



Supplemental Site Service Terms and Conditions Addendum

1.	General	1
2.	Scope of Services	1
3.	Material, Equipment and Supplies	1
4.	Other Contractors	2
5.	Regional Businesses	2
6.	Clean Up	2
7.	Representations	2
8.	Insurance	2
9.	Workers' Compensation	3
10.	Taxes	3
11.	Health and Safety	3
12.	Compliance with Laws and Supplier Code of Conduct	4
13.	Liens	4
14.	Security	4
15.	Hazardous Waste Handling	4
16.	Environment	4

1. General

1.1 **Defined Terms.** Except as defined below, the terms defined in the Terms and Conditions of Purchase and used in this Supplemental Site Service Terms and Conditions Addendum shall have the meanings ascribed to those terms in the Terms and Conditions of Purchase:

- (a) **“Aboriginal Business”** means a business that has at least 51% ownership held by aboriginal people.
- (b) **“Completion”** means that the Services have been fully completed in accordance with the Purchase Order.
- (c) **“Contract EH&S Plan”** means the Seller’s environmental, health and safety plan described in Paragraph 11.1 Contract EH&S Plan.
- (d) **“Contractor Alcohol and Drug Standard”** means the current version of Suncor’s Contractor Alcohol and Drug Standard available on Suncor’s website at www.suncor.com, as updated from time to time, or as may be provided by Suncor from time to time.
- (e) **“Hazardous Substance”** means any substance, mixture of substances, product, waste, organism, pollutant, material, chemical, contaminant, dangerous good, constituent or other material which is or becomes listed, regulated or addressed under any Law or applicable regulation respecting the use, manufacture, importation, handling, transportation, storage, disposal and treatment of the substance, mixture of substances, product, waste, organism, pollutant, material, chemical, contaminant, dangerous good, constituent or other material.
- (f) **“Other Contractors”** means contractors or vendors engaged by Suncor to provide labour, materials, products or services, other than the Seller or subcontractors.
- (g) **“Regional Business”** means a local business or Aboriginal Business “established” within the same region or municipality as the Services are provided and, for the purposes of the Purchase Order, “established” means:
 - (i) retains a manned office within the region or municipality, other than a post office box address;
 - (ii) retains an employment base within the region or municipality; and
 - (iii) retains a valid business license in the region or municipality.
- (h) **“Suncor’s EH&S Management Requirements”** means Suncor’s environment, health and safety requirements applicable to the Services, as set out in the Purchase Order and on Suncor’s website at www.suncor.com, and as updated from time to time, or as may be provided by Suncor from time to time.
- (i) **“Supplemental Site Service Terms and Conditions Addendum”** means this document entitled “Supplemental Site Service Terms and Conditions Addendum” and forming part of the Purchase Order.

2. Scope of Services

2.1 **Scope of Services.** The Seller shall perform the Services in accordance with the Purchase Order.

2.2 **Terms and Conditions.** Where the Purchase Order requires the Seller to perform Services at the Site in connection with the supply of Goods, such Services shall be performed in accordance with the Supplemental Site Service Terms and Conditions Addendum and the Terms and Conditions of Purchase.

2.3 **Precedence.** In the event of a conflict or inconsistency between the Supplemental Site Service Terms and Conditions Addendum and the Terms and Conditions of Purchase, the Supplemental Site Service Terms and Conditions Addendum shall, insofar as they apply to the Services, govern over the Terms and Conditions of Purchase.

2.4 **Matters Affecting the Services.** Any failure by the Seller to discover matters which affect or could affect the Services shall not relieve the Seller from its obligations under the Purchase Order. Specifically, the Seller acknowledges that it has investigated and satisfied itself as to:

- (a) the nature of the Services;
- (b) general character, quality, quantity and availability of equipment and materials required to execute and complete the Services;
- (c) location of, and all conditions relating to, the Site, including accessibility, general character, surface conditions, utilities, roads, uncertainties of seasonal weather and all other physical, topographical and geographical conditions that may affect the Seller’s performance of the Services, and which are reasonably discoverable by the Seller applying due diligence;
- (d) environmental risks, conditions, Law and restrictions applicable to the Seller, or the Services, that might affect the Services; and
- (e) all conditions affecting labour, including availability, productivity and administrative practices, including those relating to safety, prevailing at or applicable to the Services.

