any loss by any insurer of the Province.

### **17.3 Evidence of Insurance**

FAST must provide the Province with evidence of all required insurance as follows:

- (a) within ten (10) Business Days of commencement of the Services, FAST 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, FAST must provide, within ten (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 subsection (a) or (b) above, if requested by the Province at any time, FAST must provide to the Province certified copies of the required insurance policies.

#### **17.4 Alternative Requirement**

Despite subsection 17.1(b) of this Agreement, if in the Province's sole discretion, the Province has approved in writing either a fronted self-insurance program or a duly licensed captive insurer as an alternative to the Professional Liability Insurance requirement set out in subsection 17.1(b), then FAST must maintain throughout the Term that alternative in accordance with the terms of the approval.

#### **17.5 Workers' Compensation**

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

#### **17.6 Personal Optional Protection**

FAST must apply for and maintain personal optional protection insurance (consisting of income replacement and medical care coverage) during the Term at FAST's expense if:

- (a) FAST 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 FAST from WorkSafeBC or other sources.

#### **17.7 Evidence of Coverage**

Within ten (10) Business Days of being requested to do so by the Province, FAST must provide the Province with evidence of FAST's compliance with sections 17.5 and 17.6.

## **ARTICLE 18 TERMINATION**

### **18.1 Events of Default**

Each of the following occurrences will be deemed to be an Event of Default for the purposes of this Agreement:

- (a) an Insolvency Event;
- (b) FAST fails to perform any of its obligations under this Agreement, or fails to perform such obligations in a manner satisfactory to the Province; or
- (c) any representation, warranty or covenant made by FAST in this Agreement is or becomes untrue or incorrect.

### **18.2 Termination for Default**

Upon the occurrence 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 FAST, 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 FAST, 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 subsection 18.2(a).

### **18.3 Delay Not a Waiver**

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.

### **18.4 Notice of Events of Default**

If FAST becomes aware that an Event of Default has occurred or is likely to occur, FAST must promptly notify the Province and supply to the Province particulars of the Event of Default or anticipated Event of Default, along with the steps FAST proposes to take to address, prevent, or prevent recurrence of, the Event of Default.

### **18.5 Termination Other than for Default**

In addition to the Province's right to terminate this Agreement under subsection 18.2(c) on the happening of an Event of Default, the Province may terminate this Agreement for any reason by giving at least thirty (30) days' written notice of termination to FAST.

#### **18.6 Completion of Services and Deliverables**

During the notice period provided for in subsection 18.2(a), subsection 18.2(c) or section 18.5, but subject to Article 19, FAST will complete the Services and Deliverables to the extent reasonably practicable and with the intent of concluding the Services and Deliverables to that extent by the end of the notice period to ensure a smooth transition of the Services and Deliverables to or as directed by the Province.

#### **18.7 Payment Consequences of Termination**

Unless Schedule "E" otherwise provides, if the Province terminates this Agreement under section 18.5:

- (a) the Province must, within thirty (30) days of such termination, pay to FAST any unpaid portion of the Fees described in Schedule "E" which corresponds with the portion of the Services that was completed to the Province's satisfaction before termination of this Agreement; and
- (b) FAST must, within thirty (30) days of such termination, repay to the Province any paid portion of the Fees described in Schedule "E" which corresponds with the portion of the Services that the Province has notified FAST in writing was not completed to the Province's satisfaction before termination of this Agreement.

#### **18.8 Discharge of Liability**

The payment by the Province of the amount described in subsection 18.7(a) discharges the Province from all liability to make payments due to FAST under this Agreement.

### **ARTICLE 19 TERMINATION SERVICES**

#### **19.1 Termination Assistance Period**

The period during which FAST is obligated to provide the Termination Services to the Province (the "**Termination Assistance Period**") will commence upon the expiry of the Term or upon the delivery by the Province of a notice of termination given in accordance with this Agreement and will end upon the earlier of the completion of the Termination Services or one year after the Termination Date.

#### **19.2 Termination Services**

During the Termination Assistance Period, FAST will provide the Province with the following services (collectively, the "**Termination Services**"):

- (a) cooperation with and assistance to the Province or its contractor in order to facilitate the transfer of the Terminated Services to the Province or its contractor, as designated by the Province, in an orderly, effective and efficient manner;
- (b) providing assistance and information requested by the Province in order to transition of the Terminated Services from FAST to the Province or its contractor,

and answering all reasonable questions from the Province or its contractor regarding the Terminated Services;

- (c) if the Province intends to engage a contractor to provide the Terminated Services, assisting the Province to describe the Terminated Services for the purposes of any competitive procurement process, bid specification or similar document in respect of the Terminated Services;
- (d) copies of:
  - (i) the Documentation in electronic format, hard copy or both, as may be requested by the Province including, without limitation, a current listing and copies of all documented operational processes and procedures relating to the provision of the Terminated Services as outlined in the Documentation, and
  - (ii) detailed lists and descriptions of all Terminated Services then being provided (including up-to-date process maps, workflow charts, artefacts, code for New Material and other available documentation), technical information and technical descriptive documentation, and documentation of current configurations, to the extent not already included in the Documentation;
- (e) assistance with the provision of mutually agreed training for those persons designated by the Province who will be assuming responsibility for the Terminated Services; and
- (f) such other matters as may be set out in sections 19.3, 19.4 and the Termination Assistance Plan.

The specific Termination Services to be provided by FAST, including the Terminated Services in respect of the foregoing, will be described more fully in the Termination Assistance Plan.

### **19.3 Termination Assistance Plan**

As part of the Terminated Services, FAST will develop and deliver a mutually agreed to termination assistance plan for the transition of the Terminated Services from FAST to the Province or its contractor, as directed by the Province, in the manner set forth in this Article 19 (the "**Termination Assistance Plan**"). The framework for the Termination Assistance Plan will be determined by the parties through the Governance Process. As part of the Termination Services, immediately upon the commencement of the Termination Assistance Period, FAST will, in consultation with the Province and such other persons as the Province may direct, commence in good faith and with all reasonable diligence to develop the complete Termination Assistance Plan based upon the agreed framework, and setting out in detail the specific tasks to be accomplished by each party, and a schedule pursuant to which the tasks are to be completed. The parties will monitor the performance of the Termination Services and the Termination Assistance Plan on a regular basis through the Governance Process. The parties agree to provide to each other reasonably sufficient information to create or update the Termination Assistance Plan as required in accordance with the terms of this Agreement. The parties will revise and update the Termination Assistance Plan from

time to time during the Termination Assistance Period.

#### **19.4 Provision of Terminated Services**

FAST will continue to provide the Terminated Services during the Termination Assistance Period unless the Province expressly requests the permanent or temporary discontinuation thereof (or a portion thereof). Any permanent or temporary discontinuation of the Terminated Services or any part thereof will be set out in the Termination Assistance Plan, or otherwise implemented through the Change Order Process. Article 4 will remain in effect during the Termination Assistance Period and FAST will use the Key Personnel in the performance of the Termination Assistance Services, and in the performance of any other Services provided by FAST during the Termination Assistance Period, unless and until any individual Key Personnel is removed in accordance with section 4.8 or 4.11.

#### **19.5 Charges for Termination Services**

FAST will provide the Termination Services at the hourly rates in accordance with a budget jointly prepared by the parties and forming part of the Termination Assistance Plan.

### **ARTICLE 20 GOVERNING LAW AND DISPUTE RESOLUTION**

#### **20.1 Governing Law**

This Agreement will be governed by, and will be interpreted and construed in accordance with, the laws applicable in British Columbia.

#### **20.2 Dispute Resolution**

Disputes arising under this Agreement will be referred to and finally resolved in accordance with the following procedure:

- (a) upon receipt of written notice from either party, the FAST Project Director and the Province Project Director will meet within seven (7) days of receipt of such notice and attempt to resolve the dispute described in the notice;
- (b) if the dispute is not resolved pursuant to subsection 20.2(a), then either party may refer the dispute for resolution to the Project Sponsor for the Province or to the Managing Partner for FAST. The Project Sponsor and the FAST Managing Partner will meet within seven (7) days of receipt of such referral and attempt to resolve the dispute; and
- (c) if the dispute is not resolved pursuant to subsection 20.2(b), then the dispute will be referred to and finally resolved by arbitration under the *Arbitration Act*, and the place of arbitration will be Victoria, British Columbia.

#### **20.3 Content of Notice**

A notice given under section 20.2 will identify the dispute and include a statement by the notifying party of its position in respect of the dispute. All notices, discussions and other



communications between the parties in respect of any dispute will be on a without prejudice basis and may not be used, referred to or introduced into evidence in any proceedings in respect of that dispute.

#### **20.4 Costs of Arbitration**

Unless the parties otherwise agree in writing, or the arbitrator otherwise orders, the parties will share equally the costs of an arbitration under subsection 20.2(c) other than those costs relating to the production of expert evidence or representation by counsel.

### **ARTICLE 21 NOTICE**

#### **21.1 Notice**

Any notice, communication or other document that either party may be required or may desire to give to the other under this Agreement will be in writing and conclusively deemed validly given to and received by the addressee if:

- (a) delivered personally or by recognized courier service, on the date of delivery;
- (b) mailed by prepaid registered mail, on the third business day after the mailing of the same in British Columbia;
- (c) sent by facsimile transmission, on the date the transmission is confirmed received through the transmission report,

addressed, as the case may be, to the Province at:

Ministry of Finance  
Information Management Branch  
2<sup>nd</sup> Floor, 1810 Blanshard Street  
Victoria, BC V8W 9J4  
Fax: (250) 356-1740

Attention: CIO & Executive Director, Information Management Branch

or to FAST at:

Fast Canadian Enterprises Ltd.  
185-911 Yates Street, Suite 205  
Victoria, BC V8V 4Y9  
Fax: (250) 418-1103

Attention: Dennis Manalo

With a copy to:

Megan Mooney  
800 Park Blvd. Suite 720  
Boise, ID 83712 USA  
Fax: (303) 773-4829.

## **21.2 Change of Address or Facsimile Number**

Either party may, from time to time, advise the other by notice in writing of any change of address or facsimile number of the party giving such notice and from and after the giving of such notice the address or facsimile number specified in the notice will, for the purposes of this Article 21, be conclusively deemed to be the address or facsimile number of the party giving such notice.

## **ARTICLE 22 FORCE MAJEURE**

### **22.1 Definition**

In this Agreement, "**Force Majeure**" means an event or circumstance that is beyond the reasonable control of a party and that prevents or delays that party in the performance or observance of any or all of its obligations under this Agreement, including but not limited to:

- (a) acts of God or natural disasters, including without limitation fire, flood, storm, earthquake;
- (b) outbreak of serious disease or epidemic, quarantines or other public health emergencies;
- (c) a war (declared and undeclared), insurrection or act of terrorism or piracy;
- (d) a strike (including illegal work stoppage or slowdown), labour dispute or lockout;
- (e) acts or omissions of governmental authorities, including but not limited to blockades or freight embargoes; or
- (f) failure, malfunction or unavailability of power, telecommunications, data communications, computer systems or software and related services,

but lack of financial capability and technological impossibility do not constitute Force Majeure and lack of labour, materials or utilities does not constitute Force Majeure unless such lack of labour, materials or utilities is caused by an event or circumstance that is itself Force Majeure.

### **22.2 Notice**

A party that is prevented or delayed by Force Majeure and that seeks relief under this Article 22 must give notice to the other party as soon as possible after the event or circumstance of Force Majeure is known to the first party, and in any event not later than

fifteen (15) days after the date when that event or circumstance is known to the first party. A party that has given notice of an event or circumstance of Force Majeure under this section 22.2 must promptly notify the other party of the cessation of the event or circumstance of Force Majeure.

#### **22.3 Mitigation**

Each party will exercise reasonable efforts to avoid or minimize any delay occasioned by an event or circumstance of Force Majeure.

#### **22.4 Resumption of Performance**

A party that is prevented or delayed in the performance of its obligations under this Agreement by an event or circumstance of Force Majeure will resume promptly its performance of such obligations after the cessation of the event or circumstance of Force Majeure.

#### **22.5 Exception**

Nothing in this Article 22 will excuse any default or failure to perform or comply under Article 11 or 12.

### **ARTICLE 23 MISCELLANEOUS**

#### **23.1 Waiver**

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, an authorized representative of the waiving party and is not a waiver of any other breach or term.

#### **23.2 Entire Agreement**

This Agreement (including any amendment to or alteration of it) constitutes the entire agreement between the parties and supersedes any other prior agreements, undertakings, declarations, commitments and understandings, whether written or oral, express or implied, statutory or otherwise between the parties with respect to the subject matter of this Agreement.

#### **23.3 Amendment**

Any alteration or amendment to the terms and conditions of this Agreement must be in writing and duly executed by both parties.

