



Anything else is less

August 31, 2009

Telephone: 604-683-6831
Fax: 604-683-5746
Website: www.willis.com

Current Unit Owner
1055 Richards Street, 906
Vancouver, BC
V6B 0C2

**Re: Willis Warranty - Unit 906
Donovan**

Congratulations on the purchase of your new home. We are pleased to enclose your Willis Warranty, along with our information sticker outlining details and contact information for the warranty. Because the warranty is transferable to any future owners of this unit, we ask that you affix the sticker to a permanent location.

The declaration page on the front of your policy summarizes the commencement date and expiration date of the materials and workmanship, water penetration and structural components of your warranty.

At the time of registration with the builder's representative, you may have submitted a deficiency list with your registration certificate. This list is a record of deficiencies to be addressed by the developer. The deficiency list is not construed by the warranty insurers as a notice of claim. The procedures for filing a claim for a warrantable defect are clearly set out in the policy.

If you have any questions on your warranty, please do not hesitate to contact our office.

Regards,

Leanne Stier
Client Advocate
Warranty and Construction

Encls.

Donovan

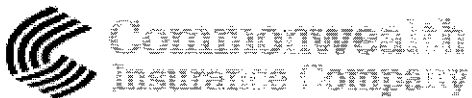
WILLIS CANADA INC.

HOME WARRANTY

INDIVIDUAL UNIT OWNER

The
Willis
Warranty

Anything else is less



**Underwritten By:
Commonwealth Insurance Company**

WILLIS CANADA INC.
1500 – 1095 West Pender Street
Vancouver, B.C.
V6E 2M6

Policy No. WCI 1139-001-IU-906

DECLARATIONS

THE INSURANCE COMPANY (IES) SIGNATORY HERETO
(Hereinafter called the Insurer(s))
FOR THEIR RESPECTIVE INTEREST
BY THIS POLICY AGREE TO PROVIDE WARRANTY COVERAGE TO:

NAME: Donovan

CIVIC ADDRESS:

1055 Richards Street
Vancouver, BC
V6B 0C2

ADDRESS OF VENDOR/PURCHASER:

1055 Richards Street, 906
Vancouver, BC
V6B 0C2

COMMENCEMENT DATE: July 30, 2009

EXPIRY DATES:

Material & Labour Warranty:

a) 12 Months Defects in Material & Labour: July 30, 2010
15 Months for Common Property: October 30, 2010

b) 2 Years defects in Materials and Labour supplied for: July 30, 2011

- i) the gas, electrical, plumbing, heating, ventilation and air conditioning delivery systems: and
- ii) the exterior cladding, caulking, windows and doors that may lead to detachment or material damage to the dwelling unit

10 Years Building Envelope Warranty: July 30, 2019

10 Years Structural Defects Warranty: July 30, 2019

INSURER(S):

Commonwealth Insurance Company
595 Burrard Street, Suite 1500
Box 49115 Bentall Tower Three
Vancouver, BC

IN WITNESS WHEREOF, the insurer has duly executed this Policy. PROVIDED, however, that this Policy is not valid unless signed by an authorized representative of the Insurer.



Authorized Representative

August 31, 2009

Date

This Policy is issued and accepted subject to the foregoing provisions and to the following provisions, stipulations and conditions which are hereby specifically referred to and made a part of this Policy, together with such other provisions, agreements or conditions as may be endorsed hereon or added hereto.

