

**THE MARATHON  
RENOVATION  
WARRANTY**

**POLICY #: MARR04-195**

**DECLARATION PAGE**

1. CONTRACTOR: OCEAN WEST CONSTRUCTION LTD.
2. INSURED: THE OWNERS OF STRATA PLAN VR 2781
3. PROJECT: WESTPOINTE PHASE II
4. INSURED SITE: 3210 – 3280 WEST BROADWAY,  
VANCOUVER, BC, V6K 2H4
5. INTEREST INSURED: THE LABOUR & MATERIAL COST OF:  
THE CONTRACTED RENOVATION WORK
6. POLICY PERIODS: LABOUR & MATERIAL WARRANTY – PARTIAL REPAIRS  
EFFECTIVE DATE: APRIL 11<sup>TH</sup>, 2005 EXPIRY DATE: APRIL 11<sup>TH</sup>, 2007. 12:01 A.M.  
PACIFIC STANDARD TIME  
BUILDING ENVELOPE WARRANTY – FULL REPAIRS  
EFFECTIVE DATE: APRIL 11<sup>TH</sup>, 2005 EXPIRY DATE: APRIL 11<sup>TH</sup>, 2010. 12:01 A.M.  
PACIFIC STANDARD TIME
7. COVERAGE: AS PER RIDERS ATTACHED
8. LIMIT OF LIABILITY: \$ 835,635.03 (125% OF CONTRACT PRICE)
9. CONTRACT PRICE: \$ 668,508.02
10. WARRANTY COST: \$ 50,138.10 (0.075)
11. INSURER: ROYAL & SUN ALLIANCE INSURANCE COMPANY OF CANADA  
10 WELLINGTON STREET EAST, TORONTO, ONTARIO, M5E 1L5

DATE: August 31, 2005

Per: \_\_\_\_\_  
Authorized Representative of Insurer

## **SCHEDULE A**

### **LIST OF RIDERS**

- |    |  |          |
|----|--|----------|
| 1. | DESCRIPTION OF WORK/TERM OF WARRANTY       | -1 page  |
| 2. | REPAIR ITEMS UNDER WARRANTY                | -2 pages |
| 3. | FINAL INVOICE #04-195                      | -1 page  |
| 4. | CERTIFICATE OF SUBSTANTIAL COMPLETION      | -1 page  |
| 5. | BUILDING ENVELOPE RENOVATION – “AGREEMENT” | -5 pages |
| 6. | INTEREST INSURED AND CO-INSURANCE CLAUSE   | -1 page  |
| 7. | COMMISSIONING LETTER                       | -1 page  |

Attached to and forming part of policy # MARR04-195

## **DESCRIPTION OF WORK/COVERAGE AND TERM OF WARRANTY**

It is understood and agreed that the warranty herein applies only to the approved design and specifications filed with National Home Warranty Programs Ltd. through the Marathon Warranty Corporation with regard to exterior repair work designed by Spratt Emanuel Engineering Ltd. and completed by Ocean West Construction Ltd.

### **Term of warranty:**

**2-YEAR LABOUR AND MATERIALS WARRANTY**

**5-YEAR WATER INGRESS WARRANTY**

### **Area of coverage:**

The above warranty terms apply to all Phase 2 vertical wall surface work on the south elevations of the Centre Block and East Block apartment buildings and portions of the north elevation of the East Block and West Block apartment buildings as identified on the Spratt Emanuel Engineering Ltd. drawings S03-092 Sheet 1 through to Sheet 9 dated 9/22/03 and S03-092 Sheet 45 through to Sheet 56 dated 6/02/04.

### **General description of work:**

- Removal of face sealed wall cladding and replacement with a rainscreen stucco cladding system.
- Replacement of compromised structural framing members and exterior wall sheathing.
- Detailing to window/sliding glass doors openings
- New wall flashing
- New balcony guard rails
- New vinyl windows and balcony doors
- New liquid applied and 60 mil vinyl deck membranes

### **Excluded from coverage under this warranty is the following:**

- Reused windows and doors
- Aluminum guard rails
- Horizontal waterproofing membranes
- Roofing and associated flashing
- Areas untouched by the remedial work.