#### **23.4 Publicity and Communications**

FAST will not make any public announcement relating to this Agreement without the prior written approval of the Province or as required by law. Without restricting the generality of the foregoing, FAST will submit to the Province for its prior written approval all advertising, written sales promotion, press releases, public notices and all other publicity matters or materials relating to this Agreement, or in which the Province's name

mark, or logo is mentioned or language from which the connection of said name, mark or logo may be inferred or implied, and will not publish or use such advertising, written sales promotion, press releases, public notices or any other publicity matters or materials without prior consultation with and the written approval of the Province, such approval not to be unreasonably withheld. Notwithstanding the foregoing, FAST may include the Province's name and a factual description of the work performed under this Agreement only on employee bulletin boards, in internal business planning documents and whenever otherwise required by reason of legal, accounting or regulatory requirements.

#### **23.5 Survival**

All provisions of this Agreement in favour of either party and all rights and remedies of either party, either at law or in equity, will survive the expiration or sooner termination of this Agreement.

#### **23.6 Remedies**

The rights, powers and remedies of either party in this Agreement are cumulative and in addition to and not in substitution for any right, power or remedy that may be available to either party.

#### **23.7 Time**

Time is of the essence in this Agreement and, without limitation, will remain of the essence after any amendment, alteration or renewal of this Agreement, whether or not expressly restated in the document effecting the amendment, alteration or renewal.

#### **23.8 Binding Effect and Enurement**

This Agreement enures to the benefit of and is binding upon the Province and FAST and their respective successors and permitted assigns.

#### **23.9 No Permit or Fetter**

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

#### **23.10 Conflict of Interest**

FAST will not, during the Term, perform a service for or provide advice to any person, firm or corporation where the performance of the service or the provision of the advice may or does, in the reasonable opinion of the Province, conflict with FAST's obligations under this Agreement.

### 23.11 Severability

If any provision of this Agreement is determined to be invalid, illegal or unenforceable, in whole or in part, it will be severable from this Agreement and the remaining provisions will not be affected and will continue in full force and effect to the extent permitted by law.

### 23.12 Further Assurances

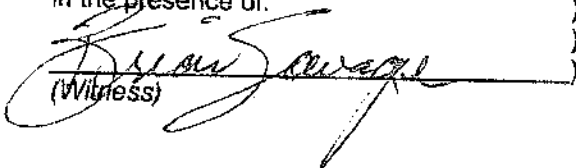
Each of the parties will, upon the reasonable request of the other, perform the acts, execute and deliver the writings, and give the assurances as may be reasonably necessary to give full effect to this Agreement.

### 23.13 Execution by Counterpart

This Agreement may be executed by the parties in any number of counterparts, each of which when so executed and delivered will be deemed to be an original and all of which together will constitute one and the same document. Delivery of an executed counterpart by facsimile transmission or by email with a scanned PDF attachment will be effective to the same extent as if such party had delivered a manually executed counterpart.

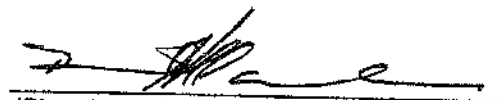
IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

SIGNED on behalf of Her Majesty the  
Queen in Right of the Province of  
British Columbia by a duly authorized  
representative of the  
Minister of Finance  
in the presence of:

  
(Witness)

  
For the Minister of Finance

SIGNED on behalf of  
**FAST CANADIAN ENTERPRISES LTD.**  
by its duly authorized signatory

  
(Signature of Authorized Signatory)  
**DENNIS MANALO**  
(Print Name of Authorized Signatory)



## **SCHEDULE "A"**

### **DEFINITIONS**

**"Acceptance"** means, with respect to any Services or Deliverables identified in the Project Plans as subject to Acceptance, the acceptance of such Services or Deliverables by the Province as being in material compliance with the applicable Acceptance Criteria as determined in accordance with the Acceptance Tests and pursuant to the process set out in Article 6.

**"Acceptance Criteria"** means, with respect to any Services or Deliverables identified in the Project Plans as subject to Acceptance, the specifications related thereto along with such other business, technical, operational, performance, functional and other criteria to be used in determining Acceptance for such Services or Deliverables, as documented and agreed by the parties in the Project Plans.

**"Acceptance Testing"** or **"Acceptance Tests"** means the procedure for determining Acceptance as set out in this Agreement.

**"Approved Subcontractors"** means a subcontractor of FAST listed in Schedule "D" and approved by the Province pursuant to section 13.2 and which consists of individuals acting on behalf of an Approved Subcontractor, including employees, consultants, individual independent contractors, officers, directors, volunteers and agents of the Approved Subcontractor.

**"Business Day"** means any day, other than a Saturday, Sunday or statutory holiday in British Columbia.

**"Change"** means a change to the scope of the Services or Deliverables (including the budget for the Project and/or any of the Project Plans), Key Personnel roles or to the specifications of or Acceptance Criteria for any Services or Deliverables, or any other changes the parties agree to make to any sections under this Agreement pursuant to a Change Order.

**"Change Order"** means a written request for a Change made by either the Province or FAST to the other pursuant to Article 5.

**"Change Order Process"** means the process for initiating, responding to, negotiating and implementing Changes as set out in section 5.1.

**"Confidential Information"** means any technical, business, financial, personal, employee, operational, scientific, research, or other information or data in whatsoever form or media, whether in writing, electronic form or communicated orally or visually and including, without limitation, any proprietary software or business processes or plans, cost or price information, strategies, technology architecture, reports, agenda, meeting minutes, products and services, and technology or operational know-how.

**"Contract Administrator"** means the individual appointed by the Province, which is responsible for managing on behalf of the Province, this Agreement, and which is further described in section 7 of Part A) to Schedule "E".

**"CPPM"** means the Province's Core Policy and Procedure Manual, as it exists on the date hereof at [www.fin.gov.bc.ca/ocg/fmb/manuals/CPM/CPMtoc.htm](http://www.fin.gov.bc.ca/ocg/fmb/manuals/CPM/CPMtoc.htm), together with any updates or amendments thereto notice of which has been given by the Province to FAST,

**"Defect"** means an error in the operation, logic, function or performance of a Deliverable or any portion thereof, in each case as compared to the specifications.

**"Deliverables"** means any item that FAST will provide and deliver to the Province pursuant to, and described in, the Project Plans.

**"Disclosing Party"** means the party that discloses Confidential Information to the Receiving Party pursuant to this Agreement.

**"Documentation"** means, with respect to any Deliverable identified in this Agreement as requiring documentation, both collectively and individually as the context may require, all manuals and other documentation regarding the capabilities, implementation, installation, operation, application, use or method of performance of that which is being documented, including, as applicable and available, user manuals, process maps, functional specifications, technical specifications, systems operations manuals, console operations manuals, linking instructions, error logs and reports, scripts, forms, templates, course materials, training materials, and other manuals and reports, whether in printed or electronic format.

**"Event of Default"** means each of the events set out in section 18.1 of this Agreement.

**"FAA"** means the *Financial Administration Act*, R.S.B.C. 1996, c. 138, as amended from time to time.

**"Failure Notice"** means a notice signed by the Province Project Director notifying FAST of a Deliverable's failure to pass Acceptance Testing and including the information described in section 6.5(a).

**"FAST Development Team"** means the subset of FAST Personnel responsible for the configuration of business requirements.

**"FAST Material"** has the meaning provided for in subsection 11.3(b).

**"FAST Personnel"** means as the context may require, FAST employees (including Key Personnel) and Approved Subcontractors collectively, or any one of them, and are members of the Project Team.

**"FAST Project Director"** means the FAST employee appointed by FAST as the FAST Project Director in accordance with section 4.7.

**"FAST Team Lead"** means an individual within FAST Personnel responsible for leading a FAST Development Team.

**"Fees"** means the fees payable to FAST by the Province, as set out in Schedule "E".

**"Force Majeure"** has the meaning provided for in section 22.1 of this Agreement.

**"Governance Process"** means the communications channels and processes set out in Schedule "C".

**"Holdback Amount"** has the meaning provided for in section 1 of Part A) of Schedule "E".

**"Initial Term"** has the meaning provided for in section 2.1 of this Agreement.

**"Insolvency Event"** means any of the following: (a) an order is made, a resolution is passed or a petition is filed, for the liquidation or winding up of FAST; (b) FAST commits an act of bankruptcy, makes an assignment for the benefit of its creditors or otherwise acknowledges its insolvency; (c) a bankruptcy petition is filed or presented against FAST or a proposal under the *Bankruptcy and Insolvency Act* (Canada) is made by FAST; (d) a compromise or arrangement is proposed in respect of FAST under the *Companies' Creditors Arrangement Act* (Canada); (e) a receiver or receiver-manager is appointed for any of FAST's property; or (f) FAST ceases, in the reasonable opinion of the Province, to carry on business as a going concern.

**"Key Personnel"** means FAST employees listed in Schedule "D" under the heading "Key Personnel" and any other FAST employees who replace any such FAST employees in accordance with section 4.8.

**"LNG"** means Liquefied Natural Gas.

**"LNG Phase"** means the LNG phase of the Project which includes the development of system processes to support the administration of the Liquefied Natural Gas Income Tax Act (LNGITA), which will impose a new income tax on liquefaction at LNG facilities located in British Columbia.

**"LNG Project Plan"** means the project plan developed jointly by the parties attached as Schedule "I" to this Agreement, as amended from time to time in writing by mutual consent of the parties pursuant to Article 5.

**"Loss"** has the meaning provided for in section 16.1.

**"Material"** means the FAST Material and the New Material.

**"New Material"** has the meaning provided for in subsection 11.3(a).

**"Notice of Acceptance"** means a notice signed by the Province Project Director confirming Acceptance of a Deliverable.

**"Notice of Readiness"** means a notice signed by the FAST Project Director confirming that to FAST's knowledge the Deliverable: (i) conforms to and performs in accordance with its specifications; (ii) meets its Acceptance Criteria; and (iii) is ready for the Province to conduct Acceptance Tests.

**"Phase"** means each of the phases to be developed by FAST under the Project pursuant to this Agreement which may contain one or more Rollouts.

**"Phase 1"** means the first phase of the Project and which includes the migration of the following tax and revenue programs into the Software: (i) logging tax; (ii) insurance premium tax; (iii) mineral tax; (iv) mineral land tax; (v) mine health and safety inspection fee; and (vi) Non-Tax Operations (NTO) program including Accounts Receivables Management (ARM).

**"Phase 2"** means the second phase of the Project and which includes the migration of the following tax programs into the Software: (i) Rural Property Taxation (RPT); (ii) Property Transfer Tax (PTT); (iii) Home Owner Grant – Rural Tax Collector (HOG); (iv) Home Owner Grant Administration (HOGA); (v) provincially administered taxes (school and police tax); and (vi) business process links and systems interfaces to other ministries and government organizations (for example, BC Assessment, Minor Taxing Authorities, Land Title and Survey Authority (LTSA), Service BC etc.) and current service providers.

**"Project"** means the "Revenue Transformation Initiative" which, for the purposes of this Agreement, consists of Phase 1, the LNG Phase and Phase 2.

**"Phase 1 Project Plan"** means the project plan developed jointly by the parties attached as Schedule "H" to this Agreement, as amended from time to time in writing by mutual consent of the parties pursuant to Article 5.

**"Phase 2 Project Plan"** means the project plan developed jointly by the parties attached as Schedule "J" to this Agreement, as amended from time to time in writing by mutual consent of the parties pursuant to Article 5.

**"Project Plans"** means Phase 1 Project Plan, the LNG Project Plan and Phase 2 Project Plan.

**"Project Sponsor"** means the Assistant Deputy Minister of the Revenue Programs Division or such other official designated by the Province as having financial and performance responsibility for the Project and which is further described in Schedule "C".

**"Project Steering Committee"** means the committee by that name established by the Province and described in Schedule "C".

**"Project Team"** means FAST Personnel and Province Personnel who are appointed, dedicated or allocated by the Province to the Project.

**"Province Business Analyst"** means an individual or individuals from Province Personnel responsible for conveying business requirements to the FAST Development Team and validating the configuration of the business requirements.

**"Province Business Lead"** means an individual from Province Personnel responsible for leading the Province Personnel, part of the 'Business Team' who are appointed, dedicated or allocated by the Province to the Project Team.

**"Province Material"** has the meaning provided for in subsection 11.3(c).

**"Province Personnel"** means an employee, contractor, consultant, officer, director or agent of the Province that is employed within, or retained to perform services for the benefit of, the Province, excluding FAST and any FAST Personnel.

**"Province Policies"** means policies of the Province in effect at any time and from time to time, that are applicable to the Services, and which are referred to in this Agreement or in respect of which the Province has given FAST notice in writing under this Agreement.