Summary of Warranty Insurance Expiry Dates

Policy No: WCI 1139-001-IU-906

July 30, 2010

Labour and Material

July 30, 2011

Mechanical Systems, Exterior Cladding, Caulking and Windows

July 30, 2019

Building Envelope

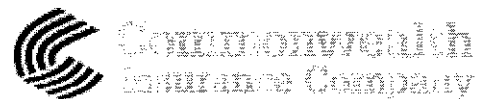
July 30, 2019

Structural



Anything else is less

Willis Canada Inc.
1500 – 1095 West Pender Street,
Vancouver, BC V6E 2M6
Phone : (604) 683-6831
Fax : (604) 683-5746
Toll free: 1-800-665-5252



Underwritten By:
Commonwealth Insurance Company

LIMITS OF LIABILITY - STANDARD WARRANTY COVERAGE

Pursuant to the cover set out in the **Insuring Agreement** the **Insurer** shall not be responsible for more than:

1. \$200,000.00 (or the purchase price paid by the **purchaser/homeowner**, whichever is less) for a **dwelling unit** in fee simple ownership;
2. \$100,000.00 (or the purchase price paid by the **purchaser/homeowner**, whichever is less) for a **dwelling unit** in a strata titled or **multi-unit project**;

In calculating the cost of claims for standard limits under warranty coverage, the **Insurer** will include:

- a) the cost of repairs;
 - b) the cost of investigation, engineering and design required for repairs; and
 - c) the cost of supervision of repairs, including professional review (but excluding legal costs);
 - d) the living out accommodation expenses.
3. \$100.00 (or the paid amount, whichever is less) per day for reasonable **living out accommodation expenses** actually incurred by the **homeowner** in the event that repairs are required under warranty and the damage to the building or extent of the repairs renders the **dwelling unit** uninhabitable. Coverage under this subsection will continue until the **dwelling unit** is ready for occupancy, subject to the **homeowner** receiving 24 hours advance notice.

INSURING AGREEMENT

The **Insurer** will pay on behalf of the **purchaser/homeowner** during the periods of insurance noted (subject to the terms, conditions, limits, definitions and exclusions contained herein) for:

1. Materials and Labour Warranty

The coverage for the two (2) year material and labour warranty is as follows:

- a) in the first twelve (12) months from the **commencement date**:
 - i) coverage for any **defect** in materials and labour; and
 - ii) subject to definition, coverage for a violation of **building code**.
- b) In the first twenty-four (24) months from the **commencement date**:
 - i) coverage for any **defect** in materials and labour supplied for the electrical, plumbing, heating, ventilation and air conditioning delivery and distribution systems;
 - ii) coverage for any **defect** in materials and labour supplied for the exterior cladding, caulking, windows and doors that may lead to detachment or material damage to the **dwelling unit**;
 - iii) coverage for any **defect** in materials and labour which renders the new home unfit to live in;
 - iv) subject to definition, coverage for violation of the **building code**.
- c) Non-compliance with the **building code** is considered a **defect** covered by this policy 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 **dwelling unit**.

2. Building Envelope Warranty

The coverage for the ten (10) year building envelope warranty is as follows:

- a) In the first ten (10) years, from the **commencement date**, any **defect** that permits unintended water penetration such that:
 - i) it causes material damage to the **dwelling unit**; or
 - ii) it is likely to cause material damage to the **dwelling unit**.

3. Major Structural Warranty

The coverage for the ten (10) year structural defects warranty is as follows:

- a) Any **defect** in materials and labour that results in the failure of a **load bearing** part of the **dwelling unit**; and
- b) Any **defect** that causes structural damage that materially and adversely affects the use of the **dwelling unit** for residential occupancy.

4. Living Out Accommodation Expenses

The living-out accommodation expenses actually incurred by the **homeowner** at a hotel, motel or other rental accommodation due to repair work that renders the **dwelling unit** uninhabitable.

5. Repair/Replacement of Defects

Any repairs or replacement of **defects** pursuant to this policy shall be covered against **defect** in material and labour until the later of one (1) year from the date of completion of the repair or replacement or to the **expiry date** of the applicable policy coverage.

