

**GENERAL CONDITIONS OF
CONTRACT PROFESSIONAL
SERVICES**

1.0 Definitions

The following terms, wherever used in these documents and in any other documents which are made to form part of the contract, shall have the definitions respectively assigned to them hereunder, unless the context otherwise requires:

"PN" -means PROMATION NUCLEAR LIMITED.

"Contract" -means the legally binding agreement between PN and the Contractor evidenced by the Contract Documents.

"Contract Documents" means the contract and/or the Purchase Order, these General Conditions, the Scope of Work, the Technical Specifications and Drawings including all authorized modifications thereof, the Instructions to Companies and the Contractor's Quotation. These documents shall have precedence in the order named.

"Contractor" -means a party to the Contract other than PN.

"Contract Information" means all information of whatever nature, including technical information, drawings, documents, models and inventions produced, developed or acquired by the Contractor (or any officer- or employee of the Contractor) or a subcontractor of the Contractor while performing the work;

"Invention" -means any new and useful, or a new and useful improvement to an article, machine, art, technique, process, manufacture or composition of matter, or a new and useful improvement thereof, whether or not patentable, which is made by the Contractor or any officer or employee of the Contractor or a subcontractor of the Contractor;

"Party" -means PN or the Contractor, and "Parties" means PN and the Contractor.

"Subcontractor" -means a person, firm or corporation, having a contract with the Contractor for part of the Work, including the furnishing of labour, materials, equipment or apparatus, therefore.

"Work" -that which is intended to be done or supplied as shown and described in the Contract Documents

for the purposes of fulfilling the provisions of this Contract and includes the work, equipment, material, labour, acts, matters and things required under the Contract.

2.0 Changes

This Contract shall be amended only by written change order issued by PN. PN shall not be liable for payment with respect to any activity carried out by the Contractor prior to receipt of the said change order and not consistent with the original Contract.

3.0 Contractor Not Agent

The Contractor shall not act or claim to act as an agent for PN and has no authority, either express or implied, to commit PN in any manner whatsoever to any third party.

4.0 Independent Contractor

The Contractor shall be deemed for the purposes of carrying out the Work to be an independent contractor and neither the Contractor nor its employees shall be considered for any purposes as employees of PN. The Contractor shall be solely responsible for all statutory source deductions of its employees including but not limited to Employment Insurance, Canada Pension, Worker's Compensation, Income Tax, all benefit payments to its employees, as well as any other insurance for work related accidents or injury.

5.0 Conflict of Interest

The Contractor shall forthwith disclose in writing to PN, in reasonable detail, the nature and extent of any real or apparent conflict of interest which exists as of the date of this Contract or which may subsequently arise. All such disclosures, and any uncertainties in this matter, shall be directed to the PN Representative identified in this Contract for clarification and further instruction. In the event of any real or apparent conflict of interest, PN may, in its sole discretion, terminate the Work or direct the Contractor to take such actions as may prevent or eliminate such conflict, including, without limitation, requiring divestiture of assets or interests constituting the conflict.

6.0 Invoicing and Terms of Payment

The Contractor shall deliver to PN at the end of each calendar month one (1) copy of an invoice bearing the Contract number. The invoice shall be for the

services rendered at the rates provided in the Contract and shall contain weekly timesheets approved by the appropriate PN representative (if required by the Contract). All allowable expenses shall be detailed at cost on the invoice and receipts provide. The Contractor's invoice should also show all taxes separately and be less the GST ITC (Input Tax Credit). The invoice shall be supported with all other relevant back-up documentation per the Contract, or otherwise will be rejected by PN. Should corrections be required, the Contractor will update the date of the revised invoice and show an updated revision number. The Contractor shall contact PN for further information if any confusion exists over the correct billing procedure.

PN, if in agreement with the Contractor's invoice, will pay the invoice net 60 days after receipt of the invoice or as specified in the Contract.

7.0 Rights to Contract

Information and Inventions Definition of "Results" -All ideas, inventions, innovations, improvements, know-how, creations, materials, works, writings, reprints, publications and information collected, assembled, conceived, suggested, originated, developed, constructed, rendered or provided by PN as a result of, in the course of, or in connection with the performance of the services, including all intellectual and personal property rights in same to be delivered to PN by the Contractor upon completion of the services or termination of a given contract.

All Results, with the exception of the underlying points noted below, remain the copyrighted property of the PN, and they shall continue to enjoy all rights and privileges as such.

