



DFL GROUP

WITH EXPERIENCE COMES KNOWLEDGE

2018-Brochure



DFL GROUP
Suite 122, 9650 20th Ave
Edmonton Alberta,
Canada T6N-1G1
Tel: +1-780-328-7804
Fax: 1-780-328-7804

WWW.DFLINDUSTRIAL.COM



INTRODUCTION

DFL International Contracting and Consulting Ltd. (DFL) is a Contracting and Construction Management company built by a group of experts with many years of experience previously executing major projects in different construction fields.

Decades of experience, training, and customer service all under one roof. DFL stands for Direct Force Labour because we understand that our clients want the personnel and their expertise in the company. DFL bring the best and the brightest together for the simple common purpose of serving their clients well.

All DFL's team members supports the goal of providing "Safe and Efficient Construction Execution Model" on all our projects. DFL offers full Construction Management, Procurement and Start-up services honed from a variety of projects and backgrounds.

DFL's corporate governance is guided by a strong focus on health, safety, and environmental issues. These are the core of our business and our strategies are founded on meetings and exceeding governmental and international standards in Health, Safety and Environment.

Our team brings years of heavy industrial experience with the largest world-wide corporations and successfully executing billion dollar projects in the oil & gas industry in Alberta. Many members in our team have been key-note speakers and subject matter experts for the successful execution of EPC projects with the American Association of Cost Engineers, Contractors Association of Alberta, and major corporations as Kiewit, Laricina Energy, CH2M HILL, Lauren Engineering and Exxon Mobil.

DFL is also hired by major corporations to prepare, review and refine their corporate project execution plans, project management, project controls and execution manuals. DFL also seconds personnel to these clients to occupy project and construction management roles as client representatives.

As experts in our fields, projects will be completed safely and efficiently, with a keen eye to ensuring cost effectiveness - we know no other way to work.

DFL has developed an in-house Project Management, Cost Control and Progress tool that is used to manage projects from all sizes due to the scalability function in this custom system.

Our goal, simply put, is to exceed Clients expectations. DFL Group will remain a quality-driven, solution-oriented company and will provide expert project management services. Only good things can come from such a tightly organized and highly collaborative team.

In keeping with our streamlined and efficient focus, the team we offer our clients will ensure an overall efficiency of resources. We are keen to meet new opportunities to continue to enhance our reputation.

We look forward to further discussing how DFL Group can provide the services required by your company.



Table of Contents

Contents

1.0 EXECUTIVE SUMMARY	4
2.0 Health, Safety and Environment	7
2.1 HSES MISSION STATEMENT	7
2.2 Health and Safety Introduction.....	7
2.2 Implementation Strategy	7
2.3 CORPORATE GOALS.....	8
3.0 Quality Control and Assurance	9
3.1 Management Responsibility	9
4.0 DFL PROJECT DELIVERY MODEL	9
4.1 Project Start	9
4.1.1 Project Initiation Team.....	9
4.1.2 The Initiation Phase (First 7 Days).....	10
4.1.3 The Development Phase (First 30 Days)	10
4.1.4 The Execution Phase (First 60 Days and onwards)	11
5.0 Project Execution	12
5.1 Project Execution Plan	12
5.2 Project Controls Fundamentals.....	12
5.3 Development of Project Specific Procedures	13
5.4 Work Breakdown Structures and Project Phases	14
5.5 Cost Estimate	15
5.6 Project Budget.....	16
5.7 Field Installation Work Packages	17
5.8 Project Schedule	18
5.9 Project Progress	19
5.10 Project Reporting	19
5.10.1 Project Weekly Reporting	19
5.10.2 Project Monthly Reporting	20
5.10.3 Contract Information	20



6.0 RELEVANT PROJECT EXPERIENCE 21

7.0 Construction and Subcontracting 22

 7.1 Construction Execution 22

8.0 Human Resourcing 25



1.0 EXECUTIVE SUMMARY

We are a multi-disciplined full Consulting and EPCM company with our headquarters in the Edmonton area. DFL established strong ties with an entity housing a team of engineering design experts based in Calgary Alberta to fill a void in the engineering services industry and to enable our company to have a full coverage of the EPCM services.

With the experience comes knowledge. Our team has extensive experience in the execution of major projects and our approach to project execution strongly rely on this.

We are highly motivated, truly ethical professionals and wish to create a refreshingly different working environment. We will be completely transparent in our work ethic and in what we produce as a result.

Our team knows that a successful construction projects start with engineering deliverables; thus, our managers and leaders have a strong engineering back-ground and will work with the engineering outfit to maximize the engineering constructability input. This allows the project to be designed for construction execution.

Using our systematic approach to a project in phases, DFL downloads the experience early in the project and aligns the tools, systems and constructability to success.

Our Project Controls systems, procedures and tools are the back-bone of our continuous success. DFL is a majority shareholder in Teal Century Technologies, an Information Technology Company that specializes in designing and building Enterprise Management Tools that are fit for purpose. Our tools have been developed in-house and are designed to communicate with other ERP and tools like Oracle Primavera, Oracle ERP, SAP, JD Edwards, DTC and many others.