EXCLUSIONS - PERILS

This warranty does not cover:

- 1. **Water penetration** or damage caused by:
 - a) breakage of or leakage from plumbing lines or systems;
 - b) fire sprinkler systems;
 - c) irrigation systems;
 - d) broken windows.
- 2. Weathering, normal wear and tear, deterioration or deflection consistent with normal industry standards.
- 3. Normal shrinkage of materials caused by drying after construction.
- 4. Loss or damage arising from the **dwelling unit** being used primarily or substantially for non- residential purposes.
- 5. Loss or damage that is caused or made worse by a **homeowner** or third party, including:

- a) negligent or improper maintenance or operation by anyone other than the **vendor/developer/general contractor** or its employees, agents or subcontractors;
 - b) failure of anyone, other than the **vendor/developer/general contractor** or subcontractor, to comply with the warranty requirements of the manufacturers of appliances, equipment or fixtures;
 - c) unreasonable refusal by the **purchaser/homeowner** to permit the **Insurer** or **vendor/developer/general contractor** access to the **dwelling unit** to:
 - i) monitor the **dwelling unit** or its components;
 - ii) inspect for required maintenance;
 - iii) investigate complaints or claims; or
 - iv) undertake repairs under this policy.
 - d) alterations to the **new dwelling unit**, including the conversion of non-living space into living space or the conversion of a **dwelling unit** into two or more units, by anyone other than the **vendor/developer/general contractor**, or its employees, agents or subcontractors while undertaking their obligations under the sales contract;
 - e) any defect in, caused by, materials or work supplied by anyone other than the **vendor/developer/general contractor**, or its employees, agents or subcontractors;
 - f) changes, alterations or additions made to a **dwelling unit** by anyone after initial occupancy, except those performed by the **vendor/developer/general contractor**, its employees, agents or subcontractors;
 - g) changes to the grading of ground by anyone other than **vendor/developer/general contractor** or subcontractors.
6. Failure of the **homeowner** to take timely action to prevent or minimize loss or damage, including the failure to give prompt notice to the **Insurer** of a **defect** or discovered or potential **defect** or loss.
 7. Insects, rodents or other animals, unless the damage results from non-compliance with the **building code** by the **vendor/developer/general contractor** or its employees, agents or subcontractors.
 8. Accidental loss or damage from acts of nature including, but not limited to, fire, explosions, 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 foreseeable by the **vendor/developer/general contractor**.
 9. Bodily injury.
 10. Subsidence of the land around the **dwelling unit** or along utility lines, other than beneath building footings.
 11. Diminution in the value of property.
 12.
 - a) the actual, alleged or threatened discharge dispersal, seepage, migration, release or escape of **pollutants**, including, without limitation, any liability arising from uninhabitability or health risk attributable to **pollutants**, contaminants or irritants (including, without limitation, the presence or consequence of radon gas or formaldehyde) or attributable to the presence of or proximity to hazardous or toxic materials;
 - b) any government direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **pollutants**.
 13. Abnormal loading on floors, that exceeds design loads.
 14. Loss or damage to building components and products where:

- a) the component or product has a manufacturer's warranty; and
 - b) the manufacturer's warranty has been transferred to the **homeowner** (automatically or through necessary action by the **vendor/developer** or **homeowner**); and
 - c) the provisions, terms and conditions applying to the manufacturer's warranty (ie: maintenance requirements) have been provided to the **homeowner** in order to understand the warranty and undertake any action as in required by the warranty;
 - d) the **homeowner** fails to comply with the provisions, terms and conditions applying to the manufacturer's warranty.
15. Implied or expressed warranties or representations made by a **vendor/developer/general contractor** to a **purchaser/homeowner** except as set out in this policy.