**"Province Project Director"** means the person designated by the Province as the Province Project Director pursuant to section 4.13 and which role is further described in Schedule "C".

**"Province Systems"** means the hardware, communications infrastructure, operating system software and database management software on which or in association with which the Software is to be installed and operated, whether provided by the Province or a service provider retained by the Province for the supply and operation of such hardware, communications infrastructure and software and which is required or otherwise used in the performance of the Services.



**"Receiving Party"** means the party that receives Confidential Information of the Disclosing Party pursuant to this Agreement.

**"Renewal Term"** has the meaning provided for in section 2.2 of this Agreement.

**"Request for Qualification"** means Request for Qualification No. # ITP-RFQ-5687 for 'Revenue COTS Software & Related Services' issued by the Ministry of Finance and dated July 15, 2013.

**"Rollout"** means a release of one or more tax programs within a Phase and includes for each Rollout the milestones and Deliverables as described in the Project Plan for a particular Phase.

**"Services"** means the services provided by FAST in relation to the Project, including Deliverables, as described in Schedule "B" attached to this Agreement.

**"Services Agreement"** means the Systems Professional Services Contract dated April 1, 2009 between Her Majesty the Queen in right of the Province of British Columbia, as represented by the Minister of Finance, Fast Enterprises LLC and Fast Canadian Enterprises Ltd.

**"Software"** means the integrated tax processing software application package entitled "GenTax", which is designed to support the implementation of multiple taxes through configuration of the Software and which consists of computer programs, including all versions thereof, and all program files, data files, computer related data, field and data definitions and relationships, data definition specifications, data models, program and system logic, program modules, routines, sub-routines, algorithms, program architecture, design concepts, system designs, program structure, sequence and organization, screen displays and report layouts, object code, utilities and tools. Software will be provided in object code form only.

**"Standards of Conduct"** means the Province's Standards of Conduct Manual, as it exists on the \_\_\_\_\_ date \_\_\_\_\_ hereof \_\_\_\_\_ at [http://www.bcpublicserviceagency.gov.bc.ca/policy/HR\\_policy/09\\_Standards\\_Conduct.htm](http://www.bcpublicserviceagency.gov.bc.ca/policy/HR_policy/09_Standards_Conduct.htm), together with any updates or amendments thereto notice of which has been given by the Province to FAST.

**"Statement of Work"** means the Statement of Work for the "PST Re-Implementation Project and GenTax Upgrade" dated effective October 28, 2011 between Her Majesty the Queen in right of the Province of British Columbia, as represented by the Minister of Finance, Fast Enterprises LLC and Fast Canadian Enterprises Ltd.

**"Term"** means the Initial Term and any and all Renewal Terms.

**"Terminated Services"** means if this Agreement has expired or been terminated, all Services being provided under this Agreement on the Termination Date.

**"Termination Assistance Period"** has the meaning provided for in section 19.1 of this Agreement.

**"Termination Assistance Plan"** has the meaning provided for in section 19.3 of this Agreement.

**"Termination Date"** means the effective date of the expiry or earlier termination of this Agreement.

**"Termination Services"** has the meaning provided for in section 19.2 of this Agreement.



**"Warranty Period"** means the period that commences on the date the Province Project Director provides Acceptance for the last Deliverable under the last milestone for each Rollout of each Phase and ends ninety (90) days thereafter.

**"WCB"** has the meaning provided for in section 10.2(c)(i) of this Agreement.

## **SCHEDULE "B"** **SERVICES**

This Schedule sets out a general description of the Services to be provided by FAST under this Agreement. If there is any conflict or inconsistency between the provisions of this Schedule (including the Service descriptions) and the provisions of the body of the Agreement, the provision of the body of the Agreement will govern and prevail.

### **I. Services during the Term**

During the Term, FAST will provide the following Services:

#### **A. Project Management Services**

FAST will manage the day-to-day execution of the Project. FAST will plan and track execution of all required tasks associated with the 'GenTax Implementation Methodology' as described in the proposal provided by FAST to the Province for each of the Phases under this Agreement. This will include regular status meetings with the Fast Development Team and the Fast Team Leads. The Fast Project Director will ensure there is good communication between the Fast Development Team and the Province Business Analysts.

#### **B. Solution Architecture Services**

FAST will architect the solution within the required environments. FAST will work with all stakeholders to ensure that interfaces work within the agreed upon requirements. The FAST Solution Architect (as indicated in Schedule "D" to this Agreement), using FAST best practices, will ensure that all configurations integrate within the total solution.

#### **C. Configuration Services**

FAST will lead all configuration sessions. FAST will adapt the Province's business and processing rules through configuration rather than programming. The 'FAST Team' will attempt to leverage the previous configurations of the Software from previous projects. The following teams will be created and led by FAST:

- Registration – determining the taxpayer registration requirements which includes taxpayer (entity) types, names, addresses, contacts, account types, link types.
- Returns – this team defines and configures everything to do with the tax returns. That includes return generation, return layout and rules, and filing requirements. This would also include interfaces to outside return processing third parties such as HP Advanced Solutions Inc. (HPAS).
- Payments – identify and configure all payment sources. This would include interfaces to outside payment processing third parties such as HPAS; as well as other interfaces to provincial treasury and banks.
- Refunds – this team defines and configures the refund functionality which includes offset rules and refund approval rules.
- Delinquency – this team defines and configures return delinquency rules and automated processes with the Software.
- Collections and Billing – this team determines the billing process, which would include Notice of Assessments (NOFA). They also define and configure the collection process

or stages which includes such tools as 'Demands', 'Seizures', and 'Writs', as well as dealing with bankruptcy.

- Audit – this team defines and configures the audit solution which includes features such as the audit header, the audit working papers, the NOFA, and the audit report.
- Financials – the financials team defines and configures all financial transactions that are posted to taxpayer's accounts. This also includes the definition and configuration of all penalty and interest rules.
- Revenue Accounting – this team defines and configures how revenue will be recorded in the Software, and passed to the Province's Corporate Accounting System (CAS).
- eServices – this team works on defining and configuring standard core functionality that includes register, file and pay in the eTaxBC component of the Software.
- Discovery and Leads – this team defines and configures automated audit selection using the 'Discovery' and 'Lead' subsystems.
- Mail – this team defines and configures mail standards that will be used in the development of letters that are sent to taxpayers. They also manage the interface to BC Mail Plus.
- Imaging – this team defines and configures front end and back-end imaging. They manage the interface to HPAS data capture / imaging software.
- Conversion – the conversion team, working with the Province's legacy extractors, defines and configures a conversion that will bring over the relevant operational data and populate it into the Software.
- Technical – the technical team oversees all of the Software environments. They work with Information Management Branch (IMB) and Shared Services to ensure these environments are operating at optimal performance.
- Security – this team defines and configures end user security within the Software. They also handle all security changes once users are in the production environment.
- Training – the training team does the needs assessment for all staff involved in a Rollout. From the needs assessment, they develop training materials and deliver those materials in a three-tier training approach. The three-tiers start with general skills training and progress to job specific training.

#### ***D. Status Reporting Services***

The FAST Project Director will: (a) provide bi-weekly status reports; (b) attend Project Steering Committee meetings, and (c) work closely and cooperatively with the Province Project Director and Province Business Lead.

#### ***E. Upgrades***

During the Term Fast will upgrade the Province to the next closed version of the Software at no additional cost.

## **SCHEDULE "C"**

### **GOVERNANCE**

#### **1. PURPOSE OF THIS SCHEDULE**

This Schedule sets out management and governance structure and process for the relationship between the Province and FAST under this Agreement.

#### **2. EXPEDIENCY IN ESTABLISHING GOVERNANCE MODEL**

The Province and FAST agree that:

- (a) the effective administration of this Agreement will be facilitated by ongoing management involvement as contemplated by the governance structure and processes as set out in this Schedule;
- (b) the timely establishment of governance structure and process is necessary to facilitate the implementation of the Project; and
- (c) the initial meetings of each of the governance groups established under this Schedule will be held within the first two weeks after execution of this Agreement.

#### **3. CONTINUING OBLIGATIONS OF THE PARTIES**

Notwithstanding any other provision in this Schedule, the primary purpose of the governance structure and process set forth in this Schedule is to facilitate communications and dispute resolution between the parties. Nothing in this Schedule alters or amends the rights and obligations set forth in any other portion of this Agreement.

#### **4. PRINCIPLES**

The Province and FAST agree that the governance structure and process will align with and enable effective implementation and administration of this Agreement and "best practices" for sustaining large systems maintenance services agreements, namely:

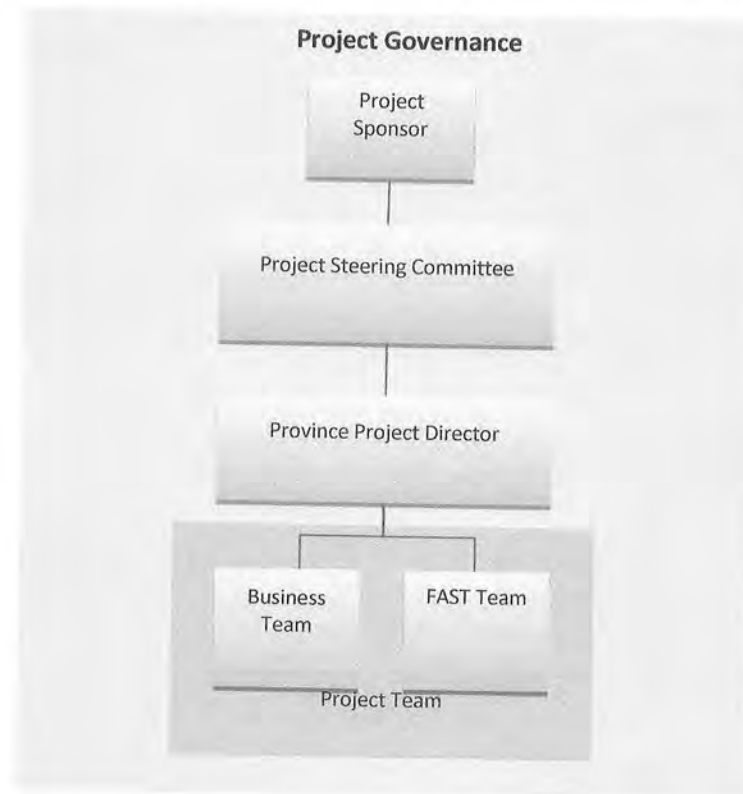
- (a) the parties will proactively identify sources of disagreement and discord and take timely action before they become matters of dispute;
- (b) issues will be resolved through a process of cooperative and amicable negotiations, with a view to the best result for the Project;
- (c) in addition to providing a decision-making process involving escalation, the parties will ensure that various levels of the governance structure meet on a regular scheduled basis and will work to create a high quality relationship that brings value to the parties and the Project;
- (d) the parties will work together to assemble and effectively communicate with the necessary stakeholders to resolve key issues in an expeditious manner;
- (e) the parties will use the governance structure and process to provide a forum under which both parties may be heard;

- (f) the parties will effectively identify and resolve issues through cooperative negotiation starting at the Project operational level and, where necessary, involving escalation of such issues through a series of levels in the governance structure as described in section 5 below;
- (g) decisions and directives rendered through the Governance Process will be documented and communicated and both parties will accept and adhere to these decisions and directives;
- (h) the parties will, through the governance structure, be flexible and accommodate the lifecycle of the Agreement, including regular and ongoing Services, periods of unplanned or significant change, and, if required, outgoing transition; and
- (i) subject to the specific decision-making rights of either party set out in this Agreement, decisions will be guided by what is best for the ongoing management and successful and timely implementation of the Project in accordance with the applicable budget.

## 5. GOVERNANCE STRUCTURE

The governance structure will be comprised of the Project Team, which is composed of the 'Business Team' and the 'FAST Team', the Province Project Director, the Project Steering Committee and the Project Sponsor as set out below. Each party will periodically review its portion of the governance structure and communicate any proposed updates to the other party. The parties will consult one another prior to initiating any alteration or change to the governance structure, which change will only be implemented pursuant to the Change Order Process.

The following diagram provides a general overview of the governance structure. The governance structure is described in further detail below.





## **5.1 Project Sponsor**

The Project Sponsor is the Assistant Deputy Minister of the Revenue Division of the Ministry of Finance.

The Project Sponsor will be responsible for the following:

- (a) providing ultimate accountability and responsibility for the Project;
- (b) providing decision-making, directing and representational accountabilities for the Project;
- (c) chairing the Project Steering Committee. The Project Sponsor may delegate this role of chairing the Project Steering Committee to the Province Project Director or to another senior executive of the Province within the Ministry of Finance;
- (d) providing effective oversight and guidance on ongoing identification of risks and associated treatment options and ongoing risk management activities;
- (e) overseeing business management and Project management risks and issues that arise outside the formal business of the Project Steering Committee;
- (f) lending support, providing advocacy at senior levels and ensuring adequate Province Personnel and necessary financial resources are available for Phase 1;
- (g) providing advice and support and, where necessary, remedying Project Team performance issues on a timely basis;
- (h) providing guidance on the identification and engagement of various stakeholders; and
- (i) providing ultimate accountability for the realization of outcomes as identified in the "Revenue Transformation Outcome Management" document.