**Attached to and forming part of policy # MARR04-195**

## REPAIR ITEMS UNDER WARRANTY

WESTPOINTE PHASE II- RECONCILIATION by MWC

9/7/2005

### SCHEDULE A -BUILDING ENVELOPE REMEDIATION

Mobilization	\$	4,554.00	
Superintendent	\$	33,663.00	
Site office	\$	3,220.00	
Site House Keeping	\$	19,125.00	
Toilet	\$	1,100.00	
Storage	\$	1,200.00	
Bonding	\$	8,100.00	
Hoarding	\$	36,787.00	
Scaffold rental	\$	20,700.00	
Scaffolding	\$	17,250.00	
Stucco Demo	\$	15,000.00	
Dense glass soffits	\$	5,000.00	
Post details	\$	3,450.00	
Hand railing blocking @ parapet	\$	3,910.00	
Re & re decks		n/a	
Caulking	\$	7,000.00	
Rain screen, BP and P&S	\$	26,000.00	
Vinyl decking		n/a	
Flashing	\$	49,500.00	
Window supply	\$	51,000.00	
Euro door supply	\$	9,200.00	
Window and door installation	\$	38,300.00	
Stucco system	\$	72,000.00	
Paint posts	\$	5,100.00	
Chimney boxes	\$	8,625.00	
Hand railings S&I		n/a	
Re & re fixtures	\$	3,450.00	
<b>TOTAL</b>			<b>\$ 443,234.00</b>

### SCHEDULE B - CHANGE ORDERS

co#1 add Low E glazing to 6 doors	\$	714.00
co#2 20 Opening Windows	\$	2,960.00
co#7 contract adjustment- project remobilization	\$	10,000.00

## REPAIR ITEMS UNDER WARRANTY

### T&M Extras

co#3 July T & M	\$	3,079.74	
co#4 Aug T&M	\$	9,740.43	
co#5 Sept T&M	\$	4,381.95	
co#6 Oct T&M	\$	13,903.03	
co#8 Nov T&M	\$	23,572.86	
co#9 Dec T&M	\$	25,933.08	
co#10 Jan T&M	\$	34,543.52	
co#11 Feb T&M	\$	30,860.16	
co#12 Mar T&M	\$	20,379.08	
co#13 Apr T&M	\$	1,472.00	
<b>TOTAL</b>			<b>\$ 181,539.85</b>

Schedule A - Building Envelope Repairs	\$	443,234.00	
Schedule B - Change Orders	\$	181,539.85	
	Subtotal :	\$	624,773.85
	GST :	\$	43,734.17
<b>TOTAL to be warranted by MWC</b>		<b>\$</b>	<b>668,508.02</b>

Spratt Emanuel Engineering Ltd.

Ocean West Construction Ltd.

On File

On File

(signed)

(signed)

# Royal & Sun Alliance Insurance Company of Canada

Represented by its Agent, National Home Warranty Programs Ltd.

Through The Marathon Warranty Corporation

17685 – 57<sup>th</sup> Avenue, Cloverdale, BC, V3S 1H1

Tel (604) 575-9155 Fax (604) 575-9156

## Building Envelope Renovation Limited Warranty Certificate

Address of the Building: 3210 – 3280 West Broadway, Vancouver, BC, V6K 2H4

Policy Number: MARR04-195

Name of the Insured: The Owners of Strata Plan VR 2781

**INSURING AGREEMENT.** In consideration of the payment of the premium the Insurer, through National Home Warranty Programs Ltd., will provide the benefits described in this Home Warranty Insurance agreement (hereinafter called the "Agreement"), subject to the terms and conditions set forth or added hereto for the insured who is insured for and entitled to such benefits by its provisions, and conditions. No such terms and conditions shall be considered to be waived by the Insurer in whole or in part unless the waiver is in writing signed by a person authorized for that purpose by the Insurer. Provided always that this Agreement contains the essential elements of insurable interest, indemnity and utmost good faith under the law of insurance contracts, this Agreement shall be in accordance with the Building Envelope Renovation Regulation of the Province of British Columbia, Canada; and that where any other part of this Agreement conflicts with such Building Envelope Renovation Regulation, this Agreement shall be changed to meet the minimum requirements of that Regulation.

