

TERMS OF PAYMENT

TP1 AMOUNT PAYABLE - GENERAL

- 1.1 Subject to any other provisions of the contract, the Owner, hereinafter in these Terms of Payment the "Government of Nunavut" will pay the Contractor, at the times and in the manner hereinafter set out, the amount by which the aggregate of the amounts described in TP2 exceeds the aggregate of the amounts described in TP3, and the Contractor shall accept that amount as payment in full satisfaction for everything furnished and done by the contractor in respect of the Work to which the payment relates.

TP2 AMOUNT PAYABLE TO THE CONTRACTOR

- 2.1 The amounts "payable to the Contractor" are the aggregate of:

- 2.1.1 the amounts referred to in the Articles of Agreement, and
- 2.1.2 the amounts, if any, that are payable to the Contractor pursuant to the General Conditions, and
- 2.1.3 the amounts, if any, that are a bonus for Inuit Labour achieved, as described in the Nunavummi Nangminiaqtunik Ikajuuti (NNI Policy) for the Work, and
- 2.1.4 the applicable Goods and Services Tax (GST).

TP3 AMOUNTS PAYABLE TO THE GOVERNMENT OF NUNAVUT

- 3.1 The amounts "payable to the Government of Nunavut" are the aggregate of the amounts, if any, that the Contractor is liable to pay the Government of Nunavut pursuant to the within contract, including any penalty assessed for Inuit Labour shortfalls, as described in the Nunavummi Nangminiaqtunik Ikajuuti (NNI Policy) for the Work.
- 3.2 When making any payment to the Contractor, the failure of the Government of Nunavut to deduct an amount referred to in TP3.1, from an amount referred to in TP2 shall not constitute a waiver of the right to do so, or an admission of lack of entitlement to do so in any subsequent payment to the Contractor.

TP4 TIME OF PAYMENT

- 4.1 For the purposes of this Term of Payment, "payment period" means a period of 30 consecutive days or such other interval as is agreed between the Contractor and the Government of Nunavut.
- 4.2 The Contractor shall, on the expiration of a payment period, deliver to the "Representative", as designated by the Government of Nunavut and set out in Article of Agreement A1.2.1, in respect of that payment period a written invoice for that part of the Work that has been completed with the required associated backup and a listing of material that was delivered to the Work site but not incorporated into the Work during that payment period. The Contractor's official invoice shall include, as a minimum; - a full description of the Work and materials, the Contract number, the Contractor's GST Registration Number, and the dollar values as follows: Sub-total #1 (no GST), the Holdback, Sub-total #2 (Sub-total #1 less the Holdback), and the Grand Total (Sub-total #2 plus GST).
- 4.3 The Representative, as designated by the Government of Nunavut, will, not later than ten days after receipt of the invoice referred to in TP4.2:
 - 4.3.1 inspect or otherwise satisfy themselves that the part of the Work and the materials described in the invoice have been provided in a satisfactory manner (an inspection may be carried out by either a Representative designated by the Government of Nunavut, or its' consultant), and
 - 4.3.2 coordinate with the Contractor to resolve any disagreements on the content and amount of the invoice (obtaining a corrected invoice from the Contractor if changes are required), and
 - 4.3.3 complete a Request for Contact Payment (RCP), indicating on it the date that the Contractor's invoice was approved, and

- 4.3.4 send to the Government of Nunavut, Community and Government Services Department (C&GS)'s finance section the original invoice that has been agreed upon along with a Request for Contact Payment (RCP) signed by the Representative, as designated by the Government of Nunavut, (and C&GS's Regional Project Manager or the Regional Director depending on the signing authority of these persons) and a copy of the C&GS's Major Works Contract Payment Check List with the appropriate sections filled out. In addition, the Representative, as designated by the Government of Nunavut, will send a copy of the agreed invoice and the RCP to the Contractor.
- 4.4 Subject to TP1, the Government of Nunavut, will pay the Contractor in accordance with the amounts stipulated hereunder. Invoices of Nunavut Contractors, as defined by the Nunavummi Nangminiaqtunik Ikajuuti (NNI Policy), will become due and payable 20 days after receipt of the invoice, provided the invoice is approved by the Representative, as designated by the Government of Nunavut, as specified in TP4.3. Invoices from other Contractors will become due and payable 30 days after approval of the invoice by the Representative, as designated by the Government of Nunavut, as specified in TP4.3:
- 4.4.1 an amount that is equal to 95% of the value that is indicated in that invoice if a labour and material payment bond has been furnished by the Contractor, or;
- 4.4.2 an amount that is equal to 90% of the value that is indicated in that invoice if a labour and material payment bond has not been furnished by the Contractor.
- 4.5 Subject to TP1 and TP4.6, the Government of Nunavut will, not later than 20 days for Nunavut Contractors (as defined by the Nunavummi Nangminiaqtunik Ikajuuti (NNI Policy) of the GN) or 30 days for other Contractors after the date of issue of a Substantial Certificate of Completion referred to in GC43.2, pay the Contractor the amount referred to in TP1 less the aggregate of:
- 4.5.1 the sum of all payments that were made pursuant to TP4.4,
- 4.5.2 an amount that is equal to the Government of Nunavut's estimate of the cost to the Government of Nunavut of rectifying defects described in the Substantial Certificate of Completion, and
- 4.5.3 an amount that is equal to the Representative, as designated by the Government of Nunavut, estimate of the cost to the Government of Nunavut of completing the parts of the Work described in the Substantial Certificate of Completion other than the defects referred to in TP4.5.2
- 4.6 It is a condition precedent to the Government of Nunavut's obligation under TP4.5 that:
- 4.6.1 the Contractor has made and delivered to the Government of Nunavut's Representative a statutory declaration described in TP4.7 in respect of a Substantial Certificate of Completion referred to in GC43.2, and
- 4.6.2 the Contractor has complied with the various requirements to provide Inuit Local and Nunavut Employment and involvement reports as set out in this contract.
- 4.7 A statutory declaration referred to in TP4.6 and TP4.9 shall be submitted on the attached form, page 4 & 5.
- 4.8 Subject to TP1 and TP4.9, the Government of Nunavut will, not later than 20 days for Nunavut Contractors (as defined by the Nunavummi Nangminiaqtunik Ikajuuti (NNI Policy) of the GN) or 30 days for other Contractors after the date of issue of a Final Certificate of Completion referred to in GC43.1 and provided that the Government of Nunavut is in receipt of statutory declaration as described in TP4.7, pay the Contractor the amount referred to in TP1 less the aggregate of:
- 4.8.1 the sum of all payments that were made pursuant to TP4.4, and;
- 4.8.2 the sum of all payments that were made pursuant to TP4.5.

