THE CITY OF EDMONTON

PROJECT AGREEMENT VALLEY LINE WEST LRT

Schedule 23
Extracts from Proposal

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SCHEDULE 23

EXTRACTS FROM PROPOSAL

1. Background

1.1 General

As provided for in the RFP all or certain portions of Project Co's Proposal (as defined in the RFP) may be incorporated into and made part of this Agreement. This Agreement has been finalized and the Proposal Extracts have been selected on the basis set out in the RFP.

1.2 Selection of Extracts

As confirmed in the RFP, the City determined in its discretion which parts of Project Co's Proposal have been incorporated by reference or otherwise into this Agreement. The City has, however, voluntarily conferred and consulted with the Preferred Proponent (as defined in the RFP) and Project Co and taken their input in finalizing the City decisions.

1.3 Location of Extracts

As confirmed in the RFP, the City determined in its discretion the parts or sections of this Agreement where the Proposal Extracts will be added or referred to in this Agreement and any additional wording required to be made to this Agreement to confirm their inclusion based on the subject matter of the Proposal Extracts. The City has, however, voluntarily conferred and consulted with the Preferred Proponent and Project Co and taken their input in finalizing the City decisions.

1.4 Purpose and Interpretation Principles

The purpose of incorporating the Proposal Extracts into this Agreement is to further define, describe and clarify the Project Work and the Project Requirements. The contract interpretation principles set out in Section 22.15 [Order of Precedence] of this Agreement have been adopted to clarify contract intent and to manage any potential conflicts or inconsistencies in the interpretation of the Proposal Extracts with the rest of this Agreement.

2. Listing of Proposal Extracts

2.1 Appendix

Attached at Appendix 23A [Proposal Extract Listing] of this Schedule are the Proposal Extracts.

3. Contract Interpretation Principles

3.1 Potential Deficiencies

Notwithstanding that deficiencies may exist in the Proposal Extracts, Project Co continues to be fully bound to perform all of its obligations under this Agreement. The City is not responsible for identifying deficiencies in the Proposal Extracts and irrespective of whether the City has identified or has failed to identify any such deficiencies, Project Co is not relieved in any way from meeting all of its Project Work requirements and other obligations of this Agreement.

3.2 Proposal Superseded

Except for those parts of Project Co's Proposal which are incorporated by reference into this Agreement by the Proposal Extracts, Project Co's Proposal shall be superseded entirely by this Agreement and rendered

null and void, and shall not be relied upon or used by Project Co, the City or anyone else (including anyone pursuant to Schedule 20 [Dispute Resolution Procedure] or any arbitral body or any court) in any way to interpret or qualify the Project Work, any obligations or liabilities of Project Co, or anything else contained in this Agreement.

3.3 Substitutions

Subject to Section 3.4 [Safety and Environment] of this Schedule:

- (a) the construction (including civil, electrical, mechanical or other construction) methodologies and sequences described in the Proposal Extracts are based on preliminary designs. The actual construction methodologies and sequences will be developed to suit the final designs and actual Site conditions and circumstances; and
- (b) Project Co shall be entitled to substitute the construction equipment described in the construction methodologies and sequences with equipment suited to the final design, site conditions, schedule improvement and availability.

3.4 Safety and Environment

For greater certainty, in no event shall the developments or substitutions contemplated by Section 3.3(a) or Section 3.3(b) of this Schedule establish lower levels of safety or environmental protection than the methodologies, sequences and construction equipment described in the Proposal Extracts.

APPENDIX 23A PROPOSAL EXTRACT LISTING

Attached to this Appendix 23A [Proposal Extract Listing] are the Proposal Extracts. Portions of the Technical Proposal that do not form part of the Proposal Extracts have been redacted as shown by the blacked out areas of text.

For the purposes of Section 2.1(a) of Schedule 3 [Construction Schedule] (and without limiting the remainder of that Section or any of the other Proposal Extracts), the information contained in the following file which was included in the Technical Proposal will be included and reflected in the Preliminary Construction Schedule:

(see attached)

42194422.3