This policy, all schedules, forms, riders, endorsements, pertaining or attached hereto and the Application and the Declarations (including any Declarations issue in substitution) shall be considered one document. Collectively these documents are evidence of the contract between the Insured and the insurer.

### **SECTION I DEFINITIONS**

Any word or expression to which a specific meaning has been attached shall bear such meaning wherever it appears, and such definitions shall include the plural and possessive form thereof. For the purposes of this Agreement, the following terms will be defined as follows, however, where a word used in this Agreement is not defined below, it shall have the same meaning as that defined in the Homeowner Protection Act Regulations.

**"act"** means the *Homeowner Protection Act* ("H.P.A.")

**"application"** means the information form completed together with any additional information supplied by or on behalf of the Insured.

**"building code"** means, as applicable:

- (a) the British Columbia Building Code established under the Municipal Act, or
- (b) the Vancouver Building Bylaw established under the *Vancouver Charter*,

in force at the time that the building permit was issued or, in jurisdictions where a building permit is not required, in force when construction commences.

**"building envelope"** means the assemblies, components and materials of a building that are intended to separate and protect the interior space of the building from the adverse effects of exterior climatic conditions.

**"building envelope consultant"** means a person, including an architect or professional engineer, who investigates defects in the building envelope of a residential building and provides plans, specifications or other advice on the design, evaluation or construction of a building envelope renovation or who is engaged to supervise the work of a building envelope renovator making a building envelope renovation.

**"building envelope renovation"** means the design and construction work on a residential building

- (a) to repair defects or deficiencies in the building envelope which allow unintended water penetration, or
- (b) to repair damage caused by unintended water penetration.

**"building envelope renovator"** means a residential renovator who is licensed under the H.P.A. to engage in, arrange for or manage all, or substantially all, of a building envelope renovation.

**"common property"** has the same meaning as in the *Strata Property Act*, but does not include land.

**"cooperative"** means a building, or portion of a building provided for residential occupancy purposes to members of an association incorporated or continued under the *Cooperative Association Act*.

**"declaration page"** means the personalized document provided to the Insured attached to and forming part of the policy which identifies the residential building covered under this Home warranty Insurance Agreement.

**"defect"** or "defects" means any design or construction, that (a) is contrary to the building code, or (b) requires repair or replacement due to the default or negligence of: (i) a Building Envelope Renovator or person for whom the Building Envelope Renovator is responsible at law, or (ii) a building envelope consultant or person for whom the building envelope consultant is responsible at law.

**"defects in the building envelope"** means any design or construction that results in the failure of the building envelope to perform its' intended function; namely, to protect all structural elements, exterior finish elements and interior finish elements from the effects of unintended water ingress into the building envelope.

**"holder"**, when used in reference to a residential building, means

- (a) if a strata plan respecting the land on which the building is situated has been deposited with the registrar of the land title office for the district in which that land is situated, the strata corporation for the strata plan,
- (b) a person who has a life interest in the residential building and whose interest is registered against the title to the land on which the residential building is situated in the land title office for the district in which the land is situated,
- (c) a person registered in the land title office for the district in which that land is situated as the purchaser under the last registered agreement for sale of the land on which the residential building is situated, or

- (d) if none of paragraph (a), (b) or (c) apply, the person registered in the land title office as the registered owner in fee simple of the land on which the residential building is situated.

**"home warranty insurance"** has the same meaning as in section 189.1 (1) of the *Insurance Act* and includes "material and labour warranty" and "water penetration warranty".

**"insured"** means the entity or party named on the Declaration page.

**"materials and labour warranty"** means home warranty insurance, as defined in section 189.1 (1) of the *Insurance Act*, covering defects in materials or labour used in a building envelope renovation.

**"multi-unit building"** means a building containing 2 or more dwelling units together with associated common property, if any.

**"policy"** means the documents provided to the Insured evidencing the Home Warranty Insurance Agreement consisting of the Application, Declarations and all forms, riders and endorsements pertaining or attached hereto.