Documents Management and control is considered a pillar on our projects since at DFL we understand that a successful construction Project Team is supplied with the right and most up-to-date information, and issues the right and most up-to-date information, in a timely and organized manner.

Our experience has shown us that efficiencies can be realized and passed on to our clients. Our strength, however, is the skilled professionals who form the DFL Group team. Our goal is to create an environment of respect, transparency and honesty for our own group and for our clients. This concept draws together an outstanding collection of people. We welcome the opportunity to become an extension of your group, and to work closely together with you to solve problems quickly and cost effectively.



We offer construction expertise in the execution of work in the following disciplines:

- **Civil / Earthworks Activities**
 - Site Preparation
 - Dewatering
 - Structural foundation preparation
 - Piling (Concrete and steel piles)
 - Temporary and Permanent Roads
 - Mass Excavation Activities
 - Underground Utilities Excavation

- **Structural Concrete**
 - Concrete Foundations for industrial projects
 - Concrete Slabs and pedestals
 - Concrete structures and buildings
 - Onsite Batch-plant management capabilities

- **Structural Steel**
 - Fabrication management
 - Structural Steel Erection (Bolted/welded) for Industrial Projects
 - Structural Steel Erection (Bolted/welded) for buildings

- **Architectural**
 - Industrial Buildings Erection
 - Commercial Buildings Construction
 - Hospitals and major Facilities Construction

- **Heavy Lifting**
 - Industrial Modules and Equipment Heavy Lifting and installation
 - Heavy Lift Procedures and Designs for commercial buildings
 - Critical Multiple Crane Lifts planning and execution

- **Piping**
 - Pipeline planning and installation
 - Module Piping Installation for industrial application
 - Stainless and Carbon Steel Pipe Welding Procedures and execution
 - Pressure Testing, and Cleaning Procedures and execution

- **Mechanical**
 - Pumps installation, alignment, lube oil flushes, and motor coupling
 - Rotary Equipment Installation, Alignment and Testing
 - All Other Equipment Installation as per manufacturer's recommendation

- **Electrical and Instrumentation**
 - Cable Tray , Conduit and Grounding installation inclusive of ground grids
 - Power and Controls Cable Pull and Terminations
 - Fiber Optic Cable Pull and Terminations
 - Major Electrical Equipment installation and Testing (i.e MCC, Transformers, Switch Gears, UPS, PDCs, motors)
 - Junction Boxes, Panels, Light Fixtures, receptacle Installation
 - Temporary power design and installation for overall site need
 - Instrumentation, tubing and corresponding accessories installations
 - Electrical Heat Trace installation
 - Controls cabinets and EHT Control panels installation
 - Cathodic protection installation

- **Insulation**
 - Underground civil insulation installation
 - Piping Insulation (including blanket installation for valves & fittings)
 - Building insulation and Equipment Insulation

- **Pre-commissioning / Commissioning (Industrial Application)**
 - Electrical Pre-Commissioning (point to point, system loop checks, etc...)
 - Mechanical Equipment Static and dynamic testing
 - Pipe Mechanical and Chemical cleaning
 - Assisting Client Operations Team

DFL also provides expertise in the following areas:

- **Opportunity Analysis, Procedural set-up and Financial Modeling**
- **Front End Engineering Design Phase**
- **Detailed Engineering Phase**
- **Project Controls and Document Control Plan**
- **Contract Execution and Interface Plan**
- **Quality Assurance Plan and Offsite Inspection Plan**
- **Materials Management Plan**
- **Risk Management Plan**
- **Pre-commissioning and Start-up Plan**
- **Construction Management Procedures and Construction Execution**
- **Project Schedules and Cost Budgets**
- **Weekly Progress Updates on Cost and Schedule**
- **Monthly Project Reporting on Cost, Scheduling, Risk and Project Status**
- **Bi-Annual Re-Baseline of Project Schedule and Cost**
- **Project Sourcing Lists**
- **Quality Documentation**
- **Engineering logs and technical monitoring logs**
- **Document control status and transmittal logs**



2.0 Health, Safety and Environment

2.1 HSES MISSION STATEMENT

DFL's policy is to execute its mandates in the safest manner possible, while following the best construction practices, and with regard to the safety, health and environmental welfare, assets, production and the environment. DFL follows the model that safe work practices yielding the highest quality, the best efficiency and the lowest cost.

On all its projects, DFL will implement an organized and effective Safety, Health, Environment and Security (SHE&S) Program to meet its rigorous policy.

2.2 Health and Safety Introduction

The essentials of DFL's SHE&S Program are:

- Educate- Training all workers is a core to ensure Policies are effective
- Guide - Ensuring all workers believe that all incidents are preventable
- Monitor – Monitoring SHE&S indicators to prevent incidents
- Empower – Empowering workers to immediately correct unsafe conditions and unsafe acts
- Re-iterate- Ensuring all workers and supervision are continuously engaged in the program

The above essentials are the core basis of a successful implementation of the DFL Health and Safety Program

2.2 Implementation Strategy

The front line of implementing the Health and Safety Program of DFL lies with the site management and supervision. All projects that are undertaken by DFL will have a site specific safety plan tailoring the safety processes and procedures to the project.

