

Ryan Nerbas

From: Scott Cannon <swc@htlaw.ca>
Sent: July 17, 2023 9:15 AM
To: Dave Hill
Cc: don.knight@knightlaw.ca
Subject: RE: Notice to Shaver from Syed

Categories: Moved to Synergy Matters

Dave,

We are in receipt. I can advise that my client will take steps to facilitate this, however as Don Knight is the lawyer for the corporation, he will have to prepare the documents to affect this transfer.

Scott W. Cannon



Construction and Commercial Lawyers

1430 - 363 Broadway, Winnipeg, Manitoba, R3C 3N9

Direct: 204-289-1524 | Office: 204-289-1523 | Fax: 204-289-1520

www.htlaw.ca

From: Dave Hill <dhill@hillcounsel.com>
Sent: Friday, July 14, 2023 3:05 PM
To: Scott Cannon <swc@htlaw.ca>
Subject: Fwd: Notice to Shaver from Syed

Scott- this my sending to you the demand for return of shares in the name of your client
Dave

Dave Hill*
Hill Sokalski Walsh LLP
Phone: 204-954-0750
Fax: 204-943-3934

* services provided by Dave Hill Law Corporation

This e-mail is confidential and subject to solicitor/client privilege. If the reader is not the intended recipient or the agent thereof, you are hereby notified that any dissemination, distribution or copying of this e-mail is strictly prohibited. If you have received this e-mail in error, please notify us immediately. Thank you.

From: rbokhari@bswlaw.ca <rbokhari@bswlaw.ca>
Sent: Friday, July 14, 2023 11:13:10 AM

To: Dave Hill <dhill@hillcounsel.com>

Subject: Notice to Shaver from Syed

Hi Dave can you kindly forward this call back shares notice to scott directly from syed.

thanks

-----Original Message-----

From: "Rana Bokhari" <rana4wpg@gmail.com>

Sent: Friday, July 14, 2023 11:11am

To: rbokhari@bswlaw.ca

Subject:

Rana

Darcy Shaver
87 Lakeshore Road,
Winnipeg, MB
R3T 4A6

July 13, 2023

Subject: Notice of Share Callback - Bokhari Development Inc.

Dear Ms. Shaver,

RE: Shares of Bokhari Development Inc.

I represent Mr. Syed Bokhari, the owner of the Shares pertaining to Bokhari Development Inc. You currently hold these Shares as the nominee, as per the Declaration of Bare Trust and Agency Agreement "Bare Trust Agreement" dated February 1, 2021.

This is your written direction as per Section 2(d) that we hereby demand the immediate return of the Shares to Mr. Syed Bokhari.

Please acknowledge receipt of this letter and confirm in writing within 48 hours that you will promptly return the Shares to Mr. Syed Bokhari. Additionally, provide a detailed timeline for the transfer of the legal title to the Shares to Mr. Syed Bokhari.

Be advised that if we do not receive a satisfactory response within the given timeframe, we will have no choice but to take all necessary legal measures to protect Mr. Bokhari's rights and interests in the Shares, including seeking appropriate remedies and damages.

Your immediate attention to this critical issue is expected and appreciated.

Yours sincerely,

This is **Exhibit "L"** referred to in the Affidavit of
Syed Ghazanfar Bokhari sworn before me this 7th
day of August, 2023.


A Barrister-at-law entitled to practice
in and for the Province of Manitoba



THOMPSON
DORFMAN
SWEATMAN

Writer's Name. Melanie M. LaBossiere
Direct Telephone 204-934-2508
E-mail Address mm1@tdslaw.com
Direct Fax 204-934-0538

August 3, 2023

VIA REGISTERED MAIL

Bokhari Development Inc.
202-900 Harrow Street East
Winnipeg MB R3M 3Y7

Darcy Shaver
87 Lakeshore Road
Winnipeg MB R3T 4A7

Attention: Darcy Shaver

Re: Peoples Trust Company
Construction Loan and Mortgage No. 52686
Our Matter No. 0202363 RAM

We are the lawyers for Peoples Trust Company ("Peoples") with respect to the above-noted matter.

As you are aware, Peoples previously entered into a loan agreement for the principal sum of \$32,815,800.00 with Bokhari Development Inc. ("Bokhari") pursuant to a Commitment Letter dated June 29, 2021 and Mortgage No. 1217450/3 (the "Mortgage") in connection with the property commonly known as 1801-1825 Park Drive, Portage la Prairie, Manitoba (the "Property").

In connection with this Mortgage, Bokhari also provided Peoples with, among other things a General Security Agreement dated August 30, 2021 (the "GSA"), covering all of Bokhari's present and after-acquired property, both real and personal.

Pursuant to the guarantee dated August 30, 2023 (the "Guarantee"), Mr. Darcy Shaver also jointly and severally, absolutely, irrevocably and unconditionally guaranteed the full satisfaction and payment by Bokhari of the indebtedness owing to Peoples under the Mortgage. Given the Guarantee, we are also writing to demand payment from Mr. Shaver in his capacity as guarantor in accordance with their obligations under the Guarantee.

We are advised by Peoples that Bokhari is in default of its obligations to Peoples, including but not limited to, failing to make interest payments due and owing to Peoples pursuant to the loan agreement and Mortgage in the amount of \$120,928.90, ceasing work on the construction project (the "Project") at the Property, failing to obtain sufficient bonding, and holding up draws in connection with the Project.

Peoples has serious concerns regarding the management of the Project. Peoples expects that all necessary steps will be taken to resume work on the Project, obtain acceptable



THOMPSON
DORFMAN
SWEATMAN

bonding, address construction liens and sign off on required draws in order to allow the Project to continue. The continued failure of Bokhari and/or Mr. Shaver to fulfill these obligations under the loan agreement and Mortgage have put Peoples's security at risk. This is unacceptable to Peoples and requires Bokhari take immediate action to remedy these defaults.

As a result of the aforesaid defaults, Peoples is hereby demanding payment in full of all amounts owing to Peoples by Bokhari pursuant to the aforesaid loan agreement. In addition, by way of this correspondence, Peoples is also demanding payment from Mr. Shaver in his capacity as guarantor of all of the indebtedness of Bokhari to Peoples under the Mortgage.

As at August 3, 2023, the amount due and owing to Peoples with respect to the Mortgage was \$21,357,445.26. Interest, costs and other fees also continue to accrue on this amount from August 3, 2023 in accordance with the terms of the aforementioned loan agreement.

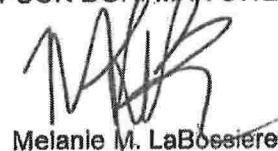
Payment in full of all the indebtedness owing to Peoples is required to be made within ten (10) business days of this letter. To the extent you intend to voluntarily make payment of the amount due and owing, we would ask that you contact our office so that we can obtain an exact payout figure as at the time of the proposed payment.

If payment is not made as demanded, Peoples reserves the right to proceed with any and all remedies available to it at law including, *inter alia*, the commencement of legal proceedings in the Manitoba Court of King's Bench against the individual guarantor, and the enforcement of the security held against the assets of Bokhari. In furtherance of the potential enforcement of that security, we enclose a Notice of Intention to Enforce Security pursuant to s. 244 of the *Bankruptcy and Insolvency Act* addressed to Bokhari.

Yours truly,

THOMPSON DORFMAN SWEATMAN LLP

Per:



Melanie M. LaBessiere

MML
Encls.

cc. Brian Jahoor, Peoples Trust Company, *via email*
Don Knight, lawyer for Bokhari, *via email*
Scott Cannon, lawyer for Mr. Shaver, *via email*

**NOTICE OF INTENTION TO ENFORCE SECURITY
(BANKRUPTCY AND INSOLVENCY ACT, R.S.C, 1985, c. B-3, as amended)**

**TO: BOKHARI DEVELOPMENT INC.
 202-900 Harrow Street East
 Winnipeg MB R3M 3Y7**

being an insolvent person.

TAKE NOTICE THAT:

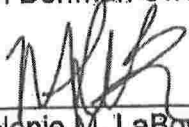
1. **PEOPLES TRUST COMPANY, Suite 1310-95 Wellington St. W, Toronto, Ontario M5J 2N7 ("Peoples"), intends to enforce its security on the insolvent person's property, as described below:**
 - (a) All of the insolvent person's present and after-acquired undertaking and property, both real and personal, as set out in the security agreements and documentation referred to below, including as against the real property owned by the insolvent person BOKHARI DEVELOPMENT INC. as represented by Title No. 3015541/3.
2. **The security that is to be enforced is the following:**
 - (a) General Security Agreement dated August 30, 2021 in favour of Peoples, providing Peoples with a security interest over all property now held or in the future held by the insolvent person, as registered in the Manitoba Personal Property Registry as Financing Statement No. 202116517401 on September 14, 2021; and
 - (b) Mortgage No. 1217450/3 in favour of Peoples in the stated principal amount of \$32,815,800.00 as registered against the real property currently represented by the following title number: Title No. 3015541/3
 - (c)

3. The total amount of indebtedness secured by the security as at August 3, 2023 is \$21,357,445.26 plus all further interest, costs, fees and other amounts due to Peoples pursuant to the terms and conditions of the applicable credit and security agreements between Peoples and the insolvent person.
4. Peoples will not have the right to enforce the security until after the expiry of the 10-day period after this Notice is sent unless the insolvent person(s) consent to an earlier enforcement.

DATED at the City of Winnipeg, in the Province of Manitoba, this 3rd day of August, 2023.

PEOPLES TRUST COMPANY,
by its solicitors and agents
Thompson Dorfman Sweatman LLP

Per:


Melanie M. LaBosniere

**This is Exhibit "P" referred to in the
Affidavit of BRIAN JAHOOOR
annexed hereto sworn before me by videoconference
on the _____ day of _____, 2023, at which time I watched
the deponent swear this document and sign it.**

**On this _____ day of _____, 2023, having received
this original executed document, I signed it.**

**A Barrister-At-Law in and for
the Province of Manitoba**

CI23-01-42219

**THE KING'S BENCH
Winnipeg Centre**

BETWEEN:

SYED GHAZANFAR BOKARI,

Plaintiff,

- and -

DARCY SHAVER

Defendant.

FILED AUG 08 2023

**AFFIDAVIT OF SCOTT W. CANNON
SWORN AUGUST 8, 2023**

**Holloway Thliveris LLP
Construction and Commercial Lawyers
1430 – 363 Broadway
Winnipeg, Manitoba R3C 3N9**

Counsel for the Defendant

Stephan J. Thliveris / Scott W. Cannon
Telephone: (204) 289-1522 / (204) 289-1524
Fax: (204) 289-1520
File No. 1030

**THE KING'S BENCH
Winnipeg Centre**

BETWEEN:

SYED GHAZANFAR BOKARI,

Plaintiff,

- and -

DARCY SHAVER

Defendant.

AFFIDAVIT OF SCOTT W. CANNON

I, SCOTT W. CANNON, of the City of Winnipeg, in the Province of Manitoba, counsel for the Defendant, MAKE OATH AND SAY:

1. I have personal knowledge of the facts and matters hereinafter deposed to by me, save and except where same are stated to be based upon information and belief, in which case, I believe same to be true.
2. The Defendant is a director and shareholder of Bokhari Development Inc. ("BDI"). BDI is the owner of two major residential development projects: one located at 1801-1825 Park Drive in Portage La Prairie, Manitoba (the "Portage Project" also known as "Tahir Residences" project); and the other located in Selkirk, Manitoba (the "Selkirk Project").

3. I am advised by my client that his role in BDI and for the Portage Project and Selkirk Project is mapped out correctly at paragraph 7 of the Statement of Claim filed in this matter. For ease of reference, the Defendant's role has him:

- a) Oversee the development of projects being worked on by BDI;
- b) Communicate with lenders and the general contractor as needed to ensure progress is being made on any projects worked on by BDI;
- c) Ensure timely payments are being made as required; and
- d) Ensure that BDI's projects are proceeding on schedule.

4. I am advised by my client that it is of note that pursuant to the construction contract (the "CC") clause 3.8.1 the general contractor, 6332189 Manitoba Ltd. operating as Gateway Projects ("Gateway Projects"), once paid by BDI, is responsible for paying the subcontractors on the Portage Project. Attached to this my sworn affidavit at **TAB "A"** is a true copy of the said construction contract. It is of further note that pursuant to the CC section 3.8.3 that Gateway Projects was not to employ any subcontractors who were not skilled for the tasks assigned.

5. I have been advised by my client that he has now discovered through conversation(s) with various sub-contractors that Gateway Projects has failed to pay innumerable sub-contractors and presumably has instead retained the advanced funds for its own profit, use and/or benefit. I am further

advised by my client that Gateway has employed numerous unskilled tradespersons on the Gateway Project, resulting in substantial deficient work on the Portage Project.

6. I am advised by my client that in or about early 2023, and prior to his discoveries noted at paragraph 5 herein, he became very concerned with the lack of progress being made on the Portage Project compared to the amount of money being paid to Gateway Projects, as well as the lack of labour and material bonding secured by Gateway Projects for the Portage Project, a prerequisite for funding from the lender, Peoples Trust Company. As such he engaged Postma Consulting Ltd. ("Postma") to provide a professional assessment of progress on the Portage Project.

7. Postma provided a report (the "Postma Report") to my client's attention in or about late July of 2023. The Postma Report indicates that the Portage Project is only at 50.85% completion¹, a substantially lower level of completion than alleged at paragraph 8 of the Statement of Claim in this matter.

8. I am advised by my client and verily believe that even BTY Group, payment certifier for Peoples Trust Company, notes a completion percentage of 67% overall in their latest report ("Draw Report No. 21"), which is substantially higher than the Postma Report.

9. There is no explanation for the large amounts of monies that have been paid out over and above the completion level of the Portage Project, specifically some \$3,472,265.00 that has gone into the hands of Gateway

¹ Exhibit "B" – Postma Report at page 5.

but inexplicably not to subcontractors. Attached to this my sworn affidavit at **TAB "B"** is a true copy of the Postma Report. Attached to this my sworn affidavit at **TAB "C"** is a true copy of the Draw Report No. 21.

10. My client personally confirmed via email dated August 8, 2023 that the concrete work at the Portage Project has not been completed. Despite the concrete work not being completed at least three concrete trades have falsely and/or negligently submitted letters that the work was in fact complete and have been inappropriately paid in full. Attached to this my sworn affidavit at **TAB "D"** is a true copy of the said August 8, 2023, email and true copies of the said letters from trades.

11. I have been advised by my client that the allegations made at paragraph 11 of the Statement of Claim in this matter are false and without foundation and merit. I have been further advised by my client that at no time did he intentionally frustrate, hinder and obstruct the progress of the Portage Project.

12. I have been advised by my client that Don Knight, legal counsel for BDI, has recently refused to accept my client's directions as a director of BDI. My client's instructions to Mr. Knight were to pay the required mortgage/interest payment to ensure the Portage Project continued and hold off on a \$40,000.00 payment to Gateway Projects until a full determination of the findings of the Postma Report could be resolved to ensure the Portage Project remains financially viable. Attached to this my sworn affidavit at **TAB "E"** is a true copy of the corporate status of BDI evidencing the Defendant as a Director, Officer and sole shareholder of BDI.

13. On or about July 14, 2023, David Hill, counsel for the Plaintiff, sent an email to myself advising that Don Knight required instructions from my client to pay both the mortgage payment and the \$40,000.00 to Gateway Projects. Attached to this my sworn affidavit at **TAB "F"** is a true copy of the said July 14, 2023 email correspondence from Mr. Hill to myself.

14. On July 17, 2023, at my client's instructions, I directed Don Knight to pay the mortgage/interest payment to the lender. I did not provide direction to pay the amount alleged owing to Gateway Projects unless under strict trust conditions to ensure sub-contractors were paid and to ensure the funds were not simply retained by Gateway Projects, given the aforementioned \$3,472,265.00 financial discrepancy that was in the best interests of BDI. Attached to this my sworn affidavit at **TAB "G"** is a true copy of the said July 17, 2023 email correspondence from my myself to Don Knight.

15. Don Knight and the Plaintiff refused my client's direction to pay the mortgage/interest payment which has directly resulted in the lender, Peoples Trust Company ("Peoples") to collapse the Portage Project and call in the loan agreement for some \$21,357,445.26 by way of demand letter dated August 3, 2023. Attached to this my sworn affidavit at **TAB "H"** is a true copy of the said August 3, 2023 correspondence from Peoples legal counsel. The Defendant is the sole personal guarantor of the said loan agreement.

16. I am advised by my client the Defendant that it was a term of obtaining the loan from Peoples Trust Company that the Defendant be the only shareholder in BDI, and that the Plaintiff could not be a controlling entity of BDI, even by way of a bare trust and agency agreement. This was confirmed

by way of an email from Jeff Silverstein, President of Approved Financing Centre, and agent acting on behalf of BDI in securing the financing from Peoples Trust, to Don Knight, the Plaintiff and Defendant, on or about July 2, 2021, and is consistent with the terms and conditions of the financing commitment letter from Peoples Trust Canada on or about July 29, 2021, which shows the crossing out of "bare trustee/agent". Attached to this my sworn affidavit at **TAB "I"** is a true copy of the July 2, 2021, email from Jeff Silverstein. Attached to this my sworn affidavit at **TAB "J"** is a true copy of the commitment letter of July 29, 2021.

17. In conjunction with the aforementioned, I am advised by my client the Defendant that on or about July 10, 2021, Jeff Silverstein provided a new structure of agreement, a succession agreement, wherein the Plaintiff would be provided 50% interest in BDI and the Portage Project upon completion or be paid out a profit of \$8,500,000.00 upon completion of the Portage Project. Attached to this my sworn affidavit at **TAB "K"** is a true copy of the July 10, 2021, email.

18. The Plaintiff, despite having shares in BDI being held in trust can still operate as a director and voting shareholder. To remove my client's shares would in turn delete his ability to maintain the Portage Project and would cause irreparable harm to both the Portage Project, BDI and my client personally. Attached to this my sworn affidavit at **TAB "L"** is a true copy of the said Declaration of Bare Trust and Agency Agreement.

19. Clause 12.2 of the Unanimous Shareholder Agreement of BDI provides that any and all disagreements or disputes that arise between the parties

thereto which the parties cannot agree upon shall be referred to arbitration in accordance with the provisions of *The Arbitration Act* of the Province of Manitoba. Attached to this my sworn affidavit at **TAB "M"** is a true copy of the said Unanimous Shareholder Agreement of BDI. Attached to this my sworn affidavit at **TAB "N"** is a true copy of sections 7(1) and 7(2) of the Arbitration Act of Manitoba C.C.S.M. c. A120.