TP5 PROGRESS REPORT AND PAYMENT THEREUNDER NOT BINDING ON THE GOVERNMENT OF NUNAVUT

- 5.1 Neither a RCP referred to in TP4.3 nor any payment made by the Government of Nunavut, pursuant to these Terms of Payment shall be construed as an admission by the Government of Nunavut, that the Work, material or any part thereof is complete, is satisfactory or is in accordance with the contract.

TP6 RIGHT OF SET-OFF

- 6.1 Without limiting any right of set-off or deduction given or implied by law or elsewhere in the Contract, the Government of Nunavut, may set-off any amount payable to the Government of Nunavut by the Contractor under this contract or under any current contract against any amount payable to the Contractor under this contract or under any current contract.
- 6.2 For the purposes of this Terms of Payment document, "current contract", means a contract between the Government of Nunavut and the Contractor;
- 6.2.1 under which the Contractor has an undischarged obligation to perform or supply work, labour or material, or;
- 6.2.2 in respect of which the Government of Nunavut, has, since the date on which the Articles of Agreement were made, exercised any right to take the work that is subject of the contract out of the Contractor's hands.

TP7 PAYMENT IN EVENT OF TERMINATION

- 7.1 If the contract is terminated pursuant to GC40, the Government of Nunavut, will pay the Contractor any amount that is lawfully due and payable to the Contractor as soon as is practicable under the circumstances.

Certificate of Completion
STATUTORY DECLARATION

THE MATTER OF a contract bearing

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between the Government of Nunavut and

(Insert full name of contractor)

herein the Contractor,

for

(briefly describe the work to be performed)

dated the _____ day of _____,

and

IN THE MATTER OF the Certificate of Completion relating thereto

TO WIT:

I, _____ of
(print or type full name of declarant) (declarant's city of residence)

DO SOLEMNLY DECLARE:

- (1) That I am _____
(print or type declarant's position or title with the Contractor or state that the declarant is the Contractor)

And as such have a personal knowledge of the said contract and of the facts and matters stated herein.

- (2) That all assessments and levies under The Unemployment Insurance Act, The Workers' Compensation Act or other social or labour legislation in respect of the said contract have been fully paid:
- (3) That all subcontractors, labourers and suppliers of materials and equipment whatsoever who have entered into agreements to supply goods or services which have been incorporated into the construction of this project have been fully paid except for contractual holdbacks and the further amount(s), if any, which is (are) listed below which is (are) being withheld from the subcontractor(s) listed herein, due to legitimate dispute(s) arising out of the performance, or lack of performance, of the work by the listed subcontractor(s).

Subcontractor(s)	Amount(s) in Dispute and Being Withheld
_____	_____
_____	_____
_____	_____

Certificate of Completion - STATUTORY DECLARATION
2nd page

and the following amounts, if any, which are being withheld pending payment to the Contractor by the Government of Nunavut.

Subcontractor(s)	Amount(s) Being Withheld
_____	_____
_____	_____
_____	_____

And I make this SOLEMN DECLARATION conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of the LAWS OF CANADA and NUNAVUT.

DECLARED before me at _____
this _____ day of _____,

(Signature of Declarant)

(signature of person before whom declaration is made)

(print name of person before whom declaration is made)

A Notary Public, Commissioner, etc. _____

(please state clearly authority for receiving solemn declarations - notaries to affix notary seal)

NOTE 1 Where the Contractor is a corporation or a partnership, declarant's position in the corporation or partnership, and the corporation or partnership name should be clearly shown in No. 1.

NOTE 2. Where the Contractor is an individual, that person must make the declaration. Where the Contractor is a partnership the declaration must be made by one of the partners. Where the Contractor is an incorporated company, the declaration must be made by the President, Vice-President, Secretary Treasurer or a Director. If any other person makes the declaration, two copies of the by-law issued under the corporation seal, authorizing the individual to execute documents must be submitted with the first declaration of each contract.

If this declaration is not complete in every detail, it will be returned for completion and payment will be delayed.

The following section of the Criminal Code of Canada is hereby brought to the attention of the Declarant:

122. Everyone who, not being a witness in a judicial proceeding but being permitted, authorized or required by law to make a statement by affidavit, by solemn declaration or orally under oath, makes in such statement, before a person who is authorized by law to permit it to be made before him, an assertion with respect to a matter of fact, opinion, belief or knowledge, knowing that the assertion is false, is guilty of an offense and is liable to imprisonment for fourteen years.

122.1 (1) Everyone who, not being specially permitted, authorized or required by law to make a statement by affidavit, by solemn declaration or orally under oath, makes in such a statement, before a person who is authorized by law to permit it to be made before him, an assertion with respect to a matter of fact, opinion, belief or knowledge, knowing that the assertion is false, is guilty of an offense punishable on summary conviction."