Results which have been developed, prepared, designed or delivered using proprietary and/or confidential information, and clearly reflect the inclusion of this information, remain the sole property of PN or PN's customers, and, as such, they shall continue to enjoy all associated rights and privileges attributed to them as owners. The Contractor agrees Results proprietary to PN or PN's customers will not be used by the Contractor outside of the scope of this agreement.

The Client shall continue to have limited ability to use and enjoy Results after they are delivered. Results may not be sold, processed, stored electronically or reproduced under any circumstances without prior written consent from PN. Results may not be used or

disclosed in the same or similar capacity as they were initially delivered, including lectures, presentations, consultation, or in the development/design of lectures, presentations or consultation, without prior written consent from PN. Results may continue to be used by the Client to carry out the intended outcome(s) of their delivery, including behavioral, functional and operational modification

8.0 Confidentiality

All information or data of any nature whatsoever disclosed to the Contractor by PN pursuant to this Contract shall be deemed to be proprietary to PN. The Contractor agrees that it will, and will ensure that its employees, officers and directors will, hold in confidence all Information disclosed to it by PN and will not, without PN's prior written consent, disclose same to any third party, including, without limitation, any subsidiary or affiliate of the Contractor. The Contractor shall not, directly or indirectly, use, exploit or disclose such information or Contract Information as defined in the Contract.

No publication, disclosure or unauthorized use whatsoever pertaining directly or indirectly to this Contract or its existence shall be made by the Contractor without the prior written permission of PN. Use of PN's name in any publicity or information relating to the Contractor's business, in any media, whether electronic, written or oral, is absolutely forbidden.

No license under any patent, or copyright, or any other right of PN with respect to information or data disclosed is granted to the Contractor except as set out herein.

Upon direction of PN, the Contractor shall return or destroy all Information received pursuant to this Contract and all copies and other reproductions thereof. The provisions of this Article 8.0 shall survive the expiry or termination of this Contract.

9.0 Indemnification

Each Party shall indemnify and save harmless the other Party, its officers, directors, employees, and those for whom it is responsible, from and against all claims, demands, actions, suits or proceedings of whatever nature, including all costs and expenses incurred in connection therewith, brought or instituted by any third party and based upon, arising out of, related to, occasioned by or attributable to the performance or non-performance by the indemnifying

Party of any of the indemnifying Party's obligations under this Contract and the other Party's use or reliance upon any deliverable provided herein by the indemnifying Party

10.0 Liability Insurance

Coincidental with the start of the Work, the Contractor shall maintain the following in full force and effect with financially responsible insurance carriers acceptable to PN:

10.1 Comprehensive General Liability Insurance including products and completed operations, in a minimum amount of not less than \$1,000,000 covering bodily injury, including death, personal injury and damage to property including loss of use arising out of the negligent execution of the Work by the Contractor and Subcontractors. Coverage shall be maintained in full force and effect throughout the duration of the Contract and terminate at the end of the warranty period. The liability insurance program shall contain a provision whereby the insurers agree to provide a waiver of subrogation in favor of PN, with thirty (30) days written notice of cancellation or expiration of coverage

10.2 Workplace Safety Insurance Board (WSIB) coverage in accordance with the statutes of the province in which the Work will be performed.

10.3 Automobile Liability Insurance, covering licensed motor vehicles owned, rented or leased and used in connection with the execution of the Work to be performed under this Agreement covering Bodily Injury and Property Damage Liability to a combined inclusive minimum limit of \$1,000,000.

10.4 Professional Liability Insurance covering losses arising out of the actual or alleged negligent act, error or omission with respect to the professional services rendered or that should have been rendered by the Contractor or any entity for which the Contractor is legally responsible. The requirement to provide coverage in the amount of \$1,000,000 shall only apply to agreements, which are limited to rendering of engineering and related professional services.

10.5 Fifteen (15) days in advance of the commencement of the Work, the Contractor shall provide evidence of coverage in the form of a certified copy of the policy. PN may accept evidence of coverage in the form of a certificate of insurance issued by the broker of record or the insurers.

11.0 Warranty

The Contractor warrants that all aspects of the Work shall be done completely, correctly and in full compliance with that degree of skill and judgment normally exercised by professionals doing work of a similar nature. The Contractor shall re-perform at its own expense any part of the Work which is either not in accordance with this Contract or the preceding standard of professionalism as determined by PN. Acceptance of the Work does not exonerate the Contractor from its Warranty obligations.

12.0 Security

The Contractor will abide by PN security requirements. Without limiting the generality of the foregoing, this may include furnishing PN with completed personnel history forms on all personnel to be employed on the Work.