20. My client is in Ontario until later this week and was unable to execute this affidavit in his personal capacity.

21. I make this affidavit *bona fide* and for no improper purpose.

SWORN before me at the City)
of Winnipeg, in the Province)
of Manitoba, the 8th day of)
August, 2023)

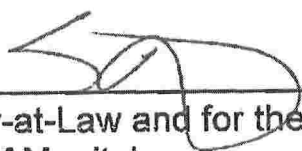


Stephan J. Thliveris
A Barrister-at-Law in and
for the Province of Manitoba.



SCOTT W. CANNON

This is Exhibit "A" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.

DEFINITIONS

The following Definitions shall apply to all *Contract Documents*.

1. **Change Directive**
A *Change Directive* is a written instruction prepared by the *Consultant* and signed by the *Owner* directing the *Contractor* to proceed with a change in the *Work* within the general scope of the *Contract Documents* prior to the *Owner* and the *Contractor* agreeing upon adjustments in the *Contract Price* and the *Contract Time*.
2. **Change Order**
A *Change Order* is a written amendment to the *Contract* prepared by the *Consultant* and signed by the *Owner* and the *Contractor* stating their agreement upon:
 - a change in the *Work*;
 - the method of adjustment or the amount of the adjustment in the *Contract Price*, if any; and
 - the extent of the adjustment in the *Contract Time*, if any.
3. **Construction Equipment**
Construction Equipment means all machinery and equipment, either operated or not operated, that is required for preparing, fabricating, conveying, erecting, or otherwise performing the *Work* but is not incorporated into the *Work*.
4. **Consultant**
The *Consultant* is the person or entity engaged by the *Owner* and identified as such in the Agreement. The *Consultant* is the Architect, the Engineer or entity licensed to practise in the province or territory of the *Place of the Work*. The term *Consultant* means the *Consultant* or the *Consultant's* authorized representative.
5. **Contract**
The *Contract* is the undertaking by the parties to perform their respective duties, responsibilities and obligations as prescribed in the *Contract Documents* and represents the entire agreement between the parties.
6. **Contract Documents**
The *Contract Documents* consist of those documents listed in Article A-3 of the Agreement - CONTRACT DOCUMENTS and amendments agreed upon between the parties.
7. **Contract Price**
The *Contract Price* is the amount stipulated in Article A-4 of the Agreement - CONTRACT PRICE.
8. **Contract Time**
The *Contract Time* is the time stipulated in paragraph 1.3 of Article A-1 of the Agreement - THE WORK from commencement of the *Work* to *Substantial Performance of the Work*.
9. **Contractor**
The *Contractor* is the person or entity identified as such in the Agreement. The term *Contractor* means the *Contractor* or the *Contractor's* authorized representative as designated to the *Owner* in writing.
10. **Drawings**
The *Drawings* are the graphic and pictorial portions of the *Contract Documents*, wherever located and whenever issued, showing the design, location and dimensions of the *Work*, generally including plans, elevations, sections, details, and diagrams.
11. **Notice in Writing**
A *Notice in Writing*, where identified in the *Contract Documents*, is a written communication between the parties or between them and the *Consultant* that is transmitted in accordance with the provisions of Article A-6 of the Agreement RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING.
12. **Owner**
The *Owner* is the person or entity identified as such in the Agreement. The term *Owner* means the *Owner* or the *Owner's* authorized agent or representative as designated to the *Contractor* in writing, but does not include the *Consultant*.
13. **Place of the Work**
The *Place of the Work* is the designated site or location of the *Work* identified in the *Contract Documents*.
14. **Product**
Product or *Products* means material, machinery, equipment, and fixtures forming the *Work*, but does not include *Construction Equipment*.

15. **Project**
The *Project* means the total construction contemplated of which the *Work* may be the whole or a part.
16. **Provide**
Provide means to supply and install.
17. **Shop Drawings**
Shop Drawings are drawings, diagrams, illustrations, schedules, performance charts, brochures, *Product* data, and other data which the *Contractor* provides to illustrate details of portions of the *Work*.
18. **Specifications**
The *Specifications* are that portion of the *Contract Documents*, wherever located and whenever issued, consisting of the written requirements and standards for *Products*, systems, workmanship, quality, and the services necessary for the performance of the *Work*.
19. **Subcontractor**
A *Subcontractor* is a person or entity having a direct contract with the *Contractor* to perform a part or parts of the *Work* at the *Place of the Work*.
20. **Substantial Performance of the Work**
Substantial Performance of the Work is as defined in the lien legislation applicable to the *Place of the Work*. If such legislation is not in force or does not contain such definition, or if the *Work* is governed by the Civil Code of Quebec, *Substantial Performance of the Work* shall have been reached when the *Work* is ready for use or is being used for the purpose intended and is so certified by the *Consultant*.
21. **Supplemental Instruction**
A *Supplemental Instruction* is an instruction, not involving adjustment in the *Contract Price* or *Contract Time*, in the form of *Specifications*, *Drawings*, schedules, samples, models or written instructions, consistent with the intent of the *Contract Documents*. It is to be issued by the *Consultant* to supplement the *Contract Documents* as required for the performance of the *Work*.
22. **Supplier**
A *Supplier* is a person or entity having a direct contract with the *Contractor* to supply *Products*.
23. **Temporary Work**
Temporary Work means temporary supports, structures, facilities, services, and other temporary items, excluding *Construction Equipment*, required for the execution of the *Work* but not incorporated into the *Work*.
24. **Value Added Taxes**
Value Added Taxes means such sum as shall be levied upon the *Contract Price* by the Federal or any Provincial or Territorial Government and is computed as a percentage of the *Contract Price* and includes the Goods and Services Tax, the Quebec Sales Tax, the Harmonized Sales Tax, and any similar tax, the collection and payment of which have been imposed on the *Contractor* by the tax legislation.
25. **Work**
The *Work* means the total construction and related services required by the *Contract Documents*.
26. **Working Day**
Working Day means a day other than a Saturday, Sunday, statutory holiday, or statutory vacation day that is observed by the construction industry in the area of the *Place of the Work*.

GENERAL CONDITIONS OF THE STIPULATED PRICE CONTRACT

PART 1 GENERAL PROVISIONS

GC 1.1 CONTRACT DOCUMENTS

- 1.1.1 The intent of the *Contract Documents* is to include the labour, *Products* and services necessary for the performance of the *Work* by the *Contractor* in accordance with these documents. It is not intended, however, that the *Contractor* shall supply products or perform work not consistent with, not covered by, or not properly inferable from the *Contract Documents*.
- 1.1.2 Nothing contained in the *Contract Documents* shall create any contractual relationship between:
 - .1 the *Owner* and a *Subcontractor*, a *Supplier*, or their agent, employee, or other person performing any portion of the *Work*.
 - .2 the *Consultant* and the *Contractor*, a *Subcontractor*, a *Supplier*, or their agent, employee, or other person performing any portion of the *Work*.
- 1.1.3 The *Contract Documents* are complementary, and what is required by any one shall be as binding as if required by all.
- 1.1.4 Words and abbreviations which have well known technical or trade meanings are used in the *Contract Documents* in accordance with such recognized meanings.
- 1.1.5 References in the *Contract Documents* to the singular shall be considered to include the plural as the context requires.
- 1.1.6 Neither the organization of the *Specifications* nor the arrangement of *Drawings* shall control the *Contractor* in dividing the work among *Subcontractors* and *Suppliers*.
- 1.1.7 If there is a conflict within the *Contract Documents*:
 - .1 the order of priority of documents, from highest to lowest, shall be
 - the Agreement between the *Owner* and the *Contractor*,
 - the Definitions,
 - Supplementary Conditions,
 - the General Conditions,
 - Division 1 of the *Specifications*,
 - technical *Specifications*,
 - material and finishing schedules,
 - the *Drawings*.
 - .2 *Drawings* of larger scale shall govern over those of smaller scale of the same date.
 - .3 dimensions shown on *Drawings* shall govern over dimensions scaled from *Drawings*.
 - .4 later dated documents shall govern over earlier documents of the same type.
- 1.1.8 The *Owner* shall provide the *Contractor*, without charge, sufficient copies of the *Contract Documents* to perform the *Work*.
- 1.1.9 *Specifications*, *Drawings*, models, and copies thereof furnished by the *Consultant* are and shall remain the *Consultant's* property, with the exception of the signed *Contract* sets, which shall belong to each party to the *Contract*. All *Specifications*, *Drawings* and models furnished by the *Consultant* are to be used only with respect to the *Work* and are not to be used on other work. These *Specifications*, *Drawings* and models are not to be copied or altered in any manner without the written authorization of the *Consultant*.
- 1.1.10 Models furnished by the *Contractor* at the *Owner's* expense are the property of the *Owner*.

GC 1.2 LAW OF THE CONTRACT

- 1.2.1 The law of the *Place of the Work* shall govern the interpretation of the *Contract*.

GC 1.3 RIGHTS AND REMEDIES

- 1.3.1 Except as expressly provided in the *Contract Documents*, the duties and obligations imposed by the *Contract Documents* and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law.
- 1.3.2 No action or failure to act by the *Owner*, *Consultant* or *Contractor* shall constitute a waiver of any right or duty afforded any of them under the *Contract*, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

GC 1.4 ASSIGNMENT

- 1.4.1 Neither party to the *Contract* shall assign the *Contract* or a portion thereof without the written consent of the other, which consent shall not be unreasonably withheld.

PART 2 ADMINISTRATION OF THE CONTRACT

GC 2.1 AUTHORITY OF THE CONSULTANT

- 2.1.1 The *Consultant* will have authority to act on behalf of the *Owner* only to the extent provided in the *Contract Documents*, unless otherwise modified by written agreement as provided in paragraph 2.1.2.
- 2.1.2 The duties, responsibilities and limitations of authority of the *Consultant* as set forth in the *Contract Documents* shall be modified or extended only with the written consent of the *Owner*, the *Contractor* and the *Consultant*.
- 2.1.3 If the *Consultant's* employment is terminated, the *Owner* shall immediately appoint or reappoint a *Consultant* against whom the *Contractor* makes no reasonable objection and whose status under the *Contract Documents* shall be that of the former *Consultant*.

GC 2.2 ROLE OF THE CONSULTANT

- 2.2.1 The *Consultant* will provide administration of the *Contract* as described in the *Contract Documents*.
- 2.2.2 The *Consultant* will visit the *Place of the Work* at intervals appropriate to the progress of construction to become familiar with the progress and quality of the work and to determine if the *Work* is proceeding in general conformity with the *Contract Documents*.
- 2.2.3 If the *Owner* and the *Consultant* agree, the *Consultant* will provide at the *Place of the Work*, one or more project representatives to assist in carrying out the *Consultant's* responsibilities. The duties, responsibilities and limitations of authority of such project representatives shall be as set forth in writing to the *Contractor*.
- 2.2.4 The *Consultant* will promptly inform the *Owner* of the date of receipt of the *Contractor's* applications for payment as provided in paragraph 5.3.1.1 of GC 5.3 - PROGRESS PAYMENT.
- 2.2.5 Based on the *Consultant's* observations and evaluation of the *Contractor's* applications for payment, the *Consultant* will determine the amounts owing to the *Contractor* under the *Contract* and will issue certificates for payment as provided in Article A-5 of the Agreement - PAYMENT, GC 5.3 - PROGRESS PAYMENT and GC 5.7 - FINAL PAYMENT.
- 2.2.6 The *Consultant* will not be responsible for and will not have control, charge or supervision of construction means, methods, techniques, sequences, or procedures, or for safety precautions and programs required in connection with the *Work* in accordance with the applicable construction safety legislation, other regulations or general construction practice. The *Consultant* will not be responsible for the *Contractor's* failure to carry out the *Work* in accordance with the *Contract Documents*. The *Consultant* will not have control over, charge of or be responsible for the acts or omissions of the *Contractor*, *Subcontractors*, *Suppliers*, or their agents, employees, or any other persons performing portions of the *Work*.
- 2.2.7 Except with respect to GC 5.1 - FINANCING INFORMATION REQUIRED OF THE OWNER, the *Consultant* will be, in the first instance, the interpreter of the requirements of the *Contract Documents*.
- 2.2.8 Matters in question relating to the performance of the *Work* or the interpretation of the *Contract Documents* shall be initially referred in writing to the *Consultant* by the party raising the question for interpretations and findings and copied to the other party.
- 2.2.9 Interpretations and findings of the *Consultant* shall be consistent with the intent of the *Contract Documents*. In making such interpretations and findings the *Consultant* will not show partiality to either the *Owner* or the *Contractor*.
- 2.2.10 The *Consultant's* interpretations and findings will be given in writing to the parties within a reasonable time.
- 2.2.11 With respect to claims for a change in *Contract Price*, the *Consultant* will make findings as set out in GC 6.6 CLAIMS FOR A CHANGE IN CONTRACT PRICE.
- 2.2.12 The *Consultant* will have authority to reject work which in the *Consultant's* opinion does not conform to the requirements of the *Contract Documents*. Whenever the *Consultant* considers it necessary or advisable, the *Consultant* will have authority to require inspection or testing of work, whether or not such work is fabricated, installed or completed. However, neither the authority of the *Consultant* to act nor any decision either to exercise or not to exercise such authority shall give rise to any duty or responsibility of the *Consultant* to the *Contractor*, *Subcontractors*, *Suppliers*, or their agents, employees, or other persons performing any of the *Work*.

- 2.2.13 During the progress of the *Work* the *Consultant* will furnish *Supplemental Instructions* to the *Contractor* with reasonable promptness or in accordance with a schedule for such instructions agreed to by the *Consultant* and the *Contractor*.
- 2.2.14 The *Consultant* will review and take appropriate action upon *Shop Drawings*, samples and other *Contractor's* submittals, in accordance with the *Contract Documents*.
- 2.2.15 The *Consultant* will prepare *Change Orders* and *Change Directives* as provided in GC 6.2 - CHANGE ORDER and GC 6.3 - CHANGE DIRECTIVE.
- 2.2.16 The *Consultant* will conduct reviews of the *Work* to determine the date of *Substantial Performance of the Work* as provided in GC 5.4 - SUBSTANTIAL PERFORMANCE OF THE WORK.
- 2.2.17 All certificates issued by the *Consultant* will be to the best of the *Consultant's* knowledge, information and belief. By issuing any certificate, the *Consultant* does not guarantee the *Work* is correct or complete.
- 2.2.18 The *Consultant* will receive and review written warranties and related documents required by the *Contract* and provided by the *Contractor* and will forward such warranties and documents to the *Owner* for the *Owner's* acceptance.

GC 2.3 REVIEW AND INSPECTION OF THE WORK

- 2.3.1 The *Owner* and the *Consultant* shall have access to the *Work* at all times. The *Contractor* shall provide sufficient, safe and proper facilities at all times for the review of the *Work* by the *Consultant* and the inspection of the *Work* by authorized agencies. If parts of the *Work* are in preparation at locations other than the *Place of the Work*, the *Owner* and the *Consultant* shall be given access to such work whenever it is in progress.
- 2.3.2 If work is designated for tests, inspections or approvals in the *Contract Documents*, or by the *Consultant's* instructions, or by the laws or ordinances of the *Place of the Work*, the *Contractor* shall give the *Consultant* reasonable notification of when the work will be ready for review and inspection. The *Contractor* shall arrange for and shall give the *Consultant* reasonable notification of the date and time of inspections by other authorities.
- 2.3.3 The *Contractor* shall furnish promptly to the *Consultant* two copies of certificates and inspection reports relating to the *Work*.
- 2.3.4 If the *Contractor* covers, or permits to be covered, work that has been designated for special tests, inspections or approvals before such special tests, inspections or approvals are made, given or completed, the *Contractor* shall, if so directed, uncover such work, have the inspections or tests satisfactorily completed, and make good covering work at the *Contractor's* expense.
- 2.3.5 The *Consultant* may order any portion or portions of the *Work* to be examined to confirm that such work is in accordance with the requirements of the *Contract Documents*. If the work is not in accordance with the requirements of the *Contract Documents*, the *Contractor* shall correct the work and pay the cost of examination and correction. If the work is in accordance with the requirements of the *Contract Documents*, the *Owner* shall pay the cost of examination and restoration.
- 2.3.6 The *Contractor* shall pay the cost of making any test or inspection, including the cost of samples required for such test or inspection, if such test or inspection is designated in the *Contract Documents* to be performed by the *Contractor* or is designated by the laws or ordinances applicable to the *Place of the Work*.
- 2.3.7 The *Contractor* shall pay the cost of samples required for any test or inspection to be performed by the *Consultant* or the *Owner* if such test or inspection is designated in the *Contract Documents*.

GC 2.4 DEFECTIVE WORK

- 2.4.1 The *Contractor* shall promptly correct defective work that has been rejected by the *Consultant* as failing to conform to the *Contract Documents* whether or not the defective work has been incorporated in the *Work* and whether or not the defect is the result of poor workmanship, use of defective products or damage through carelessness or other act or omission of the *Contractor*.
- 2.4.2 The *Contractor* shall make good promptly other contractors' work destroyed or damaged by such corrections at the *Contractor's* expense.
- 2.4.3 If in the opinion of the *Consultant* it is not expedient to correct defective work or work not performed as provided in the *Contract Documents*, the *Owner* may deduct from the amount otherwise due to the *Contractor* the difference in value between the work as performed and that called for by the *Contract Documents*. If the *Owner* and the *Contractor* do not agree on the difference in value, they shall refer the matter to the *Consultant* for a determination.

PART 3 EXECUTION OF THE WORK

GC 3.1 CONTROL OF THE WORK

- 3.1.1 The *Contractor* shall have total control of the *Work* and shall effectively direct and supervise the *Work* so as to ensure conformity with the *Contract Documents*.
- 3.1.2 The *Contractor* shall be solely responsible for construction means, methods, techniques, sequences, and procedures and for co-ordinating the various parts of the *Work* under the *Contract*.

