

Instructions to Tenderers (IT)
SCHEDULE "C"
LABOUR AND MATERIALS PAYMENT BOND

BOND No.

AMOUNT \$

KNOW ALL PERSONS BY THESE PRESENTS, that _____ as
Principal, hereinafter called "the Contractor", and **TRISURA GUARANTEE INSURANCE COMPANY** as Surety,
hereinafter called "the Surety", are, subject to the conditions hereinafter contained, held and firmly bound unto

BRITISH COLUMBIA TRANSMISSION CORPORATION

or its successors, as Obligee, hereinafter called "BCTC", 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, their heirs, executors, administrators, successors and assigns, jointly
and severally, firmly by these presents.

WHEREAS, the Contractor has entered into a contract ("the Contract") with BCTC entitled "**British Columbia
Transmission Corporation, 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 conditions of this obligation are such that, if payment is promptly made to all Claimants who
have performed labour or services or supplied material in connection with the Contract and any and all duly
authorized modifications, extensions and Equitable Adjustments of the Contract that may hereafter be made, notice of
which modifications, extensions and Equitable Adjustments to the Surety being hereby waived, then this obligation
shall be void, otherwise it shall remain in force and effect, subject, however, to the following conditions:

- (1) For the purpose of this bond, a Claimant is defined as one having a direct contract with the Contractor or any Subcontractor of the Contractor for labour, material or both, used or reasonably required for use in the performance of the Contract, labour and material being construed to include, inter alia, that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment (but excluding rental of equipment where the rent pursuant to an agreement is to be applied towards the purchase price thereof) directly applicable to the Contract.
- (2) For the purpose of this bond, no payment is required to be made in respect of a claim for payment for labour or services performed or material supplied in connection with the Contract that represents a capital expenditure, overhead or general administration costs incurred by the Contractor during the currency or in respect of the Contract.
- (3) The Contractor and the Surety hereby jointly and severally agree with BCTC that if any Claimant has not been paid as provided for under the terms of his contract with the Contractor or a Subcontractor of the Contractor before the expiration of a period of ninety (90) days after the date on which the last of such Claimant's labour or service was done or performed or materials were supplied by such Claimant, the Claimant may sue on this bond, have the right to prosecute the suite to final judgement for such sum or sums as may be due and have execution thereon. Provided that BCTC is not obligated to do or take any act, action or proceeding against the Surety on behalf of the Claimants, or any of them, to enforce the provisions of the bond. If any act, action or proceeding is taken either in the name of BCTC or by joining BCTC as a party to such proceeding, then such act, action or proceeding, shall be taken on the understanding and basis that the Claimants, or any of them, who take such act, action or proceeding shall indemnify and save harmless BCTC against all costs, charges and expenses or liabilities incurred thereon and any loss or damage resulting to BCTC by reason thereof. Provided still further that, subject to the foregoing terms and conditions, the Claimants, or any of them, may use the name of BCTC to sue on and enforce the provisions of this bond.
- (4) Any material change in the Contract between the Contractor and BCTC shall not prejudice the rights or interest of any Claimant under this bond who is not instrumental in bringing about or has not caused such change.
- (5) No suit or action shall be commenced hereunder by any Claimant:
 - (a) unless such Claimant shall have given written notice within the time limits hereinafter set forth to the Contractor and the Surety above named, stating with substantial accuracy the amount claimed. Such notice shall be served by mailing the same by registered mail to the Contractor and the Surety at any place where an office is regularly maintained for the transaction of business by such persons or served in any manner in which legal process may be served in the Province or other part of Canada in which the subject matter of the Contract is located. Such notice shall be given
 - (i) in respect of any claim for the amount or any portion thereof required to be held back from the claimant by the Contractor or Subcontractor of the Contractor under either the terms of the



Claimant's contract with the Contractor or the Claimant's contract with the Subcontractor of the Contractor within one hundred and twenty (120) days after such Claimant should have been paid in full under this Contract,

(ii) in respect of any claim other than the holdback or portion thereof referred to above within one hundred and twenty (120) days after the date upon which such Claimant did or performed the last of the service, work or labour or furnished the last of the materials for which such claim is made under the Claimant's contract with the Contractor or a Subcontractor of the Contractor;

(b) after the expiration of one (1) year following the date on which the Contractor ceased work on the Contract, including work performed under the guarantees provided in the Contract.

(c) other than in a court of competent jurisdiction in the province or district of Canada in which the subject matter of the Contract or any part thereof is situated and not elsewhere, and the parties hereto hereby agree to submit to the jurisdiction of such court.

(6) The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder.

(7) The Surety shall not be liable for a greater sum than the amount specified in this bond.

IN WITNESS WHEREOF, the Contractor and the Surety have hereto affixed their corporate seals, duly attested by their proper officers on their behalf this day of , .

CONTRACTOR:

By _____ (Seal)
Authorized Signatory

SURETY: **TRISURA GUARANTEE INSURANCE COMPANY**

By _____ (Seal)
, Attorney-in-fact

Vancouver Office
1055 West Georgia St.
Suite 3020, Box 11160
Vancouver, BC V6E 3R5
Tel: (604) 688-5641
Fax: (604) 688-5826

Calgary Office
421 7th Avenue SW
Suite 3730
Calgary, AB, T2P 4K9
Tel: (403) 663-3343
Fax: (416) 214-9597

Toronto Office
333 Bay St.
Suite 1610
Toronto, ON M5H 2R2
Tel: (416) 214-2555
Fax: (416) 214-9597

Montréal Office
1501 McGill College Ave
Suite 1620
Montréal, QC H3A 3M8
Tel: (514) 845-4555
Fax: (514) 845-6876

Halifax Office
201 Brownlow Ave
Suite 4
Dartmouth, NS B3B 1W2
Tel: (902) 468-6889
Fax: (416) 214-9597