## **5.2 Project Steering Committee**

The Project Steering Committee will provide ongoing general direction to the Project as well as general oversight and governance.

The Project Steering Committee will be responsible for the following:

- (a) providing overall strategic guidance for the Project and Project assurance;
- (b) providing the Project's business case and realization of outcomes and benefits;
- (c) approving the appointment of, and providing advice, support and direction to the Province Project Director;
- (d) approving the Project Plans and major subsidiary documents relating to the Project;
- (e) providing oversight of the risk management process and management of risk within the Project including viable contingency plans or fall back strategies which are regularly updated;

- (f) monitoring of Project tolerances for time, quality and cost as well as escalating when necessary;
- (g) authorizing any major deviations from the scope of the Services, budget and schedule;
- (h) signing off on the completion of each Rollout, including the Deliverables, during Phase 1;
- (i) overseeing the communication of information about the Project to stakeholder groups as necessary;
- (j) resolving conflict between the Project Team, asset managers and suppliers, or escalating issues that have significant implications for the Project; and
- (k) approving reports on Project progress.

The FAST Project Director will be a non-voting member of the Project Steering Committee and will meet with the Project Steering Committee to review and report on all aspects of the Project then in progress.

The Project Steering Committee will meet bi-weekly throughout the Term to keep track of issues and the progress of the Project. The Province Project Director and the FAST Project Director will attend these meetings to be a source of information for Project Steering Committee members and also, to be kept informed of the Project Steering Committee decisions.

### **5.3 Province Project Director**

The Province Project Director will act as an agent of the Project Sponsor on a day-to-day basis and will be responsible for managing the 'Business Team' and the 'FAST Team' within the Project Team as they discharge their responsibilities during the Term.

The Province Project Director will be responsible for the following:

- (a) providing accountability to the Project Steering Committee for the delivery of the Project;
- (b) reporting to the Project Steering Committee on a bi-weekly basis;
- (c) ensuring the Project is managed in accordance with the agreed processes and tolerances;
- (d) dealing with the FAST Project Director to ensure Project progression;
- (e) maintaining the Project risk register and the integration of risk treatments and control activities into the Project Plans;
- (f) approving minor variations to budget, schedule, or scope of Services, within agreed tolerances;
- (g) managing and monitoring the Project activity through detailed plans and

- schedules and preparation of reports;
- (h) managing day-to-day stakeholder relationships and issues;
- (i) managing the Project Sponsor and stakeholders expectations through the formal specification and agreement of goals, objectives, scope, outputs, resources required, budget, schedule, Project structure, roles and responsibilities and communication to them on progress; and
- (j) assessing the Project progress and inspecting element completion for quality assurance.

The FAST Project Director will report to the Province Project Director on an ongoing basis during the Term of the Agreement.

#### **5.4 Project Team**

The Project Team is under the direction of the Province Project Director and includes the FAST Project Director, FAST Personnel and Province Personnel. The Project Team is composed of two delivery teams: the 'Business Team', which consists of Province Personnel, and the 'FAST Team', which consists of the FAST Project Director and FAST Personnel.

As part of the 'FAST Team', the FAST Project Director and FAST Personnel will:

- (a) provide a delivery methodology and the resources needed to define, configure, test and implement the Software on the Province Systems;
- (b) prepare a more detailed project plan for each Rollout which will include, but not be limited to, risk management plan, a more detailed Rollout schedule and any other relevant documentation required for any of the Phases under this Agreement;
- (c) prepare configuration specification documentation;
- (d) prepare conversion strategy and plan;
- (e) prepare test plans as needed;
- (f) configure core COTS modules of the Software;
- (g) develop letters, reports, interfaces and other site specific modules;
- (h) develop conversion programs;
- (i) conduct system test, performance test, conversion test and end-to-end test;
- (j) prepare and deliver training as needed to Province Personnel;
- (k) prepare user and operator documentation;
- (l) manage and oversee data conversion;

- (m) implement the Software on the Province Systems; and
- (n) monitor/support the Software in a production environment.

As part of the 'Business Team', the Province Personnel will:

- (a) adhere to Project methodology and processes;
- (b) provide business requirements;
- (c) validate the implementation of the requirements;
- (d) train staff;
- (e) develop and execute detail test scenarios for the system and end-to-end testing phases;
- (f) develop training material with respect to Tier 3 job specific training;
- (g) communicate back to the program area which is responsible for the administration of a particular tax program or business function to validate decisions;
- (h) complete other tasks and activities required for delivering Project outputs;
- (i) participate in technology/software selections or choices put forward by the Province Project Director;
- (j) participate in planning the technical aspects of each Rollout;
- (k) facilitate decisions and/or recommendations around Project compliance with finance and government standards such as IDIM, BCEID, etc.;
- (l) advise on data conversion strategies; and
- (m) advise on HP Advanced Solutions Inc. (HPAS) service requests directly related to Phase 1 of the Project.

The Project Team will report to the Province Project Director on a bi-weekly basis during the Term of the Agreement.

## **SCHEDULE "D"**

### **KEY PERSONNEL**

#### **Key Personnel**

The Key Personnel will be as follows:

- Project Manager and FAST Project Director - Sarah Lise
- Solution Architect - Derek Janke
- Training Lead - Dorinda Wright
- Technical Architect & Data Migration Lead - Iain Havelock
- Data Migration Lead – Neil Stothard
- Lead Implementation Consultant - Emily Sinex
- Quality Executive - Dennis Manalo (part time, not onsite)



**SCHEDULE "E"**  
**FEES AND EXPENSES**

**A) GENERAL PROVISIONS**

1. Fees payable for each Rollout within a particular Phase are subject to a holdback of 5% (five per cent) of the total Fees payable for that Rollout (the "**Holdback Amount**"). For each Rollout, the Province will pay the Holdback Amount to FAST upon the expiry of the Warranty Period for that particular Rollout, provided that the Province is satisfied that there are no issues that have arisen during the Warranty Period that FAST has failed to address to the satisfaction of the Province.
2. If applicable, travel accommodation and meal expenses for travel greater than 32 kilometers away from Victoria, BC will be reimbursed on the same basis as the Province pays its Group II employees when they are on travel status. In order to obtain such reimbursement by the Province, FAST will submit all applicable receipts for any travel accommodation FAST may incur as part of providing the Services to the Province pursuant to this Agreement. Meal expenses will be reimbursed at the per diem rate applicable to Group II employees.  
  
Group II expenses are described at:  
[http://www2.gov.bc.ca/local/myhr/documents/travel/travel\\_allowances\\_app1.pdf](http://www2.gov.bc.ca/local/myhr/documents/travel/travel_allowances_app1.pdf).
3. FAST will forward all invoices to the Ministry of Finance, Corporate and Ministry Support Services, PO Box 9415 STN PROV GOVT – 3<sup>rd</sup> floor, 617 Government Street, Victoria, BC, V8W 9V1, "Attention – Qualified Receiver".
4. FAST will ensure that all invoices contain, at a minimum, the following details:
  - (a) FAST's legal name and address;
  - (b) the date of the invoice;
  - (c) the contract number assigned by the Province to this Agreement;
  - (d) the invoice number;
  - (e) as applicable, a description of: (i) the milestone to which the invoice relates including all Deliverables accepted under such milestone; (ii) a description of the Maintenance performed by FAST; and/or (iii) a description of the Support Services performed by FAST;
  - (f) a calculation of all applicable taxes payable by the Province in relation to the Services; and
  - (g) any other billing information reasonably requested by the Province.
5. Fees set out in this Schedule "E" are exclusive of Goods and Services Tax and Provincial Sales Tax.
6. The billing detail will be consolidated with billing detail for other Services that FAST provides to the Province.
7. **Brian Savage** is named as the Contract Administrator on behalf of the Province. This role may be delegated to another person with written notice by the Province to FAST.

**B) PHASE 1 FEES AND EXPENSES**

1. FAST will provide the Services in accordance with the Phase 1 Project Plan. Upon the Acceptance of each milestone for each Rollout, and subject to sections 2 and 3 of Part B) of this Schedule "E", the Province will pay to FAST the Fees described in Table 1 of this Schedule "E".

**Table 1**

| Item | Milestones / Deliverables   | Amount           | Completion Date |
|------|---|------------------|-----------------|
| 1    | Mineral Tax, Mineral Land Tax, Mine Health & Safety Inspection Fee Production Cutover | \$263,584        | 7-Dec-15        |
|      | holdback  | \$99,980         | 7-Mar-16        |
|      | <b>Total</b>  | <b>\$363,564</b> |                 |

2. The maximum amount payable with respect to Phase 1 will not exceed \$363,564 (Three Hundred and Sixty Three Thousand Five Hundred and Sixty Four Dollars).
3. Upon the completion and Acceptance of all Deliverables under each milestone as described in Table 1 above, FAST will forward invoices to the Province at the address set out in section 3 of Part A) of this Schedule "E".
4. The Province will pay to FAST the amount described as the 'holdback' under Table 1 upon the expiry of the 90-day period following the Acceptance for the last Deliverable under Table 1 above.
5. There are no expenses payables for Phase 1.

**C) LNG PHASE FEES AND EXPENSES**

1. FAST will provide the Services in accordance with the LNG Phase Project Plan. Upon the Acceptance of each milestone for each Rollout, and subject to sections 2 and 3 of Part C) of this Schedule "E", the Province will pay to FAST the Fees described in Table 2 of this Schedule "E".

**Table 2**

| Item               | Deliverables                        | Amount             | Invoice Date |
|--------------------|-------------------------------------|--------------------|--------------|
| <b>Rollout One</b> |                                     |                    |              |
| 1                  | Preparation and Definition Complete | \$400,000          | 29-Jan-16    |
| 2                  | Start Software Test                 | \$450,000          | 22-Feb-16    |
| 3                  | Production Cutover                  | \$550,000          | 28-Mar-16    |
|                    | <b>Total</b>                        | <b>\$1,400,000</b> |              |
|                    | Rollout One Holdback Amount (5%)    | \$70,000           | 24-Jun-16    |

| <b>Rollout Two</b>               |  |                    |           |
|----------------------------------|--|--------------------|-----------|
| 1                                | Base Configuration Complete            | \$450,000          | 29-Apr-16 |
| 2                                | Start Software Test                    | \$560,000          | 06-Jun-16 |
| 3                                | Define/configure Software security     | \$560,000          | 30-Sep-16 |
| 4                                | Deliver Training Material (Tier 2 & 3) | \$560,000          | 28-Oct-16 |
| 5                                | Production Cutover                     | \$670,000          | 06-Dec-16 |
| <b>Total</b>                     |  | <b>\$2,800,000</b> |           |
| Rollout Two Holdback Amount (5%) |  | \$140,000          | 03-Mar-17 |
| <b>Total</b>                     |  | <b>\$4,200,000</b> |           |

2. The maximum amount payable with respect to the LNG Phase will not exceed \$4,200,000 (Four Million and Two Hundred Thousand Dollars).
3. Upon the completion and Acceptance of all Deliverables under each milestone as described in Table 2 above, FAST will forward invoices to the Province at the address set out in section 3 of Part A) of this Schedule "E".
4. There are no expenses payable for the LNG Phase.

**D) PHASE 2 FEES AND EXPENSES**

1. FAST will provide the Services in accordance with the Phase 2 Project Plan. Upon the Acceptance of each milestone for each Rollout, and subject to sections 2 and 3 of Part D) of this Schedule "E", the Province will pay to FAST the Fees described in Table 3 of this Schedule "E".