GC 3.2 CONSTRUCTION BY OWNER OR OTHER CONTRACTORS

- 3.2.1 The *Owner* reserves the right to award separate contracts in connection with other parts of the *Project* to other contractors and to perform work with own forces.
- 3.2.2 When separate contracts are awarded for other parts of the *Project*, or when work is performed by the *Owner's* own forces, the *Owner* shall:
- .1 provide for the co-ordination of the activities and work of other contractors and *Owner's* own forces with the *Work* of the *Contract*;
 - .2 assume overall responsibility for compliance with the applicable health and construction safety legislation at the *Place of the Work*;
 - .3 enter into separate contracts with other contractors under conditions of contract which are compatible with the conditions of the *Contract*;
 - .4 ensure that insurance coverage is provided to the same requirements as are called for in GC 11.1 - INSURANCE and co-ordinate such insurance with the insurance coverage of the *Contractor* as it affects the *Work*; and
 - .5 take all reasonable precautions to avoid labour disputes or other disputes on the *Project* arising from the work of other contractors or the *Owner's* own forces.
- 3.2.3 When separate contracts are awarded for other parts of the *Project*, or when work is performed by the *Owner's* own forces, the *Contractor* shall:
- .1 afford the *Owner* and other contractors reasonable opportunity to store their products and execute their work;
 - .2 cooperate with other contractors and the *Owner* in reviewing their construction schedules; and
 - .3 promptly report to the *Consultant* in writing any apparent deficiencies in the work of other contractors or of the *Owner's* own forces, where such work affects the proper execution of any portion of the *Work*, prior to proceeding with that portion of the *Work*.
- 3.2.4 Where the *Contract Documents* identify work to be performed by other contractors or the *Owner's* own forces, the *Contractor* shall co-ordinate and schedule the *Work* with the work of other contractors and the *Owner's* own forces as specified in the *Contract Documents*.
- 3.2.5 Where a change in the *Work* is required as a result of the co-ordination and integration of the work of other contractors or *Owner's* own forces with the *Work*, the changes shall be authorized and valued as provided in GC 6.1 -- OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 - CHANGE ORDER and GC 6.3 - CHANGE DIRECTIVE.
- 3.2.6 Disputes and other matters in question between the *Contractor* and other contractors shall be dealt with as provided in Part 8 of the General Conditions - DISPUTE RESOLUTION provided the other contractors have reciprocal obligations. The *Contractor* shall be deemed to have consented to arbitration of any dispute with any other contractor whose contract with the *Owner* contains a similar agreement to arbitrate.

GC 3.3 TEMPORARY WORK

- 3.3.1 The *Contractor* shall have the sole responsibility for the design, erection, operation, maintenance, and removal of *Temporary Work*.
- 3.3.2 The *Contractor* shall engage and pay for registered professional engineering personnel skilled in the appropriate disciplines to perform those functions referred to in paragraph 3.3.1 where required by law or by the *Contract Documents* and in all cases where such *Temporary Work* is of such a nature that professional engineering skill is required to produce safe and satisfactory results.

- 3.3.3 Notwithstanding the provisions of GC 3.1 - CONTROL OF THE WORK, paragraphs 3.3.1 and 3.3.2 or provisions to the contrary elsewhere in the *Contract Documents* where such *Contract Documents* include designs for *Temporary Work* or specify a method of construction in whole or in part, such designs or methods of construction shall be considered to be part of the design of the *Work* and the *Contractor* shall not be held responsible for that part of the design or the specified method of construction. The *Contractor* shall, however, be responsible for the execution of such design or specified method of construction in the same manner as for the execution of the *Work*.

GC 3.4 DOCUMENT REVIEW

- 3.4.1 The *Contractor* shall review the *Contract Documents* and shall report promptly to the *Consultant* any error, inconsistency or omission the *Contractor* may discover. Such review by the *Contractor* shall be to the best of the *Contractor's* knowledge, information and belief and in making such review the *Contractor* does not assume any responsibility to the *Owner* or the *Consultant* for the accuracy of the review. The *Contractor* shall not be liable for damage or costs resulting from such errors, inconsistencies or omissions in the *Contract Documents*, which the *Contractor* did not discover. If the *Contractor* does discover any error, inconsistency or omission in the *Contract Documents*, the *Contractor* shall not proceed with the work affected until the *Contractor* has received corrected or missing information from the *Consultant*.

GC 3.5 CONSTRUCTION SCHEDULE

- 3.5.1 The *Contractor* shall:
- .1 prepare and submit to the *Owner* and the *Consultant* prior to the first application for payment, a construction schedule that indicates the timing of the major activities of the *Work* and provides sufficient detail of the critical events and their inter-relationship to demonstrate the *Work* will be performed in conformity with the *Contract Time*;
 - .2 monitor the progress of the *Work* relative to the construction schedule and update the schedule on a monthly basis or as stipulated by the *Contract Documents*; and
 - .3 advise the *Consultant* of any revisions required to the schedule as the result of extensions of the *Contract Time* as provided in Part 6 of the General Conditions - CHANGES IN THE WORK.

GC 3.6 SUPERVISION

- 3.6.1 The *Contractor* shall provide all necessary supervision and appoint a competent representative who shall be in attendance at the *Place of the Work* while work is being performed. The appointed representative shall not be changed except for valid reason.
- 3.6.2 The appointed representative shall represent the *Contractor* at the *Place of the Work*. Information and instructions provided by the *Consultant* to the *Contractor's* appointed representative shall be deemed to have been received by the *Contractor*, except with respect to Article A-6 of the Agreement - RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING.

GC 3.7 SUBCONTRACTORS AND SUPPLIERS

- 3.7.1 The *Contractor* shall preserve and protect the rights of the parties under the *Contract* with respect to work to be performed under subcontract, and shall:
- .1 enter into contracts or written agreements with *Subcontractors* and *Suppliers* to require them to perform their work as provided in the *Contract Documents*;
 - .2 incorporate the terms and conditions of the *Contract Documents* into all contracts or written agreements with *Subcontractors* and *Suppliers*; and
 - .3 be as fully responsible to the *Owner* for acts and omissions of *Subcontractors*, *Suppliers* and of persons directly or indirectly employed by them as for acts and omissions of persons directly employed by the *Contractor*.
- 3.7.2 The *Contractor* shall indicate in writing, if requested by the *Owner*, those *Subcontractors* or *Suppliers* whose bids have been received by the *Contractor* which the *Contractor* would be prepared to accept for the performance of a portion of the *Work*. Should the *Owner* not object before signing the *Contract*, the *Contractor* shall employ those *Subcontractors* or *Suppliers* so identified by the *Contractor* in writing for the performance of that portion of the *Work* to which their bid applies.
- 3.7.3 The *Owner* may, for reasonable cause, at any time before the *Owner* has signed the *Contract*, object to the use of a proposed *Subcontractor* or *Supplier* and require the *Contractor* to employ one of the other subcontract bidders.
- 3.7.4 If the *Owner* requires the *Contractor* to change a proposed *Subcontractor* or *Supplier*, the *Contract Price* and *Contract Time* shall be adjusted by the differences occasioned by such required change.

- 3.7.5 The *Contractor* shall not be required to employ as a *Subcontractor* or *Supplier*, a person or firm to which the *Contractor* may reasonably object.
- 3.7.6 The *Owner*, through the *Consultant*, may provide to a *Subcontractor* or *Supplier* information as to the percentage of the *Subcontractor's* or *Supplier's* work which has been certified for payment.

GC 3.8 LABOUR AND PRODUCTS

- 3.8.1 The *Contractor* shall provide and pay for labour, *Products*, tools, *Construction Equipment*, water, heat, light, power, transportation, and other facilities and services necessary for the performance of the *Work* in accordance with the *Contract*.
- 3.8.2 Unless otherwise specified in the *Contract Documents*, *Products* provided shall be new. *Products* which are not specified shall be of a quality consistent with those specified and their use acceptable to the *Consultant*.
- 3.8.3 The *Contractor* shall maintain good order and discipline among the *Contractor's* employees engaged on the *Work* and shall not employ on the *Work* anyone not skilled in the tasks assigned.

GC 3.9 DOCUMENTS AT THE SITE

- 3.9.1 The *Contractor* shall keep one copy of current *Contract Documents*, submittals, reports, and records of meetings at the *Place of the Work*, in good order and available to the *Owner* and the *Consultant*.

GC 3.10 SHOP DRAWINGS

- 3.10.1 The *Contractor* shall provide *Shop Drawings* as required in the *Contract Documents*.
- 3.10.2 The *Contractor* shall provide *Shop Drawings* to the *Consultant* to review in orderly sequence and sufficiently in advance so as to cause no delay in the *Work* or in the work of other contractors.
- 3.10.3 Upon request of the *Contractor* or the *Consultant*, they shall jointly prepare a schedule of the dates for provision, review and return of *Shop Drawings*.
- 3.10.4 The *Contractor* shall provide *Shop Drawings* in the form specified, or if not specified, as directed by the *Consultant*.
- 3.10.5 *Shop Drawings* provided by the *Contractor* to the *Consultant* shall indicate by stamp, date and signature of the person responsible for the review that the *Contractor* has reviewed each one of them.
- 3.10.6 The *Consultant's* review is for conformity to the design concept and for general arrangement only.
- 3.10.7 *Shop Drawings* which require approval of any legally constituted authority having jurisdiction shall be provided to such authority by the *Contractor* for approval.
- 3.10.8 The *Contractor* shall review all *Shop Drawings* before providing them to the *Consultant*. The *Contractor* represents by this review that:
- .1 the *Contractor* has determined and verified all applicable field measurements, field construction conditions, *Product* requirements, catalogue numbers and similar data, or will do so, and
 - .2 the *Contractor* has checked and co-ordinated each *Shop Drawing* with the requirements of the *Work* and of the *Contract Documents*.
- 3.10.9 At the time of providing *Shop Drawings*, the *Contractor* shall expressly advise the *Consultant* in writing of any deviations in a *Shop Drawing* from the requirements of the *Contract Documents*. The *Consultant* shall indicate the acceptance or rejection of such deviation expressly in writing.
- 3.10.10 The *Consultant's* review shall not relieve the *Contractor* of responsibility for errors or omissions in the *Shop Drawings* or for meeting all requirements of the *Contract Documents*.
- 3.10.11 The *Contractor* shall provide revised *Shop Drawings* to correct those which the *Consultant* rejects as inconsistent with the *Contract Documents*, unless otherwise directed by the *Consultant*. The *Contractor* shall notify the *Consultant* in writing of any revisions to the *Shop Drawings* other than those requested by the *Consultant*.
- 3.10.12 The *Consultant* will review and return *Shop Drawings* in accordance with the schedule agreed upon, or, in the absence of such schedule, with reasonable promptness so as to cause no delay in the performance of the *Work*.

GC 3.11 USE OF THE WORK

- 3.11.1 The *Contractor* shall confine *Construction Equipment*, *Temporary Work*, storage of *Products*, waste products and debris, and operations of employees and *Subcontractors* to limits indicated by laws, ordinances, permits, or the *Contract Documents* and shall not unreasonably encumber the *Place of the Work*.
- 3.11.2 The *Contractor* shall not load or permit to be loaded any part of the *Work* with a weight or force that will endanger the safety of the *Work*.

GC 3.12 CUTTING AND REMEDIAL WORK

- 3.12.1 The *Contractor* shall perform the cutting and remedial work required to make the affected parts of the *Work* come together properly.
- 3.12.2 The *Contractor* shall co-ordinate the *Work* to ensure that the cutting and remedial work is kept to a minimum.
- 3.12.3 Should the *Owner*, the *Consultant*, other contractors or anyone employed by them be responsible for ill-timed work necessitating cutting or remedial work to be performed, the cost of such cutting or remedial work shall be valued as provided in GC 6.1 - OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 - CHANGE ORDER and GC 6.3 - CHANGE DIRECTIVE.
- 3.12.4 Cutting and remedial work shall be performed by specialists familiar with the *Products* affected and shall be performed in a manner to neither damage nor endanger the *Work*.

GC 3.13 CLEANUP

- 3.13.1 The *Contractor* shall maintain the *Work* in a safe and tidy condition and free from the accumulation of waste products and debris, other than that caused by the *Owner*, other contractors or their employees.
- 3.13.2 Before applying for *Substantial Performance of the Work* as provided in GC 5.4 - SUBSTANTIAL PERFORMANCE OF THE WORK, the *Contractor* shall remove waste products and debris, other than that resulting from the work of the *Owner*, other contractors or their employees, and shall leave the *Place of the Work* clean and suitable for use or occupancy by the *Owner*. The *Contractor* shall remove products, tools, *Construction Equipment*, and *Temporary Work* not required for the performance of the remaining work.
- 3.13.3 Prior to application for the final payment, the *Contractor* shall remove any remaining products, tools, *Construction Equipment*, *Temporary Work*, and waste products and debris, other than those resulting from the work of the *Owner*, other contractors or their employees.

PART 4 ALLOWANCES

GC 4.1 CASH ALLOWANCES

- 4.1.1 The *Contract Price* includes the cash allowances, if any, stated in the *Contract Documents*. The scope of work or costs included in such cash allowances shall be as described in the *Contract Documents*.
- 4.1.2 The *Contract Price*, and not the cash allowances, includes the *Contractor's* overhead and profit in connection with such cash allowances.
- 4.1.3 Expenditures under cash allowances shall be authorized by the *Owner* through the *Consultant*.
- 4.1.4 Where the actual cost of the *Work* under any cash allowance exceeds the amount of the allowance, the *Contractor* shall be compensated for the excess incurred and substantiated plus an amount for overhead and profit on the excess as set out in the *Contract Documents*. Where the actual cost of the *Work* under any cash allowance is less than the amount of the allowance, the *Owner* shall be credited for the unexpended portion of the cash allowance, but not for the *Contractor's* overhead and profit on such amount. Multiple cash allowances shall not be combined for the purpose of calculating the foregoing.
- 4.1.5 The *Contract Price* shall be adjusted by *Change Order* to provide for any difference between the amount of each cash allowance and the actual cost of the work under that cash allowance.
- 4.1.6 The value of the work performed under a cash allowance is eligible to be included in progress payments.
- 4.1.7 The *Contractor* and the *Consultant* shall jointly prepare a schedule that shows when the *Consultant* and *Owner* must authorize ordering of items called for under cash allowances to avoid delaying the progress of the *Work*.

GC 4.2 CONTINGENCY ALLOWANCE

- 4.2.1 The *Contract Price* includes the contingency allowance, if any, stated in the *Contract Documents*.
- 4.2.2 The contingency allowance includes the *Contractor's* overhead and profit in connection with such contingency allowance.
- 4.2.3 Expenditures under the contingency allowance shall be authorized and valued as provided in GC 6.1 - OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 - CHANGE ORDER and GC 6.3 - CHANGE DIRECTIVE.
- 4.2.4 The *Contract Price* shall be adjusted by *Change Order* to provide for any difference between the expenditures authorized under paragraph 4.2.3 and the contingency allowance.

PART 5 PAYMENT

GC 5.1 FINANCING INFORMATION REQUIRED OF THE OWNER

- 5.1.1 The *Owner* shall, at the request of the *Contractor*, before signing the *Contract*, and promptly from time to time thereafter, furnish to the *Contractor* reasonable evidence that financial arrangements have been made to fulfill the *Owner's* obligations under the *Contract*.
- 5.1.2 The *Owner* shall give the *Contractor Notice in Writing* of any material change in the *Owner's* financial arrangements to fulfill the *Owner's* obligations under the *Contract* during the performance of the *Contract*.

GC 5.2 APPLICATIONS FOR PROGRESS PAYMENT

- 5.2.1 Applications for payment on account as provided in Article A-5 of the Agreement - PAYMENT may be made monthly as the *Work* progresses.
- 5.2.2 Applications for payment shall be dated the last day of each payment period, which is the last day of the month or an alternative day of the month agreed in writing by the parties.
- 5.2.3 The amount claimed shall be for the value, proportionate to the amount of the *Contract*, of *Work* performed and *Products* delivered to the *Place of the Work* as of the last day of the payment period.
- 5.2.4 The *Contractor* shall submit to the *Consultant*, at least 15 calendar days before the first application for payment, a schedule of values for the parts of the *Work*, aggregating the total amount of the *Contract Price*, so as to facilitate evaluation of applications for payment.
- 5.2.5 The schedule of values shall be made out in such form and supported by such evidence as the *Consultant* may reasonably direct and when accepted by the *Consultant*, shall be used as the basis for applications for payment, unless it is found to be in error.
- 5.2.6 The *Contractor* shall include a statement based on the schedule of values with each application for payment.
- 5.2.7 Applications for payment for *Products* delivered to the *Place of the Work* but not yet incorporated into the *Work* shall be supported by such evidence as the *Consultant* may reasonably require to establish the value and delivery of the *Products*.

GC 5.3 PROGRESS PAYMENT

- 5.3.1 After receipt by the *Consultant* of an application for payment submitted by the *Contractor* in accordance with GC 5.2 - APPLICATIONS FOR PROGRESS PAYMENT:
 - .1 the *Consultant* will promptly inform the *Owner* of the date of receipt of the *Contractor's* application for payment,
 - .2 the *Consultant* will issue to the *Owner* and copy to the *Contractor*, no later than 10 calendar days after the receipt of the application for payment, a certificate for payment in the amount applied for, or in such other amount as the *Consultant* determines to be properly due. If the *Consultant* amends the application, the *Consultant* will promptly advise the *Contractor* in writing giving reasons for the amendment,
 - .3 the *Owner* shall make payment to the *Contractor* on account as provided in Article A-5 of the Agreement - PAYMENT on or before 20 calendar days after the later of:
 - receipt by the *Consultant* of the application for payment, or
 - the last day of the monthly payment period for which the application for payment is made.

GC 5.4 SUBSTANTIAL PERFORMANCE OF THE WORK

- 5.4.1 When the *Contractor* considers that the *Work* is substantially performed, or if permitted by the lien legislation applicable to the *Place of the Work* a designated portion thereof which the *Owner* agrees to accept separately is substantially performed, the *Contractor* shall, within one *Working Day*, deliver to the *Consultant* and to the *Owner* a comprehensive list of items to be completed or corrected, together with a written application for a review by the *Consultant* to establish *Substantial Performance of the Work* or substantial performance of the designated portion of the *Work*. Failure to include an item on the list does not alter the responsibility of the *Contractor* to complete the *Contract*.
- 5.4.2 The *Consultant* will review the *Work* to verify the validity of the application and shall promptly, and in any event, no later than 20 calendar days after receipt of the *Contractor's* list and application:
- .1 advise the *Contractor* in writing that the *Work* or the designated portion of the *Work* is not substantially performed and give reasons why, or
 - .2 state the date of *Substantial Performance of the Work* or a designated portion of the *Work* in a certificate and issue a copy of that certificate to each of the *Owner* and the *Contractor*.
- 5.4.3 Immediately following the issuance of the certificate of *Substantial Performance of the Work*, the *Contractor*, in consultation with the *Consultant*, shall establish a reasonable date for finishing the *Work*.

