



**Instructions to Tenderers (IT)
SCHEDULE "B"
PERFORMANCE BOND**

PERFORMANCE BOND No.

AMOUNT \$

KNOW ALL PERSONS BY THESE PRESENTS, that _____ as Principal, hereinafter called "the Contractor", and **TRISURA GUARANTEE INSURANCE COMPANY**, a corporation created and existing under the laws of Canada and duly authorized to transact business of Suretyship in British Columbia as Surety, hereinafter called "the Surety", are held and firmly bound unto

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

or its successors, as Obligee, hereinafter called "BC Hydro", in the amount of _____ /100 Dollars (\$ _____) lawful money of Canada, for the payment of which sum, well and truly to be made, the Contractor and the Surety bind themselves and each of their several respective heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Contractor has entered into a contract ("the Contract") with BC Hydro entitled "British Columbia Hydro and Power Authority, Contract No. _____" which is hereby made a part hereof.

Words defined in the Contract Documents and not specifically defined in the Bond have the same meaning given to them in the Contract Documents unless the context clearly requires otherwise.

NOW THEREFORE, the condition of this obligation is such that if the Contractor shall promptly and faithfully perform the Contract and shall fully indemnify and save harmless BC Hydro from all loss and damage which BC Hydro may sustain by reason of any failure or default on the part of the Contractor so to do, and shall fully reimburse and repay BC Hydro all outlay and expense which BC Hydro may incur in making good any such default, then this obligation shall be void; otherwise to be and remain in full force and effect.

Whenever the Contractor shall be, and declared by BC Hydro to be, in default under the Contract, BC Hydro having performed BC Hydro's obligations thereunder, the Surety may promptly remedy the default, or shall promptly

- (1) complete the Contract in accordance with its terms and conditions or
- (2) obtain a Tender or Tenders for submission to BC Hydro for completing the Contract in accordance with its terms and conditions, and upon determination by BC Hydro and the Surety of the lowest responsible Tenderer, arrange for a contract between such Tenderer and BC Hydro and make available as work progresses (even though there should be a default, or a succession of defaults, under the contract or the contracts of completion, arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the Contract price, including other costs and damages for which the Surety may be liable hereunder. The term "balance of the Contract price", as used in this paragraph, shall mean the total amount payable by BC Hydro to the Contractor under the Contract, less the amount properly paid by BC Hydro to the Contractor. The term "other costs" shall mean solicitor and own client costs and the term "damages" shall mean those expenses and losses incurred by BC Hydro as a result of the default or succession of defaults under the contract or contracts of completion arranged under this paragraph.

PROVIDED, HOWEVER, this bond is executed by the Surety upon the express condition that no right of action shall accrue upon or by reason hereof, to or for the use or benefit of anyone other than BC Hydro or its successors.

PROVIDED, FURTHER, that no variation or alteration of the terms of the Contract made by agreement between BC Hydro and the Contractor or in the extent, nature or method of performance of the work to be constructed, maintained and completed thereunder, that no Equitable Adjustment of the Contract and no allowances of time by BC Hydro under the Contract nor any waiver, forbearance or forgiveness in or in respect of any matter or thing concerning the Contract or the conduct or performance thereof by the Contractor on the part of BC Hydro, shall in any way release the Surety from any liability under this Bond. Notice to the Surety of any such variation, alteration, Equitable Adjustment, allowance of time, waiver, forbearance or forgiveness is hereby waived by the Surety.

It is a condition of this Bond that any suit or action must be commenced before the expiration of two (2) years from the earlier of (1) the date when the Work is ready for use or is being used for the purpose intended, or (2) the date on which the Contractor is declared in default by BC Hydro.

The Surety shall not be liable for a greater sum than the specified penalty of this Bond.

IN WITNESS WHEREOF, the Contractor and the Surety have hereunto affixed their corporate seals, duly attested by their proper officers or attorney on their behalf this _____ day of _____,

CONTRACTOR:

By _____ (Seal)
Authorized Signatory

SURETY: **TRISURA GUARANTEE INSURANCE COMPANY**

By _____ (Seal)
, Attorney-in-fact