The DFL corporate safety manager, project safety managers and safety coordinators are Health and Safety resources available for safety guidance at any time. However, DFL considers everyone as responsible for implementation and maintenance of its safety program.

DFL will:

- Integrate the H&S plan as a part of every site operations
- Comply with government regulations, industry guidelines, OH&S guidelines and best practices, company policies and procedures and client safety guidelines and processes
- Provide appropriate training and equipment to all project teams (staff and trades) to ensure hazard recognition and risk mitigation



2.3 CORPORATE GOALS

The goals for the DFL projects are:

- total recordable injury frequency: 0.00
- lost time accident frequency: 0.00
- motor fleet accident frequency: 0.00
- personal liability and property damage frequency: 0.00

To achieve the above Corporate Goals, DFLs has developed specific objectives that are implemented on all its projects:

- work each day injury free
- work toward eliminating all incidents and occupational illnesses through a process of continuous improvement
- promote safety, health, environmental and security objectives as a constant value in designing, planning, training and executing work
- spread ownership for safety, health, environmental and security effectiveness throughout the organization
- enhance staff employee and trades worker awareness and involvement in implementing SHE&S programs
- have zero security issues

These goals and objectives are part of DFL's worker indoctrination and hire-on package. It is the Corporate Belief that our Goals are achievable and this can be done through rigorous and continuous training to all our staff personnel, trades people and subcontractors.



3.0 Quality Control and Assurance

3.1 Management Responsibility

At DFL we strive to consistently:

- Set the quality control expectations supported by the project specification, standards and best quality industry practices in alignment with the Company quality manual and plan
- Diligently implement inspection and test plans along with the corresponding quality records and confirm verification documents and physical quality inspections are progressing as dictated by the inspection plans
- Integrate the quality control team with the construction execution at an early stage of the project and incorporate the quality planning into the Field Instruction Work Packages (FIWPs)
- Report Quality incident and non-conformance expeditiously with lessons learned and corrective actions feedback loop
- Implement a cradle to grave approach with the most efficient flow of quality documents from FIWPs to Client Turnover packages

4.0 DFL PROJECT DELIVERY MODEL

4.1 Project Start

4.1.1 Project Initiation Team

DFL works on the fundamentals of project management and successful execution strategy criterion, thus all projects will be assigned an initiation team that will ensure that the project is set-up correctly and all the tools are tailored specifically for the successful execution of the scope of work.

The main groups that will be mobilized are:

Estimating, Construction Planning, HSSE, Procurement, Quality Assurance, Project Controls, Business, Field Engineering, Materials.

The early and expedient mobilization of the above group is one of DFL's fundamentals of success.

The below presented phase durations (7 days / 30 days / 60 days) of the execution strategy are applicable for projects with schedules extending to more than 12 months. The same concept is applied to smaller projects and the duration of each phase is scaled accordingly. The scalability of the project is done by the project management team and initiation team in the Initiation Phase right after engagement from the client.

4.1.2 The Initiation Phase (First 7 Days)

In the Initiation Phase, DFL will mobilize and dedicate its project initiation team to execute the first 30 day deliverables on the project. The team will hold the following alignment meetings with the Client to ensure an integrated approach to the construction effort:

- Project Drivers (Prioritizing Safety, Quality, Schedule, Cost and Start-up)
- Project reporting scalability and minimum requirements
- Agreed upon reporting calendar and execution calendar
- Contracts Management and high level contract summary agreed upon with client
- Risk Identification and Mitigation Meeting with client
- Client’s milestones and Level 1 schedule review
- Cost Review meeting with client
- Agreement and alignment on invoicing process
- Health, Safety, Security and Environmental Meeting with client
- Quality Meeting and turnover expectation with client
- Procurement Status Meeting and procurement process presentation to client
- Initial mobilization plan and key individuals / equipment approvals
- Document Control processes and standards

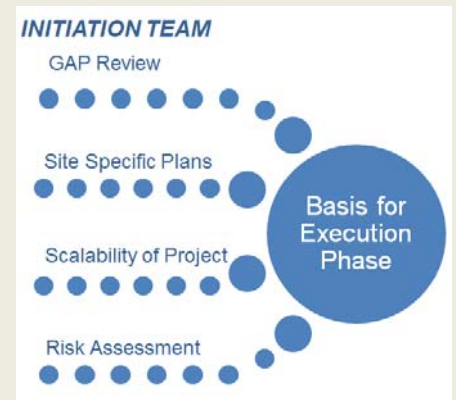
The focus on these meetings will be brainstorming in improving the schedule performance, and mitigating risks with client for schedule, cost, quality, and procurement.

A List of deliverables and specific requirements are clearly set to ensure a concise focus of the initiation team for the next 30 days.