**Table 3**

| Item   | Deliverable                            | Amount             | Invoice Date |
|--|--|--------------------|--------------|
| <b>Rollout One: RPT, HOG, HOGA, and School/Police Tax Administration</b> |  |                    |              |
| 1  | Preparation and Definition Complete    | \$500,000          | 29-Feb-16    |
| 2  | Base Configuration Complete            | \$1,562,500        | 27-May-16    |
| 3  | Start Software Test                    | \$937,500          | 04-Jul-16    |
| 4  | Complete First Full Mock Conversion    | \$750,000          | 19-Aug-16    |
| 5  | Define/configure Software security     | \$625,000          | 30-Sep-16    |
| 6  | Deliver Training Material (Tier 2 & 3) | \$1,000,000        | 25-Nov-16    |
| 7  | Production Cutover                     | \$2,125,000        | 06-Apr-17    |
| <b>Total</b>   |  | <b>\$7,500,000</b> |              |
| Rollout One Holdback Amount (5%)   |  | \$375,000          | 08-May-17    |

| <b>Rollout Two: Property Transfer Tax</b> |  |                     |           |
|---|--|---------------------|-----------|
| 1   | Preparation and Definition Complete    | \$400,000           | 18-May-18 |
| 2   | Base Configuration Complete            | \$800,000           | 22-Jun-18 |
| 3   | Start Software Test                    | \$400,000           | 06-Aug-18 |
| 4   | Define/configure Software security     | \$400,000           | 26-Oct-18 |
| 5   | Deliver Training Material (Tier 2 & 3) | \$800,000           | 22-Nov-18 |
| 6   | Production Cutover                     | \$800,000           | 07-Jan-19 |
| <b>Total</b>                              |  | <b>\$3,600,000</b>  |           |
| Rollout Two Holdback Amount (5%)          |  | \$200,000           | 08-Apr-19 |
| <b>Total</b>                              |  | <b>\$11,100,000</b> |           |

2. The maximum amount payable with respect to Phase 2 will not exceed \$11,105,000 (Eleven Million One Hundred and Five Thousand Dollars).
3. Upon the completion and Acceptance of all Deliverables under each milestone as described in Table 3 above, FAST will forward invoices to the Province at the address set out in section 3 of Part A) of this Schedule "E".
4. The maximum expenses payable in aggregate with respect to Phase 2 will not exceed \$5,000.

## SCHEDULE "F" PRIVACY PROTECTION SCHEDULE

This Schedule forms part of the agreement between Her Majesty the Queen in right of the Province of British Columbia represented by the Minister of Finance (the "Province") and FAST Canadian Enterprises Ltd. (the "Contractor") respecting the Revenue Transformation Initiative Agreement (the "Agreement").

### 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), as amended from time to time;
  - (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 its 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 its 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 annotate or correct 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 its custody or under its control 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 disclosurethe 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 its custody or under its control, 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 its management of personal information or its 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 "G" SECURITY SCHEDULE

### Definitions

1. In this Schedule, unless the context otherwise requires:
- (a) **"Confidential Information"** means Personal Information and information the Contractor must treat as confidential under this Agreement, whether or not in record form;
  - (b) **"Contractor"** means FAST Canadian Enterprises Ltd.;
  - (c) **"Contractor's Systems"** includes Systems of third parties that the Contractor authorizes its Services Workers to use in providing the Services (for example, the portable computing device of a Services Worker employed by the Contractor who is authorized to use that device pursuant to the Contractor's work at home or bring your own device to work policy or a data storage service used by the Contractor to back-up data);
  - (d) **"Facilities"** means the facilities used in providing the Services, including those housing Systems (including Systems awaiting disposal) or Confidential Information;
  - (e) **"Information Incident"** means an unwanted or unexpected event or series of events that threaten privacy or security of Confidential Information, including its unauthorized access, collection, use, disclosure, alteration, storage or disposal, whether or not in record form and whether accidental or deliberate;
  - (f) **"Personal Information"** has the meaning given in the Privacy Protection Schedule;
  - (g) **"Privacy Protection Schedule"** means Schedule "F" attached to this Agreement;
  - (h) **"Province Systems"** has the meaning given in Schedule "A" to this Agreement;
  - (i) **"Sensitive Information"** means, whether or not in record form:
    - (i) Personal Information, and
    - (ii) Confidential Information marked or identified when disclosed as "High Sensitivity", "Cabinet Confidential", "Sensitive Information" or the like;
  - (j) **"Services Worker"** means an individual involved in providing the Services for or on behalf of the Contractor, including:
    - (i) the Contractor or a subcontractor if an individual, or
    - (ii) an employee or volunteer of the Contractor or of a subcontractor;
  - (k) **"Systems"** means the equipment or interconnected systems or subsystems of equipment, including the Province Systems and all software, hardware and networks, used in the acquisition, storage, manipulation, management, movement, control, display, switching, interchange, emission, transmission or reception of:
    - (i) Confidential Information, or
    - (ii) information, whether or not in record form, used in providing the Services; and
  - (l) **"Term"** has the meaning given in Schedule "A" to this Agreement.

#### **Schedule contains additional obligations**

2. The obligations in this Schedule are in addition to other obligations in this Agreement relating to security (if any), including in the Privacy Protection Schedule.

#### **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 either Confidential Information through Systems supplied by the Services Worker or Sensitive Information unless the Services Worker is contractually bound to the Contractor in writing to keep that information confidential on terms no less protective than applicable to the Contractor under this Agreement.

#### **Services Worker security screening**

4. The Contractor may only permit a Services Worker who is an employee, volunteer or subcontractor of the Contractor to have access to Sensitive Information, the Systems of the Province or, subject to applicable laws and any express exception in this Agreement, otherwise be involved in providing the Services if, after having subjected the Services Worker to the Contractor's personnel security screening requirements, which must be no less stringent than the requirements in Appendix G1 and any additional security requirements the Contractor may consider appropriate, the Contractor is satisfied that the Services Worker does not constitute an unreasonable security risk. Subject to applicable laws, the Contractor must retain records of its compliance with Appendix G1. If the Contractor is an individual, the Province may subject the Contractor to the screening requirements in Appendix G1.

#### **Services Worker information security training**

5. The Contractor is responsible for ensuring Services Workers are aware of the requirements of the *Freedom of Information and Protection of Privacy Act* as it relates to this Agreement and any other enactment in effect from time to time relating to handling information. Without limiting the foregoing, the Province may require particular Services Workers to complete any relevant information security awareness, education and training provided by the Province online or otherwise before those Services Workers may provide specific Services or receive or access particular Confidential Information or particular Systems or Facilities of the Province and may require the Contractor to keep records tracking such training.

#### **Access controls**

6. The Contractor must apply security controls to:
  - (a) limit access to the Contractor Facilities where practicable and Contractor's Systems to those persons authorized by the Contractor to have that access and for the purposes they are authorized, which security control must include measures to verify the identity of those persons and to revoke access when conditions for authorization cease;
  - (b) limit access to records containing Sensitive Information to those Services Workers authorized by the Contractor to have that access and for the purposes they are authorized to perform the Contractor's obligations under this Agreement, which must include measures to verify the identity of those Services Workers and to revoke access when conditions for the Services Worker's authorization cease; and

- (c) limit the performance of all maintenance on the Contractor's Systems where a plausible risk exists that records containing Sensitive Information could be accessed by the performers of maintenance, despite the Contractor's efforts to comply with paragraph (b), to either authorized Services Workers or, if those records cannot be removed first, other persons who are bound by similar confidentiality agreements and meet similar security screening requirements.

#### **Access audit logs**

- 7. The Contractor must keep in accordance with sections 8 and 9 detailed records logging and monitoring accesses to records containing Sensitive Information transported or stored on the Contractor's Systems, except as this Agreement or the Province in writing may instruct otherwise.
- 8. The records described in section 7 must include the following details for each event when appropriate for the technology:
  - (a) Services Worker identification;
  - (b) date, time and details of event;
  - (c) subject matter accessed; and
  - (d) details of unauthorized access or tampering.
- 9. The Contractor must keep and protect the records described in section 7 from unauthorized access, alteration or destruction for no less than two years after the end of the calendar year ending December 31<sup>st</sup> in which the records are created unless the Province agrees in writing to a different period. This includes applying security controls to prevent individuals from being able to alter, erase or deactivate records of their own access.

#### **Contractor's Systems and Facilities protection controls**

- 10. The Contractor must apply security controls to protect the Contractor's Systems and Contractor's Facilities from loss, damage or other occurrence, including from fire and environmental hazards and power interruptions that may result in them being unavailable when required to provide the Services.
- 11. If this Agreement limits the processing, transporting or storing of any records containing Confidential Information to particular Contractor's Systems or Contractor's Facilities or their specified location or Services carried on them, the Contractor must, before it makes any change to those Systems or Facilities or Services carried on them that risks reducing the security of those records or to their location to different Systems or Facilities, obtain the Province's written agreement or confirmation that a security threat and risk assessment ("STRA") or privacy impact assessment ("PIA") or both do not need to be performed or updated. Before agreeing, the Province may require the Contractor, at the Contractor's expense, to:
  - (a) perform or update, or assist the Province or a mutually acceptable third party in performing or updating, a STRA or PIA, or both, in accordance with Province policies, standards, procedures and guidelines, for review by the Province, and
  - (b) submit a plan and remediate or otherwise address any security threats or risks or privacy impacts of concern to the Province identified in the STRA or PIA within a reasonable time.



### **Integrity and availability of records**

12. The Contractor must apply security controls to maintain the integrity and availability of records containing Confidential Information or other information under the Province's control while possessed, accessed or processed by the Contractor. This includes controls to protect such records on the Contractor's Systems from malicious code (including viruses, disabling or damaging codes, trap doors, listening devices, computer worms and Trojan Horses), including as appropriate:
  - (a) ensuring regularly updated software designed to scan for, detect and provide protection from malicious code is installed with real-time scanning and periodic scanning of all discs enabled,
  - (b) maintaining and following business continuity plans to recover from malicious code incidents,
  - (c) scanning backup media prior to restoration so that malicious code is not introduced or re-introduced into such Systems, and
  - (d) installing critical security patches and updates to all installed software.
13. For section 12, maintaining the integrity of Confidential Information means that, except as this Agreement or the Province may instruct otherwise, the Confidential Information has:
  - (a) remained as accurate and complete as when it was obtained or accessed by the Contractor; and
  - (b) not been altered in any material respect.

### **Additional security controls for Sensitive Information**

14. The Contractor must apply security controls to:
  - (a) ensure that records (including backup copies) containing Sensitive Information in transit or stored on the Contractor's Systems (including portable computing and storage devices) are secure and encrypted in accordance with the Province's "Cryptographic Standards for Information Protection" (as may be accessed from the website of the Office of the Chief Information Officer at <http://www.cio.gov.bc.ca>), except as this Agreement may specify other cryptographic standards;
  - (b) protect and limit access to the Contractor's Systems that will transport or store Sensitive Information through the following means when appropriate for the technology:
    - (i) segregating or partitioning Systems to separate and restrict access to Sensitive Information from other records (for example, storing Sensitive Information on a computer or server in a separate, password-protected, encrypted virtual disk or folder),
    - (ii) storing and transporting portable storage devices safely,
    - (iii) protecting the Systems with a physical locking, restraint or security mechanism,
    - (iv) ensuring network perimeters and network traffic control points are established or firewalls are installed and enabled,



- (v) having appropriate log-in procedures to the Systems and Sensitive Information stored on the Systems, such as:
  - (1) requiring user identifiers that are unique and personal for log-in,
  - (2) requiring complex passwords or personal identification numbers (PINs) that are not shared, default or blank and that require changing at predetermined intervals and are encrypted (not displayed) when entered, biometric accesses, keys, smart cards or other logical or physical access controls or combinations of them,
  - (3) applying locking screen-savers and session time-out mechanisms,
  - (4) applying limits on unsuccessful attempts to log-in, and
  - (5) logging unauthorized changes to system security settings and controls that may enable unauthorized access or tampering,
- (vi) disabling unneeded ports, protocols and services, and
- (vii) performing any remote management in a secure manner, using encrypted communication channels and adequate access controls; and
- (c) ensure records (including backup copies) containing Sensitive Information are not disclosed, accessed from, or stored (including on any Services Worker's portable computing device or third party data storage service) outside Canada without the Province's prior written consent, except as may be in a written direction under the Privacy Protection Schedule.

#### **Documentation of security controls, including changes**

- 15. Unless this Agreement specifies otherwise, the Contractor must keep detailed records documenting, and logging any changes to, security controls to support compliance with sections 6, 10, 12 and 14.
- 16. The Contractor's security control documentation and records required to support compliance with this Schedule, including the records described in sections 4, 5, 7 and 15, which may be subject to privacy protection laws governing the private sector, but excluding the log described in section 23, are or are deemed to be the sole property of the Contractor and under Contractor control and not New Material.

#### **Province's Systems and Facilities**

- 17. If the Province makes available any of the Province's Facilities or Systems for use in providing any Services, the Contractor must comply with:
  - (a) section 12.3.1 (Appropriate Use of Government Resources) of the Province's "Core Policy and Procedures Manual", Chapter 12 (Information Management and Information Technology Management) (as may be accessed from the website of the Office of the Comptroller General through <http://www.fin.gov.bc.ca>) as it relates to Systems; and
  - (b) other policies, standards and procedures provided by the Province, if any, on acceptable use, protection of, and access to, such Facilities or Systems,

In addition to other applicable provisions of this Agreement and only permit its authorized Services Workers who have been instructed to comply with such policies, standards, procedures and provisions to have such access.