EXCLUSIONS - PROPERTY

This warranty does not cover:

1. Materials labour or design supplied by the **purchaser/homeowner**.
2. Loss or damage to personal property of the **homeowner** or occupant, if **dwelling unit** is rented to others by the **homeowner**.
3. Loss or damage to real property or personal property that is not part of the **dwelling unit**.
4. Any materials and/or workmanship furnished or installed or caused to be installed by the **vendor/developer/general contractor** or its subcontractors which is not defective, even though such material or workmanship does not comply with the specifications in a sales agreement or contract.
5. Landscaping (hard and soft) including plants, fencing, detached patios, planters, gazebos, and similar structures.
6. Non-residential structures, including detached recreation facilities, sheds, detached garages or carports, or outbuildings or any structure or construction not attached to or forming an integral part of a building or **dwelling unit**.
7. Any commercial use area and any construction associated with a commercial usage.
8. Roads, curbs and lanes.
9. Any construction or component not situated on private property.
10. Site grading and surface drainage, except as required by the **building code**.
11. The operation of municipal services, including sanitary and storm sewer.
12. Septic tanks or fields.
13. The quality or quantity of water, either from a piped municipal water supply or from a well.
14. A water well, except that the equipment installed for the operation of a water well used exclusively for a home is considered to be part of the plumbing system for that **dwelling unit**.

These exclusions do not include:

1. **Driveways or walkways;**
2. Recreational facilities situated in or included as the common property of a **dwelling unit**.
3. A parking structure situated in a **multi-unit building**.
4. Retaining walls required by the authority having jurisdiction to be engineered or is reasonably required for the direct support of, or retaining soil away from a **dwelling unit, driveway or walkway**.

MEDIATION

1. If a dispute between the **Insurer** and a **homeowner** arising under this policy cannot be resolved by informal negotiation within a reasonable time, the **homeowner** may, at the **homeowner's** sole election, require that the dispute be referred to mediation by delivering to the **Insurer** a written request to **mediate**.
2. If the **homeowner** delivers a request to mediate under subsection (1), the **Insurer** and the **homeowner** must attend a **mediation session** in relation to the dispute.
3. In addition to the requirements of subsection (2), the **Insurer** or a **homeowner** may invite to participate in the **mediation** any other party to the dispute who may be liable.
4. Within twenty-one (21) days after the **homeowner** has delivered a request to mediate under subsection (1), 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), the **homeowner** 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;
 - 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), the **roster organization** must notify the parties in writing of that 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).

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 twenty-one (21) days of the appointment of the **mediator**.
9. Despite subsection (2), 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 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 seven (7) days before the first **mediation session** is to be held, each party must deliver to the **mediator** a statement briefly setting out:
 - a) the facts on which the party intends to rely, and
 - b) the matters in dispute.
14. Promptly after receipt of all of the statements required to be delivered under subsection (13), 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** service, and
 - b) provide that the cost 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) 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 that 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 that 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.

DEFINITIONS

1. Building Code

- 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 for the new home or, in jurisdictions where a building permit is not required, in force when construction commences.

2. Commencement Date

- a) Fee Simple Homes:

The commencement date for this insurance coverage of a **dwelling unit** held in fee simple is as follows:

- i) for a **dwelling unit** constructed by a **vendor/developer/general contractor** on land owned by owner, the commencement date is the earliest of:
 - 1) the date of actual occupancy of the **dwelling unit**;
 - 2) the granting of an occupancy permit or similar right to occupy by the authority having jurisdiction; and
 - 3) the date that the **dwelling unit** is completed and ready for occupancy.
- ii) for a **dwelling unit** constructed by a **vendor/developer/general contractor** on land not owned by the **homeowner**, the commencement date is the earlier of:
 - 1) the actual date of occupancy of the **dwelling unit**;
 - 2) the transfer of the legal title of the **dwelling unit** to the owner.

For the purposes of subsection (a)(i), in a jurisdiction where occupancy permits are not issued, a **dwelling unit** is deemed to have reached the stage of occupancy when it:

- i) is completed as that terms is defined by the *Builders' Lien Act*; and
- ii) is capable of being occupied.