**"residential building"** means a structure or that portion of a structure that is used or intended to be used for residential purposes.

**"substantially completed"** has the same meaning as in B.C. Reg. 240/2000 O.I.C 1010/00.

**"unintended water penetration"** does not include water penetration caused by flooding.

**"water penetration warranty"** means home warranty insurance, as defined in section 189.1 (1) of the *Insurance Act*, on a building envelope renovation, which covers defects in a building envelope that cause or permit unintended water penetration and damage caused by that unintended water penetration.

## **SECTION II COVERAGE**

The Insurer agrees to pay, on behalf of the Insured, for all building envelope renovation defects arising from the coverage outlined below in Parts A, B, C and/or D of this Section II, subject to the limits, terms, conditions, exclusions and warranties outlined in this Agreement. Nothing in this warranty Agreement is intended to exclude errors or omissions in the design, inspection or supervision of a building envelope repair from the water penetration warranty provided herein.

### **Part A – Two Year Materials & Labour Warranty**

- (1) Despite section 1 of Schedule 3 to B.C. Reg. 29/99, [the HPA Regulation], the minimum coverage for the materials and labour warranty on a building envelope renovation is 2 years for any defect in material and labour and for non-compliance with the building code described in subsection (2).
- (2) Non-compliance with the building code is considered a defect covered by home warranty insurance if the non-compliance: (i) constitutes an unreasonable health or safety risk, or (ii) has resulted in, or is likely to result in, material damage to the residential building.

### **Part B – Water Penetration Warranty**

Water penetration warranty herein covers defects in both the design and the construction of a building envelope renovation for a period of five(5) years after the date on which the building envelope renovation was substantially completed, including a defect which

permits unintended water penetration that causes material damage to the residential building.

### **Part C – Living Out Allowance**

The labour and materials warranty or water penetration warranty will cover actual accommodation expenses for a hotel, motel or other rental accommodation to a limit of \$100 per day for the holder, or, in the case of a strata corporation or other corporation, members of that strata corporation or other corporation; if the repairs render the residential building or a portion of it uninhabitable until 24 hours after the residential building or portion of it is ready for occupancy.

### **Part D – Warranty On Repairs And Replacements**

- (1) All repairs and replacements made under a materials and labour warranty or water penetration warranty will be warranted against defects in materials and labour until the later of:
  - (a) The first anniversary of the date of completion of the repair or replacement, or;
  - (b) The expiry of the applicable labour and materials warranty or water penetration warranty coverage
- (2) All repairs and replacements made under a labour and materials warranty or water penetration warranty insurance must be completed in a reasonable manner using materials and labour conforming to the building code and industry standards.

### **Limits on home warranty insurance coverage**

The Insurer's limit of liability under this contract shall be for the common property in a strata titled building or a multi-unit building that is not strata-titled and shall not exceed 125% of the total actual cost of repairs of the insured building envelope renovation.

## **SECTION III EXCLUSIONS**

This Home Warranty Insurance does not cover:

- (a) Weather, normal wear and tear, deterioration or deflection consistent with normal industry standards;
- (b) Any damage to the extent that it is caused or made worse by an owner, holder or third party, including by negligent or improper maintenance by anyone other than the building envelope renovator or its employees, agents or subcontractors;
- (c) Any damage caused by the unreasonable failure of a holder to take timely action to prevent or minimize loss or damage, including the failure to give prompt notice to the warranty provider of a defect or discovered loss or a potential defect or loss;
- (d) Any damage caused by insects or rodents and other animals, unless the damage results from non-compliance with the building code by the building envelope renovator or its employees, agents or subcontractors;
- (e) Accidental loss or damage from acts of nature including, but not limited to, fire, explosion, smoke, water escape, glass breakage, windstorm, hail, lightning, falling trees, aircraft, vehicles, flood, earthquake, avalanche, landslide, and changes in the level of the underground water table which are not reasonably foreseeable by the building envelope renovator;
- (f) Any defects in, or caused by, materials or work supplied by anyone other than the building envelope renovator, building



envelope consultant or the employees, agents or subcontractors or either;

- (g) Bodily injury or damage to personal property or real property which is not part of the residential building;
- (h) Any damage that is caused or contributed to by the holder of this warranty Agreement or any other third party other than the building envelope consultant or other design professional involved in the design, supervision or inspection of the building envelope repair.