The Contractor shall be responsible for safeguarding PN's proprietary documents, data and other materials in its possession in connection with the performance of the Work, including information and Contract Information, against sabotage, espionage and theft.

The standard of care to be exercised by the Contractor shall be the same as it exercises with respect to its own proprietary documents, data and other materials and no less than a reasonable degree of care.

13.0 Audit

The Contractor shall keep proper accounts and records of the work performed under the contract, and of all expenditures or commitments made by the Contractor in Connection therewith, and shall preserve and keep all invoices, receipts, vouchers, purchase orders, time sheets/cards and all other documentation relating thereto for a period of two years after completion of the contract or such lesser time as may be approved by PN in writing. Such accounts, records, invoices, receipts, vouchers, purchase orders, time sheets/cards and documentation shall at all times be open to audit and inspection by PN or its authorized representatives with all such information as it or they may require from time to time with reference to such accounts, records, invoices, receipts, vouchers, purchase orders, time sheets/cards and documentation

14.0 Tax Payment

PN will withhold from any sum owing to non

Canadian Contractors a value of fifteen percent (15%) of the money earned while working in Canada in accordance with Paragraph 153 (1) (G) of the Income Tax Regulations and will remit these funds directly to the Receiver General of Canada. PN will issue a T4A-NR summary to the Contractor for the services provided in Canada at year end.

15.0 Notices

Any notice given hereunder shall either be personally delivered or forwarded by facsimile, prepaid registered mail, or e-mail or other means of electronic transmission reducible to writing and shall be deemed to have been received on the date transmitted by personal delivery, facsimile, or e-mail, or on the third business day after mailing. Addresses of the parties for purposes of notice shall be those set out on the face of this Contract or as notified by the parties from time to time in accordance with this procedure.

16.0 No Assignment

The Contractor shall not assign, transfer, or sub-contract this Contract, in whole or in part, or any of its rights, title or interest therein or thereto to any person, firm or corporation whomsoever, without the prior written consent of PN.

17.0 Termination

PN may terminate the work for any reason upon five (5) days written notice to the Contractor. Upon termination, PN shall be obligated to pay the Contractor only for the effort reasonably expended and expenses incurred prior to the expiry of the notice period.

18.0 Entire Agreement and Survival

This Contract constitutes the entire agreement between PN and the Contractor in respect of the subject matter hereof as of its date and no variation thereof will be effective unless specifically agreed to in writing by PN. No local, general or trade customs shall be deemed to vary the terms thereof. The provisions of Articles 7, 8, 9 and 12 shall survive the completion or termination of the Work and this Contract.

19.0 Waiver

The failure of a Party to enforce, at any time, any of the provisions of this Contract or any of its rights hereunder, or to insist upon strict adherence to any

condition of the Contract shall not be considered to be a waiver of such provision or right or condition, nor shall it deprive that party of the right thereafter to enforce any such provision or right or to insist upon strict adherence.

20.0 Supporting documentation

Invoices shall include documentation to support all items being claimed for payment. Supporting documentation shall include time sheets of individuals being billed, or summaries thereof, showing hours worked in the billing period, internal records of usage of Contractor's facilities or equipment, invoices and receipts for expenses incurred, and other supporting documentation which is reasonable to provide and pertinent to the invoice.

20.1 Right of Access

PROMATION, its customer or its agent shall have the right of access to review the subcontractor's documentation required by the applicable QA program standard and have access to the subcontractor premises in order to survey, audit or verify the subcontractor compliance to the P.O. requirements.

20.2 Nonconformance Reporting

The subcontractor shall submit nonconformance reports to Promation for the acceptance of the disposition.

The subcontractor shall notify Promation of any deviations from Technical requirements for approval prior to proceeding. Concession requests shall be in writing with adequate justification.

The subcontractor shall provide requirements for re-inspecting and retesting repaired and reworked items and maintain records as objective evidence that reworked and repaired items are re-inspected and retested in accordance with specified requirements.

20.3 Record Retention

The Subcontractor will retain the records required in the relevant quality program standard for a minimum period of three years after delivery of the Equipment.

20.4 Shipping & Packaging Instructions

All Equipment will be packed, braced and loaded in such a manner as to prevent physical damage and damage from marine and climatic conditions.

Equipment requiring special precautions during shipping and storage will be clearly marked on the outside of the shipping container with specific instructions included in a durable envelope attached to the container and suitably labelled. All openings in Equipment such as vessels, valves and pumps will be sealed. Where necessary, skids, hauling eyes, jacking plates, and sling hooks, will be provided for unloading and field assembly.