4.1.3 The Development Phase (First 30 Days)

The project initiation team will provide at a minimum the following deliverables within 30 business days of award:

- Finalized Mobilization Plan
- Project Specific Construction Management Execution Plan
- Project Specific HSSE Plan
- Project Specific Execution Plan
- Project Specific Project Controls and Document Control Plan
- Project Specific Quality Assurance Plan and Offsite Inspection Plan
- Project Specific Materials Management Plan
- Project Specific Risk Management Plan
- Project Level 2 Schedule
- Project Class 4 Estimate (as per the American Association of Cost Engineers)



All the documents templates will be as per DFL Standard templates and tailored to meet the client’s documentation standards (if any). The intent of these documents will be to establish the project cost and schedule baseline with a focus on improving the schedule and providing the necessary oversight of the scope in all its entirety.



4.1.4 The Execution Phase (First 60 Days and onwards)

In the first 60 days of the project, if deemed required by the schedule, DFL will be fully mobilized on the project and will have the site infrastructure in place. The project initiation team will be semi-engaged past the first 30 days and will provide a transition period to the site execution team to deliver the remainder of the project.

The activities that will take place from 30-60 days are as follows:

- Project Team will be mobilized
- Material reconciliation (Take-offs and Procurement documents completed)
- Level 3 Construction Schedule completed and the corresponding baseline approved
- Contracting Plan and Contracting Schedule issued and approved
- All Construction Management Procedures implemented
- All reporting templates and baselines issued and approved
- Pre-Commissioning and Start-Up draft Execution Plan
- First official Project schedule progress and cost performance Review Meeting with client done

The intent is ensuring the above items are completed in the first 60 days of project.



5.0 Project Execution

5.1 Project Execution Plan

This Project Execution Plan (PEP) provides the project controls and project management processes and procedures required for the successful execution of the Project's scope of work within the contractual costs and schedule boundaries.

The key objectives set forth in the PEP and that the DFL project team will implement and achieve are:

- Establish the expectations and the tone in regards to Safety, Health, Environment and Security on the project
- Establish the expectations and the requirements in regards to Quality Control, Quality assurance and Turnover on the project
- Establish the Engineering, Procurement and Construction strategy on the Project
- Establish a cost and schedule baseline for the project
- Stewart the overall project cost and schedule with the right scaled reports
- Ensure roles and responsibilities of all project team members are understood and followed
- Implement and tailor the project management of change procedures
- Implement the DFL systems and tools to track and pursue cost and schedule reduction opportunities
- Ensure all reporting are accurate and used to meet the project's main goals
- Ensure that communication is maintained between internal and external stakeholders of the project

The above summarizes the main model that DFL implements on every project whether the project is internal to the client or to a third party.

5.2 Project Controls Fundamentals

The Project Controls Process that DFL will present in this brochure will summarize the main services and explain the operations excellence standard services that DFL provides in Project Controls. The main areas of processes that will be vetted and analysed by our team of experts are:

- Project Specific Procedures
- Work Break-down Structure Establishment
- Cost Estimate
- Project Budget
- Field Installation Work Packages

- Project Schedule
- Project Progress
- Project Reporting
- Management of Change

The DFL Project Controls team will ensure that the project (and client) has the processes and procedures to meet the above list of items in an expeditious way to allow the focus of the project team on efficient execution.

5.3 Development of Project Specific Procedures

DFL will ensure to conduct a gap analysis between its systems / Procedures and the clients. Based on the gap analysis, some specific procedures will be developed specifically for the project. In most cases, the client decides to adopt DFL's processes and procedures; however, DFL has the capabilities of creating these procedures specifically for the client.

The DFL internal procedures are design to meet the following main pillars in project execution:

- 1- Defining a full life-cycle End to End process for construction planning and execution
- 2- Establishing a matrix of cross functional integration and interface requirements for Front End Construction Development
- 3- Defining roles and responsibilities for Construction Management participants and stakeholders
- 4- Formulating Standards, Procedures, and Technical tools to guide a full spectrum of the project execution (Engineering, Procurement and Construction)
- 5- A single, all-encompassing, turnover and pre-commissioning process

The procedures to be used on the project will be agreed upon and decided in the initiation phase of the project.





5.4 Work Breakdown Structures and Project Phases

All of DFL projects and estimates are segregated into manageable portion in a Work Breakdown Structure (WBS).

DFL has developed an internal WBS structure that includes all the disciplines and activities in the engineering, procurement, construction and commissioning fields. This allows the DFL team across multiple projects to have the same coding structure.

The WBS is elaborate and allows DFL's systems to easily communicate with the client's systems.

The WBS also aligns with the schedule activity coding to ensure a fully integrated project controls, reporting and progressing.

Level 0	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8
Project #	Project Phase	Client Code	Execution Phase	Site Area	Site Sub-Area	Discipline	FIWP	Activity
3 Digits	3 Digits	2 Digits	3 Digits	3 Digits	2 Digits	2 Digits	4 Digits	4 Digits

During the project scalability session, the coding structure is scaled to be fit for purpose and to avoid over-complicating the reporting structure if not required.

5.5 Cost Estimate

DFL prides itself in the company's estimation programs and major benchmarking database.

