

**NEW PAYMENT AND INVOICING LANGUAGE  
SERVICES AGREEMENT WITH SITE WORK SHORT-FORM**

**Effective Date: August 4, 2020**

**Excerpt of relevant provisions, as amended, from Schedule A – Scope of Services and Compensation:**

**A.6 Payment Process:**

**PAYMENT REQUEST** - Upon achieving a payment milestone if the Contract defines a milestone payment regime, or otherwise within ten days before the end of a month, the Contractor'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:

- (a) details of the Services completed during the applicable payment period and the amount of the payment for which certification is sought; and
- (b) the calculations of the amount claimed for the Services completed during that payment period;

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

**SUPPORTING DATA** - Contractor shall submit with each Payment Request any supporting documentation, data and computations required by Hydro's Representative.

**PAYMENT** - On being satisfied that the Services identified in a Payment Request have been performed in accordance with the requirements of the Contract and that the amount of the Payment Request is in accordance with the Contract, BC Hydro shall certify the amount to be paid to Contractor and a written certification notice will be issued to Contractor, all subject to BC Hydro's withholding, retention (of holdback or otherwise) and set-off rights under the Contract, as applicable. Following the certification:

- (a) if Contractor is enabled with Evaluated Receipt Settlement ("**ERS**"), then BC Hydro shall pay Contractor the amount certified for payment 30 days after the date of the certification notice. Invoices shall not be required or accepted;
- (b) if Contractor is not-enabled with ERS then, upon receipt of the certification notice, Contractor 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 Contractor the amount certified for payment 30 days after receipt of the invoice. Unless otherwise authorized by BC Hydro in writing (see below), Contractor shall use Ariba to transact all orders and invoicing under the Contract. Contractor 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 Contract.

**Exception for Suppliers Unable to Use Ariba**

By exception and written approval by Hydro's Representative only, if Contractor is unable to use Ariba then, upon receipt of the certification notice, instead of creating an invoice in Ariba as per the above, Contractor 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 shall pay Contractor 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:**

1. Contractor Name
2. Contractor Address
3. Addressee (BC Hydro Accounts Payable)
4. BC Hydro Outline Agreement (OA) # (if applicable)
5. BC Hydro Order Number: PO # (Purchase Order #)
6. GST Registration Number
7. Invoice Number
5. Total Invoice Value with GST, and PST (where applicable) clearly identified
  - State any applicable holdback amount, and/or any other deduction amount, before invoice total
  - GST and PST to be invoiced on gross invoice value (inclusive of any holdback amount)
  - If applicable, include the corresponding OA/PO line item, quantity and unit price
6. Contact name and e-mail address

**Electronic (EFT) Payment of Invoices (Canadian Suppliers)** – All invoice payments from BC Hydro to Contractor shall be made by direct deposit using Electronic Funds Transfer (EFT). An email remittance advisory will be sent to notify Contractor once a payment is deposited.

Contractor 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, concurrently with delivery of the executed Contract. All information provided in the Deposit Application shall be deemed to form part of the Contract and may be relied on by BC Hydro without further investigation. That information shall also be deemed to form part of any future contract(s) between Contractor and BC Hydro unless Contractor provides written notice of a change. BC Hydro reserves the right (but not the obligation), at its sole discretion, to require additional evidence of the accuracy of Contractor's payment information and Contractor shall cooperate in providing such additional evidence. Contractor shall be responsible for any EFT-related fees charged by its financial institution. Any changes that Contractor wishes to make to its direct deposit information from time to time shall follow the above process and be subject to the same terms.

**Electronic (Wire Transfer) Payment of Invoices (International Suppliers)** – All invoice payments from BC Hydro to Contractor shall be made by wire transfer, cheque or by bank draft at BC Hydro's discretion. Contractor 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, concurrently with delivery of the executed Contract. All information provided in the Deposit Application shall be deemed to form part of the Contract and may be relied on by BC Hydro without further investigation. That information shall also be deemed to form part of any future contract(s) between Contractor and BC Hydro unless Contractor provides written notice of a change. BC Hydro reserves the right (but not the obligation), at its sole discretion, to require additional evidence of the accuracy of Contractor's payment information and Contractor shall cooperate in providing such additional evidence. Contractor shall be responsible for any fees related to the wire payment charged by the receiving institution(s).

Any changes that Contractor wishes to make to its wire transfer information from time to time shall follow the above process and be subject to the same terms.

### **Excerpt of relevant provisions, as amended, from Schedule B – General Conditions:**

**5. TAX** - If Contractor is obliged to collect GST from BC Hydro, Contractor must be registered for GST under the *Excise Tax Act* (Canada) and must provide to BC Hydro on all Payment Requests Contractor's GST number and all other information as may be required pursuant to the *Excise Tax Act* (Canada). If Contractor is obliged to collect PST from BC Hydro, Contractor must be registered under section 168 of the *Provincial Sales Tax Act* (British Columbia). GST and PST shall be calculated on gross invoice value (including any holdbacks).

**6. PAYMENT** – Payment shall be made in accordance with the process set out in Schedule A. BC Hydro reserves the right to withhold payment of any Payment Request which is not in accordance with this Contract and shall promptly notify Contractor of the reason for withholding payment. Where Contractor is, or becomes, a non-resident of Canada (as defined in the *Income Tax Act* (Canada)), the Contractor shall notify BC Hydro in writing and BC Hydro may deduct and withhold from any payments to Contractor 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 applicable laws, unless a Canada Revenue Agency exemption issued to the Contractor has been provided to BC Hydro. On each Payment Request the Contractor 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.