Additionally, the supplier shall inspect the final cleaning, preservation, packaging, and marking, and verify shipping operations to ensure that specified requirements are met.

20.5 Program/Process Changes

The subcontractor shall notify Promotion of any changes to program, organization, subcontractors, processes, product and facilities which may have an impact on quality.

20.6 Delivery of Suspect / Counterfeit, Fraudulent and Substandard Items (CFSI's)

The Supplier is hereby notified that the delivery or use of suspect and/or Counterfeit, Fraudulent and Substandard Items (CFSI's) is of special concern to Promotion Nuclear Ltd. If any parts covered by the Contract are described using a manufacturer part number or using a product description and/or specified using an industry standard, the Supplier shall be responsible to assure that the replacement parts supplied by the Supplier meet all requirements of the latest version of the applicable manufacturer data sheet, description, and/or industry standard. If the Supplier is not the manufacturer of the goods, the Supplier shall make all reasonable efforts to assure that the parts and components supplied under the Contract or used to manufacture the equipment covered in this order are made by the Original Equipment Manufacturer (OEM) and meet the applicable manufacturer data sheet or industry standard. Should the Supplier desire to supply or use a part that may not meet the requirements of this paragraph, the Supplier shall notify PROMATION of any exceptions and receive PROMATION's written approval prior to shipment or use of the replacement parts to PROMATION. If suspect and/or CFSI parts are furnished under the Contract or are found in any of the goods delivered hereunder, such items will be dispositioned by PROMATION and may be returned to the Supplier. The Supplier shall promptly replace such suspect and/or CFSI parts with parts acceptable to PROMATION and the Supplier shall be liable for all costs, including but not limited to PROMATION's internal and external costs, relating to the removal and replacement of said parts. To mitigate the CFSI risk, PROMATION requires our approved suppliers to

recognize this risk by introducing into their Quality Assurance program a documented process to prevent, detect and disposition suspect CFSI's. The supplier shall ensure that personnel involved in CFSI detection are provided with the necessary training to perform these functions. The supplier shall extend the above CFSI requirements to sub-tier suppliers.

20.7 Subcontract requirements

The supplier shall NOT enter into any subcontracts without PN approval prior to the Work be executed. The Supplier shall include the following in their subcontracts, as applicable:

- a) QA program requirements.
- b) Identification requirements for the item or service ordered.
- c) Requirements for preservation, packaging and shipping of material, if required.
- d) Requirements for the prevention, detection and removal of CFSI and Foreign materials

20.8 Handling and Storage – Periodic Inspection and Shelf Life requirements

The supplier shall periodically inspect critical, sensitive, perishable, or high-value items for condition and shelf-life expiry.

20.9 Accepting ISO9001 Certificates

Promotion will only accept ISO9001 certificates of registration issued by registrars accredited by accrediting organizations which are recognized by the International Accreditation Forum (IAF) or through the International Laboratory Accreditation Cooperation (ILAC) Mutual recognition arrangement (MRA). The supplier shall extend the above requirements to sub-tier suppliers.

- <https://www.iaf.nu/>
- <https://www.ilac.org/>

21.0 Statistical Techniques & Sampling Plans

Where the supplier intends to use statistical techniques/sampling plans for product or service acceptance, those plans shall be submitted to Promotion for acceptance prior to the applicable phase of work. Acceptance shall be obtained in writing.

21.1 Customer Supplied Items

The supplier shall maintain control and exercise care to protect items and services, including intellectual

property and personal data, from receipt onwards. The supplier shall examine items upon receipt for completeness, proper type and to detect transit damage. The supplier shall promptly report in writing any item that is lost, damaged, nonconforming or otherwise unsuitable for use.

22. Union Information

The Contractor shall provide during the bidding phase or as a minimum prior to PO award all union information, collective agreements and other pertinent information that will apply to the Contract during the execution of the Work.

23. Calibration of Equipment

The Contractor shall use only equipment which has passed certification and has been calibrated within code and manufacturers specifications. All Equipment used shall meet code and Contract requirements if specified.

24. Intellectual Property

All Contract Information and Inventions conceived or developed as part of the Work, or first actually implemented in practice and which are based upon Technical Data supplied by PN in the performance of the Work and all right in and to such Contract information and Inventions shall vest in and remain the property of PN. The Contractor shall promptly disclose in writing all Contract Information and Inventions to PN; shall promptly furnish PN with complete Information thereon including software and source code used to execute the work and a written description thereof giving the date of Invention and naming the inventor and others involved in the development thereof. The Contractor shall execute all such documentation applications, assignments and other instruments as may reasonably be required by PN to transfer or assign such Contract Information and Inventions to PN together with all rights including patent rights. The Contractor shall also ensure that the exclusive right title and interest in and to all such Contract Information and Inventions remains with PN.