#### **SECTION IV WARRANTY TERMS**

This Home Warranty Insurance includes the following provisions:

- (a) If the insurer make a payment or assumes liability for any payment or repair under home warranty insurance,
  - i) The insurer is subrogated to all rights of recovery of a holder against any person or persons who may have caused or contributed to the requirement for the payment or repair under home warranty insurance,
  - ii) The insurer may bring an action at its own expense, in the name of the holder or of the insurer, to enforce such rights, and,
  - iii) The holder must fully support and assist the insurer in the pursuit of those rights if the insurer pursues such subrogated rights;
- (b) implied or expressed warranties or representations made by a Building Envelope Renovator to a holder are not binding on the Insurer except as set out in the act or regulation or as set out in the applicable home warranty Insurance,
- (c) a holder must permit the insurer or Building envelope Renovator, or both, to enter the residential building at all reasonable times, on the giving of reasonable notice to the holder;
  - i) to monitor the residential building or its components,
  - ii) to inspect for required maintenance,
  - iii) to investigate complaints or claims, or
  - iv) to undertake repairs under the home warranty insurance;
- (d) if any reports are produced as a result of any of the activities referred to in paragraph (c ), the reports must be provided to the holder on request;
- (e) a holder must provide to the Insurer all information and documentation the holder has available, as reasonably required by the insurer, in order to investigate a claim or maintenance requirement, or to undertake repairs under the home warranty insurance;
- (f) to the extent that damage to a residential building is caused by the unreasonable refusal of a holder or occupant to permit the insurer or Building Envelope Renovator access to the residential building for the reasons set out in paragraph (c ) or to provide the information required by paragraph (e), such damage is excluded from the home warranty insurance.

#### **SECTION V WARRANTY CONDITIONS**

##### **Mediation**

Definitions specific to this section:

**"mediation"** means a collaborative process in which 2 or more parties meet and attempt, with the assistance of a mediator, to resolve issues in dispute between them;

**"mediation session"** means a meeting between two or more parties to a dispute during which they are engaged in mediation;

**"mediator"** means a neutral and impartial facilitator with no decision making power who assists parties in negotiating a mutually acceptable settlement of issues in dispute between them;

**"roster organization"** means any body designated by the Attorney General to select mediators for the purpose of this regulation.

- (1) If a dispute between an insurer and a holder arising under home warranty insurance cannot be resolved by informal negotiation within reasonable time, the holder may, at the holder's sole election, require that the dispute be referred to mediation by delivering to the warranty provider a written request to mediate.
- (2) If the holder delivers a request to mediate under subsection (1) above, the insurer and the holder must attend mediation session in relation to the dispute.
- (3) In addition to the requirements of subsection (2) above, an insurer or a holder may invite to participate in the mediation any other party to the dispute who may be liable.
- (4) Within 21 days after the holder has delivered a request to mediate under subsection (1) above, the parties must, directly or with the assistance of an independent neutral person or organization, jointly appoint a mutually acceptable mediator.
- (5) If the parties do not jointly appoint a mutually acceptable mediator within the time required by subsection (4) above, the holder may apply to a roster organization which must appoint a mediator taking into account:
  - (a) the need for the mediator to be neutral and independent,
  - (b) the qualifications of the mediator,
  - (c) the mediator's fees,
  - (d) the mediator's availability, and
  - (e) any other consideration likely to result in the selection of an impartial, competent and effective mediator.
- (6) Promptly after a roster organization selects the mediator under subsection (5) above, the roster organization must notify the parties in writing of the selection.
- (7) The mediator selected by a roster organization is deemed to be appointed by the parties effective the date of the notice sent under subsection (6) above.
- (8) The date, time and place of the first mediation session must be scheduled by the mediator, and the first mediation session must occur within 21 days of the appointment of the mediator.
- (9) Despite subsection (2) above, a party may attend a mediation session by representative if:
  - (a) the party is under legal disability and the representative is that party's guardian ad litem,
  - (b) the party is not an individual, or
  - (c) the party is a resident of a jurisdiction other than British Columbia and will not be in British Columbia at the time of the mediation session.
- (10) A representative who attends a mediation session in the place of a party referred to in subsection (9):
  - (a) Must be familiar with all relevant facts on which the party on whose behalf the representative attends, intends to rely, and
  - (b) Must have full authority to settle, or have immediate access to a person who has full authority to settle, on behalf of the party on whose behalf the representative attends.