- b) Strata Dwelling Units:

The commencement date for this insurance coverage on a **dwelling unit** comprising the strata lot is the earlier of:

- i) the actual occupancy of the **dwelling unit**; and

ii) the transfer of legal title to the strata lot.

c) Special Cases:

- i) If an unsold **dwelling unit** owned by a **vendor/developer/general contractor** is occupied as a rental unit, this policy commencement date is the date that the **dwelling unit** is first occupied;
- ii) If the **vendor/developer/general contractor** subsequently offers to sell a **dwelling unit** that is rented, the **vendor/developer/general contractor** must disclose, in writing, to each prospective purchaser, the date on which this policy expires;
- iii) For **multi-unit buildings** not in a strata plan, the commencement date of this policy is concurrent with the date of first occupancy of a **dwelling unit** in the **multi-unit building**.

3. Defect

Subject to the exclusions, conditions and terms of the policy and occurring and reporting during the prescribed periods of insurance and within the limits of liability any construction, including labour and material, that is contrary to the **building code** or that requires repair or replacement due to the negligence of a **vendor/developer/general contractor** or person for whom the **vendor/developer/general contractor** is responsible at law.

4. Driveway

A surface intended and constructed primarily to be used for vehicular access to or from a **dwelling unit**.

5. Duly Authorized Representative

Any representative authorized by the **Insurer** to undertake work or perform functions on its behalf.

6. Dwelling Unit

A home, which is a building, or a portion of a building, that is newly constructed and intended for residential occupancy :

- a) that is a single, self-contained residence that usually contains cooking, eating, living, sleeping and sanitary facilities;
- b) that may contain a secondary suite if permitted by local bylaws.

The following homes are also included within this definition:

- a) conversion of non-residential space to "for sale" residential units;
- b) live/work units; and
- c) equity co-operatives

The following homes are not included within this definition:

- a) floating homes;
- b) seasonal dwellings;
- c) manufactured homes; and
- d) hotels, dormitories, institutional buildings, care facilities

7. Expiry Date

The dates referenced on the Declaration page and **Insuring Agreement** section of this policy, after which coverage terminates.

8. General Contractor

A residential builder that is engaged under contract by an owner, **developer** or **vendor** to perform or cause to be performed all or substantially all of the construction of a new home and includes a construction manager and project manager. The **general contractor** may also serve as the person or other legal entity that obtains the building permit. The **general contractor** may also serve as the person or other legal entity that obtains warranty and sells the **dwelling unit** to the **purchaser/homeowner**.

9. Insurer

The company or companies noted on the Declarations page of the policy that have agreed to provide the coverage set forth in the policy.

10. Insuring Agreements

The general coverages provided by the policy as set forth in the Insuring Agreements section of the policy.

11. Living Out Accommodation Expenses

The actually incurred accommodation expenses by the **purchaser/homeowner** at a hotel, motel or other rental accommodation.

12. Load Bearing

Subjected to or designed to carry loads in addition to its own dead load, but does not include a wall element subjected only to wind or earthquake loads in addition to its own dead loads.

13. Mediation

A collaborative process in which two (2) or more parties meet and attempt, with the assistance of a **mediator**, to resolve issues in dispute between them.

14. Mediation Session

A meeting between two (2) or more parties to a dispute during which they are engaged in **mediation**.

15. Mediator

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.

16. Multi-Unit Building

A building containing two (2) or more **dwelling units** together with associated common property, if any.

17. Pollutants

Any solid liquid, gaseous or thermal irritant or contaminant, including petroleum products, radon gas, smoke, vapour, soot, fumes, acids, alkalids, chemicals and waste; waste shall include , without limitation , materials to be recycled, reconditioned or reclaimed.

18. Purchaser/Homeowner

The person or persons who purchase the **dwelling unit**:

- a) initially, from the **vendor/developer/general contractor**; or
- b) subsequently, from an existing **homeowner**.

19. Roster Organization

Any body designated by the Attorney General to select **mediators** for the purposes of **mediation**.

20. Secondary Suite

A suite located in and forming part of a **dwelling unit** where the **dwelling unit** remains a single legal title.

