

**NEW PAYMENT AND INVOICING LANGUAGE  
CONSULTING SERVICES AGREEMENT WITH SITE WORK  
CONSULTING SERVICES AGREEMENT WITHOUT SITE WORK**

**Effective Date: August 4, 2020**

**Excerpt of relevant provisions, as amended, from Appendix C - Compensation:**

**C.3 PAYMENT PROCESS**

- (a) **Payment Request** - Upon achieving a payment milestone if the Agreement defines a milestone payment regime, or otherwise within ten days before the end of a month, the Consultant's Representative shall submit to BC Hydro's contract administrator, for entry into BC Hydro's system as a service entry sheet ("**SES**") and approval, a payment request (the "**Payment Request**") with:
- i. details of the Services completed during the applicable payment period and the amount of the payment for which certification is sought; and
  - ii. the calculations of the amount claimed for the Services completed during that payment period.

If instructed by Hydro's Representative, Consultant shall submit the Payment Request online, as an SES, in a manner directed by Hydro's Representative.

- (b) **Supporting Data** - Consultant shall submit with each Payment Request any supporting documentation, data and computations required by Hydro's Representative. Without limitation, Consultant shall submit the following:
- i. a statement declaring that the Services completed during the applicable payment period have been completed in accordance with the requirements of the Agreement, and giving particulars of any defects or deficiencies in the Services which have not yet been rectified;
  - ii. a statement providing particulars of any Claims that exist or are expected relating to or arising out of the Services, including the Services during the applicable payment period;
  - iii. copies of all Consultant reporting forms required by Appendix H – Indigenous Engagement, if any; and
  - iv. any other documents required by Hydro's Representative, acting reasonably.
- (c) **Payment** - On being satisfied that the Services identified in a Payment Request submitted under Clause C.3(a) have been performed in accordance with the requirements of the Agreement and that the amount of the Payment Request is in accordance with the Agreement, BC Hydro shall certify the amount to be paid to Consultant and a written certification notice will be issued to Consultant, all subject to BC Hydro's withholding, retention (of holdback or otherwise) and set-off rights under the Agreement, as applicable. Following the certification:

- i. if Consultant is enabled with Evaluated Receipt Settlement (“**ERS**”), then BC Hydro shall pay Consultant the amount certified for payment 30 days after the date of the certification notice. Invoices shall not be required or accepted;
- ii. if Consultant is not-enabled with ERS then, upon receipt of the certification notice, Consultant shall login to Ariba and create an invoice in the amount certified for payment. Provided the invoiced amount is as certified, BC Hydro shall pay Consultant the amount certified for payment 30 days after receipt of the invoice. Unless otherwise authorized by BC Hydro in writing (see below), Consultant shall use Ariba to transact all orders and invoicing under the Agreement. Consultant may contact the BC Hydro Accounts Payable team at [AccountsPayable@bchydro.com](mailto:AccountsPayable@bchydro.com) or at 604-663-3572 for setup assistance, invoicing or payment inquiries. BC Hydro shall pay any transaction fees that Ariba charges for the transaction of orders or invoicing under the Agreement.

### **Exception for Suppliers Unable to Use Ariba**

By exception and written approval by Hydro’s Representative only, if Consultant is unable to use Ariba then, upon receipt of the certification notice, instead of creating an invoice in Ariba as per clause C.3(c)(ii) above, Consultant may submit an invoice to BC Hydro Accounts Payable team by email at [AccountsPayable@bchydro.com](mailto:AccountsPayable@bchydro.com), unless otherwise agreed by BC Hydro. BC Hydro will pay Consultant the amount of the invoice 30 days after receipt of the invoice by the BC Hydro Accounts Payable team.

### **All invoices must include the following information:**

- (i) Consultant Name
  - (ii) Consultant Address
  - (iii) Addressee (BC Hydro Accounts Payable)
  - (iv) BC Hydro Outline Agreement (OA) # (if applicable)
  - (v) BC Hydro Order Number: PO # (Purchase Order #)
  - (vi) GST Registration Number
  - (vii) Invoice Number
  - (viii) Total Invoice Value with GST, and PST (where applicable) clearly identified
    - a. State any applicable holdback amount, and/or any other deduction amount, before invoice total
    - b. GST and PST to be invoiced on gross invoice value (inclusive of any holdback amount)
    - c. If applicable, include the corresponding OA/PO line item, quantity and unit price
  - (ix) Contact name and e-mail address
- (d) **Electronic (EFT) Payment of Invoices (Canadian Suppliers)** – All invoice payments from BC Hydro to Consultant shall be made by direct deposit using Electronic Funds Transfer (EFT). An email remittance advisory will be sent to notify Consultant once a payment is deposited.