GC 5.5 PAYMENT OF HOLDBACK UPON SUBSTANTIAL PERFORMANCE OF THE WORK

- 5.5.1 After the issuance of the certificate of *Substantial Performance of the Work*, the *Contractor* shall:
- .1 submit an application for payment of the holdback amount,
 - .2 submit CCDC 9A 'Statutory Declaration' to state that all accounts for labour, subcontracts, *Products*, *Construction Equipment*, and other indebtedness which may have been incurred by the *Contractor* in the *Substantial Performance of the Work* and for which the *Owner* might in any way be held responsible have been paid in full, except for amounts properly retained as a holdback or as an identified amount in dispute.
- 5.5.2 After the receipt of an application for payment from the *Contractor* and the statement as provided in paragraph 5.5.1, the *Consultant* will issue a certificate for payment of the holdback amount.
- 5.5.3 Where the holdback amount required by the applicable lien legislation has not been placed in a separate holdback account, the *Owner* shall, 10 calendar days prior to the expiry of the holdback period stipulated in the lien legislation applicable to the *Place of the Work*, place the holdback amount in a bank account in the joint names of the *Owner* and the *Contractor*.
- 5.5.4 In the common law jurisdictions, the holdback amount authorized by the certificate for payment of the holdback amount is due and payable on the first calendar day following the expiration of the holdback period stipulated in the lien legislation applicable to the *Place of the Work*. Where lien legislation does not exist or apply, the holdback amount shall be due and payable in accordance with other legislation, industry practice or provisions which may be agreed to between the parties. The *Owner* may retain out of the holdback amount any sums required by law to satisfy any liens against the *Work* or, if permitted by the lien legislation applicable to the *Place of the Work*, other third party monetary claims against the *Contractor* which are enforceable against the *Owner*.
- 5.5.5 In the Province of Quebec, the holdback amount authorized by the certificate for payment of the holdback amount is due and payable 30 calendar days after the issuance of the certificate. The *Owner* may retain out of the holdback amount any sums required to satisfy any legal hypothecs that have been taken, or could be taken, against the *Work* or other third party monetary claims against the *Contractor* which are enforceable against the *Owner*.

GC 5.6 PROGRESSIVE RELEASE OF HOLDBACK

- 5.6.1 In the common law jurisdictions, where legislation permits and where, upon application by the *Contractor*, the *Consultant* has certified that the work of a *Subcontractor* or *Supplier* has been performed prior to *Substantial Performance of the Work*, the *Owner* shall pay the *Contractor* the holdback amount retained for such subcontract work, or the *Products* supplied by such *Supplier*, on the first calendar day following the expiration of the holdback period for such work stipulated in the lien legislation applicable to the *Place of the Work*. The *Owner* may retain out of the holdback amount any sums required by law to satisfy any liens against the *Work* or, if permitted by the lien legislation applicable to the *Place of the Work*, other third party monetary claims against the *Contractor* which are enforceable against the *Owner*.

- 5.6.2 In the Province of Quebec, where, upon application by the *Contractor*, the *Consultant* has certified that the work of a *Subcontractor* or *Supplier* has been performed prior to *Substantial Performance of the Work*, the *Owner* shall pay the *Contractor* the holdback amount retained for such subcontract work, or the *Products* supplied by such *Supplier*, no later than 30 calendar days after such certification by the *Consultant*. The *Owner* may retain out of the holdback amount any sums required to satisfy any legal hypothecs that have been taken, or could be taken, against the *Work* or other third party monetary claims against the *Contractor* which are enforceable against the *Owner*.
- 5.6.3 Notwithstanding the provisions of the preceding paragraphs, and notwithstanding the wording of such certificates, the *Contractor* shall ensure that such subcontract work or *Products* are protected pending the issuance of a final certificate for payment and be responsible for the correction of defects or work not performed regardless of whether or not such was apparent when such certificates were issued.

GC 5.7 FINAL PAYMENT

- 5.7.1 When the *Contractor* considers that the *Work* is completed, the *Contractor* shall submit an application for final payment.
- 5.7.2 The *Consultant* will, no later than 10 calendar days after the receipt of an application from the *Contractor* for final payment, review the *Work* to verify the validity of the application and advise the *Contractor* in writing that the application is valid or give reasons why it is not valid.
- 5.7.3 When the *Consultant* finds the *Contractor's* application for final payment valid, the *Consultant* will promptly issue a final certificate for payment.
- 5.7.4 Subject to the provision of paragraph 10.4.1 of GC 10.4 - WORKERS' COMPENSATION, and any lien legislation applicable to the *Place of the Work*, the *Owner* shall, no later than 5 calendar days after the issuance of a final certificate for payment, pay the *Contractor* as provided in Article A-5 of the Agreement - PAYMENT.

GC 5.8 WITHHOLDING OF PAYMENT

- 5.8.1 If because of climatic or other conditions reasonably beyond the control of the *Contractor*, there are items of work that cannot be performed, payment in full for that portion of the *Work* which has been performed as certified by the *Consultant* shall not be withheld or delayed by the *Owner* on account thereof, but the *Owner* may withhold, until the remaining portion of the *Work* is finished, only such an amount that the *Consultant* determines is sufficient and reasonable to cover the cost of performing such remaining work.

GC 5.9 NON-CONFORMING WORK

- 5.9.1 No payment by the *Owner* under the *Contract* nor partial or entire use or occupancy of the *Work* by the *Owner* shall constitute an acceptance of any portion of the *Work* or *Products* which are not in accordance with the requirements of the *Contract Documents*.

PART 6 CHANGES IN THE WORK

GC 6.1 OWNER'S RIGHT TO MAKE CHANGES

- 6.1.1 The *Owner*, through the *Consultant*, without invalidating the *Contract*, may make:
- .1 changes in the *Work* consisting of additions, deletions or other revisions to the *Work* by *Change Order* or *Change Directive*, and
 - .2 changes to the *Contract Time* for the *Work*, or any part thereof, by *Change Order*.
- 6.1.2 The *Contractor* shall not perform a change in the *Work* without a *Change Order* or a *Change Directive*.

GC 6.2 CHANGE ORDER

- 6.2.1 When a change in the *Work* is proposed or required, the *Consultant* will provide the *Contractor* with a written description of the proposed change in the *Work*. The *Contractor* shall promptly present, in a form acceptable to the *Consultant*, a method of adjustment or an amount of adjustment for the *Contract Price*, if any, and the adjustment in the *Contract Time*, if any, for the proposed change in the *Work*.
- 6.2.2 When the *Owner* and *Contractor* agree to the adjustments in the *Contract Price* and *Contract Time* or to the method to be used to determine the adjustments, such agreement shall be effective immediately and shall be recorded in a *Change Order*. The value of the work performed as the result of a *Change Order* shall be included in the application for progress payment.

GC 6.3 CHANGE DIRECTIVE

- 6.3.1 If the *Owner* requires the *Contractor* to proceed with a change in the *Work* prior to the *Owner* and the *Contractor* agreeing upon the corresponding adjustment in *Contract Price* and *Contract Time*, the *Owner*, through the *Consultant*, shall issue a *Change Directive*.
- 6.3.2 A *Change Directive* shall only be used to direct a change in the *Work* which is within the general scope of the *Contract Documents*.
- 6.3.3 A *Change Directive* shall not be used to direct a change in the *Contract Time* only.
- 6.3.4 Upon receipt of a *Change Directive*, the *Contractor* shall proceed promptly with the change in the *Work*.
- 6.3.5 For the purpose of valuing *Change Directives*, changes in the *Work* that are not substitutions or otherwise related to each other shall not be grouped together in the same *Change Directive*.
- 6.3.6 The adjustment in the *Contract Price* for a change carried out by way of a *Change Directive* shall be determined on the basis of the cost of the *Contractor's* actual expenditures and savings attributable to the *Change Directive*, valued in accordance with paragraph 6.3.7 and as follows:
- .1 If the change results in a net increase in the *Contractor's* cost, the *Contract Price* shall be increased by the amount of the net increase in the *Contractor's* cost, plus the *Contractor's* percentage fee on such net increase.
 - .2 If the change results in a net decrease in the *Contractor's* cost, the *Contract Price* shall be decreased by the amount of the net decrease in the *Contractor's* cost, without adjustment for the *Contractor's* percentage fee.
 - .3 The *Contractor's* fee shall be as specified in the *Contract Documents* or as otherwise agreed by the parties.
- 6.3.7 The cost of performing the work attributable to the *Change Directive* shall be limited to the actual cost of the following:
- .1 salaries, wages and benefits paid to personnel in the direct employ of the *Contractor* under a salary or wage schedule agreed upon by the *Owner* and the *Contractor*, or in the absence of such a schedule, actual salaries, wages and benefits paid under applicable bargaining agreement, and in the absence of a salary or wage schedule and bargaining agreement, actual salaries, wages and benefits paid by the *Contractor*, for personnel
 - (1) stationed at the *Contractor's* field office, in whatever capacity employed;
 - (2) engaged in expediting the production or transportation of material or equipment, at shops or on the road;
 - (3) engaged in the preparation or review of *Shop Drawings*, fabrication drawings, and coordination drawings; or
 - (4) engaged in the processing of changes in the *Work*.
 - .2 contributions, assessments or taxes incurred for such items as employment insurance, provincial or territorial health insurance, workers' compensation, and Canada or Quebec Pension Plan, insofar as such cost is based on wages, salaries or other remuneration paid to employees of the *Contractor* and included in the cost of the *Work* as provided in paragraph 6.3.7.1;
 - .3 travel and subsistence expenses of the *Contractor's* personnel described in paragraph 6.3.7.1;
 - .4 all *Products* including cost of transportation thereof;
 - .5 materials, supplies, *Construction Equipment*, *Temporary Work*, and hand tools not owned by the workers, including transportation and maintenance thereof, which are consumed in the performance of the *Work*; and cost less salvage value on such items used but not consumed, which remain the property of the *Contractor*;
 - .6 all tools and *Construction Equipment*, exclusive of hand tools used in the performance of the *Work*, whether rented from or provided by the *Contractor* or others, including installation, minor repairs and replacements, dismantling, removal, transportation, and delivery cost thereof;
 - .7 all equipment and services required for the *Contractor's* field office;
 - .8 deposits lost;
 - .9 the amounts of all subcontracts;
 - .10 quality assurance such as independent inspection and testing services;
 - .11 charges levied by authorities having jurisdiction at the *Place of the Work*;
 - .12 royalties, patent licence fees and damages for infringement of patents and cost of defending suits therefor subject always to the *Contractor's* obligations to indemnify the *Owner* as provided in paragraph 10.3.1 of GC 10.3 - PATENT FEES;
 - .13 any adjustment in premiums for all bonds and insurance which the *Contractor* is required, by the *Contract Documents*, to purchase and maintain;
 - .14 any adjustment in taxes, other than *Value Added Taxes*, and duties for which the *Contractor* is liable;
 - .15 charges for long distance telephone and facsimile communications, courier services, expressage, and petty cash items incurred in relation to the performance of the *Work*;
 - .16 removal and disposal of waste products and debris; and
 - .17 safety measures and requirements.

- 6.3.8 Notwithstanding any other provisions contained in the General Conditions of the Contract, it is the intention of the parties that the cost of any item under any cost element referred to in paragraph 6.3.7 shall cover and include any and all costs or liabilities attributable to the Change Directive other than those which are the result of or occasioned by any failure on the part of the Contractor to exercise reasonable care and diligence in the Contractor's attention to the Work. Any cost due to failure on the part of the Contractor to exercise reasonable care and diligence in the Contractor's attention to the Work shall be borne by the Contractor.
- 6.3.9 The Contractor shall keep full and detailed accounts and records necessary for the documentation of the cost of performing the Work attributable to the Change Directive and shall provide the Consultant with copies thereof when requested.
- 6.3.10 For the purpose of valuing Change Directives, the Owner shall be afforded reasonable access to all of the Contractor's pertinent documents related to the cost of performing the Work attributable to the Change Directive.
- 6.3.11 Pending determination of the final amount of a Change Directive, the undisputed value of the Work performed as the result of a Change Directive is eligible to be included in progress payments.
- 6.3.12 If the Owner and the Contractor do not agree on the proposed adjustment in the Contract Time attributable to the change in the Work, or the method of determining it, the adjustment shall be referred to the Consultant for determination.
- 6.3.13 When the Owner and the Contractor reach agreement on the adjustment to the Contract Price and to the Contract Time, this agreement shall be recorded in a Change Order.
- GC 6.4 CONCEALED OR UNKNOWN CONDITIONS
- 6.4.1 If the Owner or the Contractor discover conditions at the Place of the Work which are:
1. subsurface or otherwise concealed physical conditions which existed before the commencement of the Work which differ materially from those indicated in the Contract Documents; or
 2. physical conditions, other than conditions due to weather, that are of a nature which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents,
- then the observing party shall give Notice in Writing to the other party of such conditions before they are disturbed and in no event later than 5 Working Days after first observance of the conditions.
- 6.4.2 The Consultant will promptly investigate such conditions and make a finding. If the finding is that the conditions differ materially and this would cause an increase or decrease in the Contractor's cost or time to perform the Work, the Consultant, with the Owner's approval, will issue appropriate instructions for a change in the Work as provided in GC 6.2 - CHANGE ORDER or GC 6.3 - CHANGE DIRECTIVE.
- 6.4.3 If the Consultant finds that the conditions at the Place of the Work are not materially different or that no change in the Contract Price or the Contract Time is justified, the Consultant will report the reasons for this finding to the Owner and the Contractor in writing.
- 6.4.4 If such concealed or unknown conditions relate to toxic and hazardous substances and materials, artifacts and fossils, or mould, the parties will be governed by the provisions of GC 9.2 - TOXIC AND HAZARDOUS SUBSTANCES, GC 9.3 - ARTIFACTS AND FOSSILS and GC 9.5 - MOULD.
- GC 6.5 DELAYS
- 6.5.1 If the Contractor is delayed in the performance of the Work by an action or omission of the Owner, Consultant or anyone employed or engaged by them directly or indirectly, contrary to the provisions of the Contract Documents, then the Contract Time shall be extended for such reasonable time as the Consultant may recommend in consultation with the Contractor. The Contractor shall be reimbursed by the Owner for reasonable costs incurred by the Contractor as the result of such delay.
- 6.5.2 If the Contractor is delayed in the performance of the Work by a stop work order issued by a court or other public authority and providing that such order was not issued as the result of an act or fault of the Contractor or any person employed or engaged by the Contractor directly or indirectly, then the Contract Time shall be extended for such reasonable time as the Consultant may recommend in consultation with the Contractor. The Contractor shall be reimbursed by the Owner for reasonable costs incurred by the Contractor as the result of such delay.

- 6.5.3 If the *Contractor* is delayed in the performance of the *Work* by:
- 1 labour disputes, strikes, lock-outs (including lock-outs decreed or recommended for its members by a recognized contractors' association, of which the *Contractor* is a member or to which the *Contractor* is otherwise bound),
 - 2 fire, unusual delay by common carriers or unavoidable casualties,
 - 3 abnormally adverse weather conditions, or
 - 4 any cause beyond the *Contractor's* control other than one resulting from a default or breach of *Contract* by the *Contractor*,
- then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor*. The extension of time shall not be less than the time lost as the result of the event causing the delay, unless the *Contractor* agrees to a shorter extension. The *Contractor* shall not be entitled to payment for costs incurred by such delays unless such delays result from actions by the *Owner*, *Consultant* or anyone employed or engaged by them directly or indirectly.
- 6.5.4 No extension shall be made for delay unless *Notice in Writing* of the cause of delay is given to the *Consultant* not later than 10 *Working Days* after the commencement of the delay. In the case of a continuing cause of delay only one *Notice in Writing* shall be necessary.
- 6.5.5 If no schedule is made under paragraph 2.2.13 of GC 2.2 - ROLE OF THE CONSULTANT, then no request for extension shall be made because of failure of the *Consultant* to furnish instructions until 10 *Working Days* after demand for such instructions has been made.

GC 6.6 CLAIMS FOR A CHANGE IN CONTRACT PRICE

- 6.6.1 If the *Contractor* intends to make a claim for an increase to the *Contract Price*, or if the *Owner* intends to make a claim against the *Contractor* for a credit to the *Contract Price*, the party that intends to make the claim shall give timely *Notice in Writing* of intent to claim to the other party and to the *Consultant*.
- 6.6.2 Upon commencement of the event or series of events giving rise to a claim, the party intending to make the claim shall:
- 1 take all reasonable measures to mitigate any loss or expense which may be incurred as a result of such event or series of events, and
 - 2 keep such records as may be necessary to support the claim.
- 6.6.3 The party making the claim shall submit within a reasonable time to the *Consultant* a detailed account of the amount claimed and the grounds upon which the claim is based.
- 6.6.4 Where the event or series of events giving rise to the claim has a continuing effect, the detailed account submitted under paragraph 6.6.3 shall be considered to be an interim account and the party making the claim shall, at such intervals as the *Consultant* may reasonably require, submit further interim accounts giving the accumulated amount of the claim and any further grounds upon which it is based. The party making the claim shall submit a final account after the end of the effects resulting from the event or series of events.
- 6.6.5 The *Consultant's* findings, with respect to a claim made by either party, will be given by *Notice in Writing* to both parties within 30 *Working Days* after receipt of the claim by the *Consultant*, or within such other time period as may be agreed by the parties.
- 6.6.6 If such finding is not acceptable to either party, the claim shall be settled in accordance with Part 8 of the General Conditions - DISPUTE RESOLUTION.

PART 7 DEFAULT NOTICE

GC 7.1 OWNER'S RIGHT TO PERFORM THE WORK, TERMINATE THE CONTRACTOR'S RIGHT TO CONTINUE WITH THE WORK OR TERMINATE THE CONTRACT

- 7.1.1 If the *Contractor* is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Contractor's* insolvency, or if a receiver is appointed because of the *Contractor's* insolvency, the *Owner* may, without prejudice to any other right or remedy the *Owner* may have, terminate the *Contractor's* right to continue with the *Work*, by giving the *Contractor* or receiver or trustee in bankruptcy *Notice in Writing* to that effect.
- 7.1.2 If the *Contractor* neglects to prosecute the *Work* properly or otherwise fails to comply with the requirements of the *Contract* to a substantial degree and if the *Consultant* has given a written statement to the *Owner* and *Contractor* that sufficient cause exists to justify such action, the *Owner* may, without prejudice to any other right or remedy the *Owner* may have, give the *Contractor Notice in Writing* that the *Contractor* is in default of the *Contractor's* contractual obligations and instruct the *Contractor* to correct the default in the 5 *Working Days* immediately following the receipt of such *Notice in Writing*.