21. Subrogation

The lawful substitution of a third party in place of a party having a claim against another party. This means the **Insurer** having the right to be substituted for a party it has compensated and sue any party whom the compensated party could have sued.

22. Time Clause

The dates referred to in the Declarations are effective 12:01 AM, Standard Time at the address of the **purchaser/homeowner**.

23. Vendor/Developer

The person or other legal entity that obtains the warranty and sells the **dwelling units** to the **purchaser/homeowner**. The **vendor/developer** may also obtain the building permit and construct the **dwelling unit** in fashion similar to that of a **general contractor**. The **vendor/developer** does not include land developers who may be involved in assembling land and selling the land to a **vendor/developer**.

24. Walkway

A surface intended and constructed primarily to be used as a pedestrian access to or from a **dwelling unit** and may include stairs.

25. Water Penetration

A **defect** in the building envelope of a **dwelling unit** which permits unintended water penetration into the **dwelling unit** such that it causes or is likely to cause material damage to the **dwelling unit**.

CONDITIONS

1. Notice to Warranty Provider

The **homeowner** of a **dwelling unit** has a duty to mitigate loss or damage, including damage caused by **defects** (including water penetration) if the **defect** requires immediate attention. This duty is satisfied by providing the **Insurer** or its **duly authorized representative** timely notice in writing of detection of loss or damage. The duty to mitigate survives even if:

- a) the **dwelling unit** is unoccupied;
- b) the **dwelling unit** is occupied by other than the owner;
- c) the **defect** (including **water penetration**) does not appear to be causing damage;
- d) the **homeowner** advises the strata corporation (if the **dwelling unit** is in a **multi-unit project**).

The extent that loss or damage to a **dwelling unit** is caused or exacerbated by the failure of a **homeowner** to take reasonable steps to mitigate, such damage is excluded from coverage.

2. Warranty Program Response – Responding Party

The **purchaser/homeowner** will provide written notice to the **Insurer** involving detection of loss or damage. Contact for initial service items should be with the customer service department of the **vendor/developer/general contractor** if the **vendor/developer/general contractor** has such a department. The **purchaser/homeowner** has the option to contact the **Insurer** directly, if preferred. This option is particularly appropriate when:

- a) there is a difference in language used by the **purchaser/homeowner**;
- b) the relationship between **vendor/developer/general contractor** and **purchaser/homeowner** has soured;
- c) the **vendor/developer/general contractor** cannot be located;
- d) the **vendor/developer/general contractor** has not responded in a reasonable timely fashion to a claim;
- e) the **vendor/developer/general contractor** does not have a customer service department;
- f) there is a dispute between the **vendor/developer/general contractor** and the **purchaser/homeowner** as to coverage or claim validity;
- g) the warranty term is drawing to a close;
- h) the **dwelling unit** involved is a resale;
- i) the circumstance involves potentially larger claim amounts such as **water penetration** or **structural damage**.

3. Warranty Program – Response Process

The **Insurer** or **vendor/developer/general contractor** shall, upon receipt of notice, promptly make reasonable attempts to contact the **purchaser/homeowner** to arrange for investigation of the claim. The **Insurer** or **vendor/developer/general contractor** shall make all reasonable efforts to avoid delays in responding to a claim, evaluating a claim and scheduling any repairs. Such repairs shall be undertaken in a timely manner, with reasonable consideration for weather, availability of materials and scheduling of crews.

The **purchaser/homeowner** must cooperate in every reasonable effort to investigate the claim including, without limitation granting the right of reasonable access to the **dwelling unit** to monitor, investigate or correct **defects** or to monitor or investigate the **dwelling unit** or its components, including but not limited to required maintenance.

Where, following evaluation of a claim, it is determined that the claim is not valid and will be disallowed, the **Insurer** shall notify the **purchaser/homeowner** of the decision, in writing, setting out the reasons for the decision. Such notice will also set out the process whereby an owner can appeal such a decision under the third-party dispute resolution process (refer to the **Dispute Resolution** Section).