DFL Group will conduct an estimate using specific Work Break-down Structure that will cover all the scope of work. The WBS is based on the DFL standard code of accounts that was discussed in the previous section.

Using this WBS structure also allows the DFL employees or client's personnel to easily search DFL's database for past costs using these unique identifiers as a reference.

DFL follows the American Association of Cost Engineers standard estimation methods which have the following range criteria:

ESTIMATE CLASS	<i>Primary Characteristic</i>	<i>Secondary Characteristic</i>		
	MATURITY LEVEL OF PROJECT DEFINITION DELIVERABLES Expressed as % of complete definition	END USAGE Typical purpose of estimate	METHODOLOGY Typical estimating method	EXPECTED ACCURACY RANGE Typical variation in low and high ranges ^[a]
Class 5	0% to 2%	Functional area, or concept screening	SF or m ² factoring, parametric models, judgment, or analogy	L: -20% to -30% H: +30% to +50%
Class 4	1% to 15%	or Schematic design or concept study	Parametric models, assembly driven models	L: -10% to -20% H: +20% to +30%
Class 3	10% to 40%	Design development, budget authorization, feasibility	Semi-detailed unit costs with assembly level line items	L: -5% to -15% H: +10% to +20%
Class 2	30% to 75%	Control or bid/tender, semi-detailed	Detailed unit cost with forced detailed take-off	L: -5% to -10% H: +5% to +15%
Class 1	65% to 100%	Check estimate or pre bid/tender, change order	Detailed unit cost with detailed take-off	L: -3% to -5% H: +3% to +10%

Note: [a] The state of construction complexity and availability of applicable reference cost data affect the range markedly. The +/- value represents typical percentage variation of actual cost from the cost estimate after application of contingency (typically at a 50% level of confidence) for given scope.

Every estimate will be reviewed and approved by DFL's home office management to ensure the right accuracy range is set and the corresponding inclusions/exclusions are included.

This mandatory cold-eye review is done in a timely manner without affecting our client's deliverable schedule and milestone commitments whilst ensuring that risk is identified and duly noted.



5.6 Project Budget

The project budget will be developed using standard estimation procedures as set by the American Association of Cost Engineers Classes (mentioned earlier).

Once the WBS is agreed upon, initial constructability review completed and approved (discussed in schedule section), then the quantity take-offs will be conducted by qualified quantity surveyors and under the direct supervision of the DFL Estimating Manager.

The estimated quantities which are divided by specific commodity will be assigned an hourly productivity rate per unit of measure. DFL has a database with historical hourly productivity factors encompassing a large spectrum of commodities installation.

A review of the productivity factor is conducted taking into account the constructability document and benchmarking against the historical data. Once the review is completed, the productivity factors are approved and the total project hours are set.

DFL will estimate the procurement, subcontracting and fabrication will be based on actual third party pricing or historical factored estimates.

The indirect costs of the projects are estimated based on the planned staffing for the project which is completed by the project manager of the project. The indirect total hours and costs will also be benchmarked against the DFL historical pricing data-base and constructability document prior to approval.

The estimated costs which will be distributed through-out the WBS structure will be directly correlated to specific quantities and standard units of measure.

Once the estimate is completed, a full review of the estimate is done with DFL's corporate management prior to approving the estimate and subsequently presenting it to the client.

The estimate becomes a Budget once a written approval is received by the client.

At DFL, the project budget is not only bound to the cost aspect of the project: An approved or baseline budget means that the WBS, Quantities, Units of Measure, Work Hours, Equipment Choices, and Corresponding Costs have been approved as one package.

The budgeted hours will be the basis of the schedule, thus forming a fully integrated project controls system with the WBS connecting all the tools.



5.7 Field Installation Work Packages

The DFL team is trained to take the develop Construction Work Packages (CWPs) and subsequent Field Installation Work Packages (FIWPs) encompassing the full scope of every project.

The FIWPs are the main activities that will be done during the planning phase of every project. The FIWPs are defined by experienced superintendents since these specific scopes will be progressed as activities in the schedule.

At DFL, the standard FIWP has an average of 1000 hours of direct labour work. This may change based on the complexity of the scope or the associated risk factor.

The standard FIWP also includes the following sections:

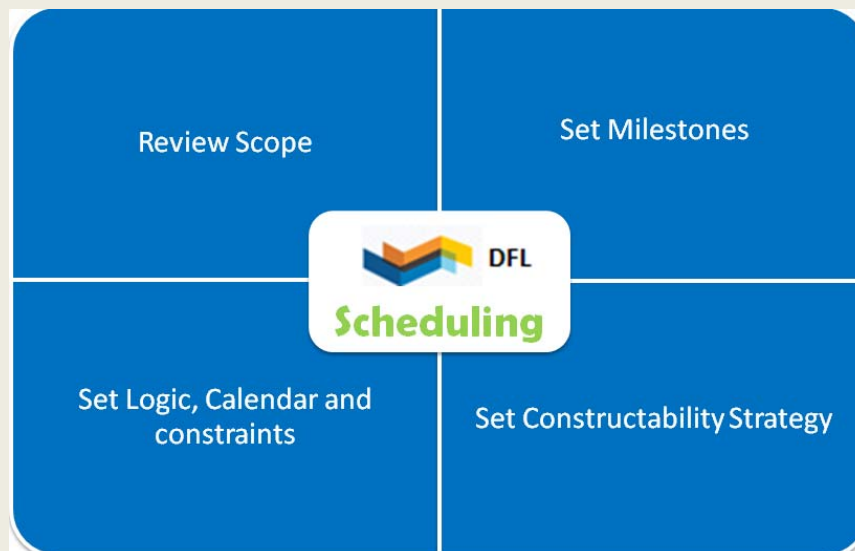
1. Cover Page, Reviewers Signatures and Endorsement
2. FIWP Scope of work description
3. Scope step by step execution method
4. Job Hazard Identification and Elimination/Control measures
5. Job Quality requirements, important specifications, quality procedures and sign-off sheets
6. Scope required materials and status of material delivery
7. Scope schedule and target hours
8. Progress Tracker tool
9. All required Drawings
10. Model Shots (if required)
11. Other Addendums- As required by scopes

Each FIWP will be reviewed and signed by the FIWP development manager, the safety manager and the quality manager. These signatures are required prior to the start of the work to ensure safe and efficient execution of the scope.

DFL stresses the importance and mandates pre-execution planning through the FIWPs which simply are an effective set of instructions to perform the construction in the field in a safe, quality and productive manner.

5.8 Project Schedule

At DFL, the Project Schedule development is a 4 stage process:



- Review Scope: A detailed review of the scope of work and WBS is done to ensure the scalability is appropriate for the efficient execution of the scope of work. The full and elaborate scope is divided in a WBS structural that is expandable from a Level 1, to a Level 5 schedule (as needed).
- Set Milestones: It is important to understand what the limitations of the schedule are: client milestones, engineering deliverables, known equipment deliverables, environmental restrictions, weather restrictions, road bans, etc... All these milestones are listed and set in the schedule as milestones or calendar restrictions.
- Set Constructability Strategy: A scheduler, Planner, Project Manager, Construction Manager, and a Field Engineer will brainstorm and review the most efficient construction sequencing. The sequencing will take into account the milestones and will be done directly in a scheduling program (Oracle Primavera or Microsoft Office).
- Set Logic, Calendar and constraints: Once the sequencing is envisioned, the scheduler will set the logic, calendar settings and milestones agreed upon. The team will then reconvene and go through all 4 stages again to ensure the schedule is fully integrated and acceptable. The process will happen as many times needed to have a unilateral agreement on the schedule by all parties.

The schedule will be manpower loaded based on the estimated hours mentioned in the previous section.

The schedule will be developed using the CPM (Critical Path Method). DFL always suggest to its client to use the *float method* instead of the *longest path method* of critical path calculation in construction due to ability of the schedule to show multiple critical paths and a more accurate risk management. The schedule will also be subject to a Monte Carlo risk analysis to check the early/late finish dates risks. Once the schedule is approved by the client, the schedule plan will be set a baseline.



5.9 Project Progress

DFL follows the PMI earned value processes and ensures that the project progress systems would align in the three major management aspects: Physical Progress, Cost Progress, and Schedule Progress.

DFL sets up all its projects correctly by ensuring that the progress rules of credit set for every commodity are aligned with both the amount of efforts required and schedule performance.

The rules of credit are set early in the project and are reviewed with the client to ensure alignment of progress rules and methods between all parties.

DFL's systems require a daily progress update of each activity and the progressing tools are embedded as part of the Field Installation Work Packages. No work can commence without having a progressing tool allocated to it.

5.10 Project Reporting

5.10.1 Project Weekly Reporting

Weekly reports will be issued to the Client to the attention of the Project Manager. The Project Leads will issue weekly reports as agreed upon with the project initiation team. An overall project report will be issued weekly by the Project Manager. The format will be as follows:

- Safety, Security and Environmental statistics
- Quality Statistics
- Last Week's activities narrative
- Current Week's activities narrative
- Schedule / Activity status
- Man-hours report (Budgeted, Actuals, Planned, Forecasted, PF)
- Change Notices and status
- Issues, Concerns and Mitigation plan/action items
- Project Action Log

A weekly meeting will be scheduled on every project where the DFL project team will present the above data to the client.



5.10.2 Project Monthly Reporting

Monthly reports will be issued to the Client, to the attention of the Project Manager.

The format will be as follows:

- Project Updates Narrative (Last Month activities, next Month activities)
- Safety, Security and Environmental statistics
- Quality Statistics
- Cost Report (Budget, Approved Changes, Pending Changes, committed cost, cost to date, Forecasted Cost)
- Man-hours report (Budgeted, Actuals, Planned, Forecasted, PF)
- Project Progress curves
- Updated Project Schedule (Level 1, 2, 3, 4, ...)

The Monthly report will be presented to the client by the DFL Project Manager.