2.5 **No Deviations.** The Seller shall not deviate from the specifications or requirements stated in the Purchase Order.

2.6 **Minimum of Interference and Full Cooperation.** The Seller shall perform the Services in such manner as to cause a minimum of interference with Suncor’s operations. The Seller shall cooperate fully with all other parties with whom the Seller may be involved during the performance of the Services.

2.7 **Property Damage.** The Seller shall protect the Services and Suncor’s property and property adjacent to the Site from damage which may arise as a result of the Seller’s operations or the operations of its subcontractors. Should the Seller’s operations or the operations of its subcontractors cause damage to the Services or Suncor’s property, the Seller shall be responsible for making good such damage at the Seller’s expense.

3. Material, Equipment and Supplies

3.1 **Seller to Check Material, Equipment and Supplies.** The Seller shall check, assess and record upon delivery to the Seller the quantity and condition of all materials, equipment and supplies supplied by or on behalf of Suncor or which are to be installed or consumed by the Seller during the performance of the Services. If any of the materials, equipment or supplies are lost, damaged or destroyed after

having been delivered to the Seller, or while in the custody or control of the Seller, the Seller shall repair and replace the same at its own expense unless:

- (a) such loss, damage or destruction is caused by the negligence of Suncor; and
- (b) Suncor was not acting under the direction of the Seller at the time of such loss, damage or destruction.

4. Other Contractors

4.1 **Other Contractors.** If any part of the Services depends upon the work of Other Contractors for its proper execution or result and the Seller becomes aware of any defects, deficiencies or conflicts in the work or in the timing of the work of the Other Contractors as may interfere with the proper execution of the Services, the Seller shall immediately provide a notice to Suncor of such defects, deficiencies or conflicts. Should the Seller fail to provide a notice to Suncor as required by this Paragraph, the Seller shall: (i) have no Claim against Suncor by reason of defective, deficient or unfinished work of any Other Contractors; and (ii) reimburse Suncor for all costs, expenses and losses suffered, sustained, paid or incurred by Suncor relating to any Services that require re-performance as a result of any defects, deficiencies or conflicts in the work or in the timing of the work of Other Contractors.

5. Regional Businesses

5.1 **Regional Businesses.** Suncor strongly supports the use of Regional Businesses. When subcontracting part or parts of the Services, the Seller shall proactively seek out Regional Businesses to perform such subcontracts, and whenever appropriate, and provided there is no time or cost penalty to Suncor or the Seller, the Seller shall give preference to Regional Businesses when subcontracting any part of the Services.

6. Clean Up

6.1 **Waste.** In addition to the requirements of Article 15 Hazardous Waste Handling, no waste materials shall be allowed to accumulate in or around the Site, and the Seller shall remove, or cause its subcontractors to remove, debris or waste materials at periodic intervals or as often as Suncor may direct. The Seller shall ensure that the Site is kept clean and free of debris and waste materials at all times. Before Completion of the Services, the Seller shall remove or cause to be removed all temporary structures, superfluous and waste materials of whatever kind resulting from the Services.

7. Representations

7.1 **Seller's Performance Representations and Warranties.** The Seller shall provide installation and other services relating to the Goods in a proper and good and workmanlike manner in accordance with the Purchase Order and in accordance with good engineering, manufacturing, installation and other industry practice.

8. Insurance

8.1 **Insurance Coverage.** Without limiting any of the obligations or liabilities under the Purchase Order and prior to commencing any Services under the Purchase Order, the Seller shall obtain and continuously carry when on Site, at its own expense and cost, policies suitable to Suncor in respect of the following insurances:

- (a) workers' compensation coverage for all employees engaged in the Services in accordance with the statutory requirements of the province, territory or state in which the Services are being performed;
- (b) Commercial General Liability Insurance, including bodily injury, death and property damage, in an amount of not less than \$5 million (combined single limit on each occurrence). Such coverage to include, but not be limited to, Blanket Contractual Liability, Contingent Employer's Liability Insurance, Contractual Liability, Non-Owned Automobile Liability, Attached Equipment, Broad Form Property Damage Liability, Products and Completed Operations Liability, and, when applicable to the Services, Hook Liability, Sudden and Accidental Pollution Liability and Explosion, Collapse and Underground Damage Liability. This policy will respond to property damage to Suncor's existing facilities;
- (c) Automobile Liability Insurance for owned, leased, hired, operated or licensed vehicles with limits of not less than \$2 million for accidental injury to or death of one or more persons or damage to or destruction of property as a result of one accident or occurrence;
- (d) Property Insurance covering loss or damage to construction machinery, tools, equipment and property that is owned by, leased by, or rented by and used by the Seller or its subcontractors in performing the Services; and
- (e) such additional coverage as may be required by Law.