4. Repairs

All repairs or replacements made under this policy shall be completed in a reasonable manner using materials and labour conforming to the **building code** and industry standards.

5. Notice of Claim Prior to Expiry – Vendor/Developer/General Contractor

Prior to the **expiry date**, a **purchaser/homeowner** shall give the **Insurer** or **vendor/developer/general contractor** written notice of any specific building **defects** claimed under this policy. Notice to the **Insurer**, setting out the building address and policy number, shall be deemed to satisfy the notice requirement to the **vendor/developer/general contractor**.

6. Notice of Claim Prior to Expiry - Insurer

If the **vendor/developer/general contractor** fails to adequately undertake repairs in a reasonable and timely fashion or repairs cannot reasonably be expected to be completed prior to the **expiry date** of the policy, the **purchaser/homeowner** can protect the claim by providing written notice to the **Insurer** within 60 days after the **expiry date** of the policy. The **Insurer** is entitled to require that such notice include:

- a) the policy number;
- b) a copy of the notice to the **vendor/developer/general contractor**;
- c) a copy of other correspondence between the **purchaser/homeowner** and the **vendor/developer/general contractor**.

7. Change of Dwelling Unit Ownership/Transferability

The coverage provided by this policy pertains solely to the **dwelling unit**. No notice of change of ownership to the **Insurer** is necessary. All unused benefits under this policy are automatically transferred to any subsequent **homeowner**. Notice of expiry of this policy shall be sent to the occupant of the home. This policy is enforceable though there is no privity of contract between **purchaser/homeowner** and **vendor/developer/general contractor**.

8. Disclosure of Claims History of Insured Dwelling Unit

The **Insurer** or its **duly authorized representative** will, upon the request of the **homeowner**, provide a statement of claims made applicable to the **dwelling unit**. Such a statement shall include not less than the following information:

- a) type of claim made;
- b) resolution of claim;
- c) type of repair performed;
- d) date of repair;

- e) cost of repair.

9. Subrogation

Where the **Insurer** makes payment or assumes liability for any payment or repair under this policy:

- a) the **Insurer** is **subrogated** to all rights of recovery of the **purchaser/homeowner** against any person or persons who may have caused or contributed to the requirement for the payment or repair under this policy;
- b) the **Insurer** may bring action at its own expense, in the name of the **purchaser/homeowner** or of the **Insurer**, to enforce such rights;
- c) where the **Insurer** has pursued **subrogated** rights, the **purchaser/homeowner** shall fully support and assist the **Insurer** in the pursuit of those rights, if the **Insurer** pursues such rights.

10. Implied/Expressed Warranties or Representations

Implied or expressed warranties or representations made by the **vendor/developer/general contractor** to the **purchaser/homeowner** are not binding upon the **Insurer**, except as set out in legislation or regulation.

11. Delay or Repair Permitted

After the expiry of the workmanship and materials portion of coverage, the **Insurer** may defer **defect** repairs in the building envelope or structure until material loss damage or adverse effect occurs to the building, provided such occurs on or prior to the applicable **expiry date**. Where damage has not occurred at the applicable **expiry date**, but where it is likely that premature damage to the building will result from the **defect**, the **Insurer** shall repair the **defect**.

12. Misrepresentation

This policy will be voidable in the event of material misrepresentation or misdescription by the **purchaser/homeowner**. Such voidability does not transfer to subsequent purchaser/homeowner.

13. Fraudulent Acts

If any claim is fraudulent, or if fraudulent means or devices are used by the **purchaser/homeowner** or any person acting on behalf of and with the consent or knowledge of the **purchaser/homeowner**, in order to gain benefit under this policy or if any damage be occasioned by the willful act of or with the connivance of the **purchaser/homeowner**, all benefits under this policy to the **purchaser/homeowner** will be forfeited.