The Contractor shall not assert any right or establish any and/or Inventions under any patent, copyright or other law the world over.

In the event of a dispute between PN and the Contractor, the onus shall be upon the Contractor to establish that the Contract Information or Invention was not obtained or conceived or developed or first actually reduced to practice in the performance of the Work.

Contractor shall retain all proprietary rights to any Contractor Proprietary Technology forming part of the

Goods under the Contract. "Contractor Proprietary Technology" means any and all technology, know-how, trade secrets, Inventions, and software and other intellectual property that: (i) was developed or conceived by Contractor prior to or outside the scope of this Contract, or (ii) is owned by a third party and that Contractor has obtained rights to independently of this Contract., PN shall have and Contractor hereby grants to PN and its end user (Client), an irrevocable, non-exclusive, worldwide, royalty-free, perpetual right and license to use such Contractor Proprietary Technology as has been incorporated into the Goods solely to operate, modify, and maintain the Goods provided under the Contract.

The Work may use computer software. Computer software that is custom developed by Contractor specifically for PN under the terms of the Contract, ("Custom Software") shall be delivered to PN with the Work including source code. All title, right and interest in the copyright to such Custom Software shall vest in PN upon delivery and form part of the Work. Computer software of third-party suppliers ("Third Party Software") may also be integrated into the Work. To the extent possible Contractor shall assign all rights afforded under the licenses for such Third-Party Software to PN and PN shall assume all obligations under any such software licenses. The Work may also include software that has been developed by Contractor, at Contractor's expense, for general use in the products Contractor manufactures ("Contractor Software"). Contractor Software is proprietary to Contractor. Upon completion of the Work, such Contractor Software shall be licensed to PN on a non-exclusive basis for use solely to operate and maintain the Work by PN on a worldwide and royalty-free basis.

Both Parties agree that except in the performance of the Work, that neither party shall use, publish or disclose any software information and shall keep confidential all Contract Information and Inventions.

The Contractor agrees that it shall establish and maintain active and effective procedures, including the maintenance of records reasonably necessary to document the conception and the development of Contract Information and Inventions to ensure that any and all Contract Information and Inventions arising during the course of the Work are properly Identified and timely disclosed to PN and that the provisions of this article are included In any sub-contract Issued for Work.

25. Performance of the Work

Notwithstanding any term in the Contract, the Contractor will not stop, slow down or otherwise delay the Work, or the provision of any services or goods, in whole or in part, as a result of or in connection with any dispute between the PN and the Contractor, or between the Contractor and their sub vendors for any reason, unless so instructed to by PN. Should an issue or dispute arise, the Contractor shall so advise PN's management team. PN shall have the sole right to reject any of the Work and the Contractor shall remedy the issue as soon as possible, the completion date of which will be agreed to by both Parties.

26. Force Majeure

Neither PN nor the Contractor shall be liable to the other for any loss, damage, delay in the Work or non-performance of any contractual obligation if occasioned by war riot, civil disturbance, the act or order of any competent civil or military authority, fire, flood, freight embargo, epidemic, quarantine, Act of God or any other cause beyond the defaulting Party's reasonable control and which by the exercise of due diligence, such Party could not avoid or reasonably circumvent through use of alternate sources work-around plan or other means. Both parties shall act immediately to remedy the impact of these delays.

27.0 Dispute Resolution

The Parties will work cooperatively to resolve any dispute, claim or disagreement between the primary contacts. If agreement is reached, a change order shall be issued to clarify the issue. If these primary contacts cannot resolve the issue, then the issue should be escalated to the management of both Parties. Failing resolution within 30 business days, either party may refer the issue to Arbitration pursuant to the National Arbitration Rules of the ADR Institute of Canada. Unless otherwise agreed to in writing, the panel will consist of three (3) arbitrators, appointed in accordance with section 14 of the Rules. The place of arbitration will be Toronto, Ontario, Canada. The language of arbitration will be English. The law of arbitration will be the laws of Ontario. All such proceedings will be kept confidential and not disclosed to any third party. However, the Purchaser reserves the right to make note on their Approved Supplier List of such action. All final awards and recommendations shall be deemed binding on both parties. Each party shall bear its own costs during arbitration and divide the cost of the arbitrators and

the arbitration process equally.

NOTE: At no time shall the Contractor stop or suspend work during a dispute or during arbitration unless advised by PN.