- (11) A party or a representative who attends the mediation session may be accompanied by counsel.
- (12) Any other person may attend a mediation session if that attendance is with the consent of all parties or their representatives.
- (13) At least 7 days before the first mediation session is to be held, each party must deliver to the mediator a statement briefly setting out:
- (14) Promptly after receipt of all of the statements, required to be delivered under subsection (13) above, the mediator must send each party's statement to each of the other parties.
- (15) Before the first mediation session, the parties must enter into a retainer with the mediator which must:
  - (a) disclose the cost of the mediation services, and
  - (b) provide the costs of the mediation will be paid
    - i) equally by the parties, or
    - ii) on any other specified basis agreed by the parties.
- (16) The mediator may conduct the mediation in any manner he or she considers appropriate to assist the parties to reach a resolution that is timely, fair and cost effective.
- (17) A person must not disclose, or be compelled to disclose, in any proceeding oral or written information acquired or an opinion formed, including without limitation, any offer or admission made in anticipation of or during a mediation session.
- (18) Nothing in subsection (17) above precludes a party from introducing into evidence in a proceeding any information or records produced in the course of the mediation that are otherwise producible or compellable in those proceedings.
- (19) A mediation session is concluded when
  - (a) All issues are resolved,
  - (b) The mediator determines the process will not be productive and so advises the parties or their representatives, or
  - (c) The mediation session is completed and there is no agreement to continue.
- (20) If the mediation resolves some but not all issues, then at the request of all parties the mediator may complete a report setting out any agreements the parties to the mediation have made as a result of the mediation, including without limitation, any agreements made by the parties on any of the following:
  - (a) facts;
  - (b) issues;
  - (c) future procedural steps.

#### **Transfer of Warranty**

- (1) Home warranty insurance pertains solely to the residential building for which it provides coverage and no notice to the warranty provider is required on a change of ownership.
- (2) All of the applicable unused benefits under home warranty insurance are automatically transferred to any subsequent holder on a change of ownership.

#### **CLAIMS PROCEDURE**

##### **Notice of Claim**

- (1) Within a reasonable time after the discovery of a defect and before the expiry of the applicable home warranty insurance coverage, a holder must give to the insurer and the Building

Envelope Renovator written notice in reasonable detail that provides particulars of any specific defects covered by the home warranty insurance. Written notice for the insurer must be sent to :

Marathon Warranty Corporation  
17685 – 57<sup>th</sup> Avenue,  
Cloverdale, BC,  
V3S 1H1

Telephone: 604-575-9155  
Facsimile: 604-575-9156

- (2) The Insurer will require the notice under subsection (1) above, to include:
  - (a) The home warranty insurance number, and
  - (b) Copies of any relevant documentation and correspondence between the holder and the Building Envelope Renovator.

#### **Handling of Claims**

- (1) The Insurer shall, on receipt of a notice of a claim under home warranty Insurance promptly make reasonable attempts to contact the holder to arrange an evaluation of the claim.
- (2) The Insurer shall make all reasonable efforts to avoid delays in responding to a claim under home warranty insurance, evaluating the claim and scheduling any required repairs.
- (3) If following evaluation of a claim under home warranty Insurance, the Insurer determines the claim is not valid or not covered under the home warranty insurance, the Insurer must notify the holder of the decision in writing, setting out the reasons for the decision.
- (4) The notice under subsection (3) above, must also set out the rights of the parties under the third party dispute resolution process referred to in Section V, Warranty Conditions.
- (5) Repairs must be undertaken in a timely manner with reasonable consideration given to weather conditions and the availability of materials and labour.
- (6) On completion of any repairs, the Insurer must deliver a copy of the repair specification to the holder along with a letter confirming the date the repairs were completed subject to the warranty conditions contained in the warranty on repairs and replacement section.