Consultant shall provide written confirmation of the bank account to which payments are to be deposited, by completing and submitting a Direct Deposit Application Form ("Deposit Application"), in a form to be provided by BC Hydro, to Hydro's Representative not more than seven (7) days following execution of the Agreement. All information provided in the Deposit Application shall be deemed to form part of the Agreement and may be relied on by BC Hydro without further investigation. BC Hydro reserves the right (but not the obligation), at its sole discretion, to require additional evidence of the accuracy of Consultant's payment information and Consultant shall cooperate in providing such additional evidence. Consultant shall be responsible for any EFT-related fees charged by its financial institution.

The above requirements shall also apply to any changes that Consultant wishes to make to its direct deposit information during the term of the Agreement.

- (e) **Electronic (Wire Transfer) Payment of Invoices (International Suppliers)** – All invoice payments from BC Hydro to Consultant shall be made by wire transfer, bank draft or cheque at BC Hydro's discretion. Consultant shall provide written confirmation of the bank account to which payments are to be wired, by completing and submitting a Direct Deposit Application Form ("Deposit Application"), in a form to be provided by BC Hydro, to Hydro's Representative not more than seven (7) days following execution of the Agreement. All information provided in the Deposit Application shall be deemed to form part of the Agreement and may be relied on by BC Hydro without further investigation. BC Hydro reserves the right (but not the obligation), at its sole discretion, to require additional evidence of the accuracy of Consultant's payment information and Consultant shall cooperate in providing such additional evidence. Consultant shall be responsible for any fees related to the wire payment charged by the receiving institution(s).

The above requirements shall also apply to any changes that Consultant wishes to make to its wire transfer information during the term of the Agreement.

- (f) **Disputed Invoices** - BC Hydro reserves the right to withhold payment of any Payment Request, or, at BC Hydro's discretion, any portion of a Payment Request, which BC Hydro determines, acting reasonably, is not in accordance with this Agreement and shall on receipt of such Payment Request promptly notify Consultant in writing of the reason for such withholding.
- (g) **Holdbacks** - BC Hydro may retain a holdback of 10% of the amount of each payment due to the Consultant until CSA Completion or such earlier time approved by Hydro's Representative in appropriate circumstances.
- (h) **Taxes** - Fees and expenses do not include any applicable GST, which shall be calculated and included as a separate line item in Payment Requests, for payment by BC Hydro in accordance with applicable Laws. GST shall be calculated on gross invoice value (including any holdbacks). Notwithstanding the foregoing, if Consultant is obliged to collect GST in respect of the Services performed under this Agreement, Consultant shall be registered for GST under the *Excise Tax Act (Canada)* and shall provide to BC Hydro on all invoices, Consultant's GST registration number. British

Columbia Provincial Sales Tax is not chargeable by Consultant or payable by BC Hydro under this Agreement.

- (i) **Non-Resident Withholding** - Where Consultant is, or becomes, a non-resident of Canada (as defined in the *Income Tax Act* (Canada)), the Consultant shall notify BC Hydro in writing and BC Hydro may deduct and withhold from any payments to Consultant a 15% non-resident withholding tax on the value of the Services performed in Canada, or such other amount as may be specified by Canada Revenue Agency from time to time, and remit such amount according to Laws, unless a Canada Revenue Agency exemption issued to the Consultant has been provided to BC Hydro. On each Payment Request the Consultant shall clearly and separately identify the value of Services rendered in Canada and outside Canada. Failure to separately state these items may result in BC Hydro deducting the withholding tax on the full payment amount.
- (j) **Records** - Consultant shall maintain for a period of 6 years accurate records of time spent by its personnel in performing Services and of expenses incurred and provide to BC Hydro copies of all applicable receipts (other than credit card receipts) for which Consultant seeks reimbursement. In addition, Consultant shall permit BC Hydro, at its request, to examine those records at Consultant's offices during normal business hours for the purpose of verifying the accuracy of Payment Requests.
- (k) **Currency** - Fees and expenses shall be paid in Canadian dollars ("Agreement Currency"). If wages, salaries or expenses are incurred and paid in any other currency, they shall be converted to the Agreement Currency at the conversion rate quoted by Royal Bank of Canada for the business day preceding the Payment Request date.
- (l) **Fixed Rates** - Consultant acknowledges and agrees that charge rates for Consultant's personnel and expenses are fixed for the duration of the Agreement and are not subject to review and adjustment.