8.2 **Requirements of Seller.** The insurance provided by the Seller shall be provided in accordance with the following terms and conditions:

- (a) the Seller shall, upon request, provide Suncor with evidence of compliance with applicable workers' compensation legislation and coverage;
- (b) certificates of insurance of the policies described in Paragraph 8.1 Insurance Coverage shall be submitted to Suncor prior to commencement of the Services. All such policies shall be placed with insurers and shall be in a form acceptable to Suncor. The approval or non-approval of any such policy by Suncor shall in no way relieve the Seller of its obligations to provide, and to cause its subcontractors to provide, the insurance in this Article;
- (c) all property insurance policies provided by the Seller and its subcontractors shall contain a waiver of subrogation against Suncor, its Affiliates and each of their respective Personnel;
- (d) all insurance provided by the Seller or its subcontractors shall be considered primary and not excess to any insurance carried by Suncor; and
- (e) all liability insurance policies, except for automobile liability insurance and workers' compensation, provided by the Seller and its subcontractors shall:
 - (i) name Suncor, its Affiliates and their respective Personnel as additional insureds, but only with respect to any potential legal liability arising out of the operations, actions or conduct of the named insured;
 - (ii) contain a cross-liability and severability of interest clause; and

(iii) each such policy shall state that it cannot be cancelled without at least 30 days written notice to Suncor.

8.3 **Insurance Indemnity.** If the Seller fails or any of its subcontractors fail, to furnish Suncor with a certificate of insurance for each policy of insurance required to be obtained in Paragraph 8.1 Insurance Coverage, or if after furnishing a certificate of insurance, any policy lapses, is cancelled or is materially altered, then in every case Suncor may obtain and maintain such insurance in the name of the Seller and any of its subcontractors. The Seller shall indemnify and hold harmless the Indemnitees from any Claim suffered, sustained, paid or incurred by the Indemnitees to place such insurance for the Seller, including the subcontractors' insurance costs, and such indemnity shall not be subject to the limitation of liability for the Seller in the Terms and Conditions of Purchase.

8.4 **Subcontractors.** The Seller shall ensure that its subcontractors maintain the same types and limits of insurance as provided for in Paragraph 8.1 Insurance Coverage and 8.2 Requirements of Seller. The Seller shall provide to Suncor, upon request, copies of certificates of insurance for the policies it has obtained from its subcontractors.

8.5 **Deductibles.** The Seller shall be responsible for payment of all deductibles applicable to the insurance described in Paragraph 8.1 Insurance Coverage.

8.6 **Liability of the Seller.** Neither the providing of insurance by the Seller in accordance with the requirements of this Article, nor the insolvency, bankruptcy or the failure of any insurance company to pay any claim occurring shall be held to relieve the Seller from any other provisions of the Purchase Order with respect to liability of the Seller or otherwise.

8.7 **Notice.** Suncor and the Seller shall immediately notify in writing each other and the relevant insurer of any occurrence or incident likely to give rise to a claim under the policies or insurance coverage referred to in this Article, or of any other matter or thing in respect of which notice should be given by Suncor or the Seller to the relevant insurers. In addition, both Suncor and the Seller shall give all such information, reports, documentation and assistance as may be reasonably practicable in all the circumstances to achieve prompt settlement of insurance claims.

9. Workers' Compensation

9.1 Workers' Compensation.

(a) The Seller shall, and shall ensure that the subcontractors comply with workers' compensation Law covering all persons employed by the Seller and the subcontractors. Without limitation, the Seller shall, and shall ensure that the subcontractors at all times pay or cause to be paid any assessment or contribution required to be paid pursuant to workers' compensation Law or, in jurisdictions where workers' compensation is not funded by the province, territory or state through a statutory workers' compensation scheme, carry workers' compensation insurance in accordance with the Law as set out in Paragraph 8.1(a) Insurance Coverage. Upon Suncor's request, the Seller shall deliver to Suncor a statement from the Workers' Compensation Board, or applicable governing body, indicating that the Seller or subcontractor is registered and in good standing.