#### **Disclosure of Claims History**

- (1) On receipt of an inquiry from a holder of a residential building covered by home warranty insurance regarding the claims experience of that residential building, an Insurer must provide the holder with a history of claims. The history of claims must include, for each claim, not less than the following information for both the dwelling unit and if applicable, the associated common property;
  - (a) The type of claim that was made;
  - (b) The resolution of the claim;
  - (c) The type of repair performed;
  - (d) The date of the repair; and
  - (e) The cost of the repair.
- (2) The Insurer will charge a holders fee of \$25 to provide the history of claims.

#### **Duty to Mitigate**

- (1) The Insurer will require a holder to mitigate any damage to a residential building including damage caused by defects or water penetration, as set out in the home warranty insurance.

- (2) Subject to subsection (3) below, for defects covered by the home warranty insurance, the duty to mitigate is met through timely notice in writing to the insurer.
- (3) The holder must take all reasonable steps to restrict damage to the residential building if the defect requires immediate attention.
- (4) To the extent that damage to a residential building is caused or made worse by the failure of a holder to take reasonable steps to mitigate as set out in this section, such damage will be excluded from home warranty insurance coverage.

## **Interest Insured**

The interest insured under item 5 of the Declaration Page will include all building envelope work and material performed on the “face” as per the specifications of the Building Envelope Consultant and only that work done by or on behalf of the Contractor stipulated in item 1 of the Declaration Page.

“Face” as defined in the Building Envelope Renovation Regulation Amendment (B.C. Reg. 317/2000 – Deposited September 14, 2000 – O.I.C. 1279/00 effective September 30, 2000), means the entire surface area of the exterior of one of the elevations of the building, including all elements and components of the building that are supported by or attached to the exterior of that elevation but does not include horizontal deck or balcony surfaces, roof surfaces or window surfaces unless, in the case of the window surfaces, the building envelope renovation includes

- a) the replacement of the window with a new window or other material, or
- b) the removal, modification and re-installation of the modified window.

## **Co-Insurance Clause**

It is understood and agreed that the amount of the “contract price” as show on the final invoice attached and policy declarations is at least equal to the actual contract price paid to the building envelope renovator less allowable exemptions. Any lesser amount will cause the insured to be a co-insurer of any loss to the extent that the amount of insurance bears to the stipulated contract price.

### **Protecting Your Privacy**

For Privacy information, please see [www.royalsunalliance.ca](http://www.royalsunalliance.ca), or call Royal & SunAlliance at 1-800-716-4339

Attached to and forming part of policy # MARR04-195

# THE MARATHON WARRANTY CORPORATION

17685 – 57<sup>TH</sup> Avenue, Cloverdale, BC, V3S 1H1  
tel: 604-575-9155 fax: 604-575-9156

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Date: November 18, 2005

**Strata Plan VR 2781**  
“ Westpoine Phase II”  
3210 – 3280 West Broadway,  
Vancouver, BC,  
V6K 2H4

## RE: COMMISSIONING MEETING

Dear Strata :

We are pleased to deliver the original warranty insurance policy for your records. The Strata should have already received their copy of the owners' maintenance manual.

The manual outlines maintenance procedures and will serve as a guideline to monitoring the building performance. Use of this manual as a maintenance tool will contribute to the perpetual working ability of the various building components for years to come. The strata should regularly update the capital budget using current information acquired during maintenance inspections.

We encourage the council to establish a maintenance committee in order to check, identify and resolve any building maintenance issues as they arise.

Truly,

**the MARATHON WARRANTY CORPORATION**

Art Doyle

Encl.

## RECEIPT

Please confirm by signing below that the strata council has received the warranty and reviewed the maintenance manual. Please note that failure to satisfy maintenance requirements as provided in the HPA regulations may invalidate the warranty.
---

\_\_\_\_\_  
STRATA MEMBER

\_\_\_\_\_  
WITNESS/DATE

\_\_\_\_\_  
STRATA MEMBER

\_\_\_\_\_  
WITNESS/DATE