- 7.1.3 If the default cannot be corrected in the 5 *Working Days* specified or in such other time period as may be subsequently agreed in writing by the parties, the *Contractor* shall be in compliance with the *Owner's* instructions if the *Contractor*:
- .1 commences the correction of the default within the specified time, and
 - .2 provides the *Owner* with an acceptable schedule for such correction, and
 - .3 corrects the default in accordance with the *Contract* terms and with such schedule.
- 7.1.4 If the *Contractor* fails to correct the default in the time specified or in such other time period as may be subsequently agreed in writing by the parties, without prejudice to any other right or remedy the *Owner* may have, the *Owner* may:
- .1 correct such default and deduct the cost thereof from any payment then or thereafter due the *Contractor* provided the *Consultant* has certified such cost to the *Owner* and the *Contractor*, or
 - .2 terminate the *Contractor's* right to continue with the *Work* in whole or in part or terminate the *Contract*.
- 7.1.5 If the *Owner* terminates the *Contractor's* right to continue with the *Work* as provided in paragraphs 7.1.1 and 7.1.4, the *Owner* shall be entitled to:
- .1 take possession of the *Work* and *Products* at the *Place of the Work*, subject to the rights of third parties, utilize the *Construction Equipment* at the *Place of the Work*, finish the *Work* by whatever method the *Owner* may consider expedient, but without undue delay or expense, and
 - .2 withhold further payment to the *Contractor* until a final certificate for payment is issued, and
 - .3 charge the *Contractor* the amount by which the full cost of finishing the *Work* as certified by the *Consultant*, including compensation to the *Consultant* for the *Consultant's* additional services and a reasonable allowance as determined by the *Consultant* to cover the cost of corrections to work performed by the *Contractor* that may be required under GC 12.3 - WARRANTY, exceeds the unpaid balance of the *Contract Price*; however, if such cost of finishing the *Work* is less than the unpaid balance of the *Contract Price*, the *Owner* shall pay the *Contractor* the difference, and
 - .4 on expiry of the warranty period, charge the *Contractor* the amount by which the cost of corrections to the *Contractor's* work under GC 12.3 - WARRANTY exceeds the allowance provided for such corrections, or if the cost of such corrections is less than the allowance, pay the *Contractor* the difference.
- 7.1.6 The *Contractor's* obligation under the *Contract* as to quality, correction and warranty of the work performed by the *Contractor* up to the time of termination shall continue after such termination of the *Contract*.

GC 7.2 CONTRACTOR'S RIGHT TO SUSPEND THE WORK OR TERMINATE THE CONTRACT

- 7.2.1 If the *Owner* is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Owner's* insolvency, or if a receiver is appointed because of the *Owner's* insolvency, the *Contractor* may, without prejudice to any other right or remedy the *Contractor* may have, terminate the *Contract* by giving the *Owner* or receiver or trustee in bankruptcy *Notice in Writing* to that effect.
- 7.2.2 If the *Work* is suspended or otherwise delayed for a period of 20 *Working Days* or more under an order of a court or other public authority and providing that such order was not issued as the result of an act or fault of the *Contractor* or of anyone directly or indirectly employed or engaged by the *Contractor*, the *Contractor* may, without prejudice to any other right or remedy the *Contractor* may have, terminate the *Contract* by giving the *Owner* *Notice in Writing* to that effect.
- 7.2.3 The *Contractor* may give *Notice in Writing* to the *Owner*, with a copy to the *Consultant*, that the *Owner* is in default of the *Owner's* contractual obligations if:
- .1 the *Owner* fails to furnish, when so requested by the *Contractor*, reasonable evidence that financial arrangements have been made to fulfill the *Owner's* obligations under the *Contract*, or
 - .2 the *Consultant* fails to issue a certificate as provided in GC 5.3 - PROGRESS PAYMENT, or
 - .3 the *Owner* fails to pay the *Contractor* when due the amounts certified by the *Consultant* or awarded by arbitration or court, or
 - .4 the *Owner* violates the requirements of the *Contract* to a substantial degree and the *Consultant*, except for GC 5.1 - FINANCING INFORMATION REQUIRED OF THE OWNER, confirms by written statement to the *Contractor* that sufficient cause exists.
- 7.2.4 The *Contractor's* *Notice in Writing* to the *Owner* provided under paragraph 7.2.3 shall advise that if the default is not corrected within 5 *Working Days* following the receipt of the *Notice in Writing*, the *Contractor* may, without prejudice to any other right or remedy the *Contractor* may have, suspend the *Work* or terminate the *Contract*.
- 7.2.5 If the *Contractor* terminates the *Contract* under the conditions set out above, the *Contractor* shall be entitled to be paid for all work performed including reasonable profit, for loss sustained upon *Products* and *Construction Equipment*, and such other damages as the *Contractor* may have sustained as a result of the termination of the *Contract*.

PART 8 DISPUTE RESOLUTION

GC 8.1 AUTHORITY OF THE CONSULTANT

- 8.1.1 Differences between the parties to the *Contract* as to the interpretation, application or administration of the *Contract* or any failure to agree where agreement between the parties is called for, herein collectively called disputes, which are not resolved in the first instance by findings of the *Consultant* as provided in GC 2.2 - ROLE OF THE CONSULTANT, shall be settled in accordance with the requirements of Part 8 of the General Conditions - DISPUTE RESOLUTION.
- 8.1.2 If a dispute arises under the *Contract* in respect of a matter in which the *Consultant* has no authority under the *Contract* to make a finding, the procedures set out in paragraph 8.1.3 and paragraphs 8.2.3 to 8.2.8 of GC 8.2 - NEGOTIATION, MEDIATION AND ARBITRATION, and in GC 8.3 - RETENTION OF RIGHTS apply to that dispute with the necessary changes to detail as may be required.
- 8.1.3 If a dispute is not resolved promptly, the *Consultant* will give such instructions as in the *Consultant's* opinion are necessary for the proper performance of the *Work* and to prevent delays pending settlement of the dispute. The parties shall act immediately according to such instructions, it being understood that by so doing neither party will jeopardize any claim the party may have. If it is subsequently determined that such instructions were in error or at variance with the *Contract Documents*, the *Owner* shall pay the *Contractor* costs incurred by the *Contractor* in carrying out such instructions which the *Contractor* was required to do beyond what the *Contract Documents* correctly understood and interpreted would have required, including costs resulting from interruption of the *Work*.

GC 8.2 NEGOTIATION, MEDIATION AND ARBITRATION

- 8.2.1 In accordance with the Rules for Mediation of Construction Disputes as provided in CCDC 40 in effect at the time of bid closing, the parties shall appoint a Project Mediator
- .1 within 20 *Working Days* after the *Contract* was awarded, or
 - .2 if the parties neglected to make an appointment within the 20 *Working Days*, within 10 *Working Days* after either party by *Notice in Writing* requests that the Project Mediator be appointed.
- 8.2.2 A party shall be conclusively deemed to have accepted a finding of the *Consultant* under GC 2.2 - ROLE OF THE CONSULTANT and to have expressly waived and released the other party from any claims in respect of the particular matter dealt with in that finding unless, within 15 *Working Days* after receipt of that finding, the party sends a *Notice in Writing* of dispute to the other party and to the *Consultant*, which contains the particulars of the matter in dispute and the relevant provisions of the *Contract Documents*. The responding party shall send a *Notice in Writing* of reply to the dispute within 10 *Working Days* after receipt of such *Notice in Writing* setting out particulars of this response and any relevant provisions of the *Contract Documents*.
- 8.2.3 The parties shall make all reasonable efforts to resolve their dispute by amicable negotiations and agree to provide, without prejudice, frank, candid and timely disclosure of relevant facts, information and documents to facilitate these negotiations.
- 8.2.4 After a period of 10 *Working Days* following receipt of a responding party's *Notice in Writing* of reply under paragraph 8.2.2, the parties shall request the Project Mediator to assist the parties to reach agreement on any unresolved dispute. The mediated negotiations shall be conducted in accordance with the Rules for Mediation of Construction Disputes as provided in CCDC 40 in effect at the time of bid closing.
- 8.2.5 If the dispute has not been resolved within 10 *Working Days* after the Project Mediator was requested under paragraph 8.2.4 or within such further period agreed by the parties, the Project Mediator shall terminate the mediated negotiations by giving *Notice in Writing* to the *Owner*, the *Contractor* and the *Consultant*.
- 8.2.6 By giving a *Notice in Writing* to the other party and the *Consultant*, not later than 10 *Working Days* after the date of termination of the mediated negotiations under paragraph 8.2.5, either party may refer the dispute to be finally resolved by arbitration under the Rules for Arbitration of Construction Disputes as provided in CCDC 40 in effect at the time of bid closing. The arbitration shall be conducted in the jurisdiction of the *Place of the Work*.
- 8.2.7 On expiration of the 10 *Working Days*, the arbitration agreement under paragraph 8.2.6 is not binding on the parties and, if a *Notice in Writing* is not given under paragraph 8.2.6 within the required time, the parties may refer the unresolved dispute to the courts or to any other form of dispute resolution, including arbitration, which they have agreed to use.

- 8.2.8 If neither party, by *Notice in Writing*, given within 10 *Working Days* of the date of *Notice in Writing* requesting arbitration in paragraph 8.2.6, requires that a dispute be arbitrated immediately, all disputes referred to arbitration as provided in paragraph 8.2.6 shall be
- .1 held in abeyance until
 - (1) *Substantial Performance of the Work*,
 - (2) the *Contract* has been terminated, or
 - (3) the *Contractor* has abandoned the *Work*,whichever is earlier; and
 - .2 consolidated into a single arbitration under the rules governing the arbitration under paragraph 8.2.6.

GC 8.3 RETENTION OF RIGHTS

- 8.3.1 It is agreed that no act by either party shall be construed as a renunciation or waiver of any rights or recourses, provided the party has given the *Notice in Writing* required under Part 8 of the General Conditions - DISPUTE RESOLUTION and has carried out the instructions as provided in paragraph 8.1.3 of GC 8.1 - AUTHORITY OF THE CONSULTANT.
- 8.3.2 Nothing in Part 8 of the General Conditions - DISPUTE RESOLUTION shall be construed in any way to limit a party from asserting any statutory right to a lien under applicable lien legislation of the jurisdiction of the *Place of the Work* and the assertion of such right by initiating judicial proceedings is not to be construed as a waiver of any right that party may have under paragraph 8.2.6 of GC 8.2 - NEGOTIATION, MEDIATION AND ARBITRATION to proceed by way of arbitration to adjudicate the merits of the claim upon which such a lien is based.

PART 9 PROTECTION OF PERSONS AND PROPERTY

GC 9.1 PROTECTION OF WORK AND PROPERTY

- 9.1.1 The *Contractor* shall protect the *Work* and the *Owner's* property and property adjacent to the *Place of the Work* from damage which may arise as the result of the *Contractor's* operations under the *Contract*, and shall be responsible for such damage, except damage which occurs as the result of:
- .1 errors in the *Contract Documents*;
 - .2 acts or omissions by the *Owner*, the *Consultant*, other contractors, their agents and employees.
- 9.1.2 Before commencing any work, the *Contractor* shall determine the location of all underground utilities and structures indicated in the *Contract Documents* or that are reasonably apparent in an inspection of the *Place of the Work*.
- 9.1.3 Should the *Contractor* in the performance of the *Contract* damage the *Work*, the *Owner's* property or property adjacent to the *Place of the Work*, the *Contractor* shall be responsible for making good such damage at the *Contractor's* expense.
- 9.1.4 Should damage occur to the *Work* or *Owner's* property for which the *Contractor* is not responsible, as provided in paragraph 9.1.1, the *Contractor* shall make good such damage to the *Work* and, if the *Owner* so directs, to the *Owner's* property. The *Contract Price* and *Contract Time* shall be adjusted as provided in GC 6.1 - OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 - CHANGE ORDER and GC 6.3 - CHANGE DIRECTIVE.

GC 9.2 TOXIC AND HAZARDOUS SUBSTANCES

- 9.2.1 For the purposes of applicable legislation related to toxic and hazardous substances, the *Owner* shall be deemed to have control and management of the *Place of the Work* with respect to existing conditions.
- 9.2.2 Prior to the *Contractor* commencing the *Work*, the *Owner* shall,
- .1 take all reasonable steps to determine whether any toxic or hazardous substances are present at the *Place of the Work*, and
 - .2 provide the *Consultant* and the *Contractor* with a written list of any such substances that are known to exist and their locations.
- 9.2.3 The *Owner* shall take all reasonable steps to ensure that no person's exposure to any toxic or hazardous substances exceeds the time weighted levels prescribed by applicable legislation at the *Place of the Work* and that no property is damaged or destroyed as a result of exposure to, or the presence of, toxic or hazardous substances which were at the *Place of the Work* prior to the *Contractor* commencing the *Work*.
- 9.2.4 Unless the *Contract* expressly provides otherwise, the *Owner* shall be responsible for taking all necessary steps, in accordance with applicable legislation in force at the *Place of the Work*, to dispose of, store or otherwise render harmless toxic or hazardous substances which were present at the *Place of the Work* prior to the *Contractor* commencing the *Work*.

- 9.2.5 If the *Contractor*
- .1 encounters toxic or hazardous substances at the *Place of the Work*, or
 - .2 has reasonable grounds to believe that toxic or hazardous substances are present at the *Place of the Work*, which were not brought to the *Place of the Work* by the *Contractor* or anyone for whom the *Contractor* is responsible and which were not disclosed by the *Owner* or which were disclosed but have not been dealt with as required under paragraph 9.2.4, the *Contractor* shall
 - .3 take all reasonable steps, including stopping the *Work*, to ensure that no person's exposure to any toxic or hazardous substances exceeds any applicable time weighted levels prescribed by applicable legislation at the *Place of the Work*, and
 - .4 immediately report the circumstances to the *Consultant* and the *Owner* in writing.
- 9.2.6 If the *Owner* and *Contractor* do not agree on the existence, significance of, or whether the toxic or hazardous substances were brought onto the *Place of the Work* by the *Contractor* or anyone for whom the *Contractor* is responsible, the *Owner* shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert's report shall be delivered to the *Owner* and the *Contractor*.
- 9.2.7 If the *Owner* and *Contractor* agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were not brought onto the place of the *Work* by the *Contractor* or anyone for whom the *Contractor* is responsible, the *Owner* shall promptly at the *Owner's* own expense:
- .1 take all steps as required under paragraph 9.2.4;
 - .2 reimburse the *Contractor* for the costs of all steps taken pursuant to paragraph 9.2.5;
 - .3 extend the *Contract* time for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor* and the expert referred to in 9.2.6 and reimburse the *Contractor* for reasonable costs incurred as a result of the delay; and
 - .4 indemnify the *Contractor* as required by GC 12.1 - INDEMNIFICATION.
- 9.2.8 If the *Owner* and *Contractor* agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were brought onto the place of the *Work* by the *Contractor* or anyone for whom the *Contractor* is responsible, the *Contractor* shall promptly at the *Contractor's* own expense:
- .1 take all necessary steps, in accordance with applicable legislation in force at the *Place of the Work*, to safely remove and dispose the toxic or hazardous substances;
 - .2 make good any damage to the *Work*, the *Owner's* property or property adjacent to the place of the *Work* as provided in paragraph 9.1.3 of GC 9.1 - PROTECTION OF WORK AND PROPERTY;
 - .3 reimburse the *Owner* for reasonable costs incurred under paragraph 9.2.6; and
 - .4 indemnify the *Owner* as required by GC 12.1 - INDEMNIFICATION.
- 9.2.9 If either party does not accept the expert's findings under paragraph 9.2.6, the disagreement shall be settled in accordance with Part 8 of the General Conditions - Dispute Resolution. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraph 9.2.7 or 9.2.8 it being understood that by so doing, neither party will jeopardize any claim that party may have to be reimbursed as provided by GC 9.2 TOXIC AND HAZARDOUS SUBSTANCES.

GC 9.3 ARTIFACTS AND FOSSILS

- 9.3.1 Fossils, coins, articles of value or antiquity, structures and other remains or things of scientific or historic interest discovered at the *Place or Work* shall, as between the *Owner* and the *Contractor*, be deemed to be the absolute property of the *Owner*.
- 9.3.2 The *Contractor* shall take all reasonable precautions to prevent removal or damage to discoveries as identified in paragraph 9.3.1, and shall advise the *Consultant* upon discovery of such items.
- 9.3.3 The *Consultant* will investigate the impact on the *Work* of the discoveries identified in paragraph 9.3.1. If conditions are found that would cause an increase or decrease in the *Contractor's* cost or time to perform the *Work*, the *Consultant*, with the *Owner's* approval, will issue appropriate instructions for a change in the *Work* as provided in GC 6.2 - CHANGE ORDER or GC 6.3 CHANGE DIRECTIVE.

GC 9.4 CONSTRUCTION SAFETY

- 9.4.1 Subject to paragraph 3.2.2.2 of GC 3.2 - CONSTRUCTION BY OWNER OR OTHER CONTRACTORS, the *Contractor* shall be solely responsible for construction safety at the *Place of the Work* and for compliance with the rules, regulations and practices required by the applicable construction health and safety legislation and shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the *Work*.

GC 9.5 MOULD

- 9.5.1 If the *Contractor* or *Owner* observes or reasonably suspects the presence of mould at the *Place of the Work*, the remediation of which is not expressly part of the *Work*,
- .1 the observing party shall promptly report the circumstances to the other party in writing, and
 - .2 the *Contractor* shall promptly take all reasonable steps, including stopping the *Work* if necessary, to ensure that no person suffers injury, sickness or death and that no property is damaged as a result of exposure to or the presence of the mould, and
 - .3 if the *Owner* and *Contractor* do not agree on the existence, significance or cause of the mould or as to what steps need be taken to deal with it, the *Owner* shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert's report shall be delivered to the *Owner* and *Contractor*.
- 9.5.2 If the *Owner* and *Contractor* agree, or if the expert referred to in paragraph 9.5.1.3 determines that the presence of mould was caused by the *Contractor*'s operations under the *Contract*, the *Contractor* shall promptly, at the *Contractor*'s own expense:
- .1 take all reasonable and necessary steps to safely remediate or dispose of the mould, and
 - .2 make good any damage to the *Work*, the *Owner*'s property or property adjacent to the *Place of the Work* as provided in paragraph 9.1.3 of GC 9.1 - PROTECTION OF WORK AND PROPERTY, and
 - .3 reimburse the *Owner* for reasonable costs incurred under paragraph 9.5.1.3, and
 - .4 indemnify the *Owner* as required by GC 12.1 - INDEMNIFICATION.
- 9.5.3 If the *Owner* and *Contractor* agree, or if the expert referred to in paragraph 9.5.1.3 determines that the presence of mould was not caused by the *Contractor*'s operations under the *Contract*, the *Owner* shall promptly, at the *Owner*'s own expense:
- .1 take all reasonable and necessary steps to safely remediate or dispose of the mould, and
 - .2 reimburse the *Contractor* for the cost of taking the steps under paragraph 9.5.1.2 and making good any damage to the *Work* as provided in paragraph 9.1.4 of GC 9.1 - PROTECTION OF WORK AND PROPERTY, and
 - .3 extend the *Contract Time* for such reasonable time as the *Consultant* may recommend in consultation with the *Contractor* and the expert referred to in paragraph 9.5.1.3 and reimburse the *Contractor* for reasonable costs incurred as a result of the delay, and
 - .4 indemnify the *Contractor* as required by GC 12.1 - INDEMNIFICATION.
- 9.5.4 If either party does not accept the expert's finding under paragraph 9.5.1.3, the disagreement shall be settled in accordance with Part 8 of the General Conditions - DISPUTE RESOLUTION. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraphs 9.5.2 or 9.5.3, it being understood that by so doing neither party will jeopardize any claim the party may have to be reimbursed as provided by GC 9.5 - MOULD.