(b) In the event that an employee of the Seller or a subcontractor engaged in performing the Services ordinarily resides outside the province, territory or state in which the Services are being performed and is employed by an employer who is based outside the province, territory or state in which the Services are being performed (and such employer carries on business at the location of the Services on a temporary basis) the Seller shall comply with workers' compensation Law in accordance with the statutory requirements of the province, territory or state where the employee is ordinarily resident and the employer ordinarily carries on business.

9.2 **Indemnification for Workers' Compensation.** The Seller shall indemnify and hold harmless the Indemnitees from all Claims brought against Suncor as a result of the Seller's failure to pay, or the failure of the Seller to ensure its subcontractors pay, any assessment, contribution, or insurance premium relating to workers' compensation coverage.

10. Taxes

10.1 **Tax Responsibility.** The Seller shall be responsible for and pay the costs of all contributions, assessments and deductions, including, without limitation, those required for labour unions or associations, workers' compensation insurance contributions, employment insurance contributions, employees' income tax deductions, Canada Pension Plan, disability benefits, other benefits not specified, together with all Taxes in relation to same as may be required by Law.

10.2 **Tax Withholding.** Unless an official exemption from tax withholding is received by Suncor from the Seller, Suncor is obligated by Law to withhold at the then current rate a percentage of the value of the Services performed in Canada and Québec (if applicable) by non-resident contractors. Suncor shall be entitled to deduct any such required withholdings from any amounts paid or payable to the Seller under the Purchase Order. Any amounts deducted by Suncor pursuant to this Paragraph shall be remitted by Suncor directly to any revenue authorities on behalf of the Seller, with an official receipt respecting any such remittance provided to the Seller by Suncor. It is expressly understood and agreed by the Seller that no additional payment shall be made to compensate the Seller as a result of costs associated with Canadian and Québec withholding tax. The Seller shall provide accurate and timely information relating to the value of all Services performed in Canada and Québec (if applicable) by it to permit Suncor to withhold the appropriate amounts as required by Law.

10.3 **Tax Indemnity.** The Seller shall indemnify and hold harmless the Indemnitees from all third party Claims brought against the Indemnitees in respect of the Seller's obligations described in Article 10 Taxes, and such indemnity shall not be subject to the limitation of liability for the Seller in the Terms and Conditions of Purchase.

11. Health and Safety

11.1 **Contract EH&S Plan.** The Seller shall at all times while performing the Services maintain, and ensure that its subcontractors maintain, an environment, health and safety plan that meets or exceeds Suncor's EH&S Management Requirements and any safe work requirements in the Purchase Order.

11.2 **Contractor Alcohol and Drug Policy.** The Seller shall, at all times while performing the Services, maintain an

alcohol and drug policy in accordance with the Contractor Alcohol and Drug Standard.

11.3 **Observance of Safety.** The Seller shall observe and shall ensure that its Personnel, as well as the Personnel of its subcontractors, observe and comply with the Contract EH&S Plan, any safe work requirements in the Purchase Order and the Seller's alcohol and drug policy. In the case of any difference between the requirements of the Contract EH&S Plan and the safe work requirements in the Purchase Order, and between the Law or the Seller's alcohol and drug policy and the Law, the stricter or higher standard shall apply.

11.4 **Suncor's Right to Suspend.** Suncor, acting reasonably, shall have the right to suspend performance of the Services for as long as it is necessary to prevent or stop any unsafe work practice or any violation of any of the safe work requirements in the Purchase Order or the Contractor Alcohol and Drug Standard, without compensating the Seller for any loss or damages the Seller may suffer, and without any time extension for Completion of performance of the Services. Suncor shall have no liability for suspending the Services, or failing to suspend the Services, pursuant to this Paragraph. Any suspension of the Services pursuant to this Paragraph shall not relieve the Seller of any of its responsibilities pursuant to the Purchase Order, or otherwise, and shall not affect Suncor's right to terminate the Purchase Order for the same unsafe work practice or violation.

12. Compliance with Laws and Supplier Code of Conduct

12.1 **Compliance with Law.** The Seller shall be fully knowledgeable of the Law applicable to the supply of the Services and shall comply with the Law.