18. The Province has the rights to:
- (a) not make the Province's Facilities or Systems available before the Contractor or Services Worker or both agree to a form of agreement acceptable to the Province on acceptable use, protection of, and access to, such Facilities or Systems;
  - (b) not permit particular Systems to connect to the Province's Systems until satisfied with the security controls to be applied;
  - (c) keep access and other audit logs and monitor and analyze use of the Province's Facilities and Systems to verify compliance, investigate suspected or actual breaches or Information Incidents and protect the Province's assets, including records, in compliance with laws, including the *Freedom of Information and Protection of Privacy Act* and *Document Disposal Act*, and the Province's policies; and
  - (d) limit or revoke access, in addition to any other rights the Province may have.

**Notice of demands for disclosure**

19. If, after complying with any applicable obligations under this Agreement relating to responding to requests for Material or Personal Information, the Contractor is still required to produce, provide access to or otherwise disclose any Sensitive Information pursuant to any enactment or any subpoena, warrant, order, demand or other request from a court, government agency or other legal authority, the Contractor must immediately notify and provide reasonable assistance to the Province so the Province may seek a protective order or other remedy to prevent or limit the disclosure.

**Notice of Information Incidents**

20. In addition to any requirement imposed under the *Freedom of Information and Protection of Privacy Act* or other law, if, during or after the Term, the Contractor discovers a suspected or actual Information Incident, the Contractor must:
- (a) immediately report the particulars of the Information Incident to, and follow the instructions of, the Province, confirming any oral report with a notice in writing to the Province as soon as reasonably practicable (if unable to contact the Province's contract manager or other designated contact for this Agreement, follow the procedure for reporting and managing information incidents on the website of the Office of the Chief Information Officer at <http://www.cio.gov.bc.ca> or through <http://www.gov.bc.ca>);
  - (b) make every reasonable effort to recover the Confidential Information or records containing Confidential Information if appropriate in the circumstances and contain the Information Incident, following such instructions as the Province may give.

**Review of Information Incidents**

21. The Province may review any Information Incident (whether or not reported under section 20) and, if requested, the Contractor must participate in that review and follow any instructions for remediation and prevention to the extent reasonably practicable.

### **Retention, destruction and delivery of records**

22. Subject to written instruction by the Province to retain for a different period or deliver any records, the Contractor must retain records in the Contractor's possession that contain Confidential Information until their delivery or disposal as provided in this Agreement. Except as this Agreement or the Province may instruct otherwise:
- (a) backup, transient and extra copies of records (including configuration data) that contain Confidential Information must be securely destroyed when no longer needed to perform this Agreement;
  - (b) records that contain Confidential Information, other than those destroyed in accordance with paragraph (a), must be securely delivered to the Province when no longer needed to perform this Agreement; and
  - (c) if, despite the delivery or disposal of electronic records of Sensitive Information in accordance with this section, any Sensitive Information remains on the storage media used, the storage media must be securely destroyed.
23. The Contractor must keep records logging the dates, particulars, format and means of the delivery or disposal of records that contain Confidential Information and deliver any such log records on request from the Province.

### **Additional security terms and conditions**

24. The Contractor must comply with the additional terms and conditions in Appendix G2 if appended.

### **Inspection**

25. In addition to any other rights of inspection the Province may have under this Agreement or under statute, the Province has the rights, at any reasonable time and on reasonable notice to the Contractor, to:
- (a) request the Contractor to verify compliance with this Schedule to keep security control documentation or records to support compliance; and
  - (b) enter on the Contractor's premises to inspect and, at the Province's discretion, copy:
    - (i) any records in the possession of the Contractor containing Confidential Information or other records under Province control, or
    - (ii) any of the Contractor's information management practices, security control documentation or records required to support compliance with this Schedule relevant to and for the purpose of determining the Contractor's compliance with this Schedule and any other information management requirements under this Agreement

and the Contractor must permit, and provide reasonable assistance to, the Province to exercise the Province's rights under this section. If any non-compliance or deficiency is found, the Province may (in addition to any other rights it may have) require the Contractor, at the Contractor's expense, to develop and implement a corrective action plan within a reasonable time.

### Standard for security controls

26. Except as this Agreement may specify otherwise, the Contractor must apply security controls to manage Confidential Information, the Contractor's Systems and Contractor's Facilities, and the Services and related deliverables, that are reasonable and, either:
- (a) documented in policies, standards or procedures (with such records remaining or being the sole property of the Contractor and under the Contractor's control and not New Material) based on ISO/IEC 27002:2005 or ISO/IEC 27002:2013 "Information technology — Security techniques — Code of practice for information security management" and reviewed periodically; or
  - (b) compliant with all applicable policies, standards and procedures in the Province's "Information Security Policy" (as may be accessed from the website of the Office of the Chief Information Officer at <http://www.cio.gov.bc.ca>), including any referenced documents (the "Policies").
27. Security policies, standards and procedures of the Province are subject to change in the Province's discretion and without notice. However, no additional requirement (including a higher standard) will form part of the Policies unless added in accordance with the applicable change process, if any, in this Agreement. If none, the following change process will apply as between the Contractor (but not a subcontractor) and the Province:
- (a) upon notice of the additional requirement by the Province, the Contractor will have 15 days, or such longer time as the Province may give or agree in writing, to give notice:
    - (i) that the Contractor can comply with the additional requirement without amendment to this Agreement, upon which it will form part of the Policies, or
    - (ii) with supporting detail, including an estimate of the incremental costs that would be incurred, where applicable, that the changes required to implement the additional requirement would:
      - (1) not be technically feasible using existing Facilities and Systems available to the Contractor,
      - (2) result in material costs being incurred not recoverable through the fees and expenses agreed to be paid by the Province under this or another agreement with the Province and would not otherwise be implemented by the Contractor within six months of the Contractor's notice or for the Contractor to comply with law, or
      - (3) affect the dates, time frames or other obligations of the Contractor under this Agreement;
  - (b) if notice under paragraph (a)(ii) is received, the Province may agree to amend this Agreement or refer any disagreement on the feasibility or impact of the additional requirement to the dispute resolution process under this Agreement or exercise any other rights it may have; and
  - (c) if notice under paragraph (a) is not received within the period given, the additional requirement will be considered added to the Policies without need to amend this Agreement.



28. If the Province agrees to pay any costs of the Contractor to implement changes to comply with an additional requirement to the Policies, the Contractor must not charge the Province an amount more than:
- (a) once, to implement the same change to comply with the same additional requirement under different agreements between the parties, despite any provision in any agreement to the contrary; and
  - (b) Province pre-approved, material, incremental costs actually incurred.
29. For greater certainty, the obligations in sections 17 and 18 will not be subject to any change process.

#### **Open source software**

30. Unless the Province gives its prior written consent in or under this Agreement after being advised of the applicable license and affected Material or code, the Contractor must not:
- (a) provide any Material that derives from, consists of, embeds or incorporates any free or open source software (including freeware, but excluding public domain software) or provide any Service that introduces free or open source software into any of the Province's Systems or computer code (whether or not owned by or licensed to the Province); or
  - (b) use any free or open source software to create, modify, assemble, compile, produce or otherwise develop any Material if it would require the Material or any of the Systems of the Province or computer code (whether owned by or licensed to the Province) to:
    - (i) be made accessible or distributed in source code form to others,
    - (ii) be licensed to others for the purpose of making derivative works,
    - (iii) be licensed to others under terms that permit reverse engineering, reverse assembly or disassembly or other study for any purpose, or
    - (iv) be redistributable to others at no charge.

#### **Termination of Agreement**

31. In addition to any other rights of termination the Province may have under this Agreement or at law, the Province may, subject to any applicable provision in this Agreement setting a mandatory cure period for default, terminate this Agreement on written notice to the Contractor if the Contractor fails to comply with this Schedule in a material respect.

#### **Interpretation**

32. In this Schedule, unless otherwise specified, references to sections are to sections of this Schedule.
33. Unless otherwise specified, any reference to the "Contractor" in this Schedule includes any subcontractor or agent involved in providing the Services, including any further sub-subcontractor of the Contractor and the Contractor must ensure that any such subcontractors or agents comply with this Schedule.
34. If there is a conflict between a provision in Appendix G1 to this Schedule and any other provision of this Schedule, the provision in Appendix G1 is inoperative to the extent of



the conflict unless Appendix G1 states that it operates despite a conflicting provision of this Schedule.

35. If there is a conflict between:

- (a) a provision in the body of this Agreement, this Schedule or Appendix G1 to this Schedule; and
- (b) a documented security control required by this Schedule to be followed by the Contractor,

the provision in the body of this Agreement, Schedule or Appendix G1 will prevail to the extent of the conflict.

36. Sections 20 to 25 of this Schedule and any other obligations of the Contractor in this Schedule (including Appendix G1) 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.

## SCHEDULE G – Appendix G1 – Security screening requirements

This Appendix is to assist the Contractor in determining 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\* that has not expired, as described in the table below. Subject to applicable laws, the Contractor must keep records of those verifications. For a Services Worker from another province or jurisdiction, reasonably equivalent identification documents are acceptable.

| Primary Identification  | Secondary Identification  |
|---|---|
| <p><b>Issued by ICBC:</b></p> <ul style="list-style-type: none"> <li>• BC Services Card (photo)</li> <li>• Combination driver's licence and BC Services Card (photo)</li> <li>• B.C. driver's licence or learner's licence (photo)</li> <li>• B.C. Identification (BCID) card (not without expiry date)</li> </ul> <p><b>Issued by provincial or territorial government:</b></p> <ul style="list-style-type: none"> <li>• Canadian birth certificate</li> </ul> <p><b>Issued by Government of Canada:</b></p> <ul style="list-style-type: none"> <li>• Canadian Citizenship Card</li> <li>• Canadian Record of Landing/Canadian Immigration Identification Record</li> <li>• Passport</li> <li>• Permanent Resident Card</li> <li>• Secure Certificate of Indian Status (must have holographic design)</li> </ul> | <ul style="list-style-type: none"> <li>• Bank card (only if holder's name is imprinted and signed on card)</li> <li>• BC Services Card (non-photo)</li> <li>• B.C. CareCard or other health card issued by province or territory</li> <li>• Canadian or U.S. driver's licence</li> <li>• Canadian Forces ID</li> <li>• Correctional Service Conditional Release Card</li> <li>• Credit card (only if holder's name is imprinted on card)</li> <li>• Department of National Defense 404 driver's licence (name, signature and photo)</li> <li>• Employee ID with photo</li> <li>• Firearms Acquisition Certificate</li> <li>• Foreign Affairs Canada or consular identification</li> <li>• Foreign birth certificate (a baptismal certificate is not acceptable)</li> <li>• Native Status card</li> <li>• Naturalization certificate</li> <li>• NEXUS card (name and photo)</li> <li>• Parole Certificate ID</li> <li>• Passport (Canada or foreign, including U.S. passport card)</li> <li>• Police identification</li> <li>• Student card (School ID)</li> <li>• Social Insurance Card (must have signature strip)</li> <li>• Vehicle registration (only if signed)</li> </ul> |

\* 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, and keep records of those verifications.

**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 keep records of those verifications.

**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.

**Criminal history check**

5. The Contractor must arrange for and retain documented results of a criminal history check on a Services Worker obtained through the Services Worker's local policing agency. Criminal history checks must be repeated as necessary to ensure that at all times the most recent criminal history check on a Services Worker was completed within the previous five years.

## SCHEDULE "H" PHASE 1 PROJECT PLAN

The implementation of Phase 1 will include the following phases, which some of them are considered milestones under this Agreement.

### ***Preparation & Definition Phase***

The 'Preparation' phase develops the roadmap that will define how the implementation will be executed. The 'Definition' phase is the first step each team takes in defining the work that will be performed to deliver the line of business.

Major activities:

- Prepare Rollout Phase 1 Project Plan
- Identify project team members and assign work
- Prepare and deliver system overviews
- Conduct Business Analyst training
- Prepare inventory of letters, reports, and interfaces
- Prepare conversion plan

| Major Deliverables                         | Acceptance Criteria   |
|--|---|
| Rollout Phase 1 Project Plan               | The Rollout Phase 1 Project Plan provides an accurate representation of the major Rollout activities, a schedule for business participants.<br><br>The Rollout Phase 1 Project Plan has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Trained Business Analysts                  | Province Business Analysts have an understanding of the Software tools and the processes that surround them.  |
| Letters, Reports, and Interfaces Inventory | The Province Business Analysts have reviewed and approved the inventories.  |
| Conversion Plan                            | Key stakeholders in the conversion process have been advised and understand their role in the conversion process.<br><br>The conversion plan has been reviewed and approved by the Province Project Director and Province Business Lead.  |

### ***Base Configuration Phase***

The 'Base Configuration' phase structures and implements the starting point for each Rollout. Once the baseline is in place, the Software will support basic navigation and account type processing.