PART 10 GOVERNING REGULATIONS

GC 10.1 TAXES AND DUTIES

- 10.1.1 The *Contract Price* shall include all taxes and customs duties in effect at the time of the bid closing except for *Value Added Taxes* payable by the *Owner* to the *Contractor* as stipulated in Article A-4 of the Agreement - CONTRACT PRICE.
- 10.1.2 Any increase or decrease in costs to the *Contractor* due to changes in such included taxes and duties after the time of the bid closing shall increase or decrease the *Contract Price* accordingly.

GC 10.2 LAWS, NOTICES, PERMITS, AND FEES

- 10.2.1 The laws of the *Place of the Work* shall govern the *Work*.
- 10.2.2 The *Owner* shall obtain and pay for development approvals, building permit, permanent easements, rights of servitude, and all other necessary approvals and permits, except for the permits and fees referred to in paragraph 10.2.3 or for which the *Contract Documents* specify as the responsibility of the *Contractor*.
- 10.2.3 The *Contractor* shall be responsible for the procurement of permits, licences, inspections, and certificates, which are necessary for the performance of the *Work* and customarily obtained by contractors in the jurisdiction of the *Place of the Work* after the issuance of the building permit. The *Contract Price* includes the cost of these permits, licences, inspections, and certificates, and their procurement.
- 10.2.4 The *Contractor* shall give the required notices and comply with the laws, ordinances, rules, regulations, or codes which are or become in force during the performance of the *Work* and which relate to the *Work*, to the preservation of the public health, and to construction safety.

- 10.2.5 The *Contractor* shall not be responsible for verifying that the *Contract Documents* are in compliance with the applicable laws, ordinances, rules, regulations, or codes relating to the *Work*. If the *Contract Documents* are at variance therewith, or if, subsequent to the time of bid closing, changes are made to the applicable laws, ordinances, rules, regulations, or codes which require modification to the *Contract Documents*, the *Contractor* shall advise the *Consultant* in writing requesting direction immediately upon such variance or change becoming known. The *Consultant* will make the changes required to the *Contract Documents* as provided in GC 6.1 - OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 - CHANGE ORDER and GC 6.3 - CHANGE DIRECTIVE.
- 10.2.6 If the *Contractor* fails to advise the *Consultant* in writing; and fails to obtain direction as required in paragraph 10.2.5; and performs work knowing it to be contrary to any laws, ordinances, rules, regulations, or codes; the *Contractor* shall be responsible for and shall correct the violations thereof; and shall bear the costs, expenses and damages attributable to the failure to comply with the provisions of such laws, ordinances, rules, regulations, or codes.
- 10.2.7 If, subsequent to the time of bid closing, changes are made to applicable laws, ordinances, rules, regulations, or codes of authorities having jurisdiction which affect the cost of the *Work*, either party may submit a claim in accordance with the requirements of GC 6.6 - CLAIMS FOR A CHANGE IN CONTRACT PRICE.

GC 10.3 PATENT FEES

- 10.3.1 The *Contractor* shall pay the royalties and patent licence fees required for the performance of the *Contract*. The *Contractor* shall hold the *Owner* harmless from and against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the *Contractor's* performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention by the *Contractor* or anyone for whose acts the *Contractor* may be liable.
- 10.3.2 The *Owner* shall hold the *Contractor* harmless against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the *Contractor's* performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention in executing anything for the purpose of the *Contract*, the model, plan or design of which was supplied to the *Contractor* as part of the *Contract Documents*.

GC 10.4 WORKERS' COMPENSATION

- 10.4.1 Prior to commencing the *Work*, again with the *Contractor's* application for payment of the holdback amount following *Substantial Performance of the Work* and again with the *Contractor's* application for final payment, the *Contractor* shall provide evidence of compliance with workers' compensation legislation at the *Place of the Work*, including payments due thereunder.
- 10.4.2 At any time during the term of the *Contract*, when requested by the *Owner*, the *Contractor* shall provide such evidence of compliance by the *Contractor* and *Subcontractors*.

PART 11 INSURANCE AND CONTRACT SECURITY

GC 11.1 INSURANCE

- 11.1.1 Without restricting the generality of GC 12.1 - INDEMNIFICATION, the *Contractor* shall provide, maintain and pay for the following insurance coverages, the minimum requirements of which are specified in CCDC 41 - CCDC Insurance Requirements in effect at the time of bid closing except as hereinafter provided:
- 1 General liability insurance in the name of the *Contractor* and include, or in the case of a single, blanket policy, be endorsed to name, the *Owner* and the *Consultant* as insureds but only with respect to liability, other than legal liability arising out of their sole negligence, arising out of the operations of the *Contractor* with regard to the *Work*. General liability insurance shall be maintained from the date of commencement of the *Work* until one year from the date of *Substantial Performance of the Work*. Liability coverage shall be provided for completed operations hazards from the date of *Substantial Performance of the Work*, as set out in the certificate of *Substantial Performance of the Work*, on an ongoing basis for a period of 6 years following *Substantial Performance of the Work*.
 - 2 Automobile Liability Insurance from the date of commencement of the *Work* until one year after the date of *Substantial Performance of the Work*.
 - 3 Aircraft or Watercraft Liability Insurance when owned or non-owned aircraft or watercraft are used directly or indirectly in the performance of the *Work*.
 - 4 "Broad form" property insurance in the joint names of the *Contractor*, the *Owner* and the *Consultant*. The policy shall include as insureds all *Subcontractors*. The "Broad form" property insurance shall be provided from the date of commencement of the *Work* until the earliest of:
 - (1) 10 calendar days after the date of *Substantial Performance of the Work*;

- (2) on the commencement of use or occupancy of any part or section of the *Work* unless such use or occupancy is for construction purposes, habitational, office, banking, convenience store under 465 square metres in area, or parking purposes, or for the installation, testing and commissioning of equipment forming part of the *Work*;
- (3) when left unattended for more than 30 consecutive calendar days or when construction activity has ceased for more than 30 consecutive calendar days.
- .5 Boiler and machinery insurance in the joint names of the *Contractor*, the *Owner* and the *Consultant*. The policy shall include as insureds all *Subcontractors*. The coverage shall be maintained continuously from commencement of use or operation of the boiler and machinery objects insured by the policy and until 10 calendar days after the date of *Substantial Performance of the Work*.
- .6 The "Broad form" property and boiler and machinery policies shall provide that, in the case of a loss or damage, payment shall be made to the *Owner* and the *Contractor* as their respective interests may appear. In the event of loss or damage:
 - (1) the *Contractor* shall act on behalf of the *Owner* for the purpose of adjusting the amount of such loss or damage payment with the insurers. When the extent of the loss or damage is determined, the *Contractor* shall proceed to restore the *Work*. Loss or damage shall not affect the rights and obligations of either party under the *Contract* except that the *Contractor* shall be entitled to such reasonable extension of *Contract Time* relative to the extent of the loss or damage as the *Consultant* may recommend in consultation with the *Contractor*;
 - (2) the *Contractor* shall be entitled to receive from the *Owner*, in addition to the amount due under the *Contract*, the amount which the *Owner's* interest in restoration of the *Work* has been appraised, such amount to be paid as the restoration of the *Work* proceeds in accordance with the progress payment provisions. In addition the *Contractor* shall be entitled to receive from the payments made by the insurer the amount of the *Contractor's* interest in the restoration of the *Work*; and
 - (3) to the *Work* arising from the work of the *Owner*, the *Owner's* own forces or another contractor, the *Owner* shall, in accordance with the *Owner's* obligations under the provisions relating to construction by *Owner* or other contractors, pay the *Contractor* the cost of restoring the *Work* as the restoration of the *Work* proceeds and as in accordance with the progress payment provisions.
- .7 *Contractors' Equipment Insurance* from the date of commencement of the *Work* until one year after the date of *Substantial Performance of the Work*.
- 11.1.2 Prior to commencement of the *Work* and upon the placement, renewal, amendment, or extension of all or any part of the insurance, the *Contractor* shall promptly provide the *Owner* with confirmation of coverage and, if required, a certified true copy of the policies certified by an authorized representative of the insurer together with copies of any amending endorsements applicable to the *Work*.
- 11.1.3 The parties shall pay their share of the deductible amounts in direct proportion to their responsibility in regards to any loss for which the above policies are required to pay, except where such amounts may be excluded by the terms of the *Contract*.
- 11.1.4 If the *Contractor* fails to provide or maintain insurance as required by the *Contract Documents*, then the *Owner* shall have the right to provide and maintain such insurance and give evidence to the *Contractor* and the *Consultant*. The *Contractor* shall pay the cost thereof to the *Owner* on demand or the *Owner* may deduct the cost from the amount which is due or may become due to the *Contractor*.
- 11.1.5 All required insurance policies shall be with insurers licensed to underwrite insurance in the jurisdiction of the *Place of the Work*.
- 11.1.6 If a revised version of CCDC 41 – INSURANCE REQUIREMENTS is published, which specifies reduced insurance requirements, the parties shall address such reduction, prior to the *Contractor's* insurance policy becoming due for renewal, and record any agreement in a *Change Order*.
- 11.1.7 If a revised version of CCDC 41 – INSURANCE REQUIREMENTS is published, which specifies increased insurance requirements, the *Owner* may request the increased coverage from the *Contractor* by way of a *Change Order*.
- 11.1.8 A *Change Directive* shall not be used to direct a change in the insurance requirements in response to the revision of CCDC 41 – INSURANCE REQUIREMENTS.

GC 11.2 CONTRACT SECURITY

- 11.2.1 The *Contractor* shall, prior to commencement of the *Work* or within the specified time, provide to the *Owner* any *Contract* security specified in the *Contract Documents*.

- 11.2.2 If the *Contract Documents* require surety bonds to be provided, such bonds shall be issued by a duly licensed surety company authorized to transact the business of suretyship in the province or territory of the *Place of the Work* and shall be maintained in good standing until the fulfillment of the *Contract*. The form of such bonds shall be in accordance with the latest edition of the CCDC approved bond forms.

PART 12 INDEMNIFICATION, WAIVER OF CLAIMS AND WARRANTY

GC 12.1 INDEMNIFICATION

- 12.1.1 Without restricting the parties' obligation to indemnify as described in paragraphs 12.1.4 and 12.1.5, the *Owner* and the *Contractor* shall each indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings whether in respect to losses suffered by them or in respect to claims by third parties that arise out of, or are attributable in any respect to their involvement as parties to this *Contract*, provided such claims are:
- .1 caused by:
 - (1) the negligent acts or omissions of the party from whom indemnification is sought or anyone for whose acts or omissions that party is liable, or
 - (2) a failure of the party to the *Contract* from whom indemnification is sought to fulfill its terms or conditions; and
 - .2 made by *Notice in Writing* within a period of 6 years from the date of *Substantial Performance of the Work* as set out in the certificate of *Substantial Performance of the Work* issued pursuant to paragraph 5.4.2.2 of GC 5.4 – SUBSTANTIAL PERFORMANCE OF THE WORK or within such shorter period as may be prescribed by any limitation statute of the province or territory of the *Place of the Work*.
- The parties expressly waive the right to indemnity for claims other than those provided for in this *Contract*.
- 12.1.2 The obligation of either party to indemnify as set forth in paragraph 12.1.1 shall be limited as follows:
- .1 In respect to losses suffered by the *Owner* and the *Contractor* for which insurance is to be provided by either party pursuant to GC 11.1 – INSURANCE, the general liability insurance limit for one occurrence as referred to in CCDC 41 in effect at the time of bid closing.
 - .2 In respect to losses suffered by the *Owner* and the *Contractor* for which insurance is not required to be provided by either party in accordance with GC 11.1 – INSURANCE, the greater of the *Contract Price* as recorded in Article A-4 – CONTRACT PRICE or \$2,000,000, but in no event shall the sum be greater than \$20,000,000.
 - .3 In respect to claims by third parties for direct loss resulting from bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, the obligation to indemnify is without limit. In respect to all other claims for indemnity as a result of claims advanced by third parties, the limits of indemnity set forth in paragraphs 12.1.2.1 and 12.1.2.2 shall apply.
- 12.1.3 The obligation of either party to indemnify the other as set forth in paragraphs 12.1.1 and 12.1.2 shall be inclusive of interest and all legal costs.
- 12.1.4 The *Owner* and the *Contractor* shall indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of their obligations described in GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES.
- 12.1.5 The *Owner* shall indemnify and hold harmless the *Contractor* from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings:
- .1 as described in paragraph 10.3.2 of GC 10.3 – PATENT FEES, and
 - .2 arising out of the *Contractor's* performance of the *Contract* which are attributable to a lack of or defect in title or an alleged lack of or defect in title to the *Place of the Work*.
- 12.1.6 In respect to any claim for indemnity or to be held harmless by the *Owner* or the *Contractor*:
- .1 *Notice in Writing* of such claim shall be given within a reasonable time after the facts upon which such claim is based became known;
 - .2 should any party be required as a result of its obligation to indemnify another to pay or satisfy a final order, judgment or award made against the party entitled by this contract to be indemnified, then the indemnifying party upon assuming all liability for any costs that might result shall have the right to appeal in the name of the party against whom such final order or judgment has been made until such rights of appeal have been exhausted.

GC 12.2 WAIVER OF CLAIMS

- 12.2.1 Subject to any lien legislation applicable to the *Place of the Work*, as of the fifth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*, the *Contractor* waives and releases the *Owner* from all claims which the *Contractor* has or reasonably ought to have knowledge of that could be advanced by the *Contractor* against the *Owner* arising from the *Contractor's* involvement in the *Work*, including, without limitation, those arising from negligence or breach of contract in respect to which the cause of action is based upon acts or omissions which occurred prior to or on the date of *Substantial Performance of the Work*, except as follows:
- .1 claims arising prior to or on the date of *Substantial Performance of the Work* for which *Notice in Writing* of claim has been received by the *Owner* from the *Contractor* no later than the sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*;
 - .2 indemnification for claims advanced against the *Contractor* by third parties for which a right of indemnification may be asserted by the *Contractor* against the *Owner* pursuant to the provisions of this *Contract*;
 - .3 claims for which a right of indemnity could be asserted by the *Contractor* pursuant to the provisions of paragraphs 12.1.4 or 12.1.5 of GC 12.1 – INDEMNIFICATION; and
 - .4 claims resulting from acts or omissions which occur after the date of *Substantial Performance of the Work*.
- 12.2.2 The *Contractor* waives and releases the *Owner* from all claims referenced in paragraph 12.2.1.4 except for those referred in paragraphs 12.2.1.2 and 12.2.1.3 and claims for which *Notice in Writing* of claim has been received by the *Owner* from the *Contractor* within 395 calendar days following the date of *Substantial Performance of the Work*.
- 12.2.3 Subject to any lien legislation applicable to the *Place of the Work*, as of the fifth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*, the *Owner* waives and releases the *Contractor* from all claims which the *Owner* has or reasonably ought to have knowledge of that could be advanced by the *Owner* against the *Contractor* arising from the *Owner's* involvement in the *Work*, including, without limitation, those arising from negligence or breach of contract in respect to which the cause of action is based upon acts or omissions which occurred prior to or on the date of *Substantial Performance of the Work*, except as follows:
- .1 claims arising prior to or on the date of *Substantial Performance of the Work* for which *Notice in Writing* of claim has been received by the *Contractor* from the *Owner* no later than the sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*;
 - .2 indemnification for claims advanced against the *Owner* by third parties for which a right of indemnification may be asserted by the *Owner* against the *Contractor* pursuant to the provisions of this *Contract*;
 - .3 claims for which a right of indemnity could be asserted by the *Owner* against the *Contractor* pursuant to the provisions of paragraph 12.1.4 of GC 12.1 - INDEMNIFICATION;
 - .4 damages arising from the *Contractor's* actions which result in substantial defects or deficiencies in the *Work*. "Substantial defects or deficiencies" mean those defects or deficiencies in the *Work* which affect the *Work* to such an extent or in such a manner that a significant part or the whole of the *Work* is unfit for the purpose intended by the *Contract Documents*;
 - .5 claims arising pursuant to GC 12.3 - WARRANTY; and
 - .6 claims arising from acts or omissions which occur after the date of *Substantial Performance of the Work*.
- 12.2.4 The *Owner* waives and releases the *Contractor* from all claims referred to in paragraph 12.2.3.4 except claims for which *Notice in Writing* of claim has been received by the *Contractor* from the *Owner* within a period of six years from the date of *Substantial Performance of the Work* should any limitation statute of the Province or Territory of the *Place of the Work* permit such agreement. If the applicable limitation statute does not permit such agreement, within such shorter period as may be prescribed by:
- .1 any limitation statute of the Province or Territory of the *Place of the Work*; or
 - .2 if the *Place of the Work* is the Province of Quebec, then Article 2118 of the Civil Code of Quebec.
- 12.2.5 The *Owner* waives and releases the *Contractor* from all claims referenced in paragraph 12.2.3.6 except for those referred in paragraph 12.2.3.2, 12.2.3.3 and those arising under GC 12.3 – WARRANTY and claims for which *Notice in Writing* has been received by the *Contractor* from the *Owner* within 395 calendar days following the date of *Substantial Performance of the Work*.
- 12.2.6 "Notice in Writing of claim" as provided for in GC 12.2 – WAIVER OF CLAIMS to preserve a claim or right of action which would otherwise, by the provisions of GC 12.2 – WAIVER OF CLAIMS, be deemed to be waived, must include the following:
- .1 a clear and unequivocal statement of the intention to claim;
 - .2 a statement as to the nature of the claim and the grounds upon which the claim is based; and
 - .3 a statement of the estimated quantum of the claim.
- 12.2.7 The party giving "Notice in Writing of claim" as provided for in GC 12.2 – WAIVER OF CLAIMS shall submit within a reasonable time a detailed account of the amount claimed.

- 12.2.8 Where the event or series of events giving rise to a claim made under paragraphs 12.2.1 or 12.2.3 has a continuing effect, the detailed account submitted under paragraph 12.2.7 shall be considered to be an interim account and the party making the claim shall submit further interim accounts, at reasonable intervals, giving the accumulated amount of the claim and any further grounds upon which it is based. The party making the claim shall submit a final account after the end of the effects resulting from the event or series of events.
- 12.2.9 If a *Notice in Writing* of claim pursuant to paragraph 12.2.1.1 is received on the seventh or sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*, the period within which *Notice in Writing* of claim shall be received pursuant to paragraph 12.2.3.1 shall be extended to two calendar days before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*.
- 12.2.10 If a *Notice in Writing* of claim pursuant to paragraph 12.2.3.1 is received on the seventh or sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*, the period within which *Notice in Writing* of claim shall be received pursuant to paragraph 12.2.1.1 shall be extended to two calendar days before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*.