Most of the cost and progress reporting will be done using the DFL in-house and web-based Project Management System.

5.10.3 Contract Information

DFL believes that any successful business relationship is based on ethics and integrity from both parties.

Nevertheless, it is important to have clear and concise guidelines on which these relationships grow, thus the importance of a clear Contract.

DFL ensures to include detailed information and clear expectations in all its contracts to ensure that the client has put in all the project requirements in writing and DFL has agreed to it.



Having a clear and concise contract will also streamline the management of change process and eliminate ambiguity on entitlement.

As discussed in previous sections, DFL's relationship with the client is both ethical and transparent, thus the management of change process is not considered as a standard and static internal DFL process, but it is a defined combined client/contractor product that is included in the contract.

DFL has experts with years of experience in contracts management and provides contracts administration consulting and training to many clients (Owners and other Contractors).

6.0 RELEVANT PROJECT EXPERIENCE

PROJECT	CLIENT	DESCRIPTION
KEARL PRODUCTION PROJECTS	IMPERIAL (EXXON MOBIL) 	DFL was awarded the Imperial Oil / Exxon Mobil Site Project Controls Management for all the Kearl Oil Sands Production Projects. The DFL team manages a portfolio of projects averaging a value of 140 million dollars annually. The contract is on-going and the DFL team assigned to the project has received numerous recognition awards due to the successful controls of the project.
DREDGE BUILD	CEDA INDUSTRIAL SERVICES LP 	DFL was awarded the Project Planning, FIWP development and Construction Management scope for CEDA's Dredger Building for Suncor. The project is on-going.
CPF COMPLETION	RADIUM TECH INC. 	DFL was awarded the Project Controls and quality walkdown scope for the Sunshine West-Ells Project. DFL works under the umbrella of Radium (Mechanical Contractor) to perform the project controls duties, to assess and inspect the completed scope and to plan the completion of the construction of the plant.
Major SAGD acquisition takeover in Alberta	Peritus Asset Management 	DFL acted on behalf of the acquiring company to establish a full technical and commercial analysis on 2 specific Oil developers for potential purchase. DFL provided an in depth analysis of the various facets of the potential acquisition and presented the board of directors with the recommendation along with the associated risk factors.
Gas Plant Shut-down Support	Keyera Gas Plant 	DFL was awarded the Quality assurance scope for the Keyera Shut-down in June 2015 working under Radium Technology. DFL provided 24 hour Quality personnel coverage for the shut-down scope and completed the turnover as per the expectation of both Radium and Keyera.
Plains Midstream Train Loading station	Gemini- Kerrobert Plains Midstream 	DFL was awarded the Construction/Commissioning management, subcontract management and Project Controls assistance by Gemini Energy Corp for the construction of the EPC Plains Midstream Kerrobert Train Loading Station in Kerrobert (Part of the pipeline upgrades in Saskatchewan).

PROJECT	CLIENT	DESCRIPTION
HB-Construct – Williams Red Water Plant	Red Water Fractionation Plant 	DFL was awarded the Quality Control and Lead Turnover contract for HB-Construct on the completion of the Williams Red Water Fractionation Plant. The team was supposed to assist in a shut-down scope and due to the high quality personnel and commitment of the DFL personnel, the team completed the overall project and assisted HB in the final turn-over of the plant to Williams.
Gemini Corporate Structuring		DFL was awarded the estimating and contract administration corporate restructuring with Gemini. DFL is currently completing the deliverables set whilst assisting in the current project estimates and bidding processes. Gemini current structure will allow the company to be efficient and competitive in the current oil market condition.

7.0 Construction and Subcontracting

7.1 Construction Execution

DFL will initiate and progress construction with a commitment to:

- Follow the Site specific Safety, Health, Environment and Security plan
- Follow the Site Quality Plan and the underlying ITPs and quality records
- Perform work in the field only through completed FIWPS
- Properly instate Site plot plan taking into consideration the optimum locations for warehouse, material laydown grid, Equipment Staging Area and site offices
- Effectively implement the material handling plan
- Effectively manage the construction equipment and its usages
- Effectively manage tools and Consumables
- Meet budget and finish on schedule
- Progress Construction while keeping Turnover in mind
- Manage Subcontractors in alignment with DFL and its Clients Expectations
- Effectively Mix DFL construction management with the right mix of Tradesmen and Engineers to form a stronger all round management personnel