12.2 **Compliance with Supplier Code of Conduct.** The Seller shall and shall ensure that its subcontractors, and their respective Personnel, prior to providing the Services, read and understand the Supplier Code of Conduct at the expense of the Seller. The Seller shall and shall ensure that its subcontractors and their respective Personnel comply with the Supplier Code of Conduct. In the case of any difference between the requirements of the Supplier Code of Conduct and the Law, the stricter or higher standard shall apply.

13. Liens

13.1 **If Lien Filed.** If a lien in respect of the Services is filed against the Site or any of Suncor's property, including leases (excluding any valid liens of the Seller), Suncor may immediately withhold payment of any monies owing to the Seller until the Seller discharges the lien.

13.2 **Seller to Discharge or Release Liens.** The Seller shall promptly discharge or release or cause to be discharged or released any and all builders', construction, mechanic's, material, warehousemen's or similar liens which are registered, filed, recorded or brought by any party and which are in any way related to the Services, against the Site or any property of Suncor forming part of or connected in any way with the Services.

13.3 **Indemnification by Seller.** The Seller shall indemnify and hold harmless the Indemnitees from all Claims brought against or suffered, sustained, paid or incurred by the Indemnitees in connection with any liens (excluding any valid liens of the Seller) contemplated in this Article 13 Liens.

14. Security

14.1 **Risk Avoidance.** The Seller shall and shall ensure that the subcontractors shall, at all times conduct all operations on Site in a manner to avoid risk of loss, theft or damage by vandalism, sabotage or any other means to any Goods or other property, including real property.

14.2 **Security Requirements.** The Seller shall comply with Suncor's security requirements for Site and shall cooperate with Suncor on all security matters and shall promptly comply with any Site security arrangements established by Suncor. Such compliance with these security requirements shall not relieve the Seller of its responsibility for maintaining proper security for the Goods, nor shall it be construed as limiting in any manner the Seller's obligation with respect to all applicable Law and to undertake reasonable action to establish and maintain secure conditions at Site or any other location where the Goods are being provided and Services are being performed.

14.3 **Site Access.** Suncor may, in its sole discretion, by a notice to the Seller, deny access to the Site to any individual, or require the Seller or subcontractor to reassign, replace or remove any Personnel. In the event an employee of the Seller or a subcontractor is reassigned or removed, the Seller or subcontractor, as the case may be shall promptly replace the employee with another who is fully competent and skilled to perform the reassigned or removed employee's duties.

15. Hazardous Waste Handling

15.1 **Hazardous Substances.** The Seller shall not, and the Seller shall ensure that its subcontractors shall not, use, store, transport, remove, dispose of or destroy any Hazardous Substances on Site, except with Suncor's prior approval. All Hazardous Substances used, stored, transported, removed, disposed of or destroyed shall be dealt with in accordance with the Law and the Purchase Order.

15.2 **Asbestos.** Where asbestos is present at the Site, the Seller shall not proceed with any Services until:

- (a) asbestos surveys and notifications have been completed and provided to the appropriate regulatory agencies by the party responsible to carry out such Services as set out in the Purchase Order; and
- (b) Suncor specifically authorizes those Services to proceed.

16. Environment

16.1 **Impact on Environment.** The Seller shall, in performance of the Services, comply with all Law and any Purchase Order requirements relating to environmental compliance and safe practices. Without limiting the generality of the foregoing, throughout the performance of the Services, the Seller shall conduct all its operations in such a way as to minimize impact upon the natural environment and prevent any release of Hazardous Substances, and shall:

- (a) provide dust control of its operations within the Site and all other areas under its control, management or supervision in accordance with the methods and procedures designated by Suncor;
- (b) provide working machinery and equipment with efficient noise suppression devices and all other noise and vibration abatement measures necessary for the protection of workers and the public;



Supplemental Site Service Terms and Conditions Addendum

- (c) comply with the waste, sewage, sanitary and garbage disposal methods and procedures designated by Suncor;
- (d) provide suitable equipment, facilities and precautions to prevent the discharge of contaminants into the atmosphere, any body of water or land areas;
- (e) provide all documentation required by all levels of governing authority or the Purchase Order concerning environmental requirements; and
- (f) be responsible for developing and maintaining an environmental compliance program in accordance with the Seller's established practices including compliance with the Law and the Purchase Order, and the Seller shall have sole responsibility for implementing and enforcing its environmental compliance program.

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