Major activities:

- Scope preliminary configuration
- Perform preliminary configuration
- Verify configuration (Test Burst # 1)

| Major Deliverables       | Acceptance Criteria  |
|--------------------------|--|
| Base Configuration Scope | The base configuration scope has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Base Configuration       | Province Business Analysts have tested and presented the base configuration to their business areas.                     |

### ***Development Phase***

During the 'Development' phase, the reports, letters and interfaces are built and unit tested. Business rules are configured into the Software reference tables. If required, site code is written and unit tested. The Software security is configured to support the Province's employee's job activities.

Major activities:

- Build/test letter modules
- Build/test report modules
- Build/test external interface modules
- Build/test other site modules
- Revise/review configurations
- Define/configure Software security

| Major Deliverables   | Acceptance Criteria  |
|--|--|
| Developed letters, reports, interfaces and other site specific modules | Legacy reports, letters, and interfaces are reconciled to the reports, letters, and interfaces that are built in the Software. These deliverables have been accepted during system testing and tracked against test scenarios. |
| Software Security  | The Software security requirements are documented in the 'Security Matrix' document and have been tested during system testing and tracked against test scenarios.   |
| Conversion programs  | Conversion requirements are documented in the 'Conversion Approach' document. These requirements have been accepted during converted data testing and tracked against test scenarios.  |

### ***Conversion Phase***

The 'Conversion' phase provides the Software with a base set of data against which the business functions operate.

Major activities:

- Inventory data stores
- Run partial mock for taxpayer/accounts
- Run full mock conversion
- Build legacy reports



- Build extract reports
- Prepare conversion extract documentation
- Build full reconciliation document
- Freeze configuration and code changes
- Purify data - main items and show stoppers checkpoint
- Run production conversion

| Major Deliverables                | Acceptance Criteria   |
|-----------------------------------|---|
| Data Stores Inventoried           | Data stores inventories have been reviewed and approved by the Province Project Director and Province Business Lead.  |
| Reconciliation Reports            | The reconciliation reports have been reviewed and approved by the Province Business Analyst responsible for reconciliation and used during the full mock conversions. |
| Partial and Full Mock Conversions | This Deliverable has been accepted during converted data testing where end users validate the converted data using converted data test scenarios.                     |

### ***Testing Phase***

The 'Testing' phase ensures that the Software in the production environment is able to meet the business needs in a robust and stable manner. This includes identification of Software instabilities or issues.

Major activities:

- Prepare test plan
- Create test scenarios
- Conduct system test
- Conduct end-to-end testing

| Major Deliverables | Acceptance Criteria   |
|--------------------|---|
| Test Plan          | The test plan provides a task list, with corresponding dates, when Rollout functionality will be tested.<br>The test plan has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Test Scenarios     | Test scenarios are written by the Province Business Analysts. They have been tracked and reviewed and approved by the Province Project Director and Province Business Lead.   |

### ***Training Phase***

During the 'Training' phase, user documentation is prepared and users are trained to use the Software.

Major activities:

- Prepare training strategy
- Prepare training plan
- Train trainers
- Deliver training material (Tier 2 & 3)
- Deliver on-line user documentation
- Train users

| Major Deliverables         | Acceptance Criteria   |
|----------------------------|---|
| Training Strategy and Plan | The training strategy and plan documents when, who, where, and how training will take place.<br>Training strategy and plan have been reviewed and approved by the Province Project Director and Province Business Lead. |
| Training Material          | Training material has been reviewed and approved by the Province Business Analysts.   |
| Trained Users              | Training classes have been held and staff are trained.  |

***Production Cutover Phase***

The 'Production Cutover' phase delivers the lines of business to production.

Major activities:

- Prepare cutover checklist
- Prepare desk side support plan
- Prepare help desk plan
- Run conversion
- Implement Rollout

| Major Deliverables     | Acceptance Criteria  |
|------------------------|--|
| Cutover Checklist      | Cutover checklist has been reviewed and approved by the Province Project Director and Province Business Lead.      |
| Desk Side Support Plan | Desk side support plan has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Help Desk Support Plan | Help desk support plan has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Run Conversion         | Conversion is reconciled and accepted by the Province Business Analyst responsible for reconciliation.             |

## Project Overview

|   |                 |
|---|-----------------|
| <b>Mineral Tax, Mineral Land Tax, Mine Health &amp; Safety Inspection Fee</b> | <b>End</b>      |
| <b>Production Cutover</b>   | <b>7-Dec-15</b> |
| Run conversion  | 5-Dec-15        |
| Production Cutover - Implementation   | 7-Dec-15        |

## SCHEDULE "I" LNG PROJECT PLAN

The implementation of the LNG Phase will include the following phases, which some of them are considered milestones under this Agreement.

### ***Preparation & Definition Phase***

The 'Preparation' phase develops the roadmap that will define how the implementation will be executed. The 'Definition' phase is the first step each team takes in defining the work that will be performed to deliver the line of business.

Major activities:

- Prepare Rollout LNG Project Plan
- Identify project team members and assign work
- Prepare and deliver system overviews
- Conduct Business Analyst training
- Prepare inventory of letters, reports, and interfaces

| Major Deliverables                         | Acceptance Criteria   |
|--|---|
| Rollout LNG Project Plan                   | The Rollout LNG Project Plan provides an accurate representation of the major Rollout activities, a schedule for business participants.<br><br>The Rollout LNG Project Plan has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Trained Business Analysts                  | Province Business Analysts have an understanding of the Software tools and the processes that surround them.  |
| Letters, Reports, and Interfaces Inventory | The Province Business Analysts have reviewed and approved the inventories.  |

### ***Base Configuration Phase***

The 'Base Configuration' phase structures and implements the starting point for each Rollout. Once the baseline is in place, the Software will support basic navigation and account type processing.

Major activities:

- Scope preliminary configuration
- Perform preliminary configuration
- Verify configuration (Test Burst # 1)

| Major Deliverables       | Acceptance Criteria  |
|--------------------------|--|
| Base Configuration Scope | The base configuration scope has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Base Configuration       | Province Business Analysts have tested and presented the base configuration to their business areas.                     |

### ***Development Phase***

During the 'Development' phase, the reports, letters and interfaces are built and unit tested. Business rules are configured into the Software reference tables. If required, site code is written and unit tested. The Software security is configured to support the Province's employee's job activities.

Major activities:

- Build/test letter modules
- Build/test report modules
- Build/test external interface modules
- Build/test other site modules
- Revise/review configurations
- Define/configure Software security

### ***Testing Phase***

The 'Testing' phase ensures that the Software in the production environment is able to meet the business needs in a robust and stable manner. This includes identification of Software instabilities or issues.

Major activities:

- Prepare test plan
- Create test scenarios
- Conduct system test
- Conduct end-to-end testing

| Major Deliverables | Acceptance Criteria   |
|--------------------|---|
| Test Plan          | The test plan provides a task list, with corresponding dates, when Rollout functionality will be tested.<br>The test plan has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Test Scenarios     | Test scenarios are written by the Province Business Analysts. They have been tracked and reviewed and approved by the Province Project Director and Province Business Lead.   |

### ***Training Phase***

During the 'Training' phase, user documentation is prepared and users are trained to use the Software.

Major activities:

- Prepare training strategy
- Prepare training plan
- Train trainers
- Deliver training material (Tier 2 & 3)



- Deliver on-line user documentation
- Train users

| Major Deliverables         | Acceptance Criteria   |
|----------------------------|---|
| Training Strategy and Plan | The training strategy and plan documents when, who, where, and how training will take place.<br>Training strategy and plan have been reviewed and approved by the Province Project Director and Province Business Lead. |
| Training Material          | Training material has been reviewed and approved by the Province Business Analysts.   |
| Trained Users              | Training classes have been held and staff are trained.  |

### ***Production Cutover Phase***

The 'Production Cutover' phase delivers the lines of business to production.

Major activities:

- Prepare cutover checklist
- Prepare desk side support plan
- Prepare help desk plan
- Implement Rollout

| Major Deliverables     | Acceptance Criteria  |
|------------------------|--|
| Cutover Checklist      | Cutover checklist has been reviewed and approved by the Province Project Director and Province Business Lead.      |
| Desk Side Support Plan | Desk side support plan has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Help Desk Support Plan | Help desk support plan has been reviewed and approved by the Province Project Director and Province Business Lead. |

### ***Project Overview***

|                                   | Start    | End       |
|-----------------------------------|----------|-----------|
| Rollout 1 – Taxpayer Registration | 4-Jan-16 | 28-Mar-16 |
| Rollout 2 – Remaining Functions   | 4-Jan-16 | 5-Dec-16  |

#### **Rollout 1- Taxpayer Registration Preparation and Definition**

|  | Start       | End          |
|--|-------------|--------------|
| Prepare Rollout LNG Project Plan                         | Jan 4, 2016 | Jan 29, 2016 |
| Identify LNG Phase team members and assign to Work Teams | Jan 4, 2016 | Jan 29, 2016 |

|  |              |              |
|--|--------------|--------------|
| System Overviews                           | Jan 4, 2016  | Jan 29, 2016 |
| BA Training                                | Jan 4, 2016  | Jan 29, 2016 |
| Inventory Letters                          | Jan 4, 2016  | Jan 29, 2016 |
| <b>Development</b>                         |              |              |
| Build/test letter modules                  | Jan 18, 2016 | Mar 18, 2016 |
| Build/test other site modules              | Jan 18, 2016 | Mar 18, 2016 |
| Revise/review configurations               | Jan 18, 2016 | Mar 18, 2016 |
| Define/configure Software security         | Jan 18, 2016 | Mar 18, 2016 |
| <b>Testing</b>                             |              |              |
| Test plan                                  | Feb 1, 2016  | Feb 12, 2016 |
| Create Test Scenarios                      | Feb 15, 2016 | Feb 26, 2016 |
| System test                                | Feb 22, 2016 | Mar 18, 2016 |
| <b>Training</b>                            |              |              |
| Training Strategy                          | Jan 4, 2016  | Jan 22, 2016 |
| Training Plan                              | Jan 25, 2016 | Feb 5, 2016  |
| Train Trainers                             | Feb 8, 2016  | Feb 26, 2016 |
| Deliver training material (Tier 2 & 3)     | Feb 26, 2016 | Mar 11, 2016 |
| Train users                                | Mar 14, 2016 | Mar 25, 2016 |
| <b>Production Cutover</b>                  |              |              |
| Package and deploy migration to production | Mar 21, 2016 | Mar 27, 2016 |
| Rollout One Go Live                        | Mar 28, 2016 | Mar 28, 2016 |

|  | Start     | End       |
|--|-----------|-----------|
| <b>Rollout 2 – Remaining Functions</b>                 |           |           |
| <b>Preparation &amp; Definition</b>                    |           |           |
| Prepare Rollout Plan                                   | 04-Jan-16 | 29-Jan-16 |
| Identify Project team members and assign to Work Teams | 04-Jan-16 | 29-Jan-16 |
| System Overviews                                       | 04-Jan-16 | 29-Jan-16 |
| BA Training  | 04-Jan-16 | 29-Jan-16 |
| Inventory Letters                                      | 04-Jan-16 | 27-Feb-16 |
| <b>Base Configuration</b>                              |           |           |
| Scope preliminary configuration                        | 01-Feb-16 | 19-Feb-16 |
| Perform Preliminary configuration                      | 06-Jan-16 | 29-Apr-16 |
| Verify configuration (Test Burst)                      | 02-May-16 | 06-May-16 |
| <b>Development</b>                                     |           |           |
| Build/test letter modules                              | 01-Feb-16 | 25-Nov-16 |
| Build/test report modules                              | 01-Feb-16 | 25-Nov-16 |
| Build/test external interface modules                  | 01-Feb-16 | 25-Nov-16 |
| Build/test other site modules                          | 01-Feb-16 | 25-Nov-16 |
| Revise/review configurations                           | 01-Feb-16 | 25-Nov-16 |
| Define/configure GenTax application security           | 01-Feb-16 | 25-Nov-16 |
| <b>Testing</b>   |           |           |
| Test plan  | 04-Apr-16 | 30-Sep-16 |
| Create Test Scenarios                                  | 18-Apr-16 | 29-Apr-16 |
| System test  | 15-Feb-16 | 30-Nov-16 |
| End-to-end   | 06-Jun-14 | 30-Nov-16 |
| <b>Training</b>  |           |           |
| Training Strategy                                      | 17-Oct-16 | 30-Nov-16 |
| Training Plan  | 25-Jan-16 | 31-Mar-16 |
| Train Trainers   | 01-Mar-16 | 30-Jun-16 |
| Deliver training material (Tier 2 & 3)                 | 02-Oct-16 | 28-Oct-16 |
| Train users  | 02-May-16 | 28-Oct-16 |
| <b>Production Cutover</b>                              |           |           |
| Cutover checklist                                      | 31-Oct-16 | 02-Dec-16 |
|  | 01-Aug-16 | 25-Nov-16 |

Desk side support plan  
Help desk plan  
Rollout Two Go Live

|           |           |
|-----------|-----------|
| 14-Nov-16 | 30-Nov-16 |
| 14-Nov-16 | 30-Nov-16 |
| 05-Dec-16 | 05-Dec-16 |

## SCHEDULE "J" PHASE 2 PROJECT PLAN

The implementation of the Phase 2 will include the following phases, which some of them are considered milestones under this Agreement.

