

AMENDMENT TO MTO GENERAL CONDITIONS OF CONTRACT, NOVEMBER 2016

Special Provision No. 100S70

April 2023⁺

Payment for Equipment

GC 8.03.01 Definitions

The definition of Rented Equipment in subsection GC 8.03.01 of the MTO General Conditions of Contract is deleted in its entirety and replaced with the following:

Rented Equipment means Equipment that is rented or leased from an individual, firm, or corporation that is not a related entity or associated corporation with common ownership to the Contractor as defined by the *Income Tax Act, R.S.C., 1985, c. 1 (5th Supp.)*, and is approved by the Contract Administrator.

GC 8.03.06 Payment for Equipment

GC 8.03.06.01 Working Time

Paragraph GC 8.03.06.01.01 of the MTO General Conditions of Contract is deleted in its entirety and replaced with the following:

- .01 The Owner shall pay the Contractor for the Working Time of all Equipment other than Rented Equipment and Operated Rented Equipment used on the Work on a Time and Material Basis at The 127 Rate.

Paragraph GC 8.03.06.01.02 of the MTO General Conditions of Contract is deleted in its entirety and replaced with the following:

- .02 The Owner shall pay the Contractor for the Working Time of Rented Equipment used on the Work on a Time and Material Basis at 110% of the Rented Equipment invoice price. A Contractor shall obtain approval from the Contract Administrator prior to the use of the Rented Equipment, if 110% of the invoice price is greater than The 127 Rate.

Paragraph GC 8.03.06.01.03 of the MTO General Conditions of Contract is deleted in its entirety and replaced with the following:

- .03 The Owner shall pay the Contractor for the Working Time of Operated Rented Equipment used on the Work on a Time and Material Basis at 110% of the Operated Rented Equipment invoice price. A Contractor shall obtain approval from the Contract Administrator prior to the use of the Operated Rented Equipment, if 110% of the invoice price is greater than The 127 Rate.

GC 8.03.06.04 Mark-Up on Work on a Time and Material Basis

Clause GC 8.03.06.04 of the MTO General Conditions of Contract is deleted in its entirety and replaced with the following:

- .01 Payment for Mark-Up on Work on a Time and Material Basis shall be made at the following rates:

a) Contractor Mark-Up

15% applied to the total payment for labour, Rented Equipment, Operated Rented Equipment, and Material when the Work on a Time and Material Basis was completed by the Contractor.

b) Subcontractor Mark-Up

15% applied to the total payment for labour, Rented Equipment, Operated Rented Equipment and Material when the Work on a Time and Material Basis was completed by the Subcontractor.

c) Contractor Mark-Up on Subcontractors Work on a Time and Material Basis:

10% mark-up allowed on Subcontractor's total labour, Equipment, and Material after Subcontractor Mark-Up is applied. If Work on a Time and Material Basis is assigned or sublet to a related entity or associated corporation with common ownership to the Contractor as defined by the *Income Tax Act* (R.S.C., 1985, c. 1 (5th Supp.)), then Contractor Mark-Up is not permitted. The application of associated rules under the *Income Tax Act* (R.S.C., 1985, c. 1 (5th Supp.)) is extended to include partnerships, an associate, as defined by the *Securities Act*, R.S.O. 1990, c. S.5, as amended, no Contractor Mark-Up is permitted.

WARRANT: All contracts.