GC 12.3 WARRANTY

- 12.3.1 Except for extended warranties as described in paragraph 12.3.6, the warranty period under the *Contract* is one year from the date of *Substantial Performance of the Work*.
- 12.3.2 The *Contractor* shall be responsible for the proper performance of the *Work* to the extent that the design and *Contract Documents* permit such performance.
- 12.3.3 The *Owner*, through the *Consultant*, shall promptly give the *Contractor* *Notice in Writing* of observed defects and deficiencies which occur during the one year warranty period.
- 12.3.4 Subject to paragraph 12.3.2, the *Contractor* shall correct promptly, at the *Contractor's* expense, defects or deficiencies in the *Work* which appear prior to and during the one year warranty period.
- 12.3.5 The *Contractor* shall correct or pay for damage resulting from corrections made under the requirements of paragraph 12.3.4.
- 12.3.6 Any extended warranties required beyond the one year warranty period as described in paragraph 12.3.1, shall be as specified in the *Contract Documents*. Extended warranties shall be issued by the warrantor to the benefit of the *Owner*. The *Contractor's* responsibility with respect to extended warranties shall be limited to obtaining any such extended warranties from the warrantor. The obligations under such extended warranties are solely the responsibilities of the warrantor.

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CCDC
CANADIAN CONSTRUCTION DOCUMENTS COMMITTEE
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CCDC 41
CCDC INSURANCE REQUIREMENTS

PUBLICATION DATE: JANUARY 21, 2008

1. General liability insurance shall be with limits of not less than \$5,000,000 per occurrence, an aggregate limit of not less than \$5,000,000 within any policy year with respect to completed operations, and a deductible not exceeding \$5,000. The insurance coverage shall not be less than the insurance provided by IBC Form 2100 (including an extension for a standard provincial and territorial form of non-owned automobile liability policy) and IBC Form 2320. To achieve the desired limit, umbrella or excess liability insurance may be used. Subject to satisfactory proof of financial capability by the *Contractor*, the *Owner* may agree to increase the deductible amounts.
2. Automobile liability insurance in respect of vehicles that are required by law to be insured under a contract by a Motor Vehicle Liability Policy, shall have limits of not less than \$5,000,000 inclusive per occurrence for bodily injury, death and damage to property, covering all vehicles owned or leased by the *Contractor*. Where the policy has been issued pursuant to a government-operated automobile insurance system, the *Contractor* shall provide the *Owner* with confirmation of automobile insurance coverage for all automobiles registered in the name of the *Contractor*.
3. Aircraft and watercraft liability insurance with respect to owned or non-owned aircraft and watercraft (if used directly or indirectly in the performance of the *Work*), including use of additional premises, shall have limits of not less than \$5,000,000 inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof and limits of not less than \$5,000,000 for aircraft passenger hazard. Such insurance shall be in a form acceptable to the *Owner*.
4. "Broad form" property insurance shall have limits of not less than the sum of 1.1 times *Contract Price* and the full value, as stated in the *Contract*, of *Products* and design services that are specified to be provided by the *Owner* for incorporation into the *Work*, with a deductible not exceeding \$5,000. The insurance coverage shall not be less than the insurance provided by IBC Forms 4042 and 4047 (excluding flood and earthquake) or their equivalent replacement. Subject to satisfactory proof of financial capability by the *Contractor*, the *Owner* may agree to increase the deductible amounts.
5. Boiler and machinery insurance shall have limits of not less than the replacement value of the permanent or temporary boilers and pressure vessels, and other insurable objects forming part of the *Work*. The insurance coverage shall not be less than the insurance provided by a comprehensive boiler and machinery policy.
6. "Broad form" contractors' equipment insurance coverage covering *Construction Equipment* used by the *Contractor* for the performance of the *Work*, shall be in a form acceptable to the *Owner* and shall not allow subrogation claims by the insurer against the *Owner*. Subject to satisfactory proof of financial capability by the *Contractor* for self-insurance, the *Owner* may agree to waive the equipment insurance requirement.
7. Standard Exclusions
 - 7.1 In addition to the broad form property exclusions identified in IBC forms 4042(1995), and 4047(2000), the *Contractor* is not required to provide the following insurance coverage:
 - Asbestos
 - Cyber Risk
 - Mould
 - Terrorism

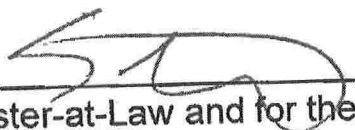
Association
of Canadian
Engineering
Companies

Canadian
Construction
Association

Construction
Specifications
Canada

The Royal
Architectural
Institute of Canada

This is Exhibit "B" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.



400-93 Lombard Avenue
Winnipeg, MB R3B 3B1
Phone: (204) 415-3700
Email: info@postmaqs.ca
www.postmaconsulting.ca

July 7, 2023

To whom it may concern,

Re: **Portage La Prairie Affordable Housing Development – 208 units**
Portage La Prairie, MB
Budget & Cost to Complete Review

DOCUMENTATION

To date, the following documents have been provided:

- Civil drawings
- Architectural drawings
- Structural drawings
- BTY initial review report, progress report no. 21

The above-noted documentation has been reviewed and the following report is provided as requested.

PROJECT DESCRIPTION

Overview

The drawings indicate the development of thirteen 16-unit apartment buildings containing an area of 15,219 square feet per building for a total of 197,847 square feet of gross building area.

Each building is serviced by two stairwells

AREA	GROSS FLOOR AREAS (ft ²)
Building 1	15,219
Building 2	15,219
Building 3	15,219
Building 4	15,219
Building 5	15,219
Building 6	15,219
Building 7	15,219
Building 8	15,219
Building 9	15,219
Building 10	15,219
Building 12	15,219
Building 13	15,219
OVERALL TOTALS	197,847

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Portage La Prairie Affordable Housing
Budget & Cost to Complete Review – July 7, 2023

Foundation & Structure

The structural design of the building indicates wood-frame construction on concrete foundation walls supported by cast-in-place friction piles.

Interior Finishes

Interior finishes include drywall, flooring, and cabinetry to kitchens & bathrooms.

Exterior Finishes

Exterior finishes cement board & lap siding, PVC windows & patio doors, steel entry doors, and aluminum railings to balconies. Roofing is 1/12 sloped with standing seam metal roof.

Mechanical

No mechanical design was provided, we assume would be typical ducted furnace and HRV to each unit with plumbing systems throughout.

Electrical

No electrical design was provided, we assume would be typical power systems and lighting throughout.

Site Work/Landscaping

Site work includes asphalt parking lot and driveway, landscaping including sod/trees/shrubs and concrete sidewalks.

BUDGET REVIEW

The borrower's budget has been reviewed and indicates a total cost of \$33,268,900.00, which includes the following, as further itemized in the attached Schedule A – Project Cost Summary:

ITEM DESCRIPTION	VALUE (\$)
Land Purchase	\$2,750,000.00
Architect	\$107,981.00
Engineer	\$99,491.00
Legal & Admin	\$28,321.00
Insurance	\$367,000.00
Survey	\$1,710.00
Property Taxes	\$4,585.00
GST	\$1,372,000.00
Marketing & Advertising	\$1,680.00
Commitment Fee	\$82,040.00
Broker Fees	\$410,198.00
Project Monitoring	\$52,000.00
Title Insurance	\$18,070.00
Appraisal	\$5,500.00
Interest Reserve	\$1,250,000.00
Hard Costs	\$26,712,628.00
Contingency Allowance	\$5,696.00
TOTALS	\$33,268,900.00

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Portage La Prairie Affordable Housing
Budget & Cost to Complete Review – July 7, 2023

The following comments on the budget are outlined:

- The hard costs are budgeted at \$135.02 per square foot including finished basement areas, which is lower than typical. Our costing for this type of building would be \$150.00 to \$180.00 per square foot. It appears the general requirements are significantly understated for a project of this size. General requirements are typically 10% of the hard costs budget.
- The contingency allowance is 0.01% original budget not including land costs and 0.05% of the current cost to complete. Typical industry norm is minimum 5% of the budget excluding land and appears to be nearly depleted. We would recommend adding at least \$430,000 to the contingency allowance.
- No Construction Management fees are noted as part of the budget. Typical range for Management fees are 2-5% of the budgeted hard costs.
- Architectural & Engineering fees are 0.78% of budgeted hard costs, which is lower than typical. Normal design fees for a project of this type is 3-7% of hard costs. Lower fees are likely due to the similar design of each building.
- GST is included in the budget and appears to have been utilized throughout construction to date with input tax credits being deducted from the draw requests as received.

PROGRESS REVIEW

The following progress was noted at time of site review:

General & siteworks:

- Site graded and backfilled around building foundation
- Watermain installed around the building
- Wastewater service line and manhole installed
- Granular filled on geotextile complete, but at the time of site visit, contractor is re excavating the granular fill, geotextile to another depth and refilling with base to meet the requirements
- Generally, At the time of site visit, more than 30% of the building wraps, windows, patio and external doors installed are damaged
- All Basement are generally not completed

Building 1:

- Foundation complete
- Exterior wall framing and roofing complete
- Siding complete less fiber cement panel at window
- Roofing covering complete
- Window, exterior doors & patio doors complete- less window wells
- Interior partition framing complete
- Electrical and plumbing rough ins complete
- HVAC 50% complete
- Bathtub installed
- Electrical wire and data cabled pulled
- Staircase to basement framing complete
- Basement filled with granular base and compacted
- Holding tank in place

Building 2:

- Foundation complete
- Exterior wall framing and roofing complete-
- Roofing covering complete- less soffit and flashing

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Portage La Prairie Affordable Housing

Budget & Cost to Complete Review – July 7, 2023

- Building wrap complete but appears damaged
- Window, doors near complete - less basement window wells, and defective damage to windows and broken glass were noticed at the time of visit
- Exterior doors & patio installed – less damage to exterior door frame
- Interior partition framing near complete
- plumbing rough ins appears complete
- Electrical rough ins underway- electrical boxes
- HVAC rough in near complete
- Bathtub installed on 2nd and 3rd floor only while material on laydown on 4th floor
- Staircase to basement framing complete on one side
- Basement filled with granular base and compacted
- Plumbing rough ins near complete at the basement- (Materials on laydown)
- Holding tank and weeping tile material in laydown at the basement

Building 3:

- Foundation complete
- Exterior wall framing, sheathing and roofing complete
- Roofing sheathing complete
- Window installed on basement and first floor South, West and North only 20% complete - less basement window wells,
- Interior partition framing near complete
- Plumbing rough ins near complete at the basement- (Materials on laydown)
- No stair to basement and appears muddy at the time of visit

Building 4:

- Foundation complete
- Exterior wall framing, sheathing and roofing complete
- Roofing covering complete – less flashing and soffit
- Window installed 80% complete – (Materials in laydown)
- Patio doors installed but broken glasses
- Interior partition framing complete
- No stair to basement and appears muddy at the time of visit

Building 5:

- Foundation complete
- Exterior wall framing, sheathing and roofing complete
- Roofing covering complete – less flashing and soffit
- Window complete
- Patio doors installed but glass broken
- No stair to basement and appears muddy at the time of visit
- Electrical and plumbing underway

Building 6:

- Foundation complete
- Exterior wall framing, sheathing and roofing complete
- Roofing covering complete – less flashing and soffit
- Window complete
- Patio doors installed 80%
- No stair to basement and appears muddy at the time of visit

Building 7:

- Foundation complete

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Budget & Cost to Complete Review – July 7, 2023

- Exterior wall framing and roofing complete-
- Roofing covering complete- less soffit and flashing
- Stucco wall complete but appears damaged
- Window, doors complete - less basement window wells
- Exterior doors & patio installed
- Interior partition framing complete
- Drywall complete – less tapping and mudding
- plumbing rough ins complete
- Electrical rough ins complete- wire pulled
- HVAC rough ins complete
- Wall mounted mechanical unit conduit & piping complete
- Vapour barrier to ceiling, Insulation to the stairwell wall
- Bathtub installed
- Staircase to basement framing complete on one side
- Basement filled with granular base and compacted
- No stair to basement and appears muddy at the time of visit

Building 8:

- Foundation complete
- Exterior wall framing and roofing complete-
- Roofing covering complete- less soffit and flashing
- Window, doors complete - less basement window wells
- Interior partition framing complete
- plumbing rough ins near complete- (Materials on laydown)
- Electrical rough ins complete- junction boxes installed.
- HVAC rough ins near complete
- No stair to basement and appears muddy at the time of visit

Building 9:

- Foundation complete
- Exterior wall framing and roofing complete-
- Roofing covering complete- less soffit and flashing
- Window, doors complete - less basement window wells
- Interior partition framing complete
- plumbing rough ins complete
- Electrical rough ins complete- wired pulled
- HVAC rough ins near complete
- No stair to basement and appears muddy at the time of visit

Building 10:

- Foundation complete
- Exterior wall framing and roofing complete
- Siding complete less fiber cement panel at window
- Roofing covering complete – less flashing
- HVAC rough ins
- Plumbing rough ins
- Electrical rough in – 80% wire pulled and junction boxes
- Wall mounted mechanical unit conduit & piping complete

Building 11:

- Foundation complete
- Exterior wall framing and sheathing complete

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Portage La Prairie Affordable Housing

Budget & Cost to Complete Review – July 7, 2023

- Roofing framing near completion
- Interior framing near completion

Building 12 & 13

- Foundation complete
- Exterior wall framing and roofing complete
- Siding complete less fiber cement panel at window
- Roofing covering complete
- Window, exterior doors & patio doors complete- less window wells, broken patio glass and window defects
- Insulation in stairwell, walls, and ceiling
- Interior partition framing complete
- Electrical and plumbing rough ins complete
- HVAC 50% complete
- Wall mounted mechanical unit conduit & piping complete
- Bathtub installed
- Electrical wire and data cabled pulled
- No stair to basement and appears muddy at the time of visit
- Insulation in stairway and ceiling to building 12 only

Materials Onsite:

- Windows and HM door frame
- Electrical materials in storage container
- Interior door and frame in storage container
- Weeping tiles on laydown
- Plumbing materials in storage container

COST TO DATE REVIEW

It appears that the costs to date as noted on the BTY report are overstated by approximately \$3,472,265.00 as summarized on the attached Schedule A Summary.

Overall, we estimate the costs to date based on the work in place at time of site review to be **50.85%**.

CONCLUSION

We confirm that based on typical industry norms and previous projects similar in size and scope, the budget appears to be reasonable.

We trust this report is adequate for your preliminary budget review requirements. Please do not hesitate to contact us with any questions or concerns.

Report Prepared By:

Certified By:

Tim Postma, Partner
Manager – Loan Monitoring

Ben Postma, PQS, GSC, BComm
President

SCHEDULE A - PROJECT COST SUMMARY

ITEMIZED BREAKDOWN	ORIGINAL CONTRACT	REVISIONS PREVIOUS	REVISIONS CURRENT	REVISED CONTRACT	PREVIOUS DRAW	CURRENT DRAW	QS CHANGES	TOTAL TO DATE	COST TO COMPLETE
LAND COSTS:									
Land	2,750,000.00	0.00	0.00	2,750,000.00	2,750,000.00	0.00	0.00	2,750,000.00	0.00
TOTAL LAND COSTS	2,750,000.00	0.00	0.00	2,750,000.00	2,750,000.00	0.00	0.00	2,750,000.00	0.00
SOFT COSTS:									
Architect	182,000.00	-74,019.00	0.00	107,981.00	107,981.00	0.00	0.00	107,981.00	0.00
Engineer	159,900.00	-60,409.00	0.00	99,491.00	99,491.00	0.00	0.00	99,491.00	0.00
Legal & Admin	27,000.00	1,321.00	0.00	28,321.00	28,321.00	0.00	0.00	28,321.00	0.00
Insurance	442,000.00	-75,000.00	0.00	367,000.00	367,000.00	0.00	0.00	367,000.00	0.00
Survey	0.00	1,710.00	0.00	1,710.00	1,710.00	0.00	0.00	1,710.00	0.00
Building Permit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Property Taxes	0.00	4,585.00	0.00	4,585.00	4,585.00	0.00	0.00	4,585.00	0.00
GST	1,372,000.00	0.00	0.00	1,372,000.00	1,372,000.00	-50,000.00	0.00	1,78,625.00	1,193,375.00
Marketing & Advertising	0.00	1,680.00	0.00	1,680.00	1,680.00	0.00	0.00	1,680.00	0.00
Commitment Fee	83,000.00	-960.00	0.00	82,040.00	82,040.00	0.00	0.00	82,040.00	0.00
Broker Fees	450,000.00	-39,802.00	0.00	410,198.00	410,198.00	0.00	0.00	410,198.00	0.00
Project Monitoring	0.00	52,000.00	0.00	52,000.00	44,000.00	2,000.00	0.00	46,000.00	6,000.00
Title Insurance	0.00	18,070.00	0.00	18,070.00	18,070.00	0.00	0.00	18,070.00	0.00
Appraisal	0.00	5,500.00	0.00	5,500.00	5,500.00	0.00	0.00	5,500.00	0.00
Interest Reserve	1,250,000.00	0.00	0.00	1,250,000.00	944,983.00	115,679.00	0.00	1,060,662.00	189,338.00
TOTAL SOFT COSTS	3,965,900.00	-165,324.00	0.00	3,800,576.00	2,344,184.00	115,679.00	0.00	2,411,863.00	1,388,713.00
HARD COSTS:									
General Requirements	104,000.00	-54,000.00	0.00	50,000.00	50,000.00	0.00	0.00	50,000.00	0.00
Construction Contingency	1,300,000.00	-575,000.00	0.00	725,000.00	725,000.00	0.00	-725,000.00	0.00	725,000.00
Site Works	1,300,000.00	-203,268.00	0.00	1,096,732.00	1,096,732.00	0.00	-500,000.00	596,732.00	500,000.00
Surface Work	0.00	529,000.00	0.00	529,000.00	359,939.00	0.00	-100,000.00	259,939.00	269,061.00
Landscaping	0.00	150,000.00	0.00	150,000.00	15,000.00	0.00	-15,000.00	0.00	150,000.00
Building Permits	0.00	203,268.00	0.00	203,268.00	203,268.00	0.00	0.00	203,268.00	0.00
Concrete	2,665,000.00	0.00	0.00	2,665,000.00	2,472,533.00	0.00	-100,000.00	2,372,533.00	292,467.00
Metals	200,000.00	100,000.00	0.00	100,000.00	0.00	0.00	0.00	0.00	100,000.00
Framing	5,516,650.00	600,000.00	0.00	6,116,650.00	5,635,718.00	46,500.00	-150,000.00	5,532,218.00	584,432.00
Thermal & Moisture Protection	1,040,000.00	0.00	0.00	1,040,000.00	622,500.00	40,000.00	-450,000.00	212,500.00	827,500.00
Doors & Windows	1,001,000.00	0.00	0.00	1,001,000.00	1,000,650.00	0.00	-75,000.00	925,650.00	75,350.00
Finishes	3,844,000.00	0.00	0.00	3,844,000.00	243,500.00	39,000.00	-125,000.00	157,500.00	3,686,500.00
Specialties	205,000.00	50,000.00	0.00	155,000.00	0.00	0.00	0.00	0.00	155,000.00
Appliances	1,050,000.00	500,000.00	0.00	550,000.00	0.00	0.00	0.00	0.00	550,000.00
Furnishings	1,100,000.00	0.00	0.00	1,100,000.00	282,265.00	0.00	-282,265.00	0.00	1,100,000.00
Mechanical	4,659,000.00	0.00	0.00	4,659,000.00	2,251,888.00	0.00	-500,000.00	1,751,888.00	2,907,112.00
Electrical	2,518,550.00	0.00	0.00	2,518,550.00	1,760,776.00	0.00	-450,000.00	1,310,776.00	1,207,774.00
Change Orders									
CO#02 - add prefab., fuel, storage, work	0.00	75,000.00	0.00	75,000.00	75,000.00	0.00	0.00	75,000.00	0.00
CO#03 - add work, fuel, site works	0.00	134,428.00	0.00	134,428.00	134,428.00	0.00	0.00	134,428.00	0.00
TOTAL HARD COSTS	26,503,200.00	209,428.00	0.00	26,712,628.00	16,929,197.00	125,500.00	-3,472,265.00	13,582,432.00	13,130,196.00
CONTINGENCY ALLOWANCE	45,800.00	-44,104.00	430,000.00	435,696.00	0.00	0.00	0.00	0.00	435,696.00
TOTAL PROJECT COSTS	33,268,900.00	0.00	430,000.00	33,698,900.00	22,023,381.00	193,179.00	-3,472,265.00	18,744,295.00	14,954,605.00

SITE PHOTO REPORT

JUNE 21, 2023



Figure 1 Site

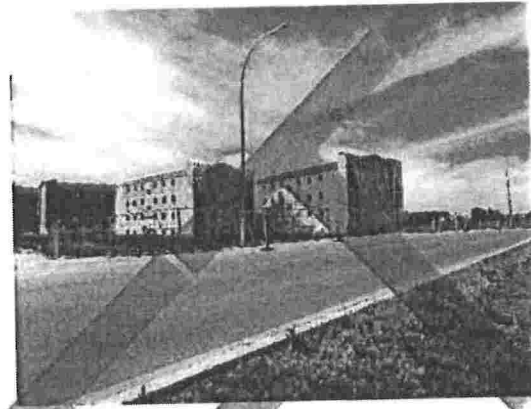


Figure 4 Site.