### ***Preparation & Definition Phase***

The 'Preparation' phase develops the roadmap that will define how the implementation will be executed. The 'Definition' phase is the first step each team takes in defining the work that will be performed to deliver the line of business.

Major activities:

- Prepare Rollout project plan
- Identify project team members and assign work
- Prepare and deliver system overviews
- Conduct Business Analyst training
- Prepare inventory of letters, reports, and interfaces
- Prepare conversion plan

| Major Deliverables                         | Acceptance Criteria   |
|--|---|
| Rollout Phase 2 Project Plan               | The Rollout Phase 2 Project Plan provides an accurate representation of the major Rollout activities, a schedule for business participants.<br><br>The Rollout Phase 2 Project Plan has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Trained Business Analysts                  | Province Business Analysts have an understanding of the Software tools and the processes that surround them.  |
| Letters, Reports, and Interfaces Inventory | The Province Business Analysts have reviewed and approved the inventories.  |
| Conversion Plan                            | Key stakeholders in the conversion process have been advised and understand their role in the conversion process.<br><br>The conversion plan has been reviewed and approved by the Province Project Director and Province Business Lead.  |

### ***Base Configuration Phase***

The 'Base Configuration' phase structures and implements the starting point for each Rollout. Once the baseline is in place, the Software will support basic navigation and account type processing.

Major activities:

- Scope preliminary configuration
- Perform preliminary configuration
- Verify configuration (Test Burst # 1)

| Major Deliverables       | Acceptance Criteria  |
|--------------------------|--|
| Base Configuration Scope | The base configuration scope has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Base Configuration       | Province Business Analysts have tested and presented the base configuration to their business areas.                     |

### ***Development Phase***

During the 'Development' phase, the reports, letters and interfaces are built and unit tested. Business rules are configured into the Software reference tables. If required, site code is written and unit tested. The Software security is configured to support the Province's employee's job activities.

Major activities:

- Build/test letter modules
- Build/test report modules
- Build/test external interface modules
- Build/test other site modules
- Revise/review configurations
- Define/configure Software security

| Major Deliverables   | Acceptance Criteria  |
|--|--|
| Developed letters, reports, interfaces and other site specific modules | Legacy reports, letters, and interfaces are reconciled to the reports, letters, and interfaces that are built in the Software. These deliverables have been accepted during system testing and tracked against test scenarios. |
| Software Security  | The Software security requirements are documented in the 'Security Matrix' document and have been tested during system testing and tracked against test scenarios.   |
| Conversion programs  | Conversion requirements are documented in the 'Conversion Approach' document. These requirements have been accepted during converted data testing and tracked against test scenarios.  |

### ***Conversion Phase***

The 'Conversion' phase provides the Software with a base set of data against which the business functions operate.

Major activities:

- Inventory data stores
- Run partial mock for taxpayer/accounts
- Run full mock conversion
- Build legacy reports



- Build extract reports
- Prepare conversion extract documentation
- Build full reconciliation document
- Freeze configuration and code changes
- Purify data - main items and show stoppers checkpoint
- Run production conversion

| Major Deliverables                | Acceptance Criteria   |
|-----------------------------------|---|
| Data Stores Inventoried           | Data stores inventories have been reviewed and approved by the Province Project Director and Province Business Lead.  |
| Reconciliation Reports            | The reconciliation reports have been reviewed and approved by the Province Business Analyst responsible for reconciliation and used during the full mock conversions. |
| Partial and Full Mock Conversions | This Deliverable has been accepted during converted data testing where end users validate the converted data using converted data test scenarios.                     |

### ***Testing Phase***

The 'Testing' phase ensures that the Software in the production environment is able to meet the business needs in a robust and stable manner. This includes identification of Software instabilities or issues.

Major activities:

- Prepare test plan
- Create test scenarios
- Conduct system test
- Conduct end-to-end testing

| Major Deliverables | Acceptance Criteria   |
|--------------------|---|
| Test Plan          | The test plan provides a task list, with corresponding dates, when Rollout functionality will be tested.<br>The test plan has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Test Scenarios     | Test scenarios are written by the Province Business Analysts. They have been tracked and reviewed and approved by the Province Project Director and Province Business Lead.   |

### ***Training Phase***

During the 'Training' phase, user documentation is prepared and users are trained to use the Software.

Major activities:

- Prepare training strategy
- Prepare training plan
- Train trainers
- Deliver training material (Tier 2 & 3)
- Deliver on-line user documentation
- Train users

| Major Deliverables         | Acceptance Criteria   |
|----------------------------|---|
| Training Strategy and Plan | The training strategy and plan documents when, who, where, and how training will take place.<br>Training strategy and plan have been reviewed and approved by the Province Project Director and Province Business Lead. |
| Training Material          | Training material has been reviewed and approved by the Province Business Analysts.   |
| Trained Users              | Training classes have been held and staff are trained.  |

***Production Cutover Phase***

The 'Production Cutover' phase delivers the lines of business to production.

Major activities:

- Prepare cutover checklist
- Prepare desk side support plan
- Prepare help desk plan
- Run conversion
- Implement Rollout

| Major Deliverables     | Acceptance Criteria  |
|------------------------|--|
| Cutover Checklist      | Cutover checklist has been reviewed and approved by the Province Project Director and Province Business Lead.      |
| Desk Side Support Plan | Desk side support plan has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Help Desk Support Plan | Help desk support plan has been reviewed and approved by the Province Project Director and Province Business Lead. |
| Run Conversion         | Conversion is reconciled and accepted by the Province Business Analyst responsible for reconciliation.             |

## Project Overview

|   |                          |                        |
|---|--------------------------|------------------------|
| Rollout 1 – RPT,HOG, HOGA, School/Police tax Admin        | <b>Start</b><br>6-Jan-16 | <b>End</b><br>6-Feb-17 |
| Rollout 2 – PTT   | 5-Mar-18                 | 7-Jan-19               |
| <b>Rollout 1 – RPT,HOG, HOGA, School/Police tax Admin</b> | <b>Start</b>             | <b>End</b>             |
| <b>Preparation and Definition</b>                         |                          |                        |
| Prepare Rollout Plan                                      | 6-Jan-16                 | 19-Feb-16              |
| Identify Project team members and assign to Work Teams    | 6-Jan-16                 | 19-Feb-16              |
| System Overviews  | 6-Jan-16                 | 19-Feb-16              |
| BA Training   | 6-Jan-16                 | 19-Feb-16              |
| Inventory Letters, Reports, and Interfaces                | 1-Feb-16                 | 29-Feb-16              |
| <b>Base Configuration</b>                                 |                          |                        |
| Scope preliminary configuration                           | 1-Feb-16                 | 19-Feb-16              |
| Perform preliminary configuration                         | 6-Jan-16                 | 27-May-16              |
| Verify configuration (Test Burst)                         | 30-May-16                | 3-Jun-16               |
| <b>Development</b>  |                          |                        |
| Build/test letter modules                                 | 1-Mar-16                 | 25-Nov-16              |
| Build/test report modules                                 | 1-Mar-16                 | 25-Nov-16              |
| Build/test external interface modules                     | 1-Mar-16                 | 25-Nov-16              |
| Build/test other site modules                             | 1-Mar-16                 | 25-Nov-16              |
| Revise/review configurations                              | 1-Mar-16                 | 25-Nov-16              |
| Define/configure Software security                        | 4-Apr-16                 | 30-Sep-16              |
| <b>Conversion</b>   |                          |                        |
| Inventory Data Stores                                     | 1-Feb-16                 | 26-Feb-16              |
| Run partial mock for Taxpayer/Accounts                    | 4-Jul-16                 | 2-Dec-16               |
| Run full mock conversion                                  | 8-Aug-16                 | 3-Feb-17               |
| Identify Legacy reports                                   | 1-Jul-16                 | 9-Sep-16               |
| Build Extract reports                                     | 11-Jul-16                | 28-Oct-16              |
| Conversion Extract documentation                          | 7-Mar-16                 | 2-Sep-16               |
| Build Full reconciliation document                        | 15-Aug-16                | 29-Sep-16              |
| Freeze configuration and code changes                     | 30-Dec-16                | 6-Feb-16               |
| Purify data - main items and show stoppers checkpoint     | 30-Sep-16                | 30-Sep-16              |
| Run production conversion                                 | 3-Feb-17                 | 3-Feb-17               |
| <b>Testing</b>  |                          |                        |
| Test plan   | 2-May-16                 | 27-May-16              |
| Create Test Scenarios                                     | 15-Feb-16                | 28-Oct-16              |
| System test   | 4-Jul-16                 | 9-Dec-16               |
| End-to-End  | 12-Dec-16                | 3-Feb-17               |
| <b>Training</b>   |                          |                        |
| Training Strategy   | 25-Jan-16                | 31-Mar-16              |
| Training Plan   | 1-Mar-16                 | 30-Jun-16              |
| Train Trainers  | 2-Aug-16                 | 25-Nov-16              |
| Deliver training material (Tier 2 & 3)                    | 2-May-16                 | 25-Nov-16              |
| Train users   | 5-Dec-16                 | 10-Feb-17              |
| <b>Production Cutover</b>                                 |                          |                        |
| Cutover checklist   | 29-Aug-16                | 25-Nov-16              |
| Desk side support plan                                    | 3-Jan-17                 | 27-Jan-17              |
| Help desk plan  | 3-Jan-17                 | 27-Jan-17              |
| Rollout One Go Live                                       | 6-Feb-17                 | 6-Feb-17               |

|  | Start     | End       |
|--|-----------|-----------|
| <b>Rollout 2 – PTT</b>                                 |           |           |
| <b>Preparation &amp; Definition</b>                    |           |           |
| Prepare Rollout Plan                                   | 5-Mar-18  | 16-Mar-18 |
| Identify Project team members and assign to Work Teams | 5-Mar-18  | 16-Mar-18 |
| System Overviews                                       | 19-Mar-18 | 20-Apr-18 |
| BA Training  | 19-Mar-18 | 30-Mar-18 |
| Inventory Letters, Reports, and Interfaces             | 2-Apr-18  | 18-May-18 |
| <b>Base Configuration</b>                              |           |           |
| Scope preliminary configuration                        | 2-Apr-18  | 20-Apr-18 |
| Perform preliminary configuration                      | 19-Mar-18 | 22-Jun-18 |
| Verify configuration (Test Burst)                      | 25-Jun-18 | 29-Jun-18 |
| <b>Development</b>                                     |           |           |
| Build/test letter modules                              | 19-Mar-18 | 28-Dec-18 |
| Build/test report modules                              | 19-Mar-18 | 28-Dec-18 |
| Build/test external interface modules                  | 19-Mar-18 | 28-Dec-18 |
| Build/test other site modules                          | 19-Mar-18 | 28-Dec-18 |
| Revise/review configurations                           | 19-Mar-18 | 28-Dec-18 |
| Define/configure Software security                     | 4-Jun-18  | 26-Oct-18 |
| <b>Testing</b>   |           |           |
| Test plan  | 1-Feb-18  | 16-Feb-18 |
| Create Test Scenarios                                  | 2-Apr-18  | 23-Nov-18 |
| System test  | 6-Aug-18  | 23-Nov-18 |
| End-to-End   | 26-Nov-18 | 28-Dec-18 |
| <b>Training</b>  |           |           |
| Training Strategy                                      | 19-Mar-18 | 20-Apr-18 |
| Training Plan  | 2-Apr-17  | 25-May-18 |
| Train Trainers   | 30-Sep-18 | 22-Nov-18 |
| Deliver training material (Tier 2 & 3)                 | 3-Jun-18  | 22-Nov-18 |
| Train users  | 3-Dec-18  | 11-Jan-19 |
| <b>Production Cutover</b>                              |           |           |
| Cutover checklist                                      | 4-Sep-18  | 30-Nov-18 |
| Desk side support plan                                 | 10-Dec-18 | 28-Dec-18 |
| Help desk plan   | 10-Dec-18 | 28-Dec-18 |
| Rollout Two Go Live                                    | 7-Jan-19  | 7-Jan-19  |