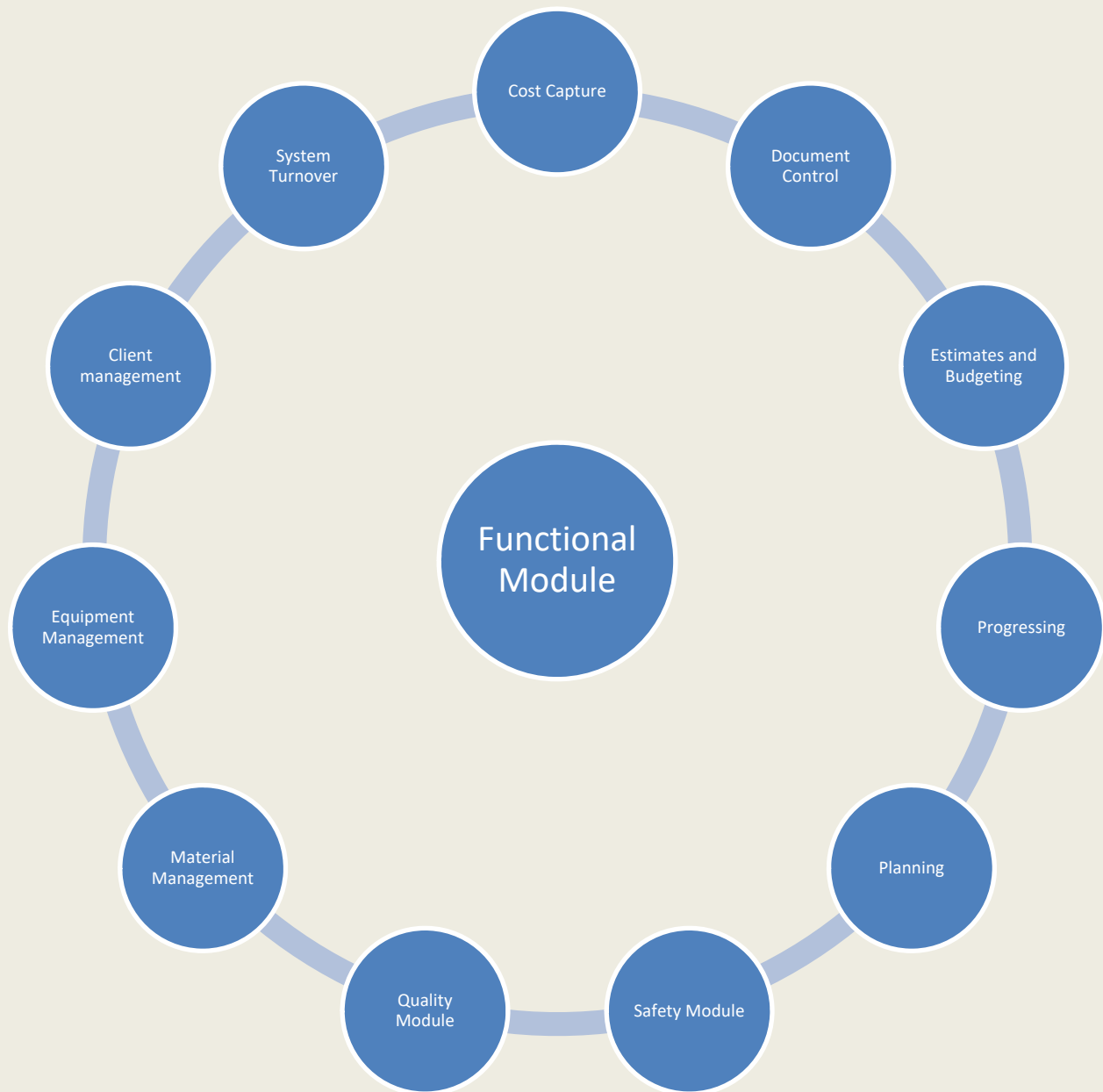
DFL provides a unique value to its Client with Construction value engineering, as a many of DFL personnel are professional engineers in a gamut of different disciplines with experience specific to the field and the industrial construction. This allows a better engagement in constructability and valuable approach to RFI proposed engineering solutions.

DFL partnered up with TealCentury Software solutions (www.tealcentury.com) allowing a significant data refinement, workflow efficiency and Document handling optimization. Tracking systems and databases are tweaked in-house to cater to different clients' needs.

DFL also launched a new workflow organization in its Electrical and instrumentation construction discipline allowing for better Electrical Tag Tracking, improved quality in construction wiring in preparation for pre-commissioning testing and an overall improved electrical and instrumentation unit rate productivities.

7.2 Project Management Software

DFL has internally developed and implemented a full EPCM Enterprise Research Planning and Document management system that is used on the Project **IMAPS ERP**. The System is web-based (www.imapserp.com) and very user friendly that allows efficient and expedient implementation on the projects and to our clients (if requested). Below are the list of





8.0 Human Resourcing

DFL currently function in an Open Shop Environment. However, DFL will consider clients with project labour agreement with entities like CLAC.

DFL enjoys a unique advantage with its partnership with newly formed software Skilled Trades Network www.TradesCraft.com.

TradesCraft .com software web application launched in 2014 already houses around ~7000 skilled trades and construction professionals mostly located in Alberta.

TradesCraft also act as human resource company representing DFL and if a need for foreign workers arises, TradesCraft personnel have the expertise and the understanding of visa requirements to support clients interested in foreign workers inclusions on their projects suffering local and national labor shortages



DFL GROUP
Suite 122, 9650 20th Ave
Edmonton Alberta,
Canada T6N-1G1
Tel:+1-780-328-7804
Fax: 1-780-328-7804
WWW.DFLINDUSTRIAL.COM