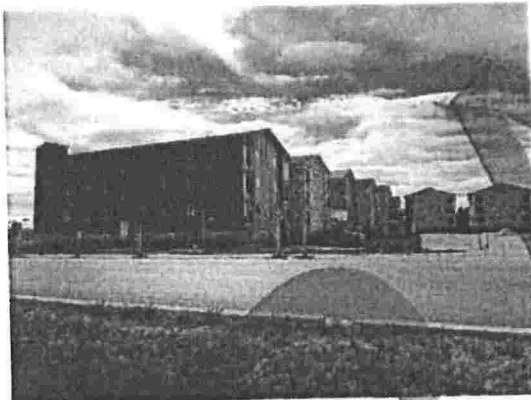


Figure 2 Site Southwest



Figure 5 Siteworks



Figure 3 Site.



Figure 6 Site grading



Figure 7 Building 1 -West Elevation

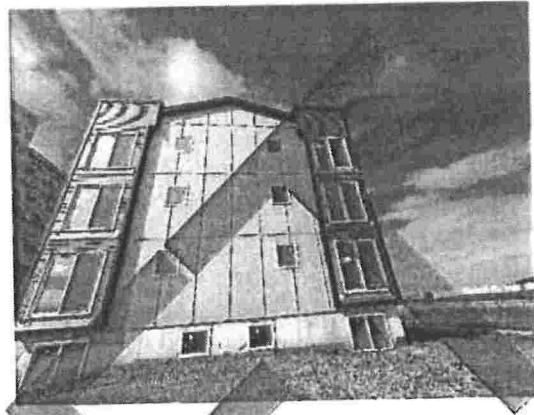


Figure 10 Building 1 Site East.



Figure 8 Building 1 - Northwest Elevation

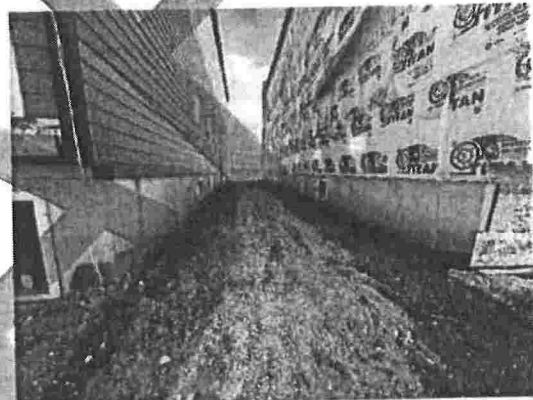


Figure 11 Site grading around buildings



Figure 9 Building 1 - North Elevation



Figure 12 Building 1 stairs

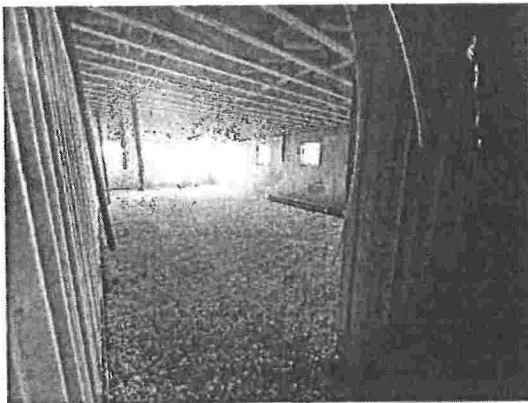


Figure 13 Building 1 basement

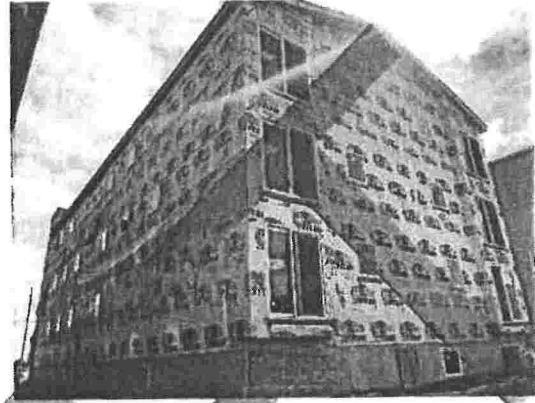


Figure 16 Building 2 Northwest Elevation

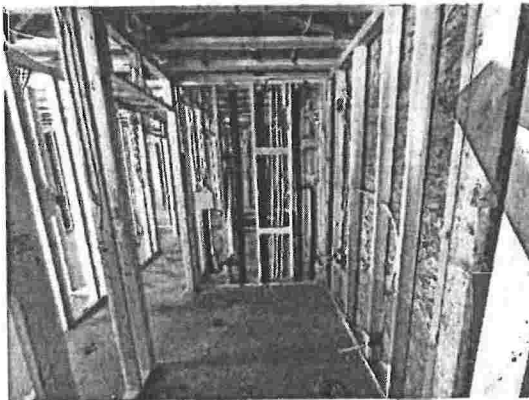


Figure 14 Building 1 Typical Rough ins

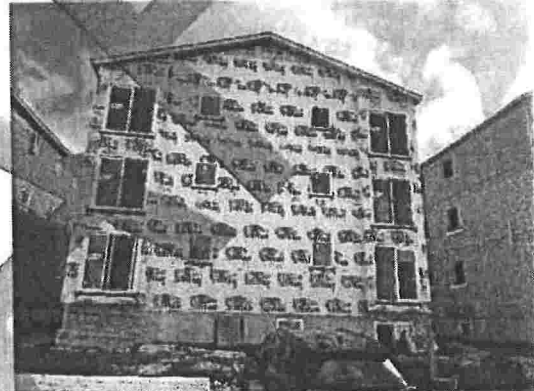


Figure 17 Building 2 West elevation



Figure 15 Building 1 framing

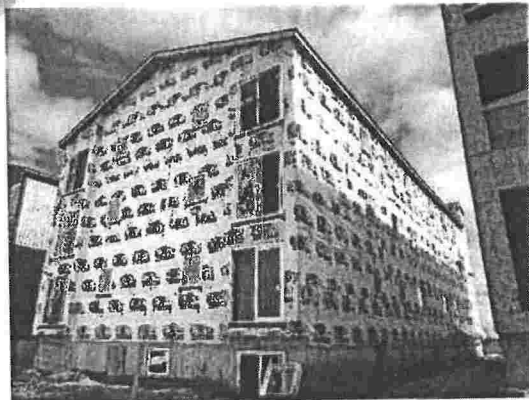


Figure 18 building 2 Southwest Elevation

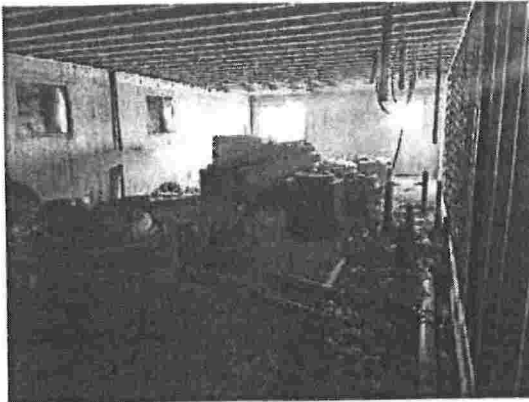


Figure 19 Building 2 Basement

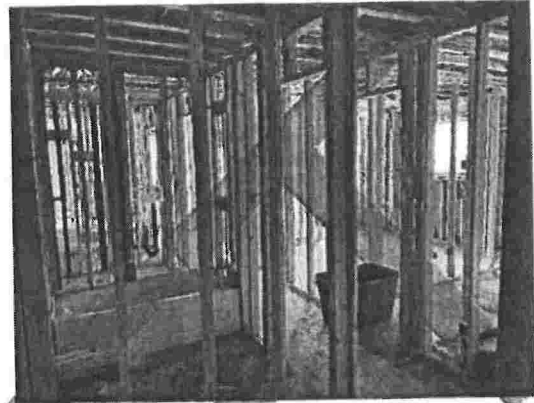


Figure 22 Building 2 typical rough ins

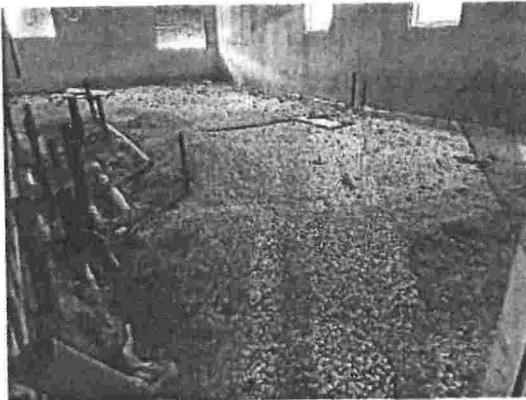


Figure 20 Building 2 Basement

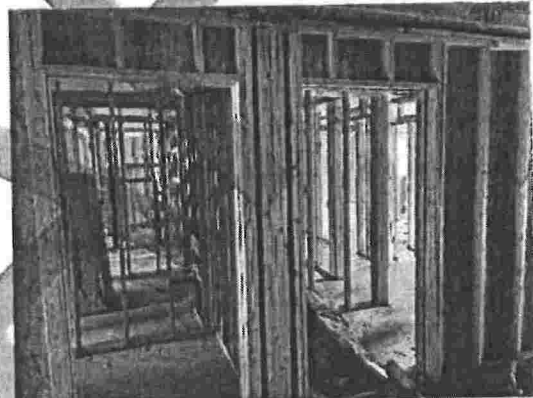


Figure 23 Building 2 Suites entrance



Figure 21 Building 2 typical framing



Figure 24 Building 3 West



Figure 25 Building

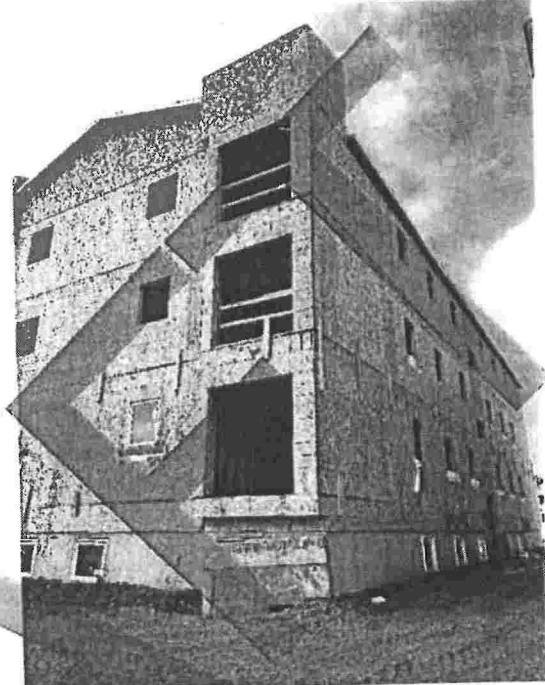


Figure 27 Building 3 Southeast

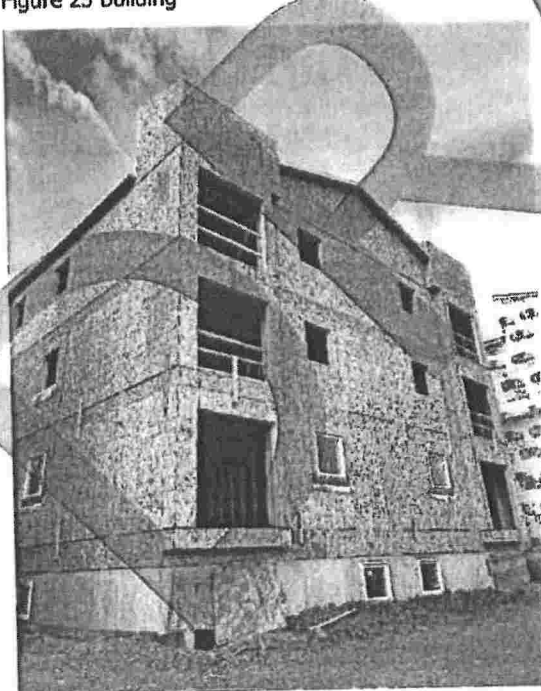


Figure 26 Building 3 South



Figure 28 Building 3 Stair

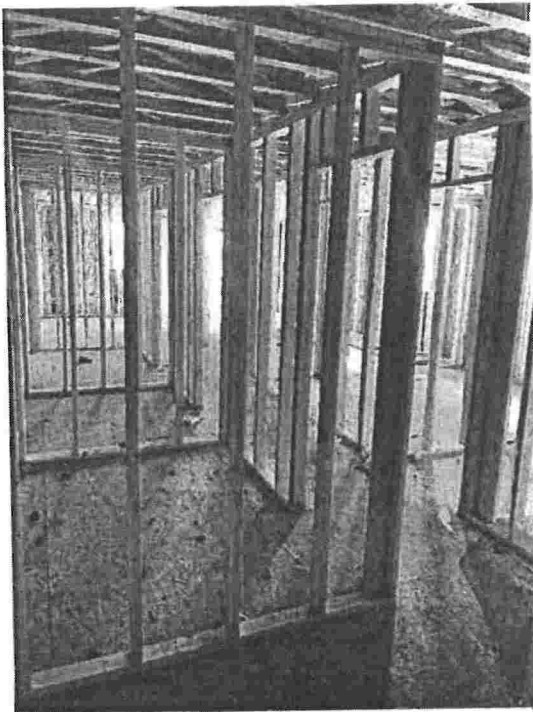


Figure 29 Building 3 Typical framing



Figure 31 Building 4 West



Figure 30 Building roof sheathing



Figure 32 Building 4 south



Figure 33 Building 4 North

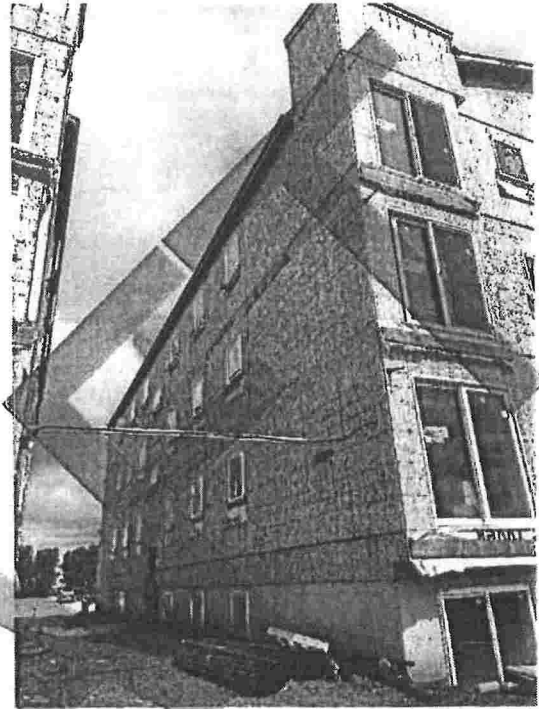


Figure 35 Building 5



Figure 34 Building 4 west

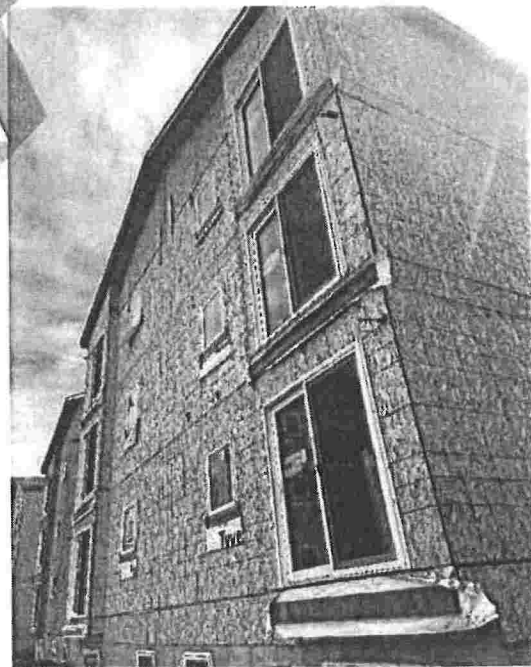


Figure 36 Building 5

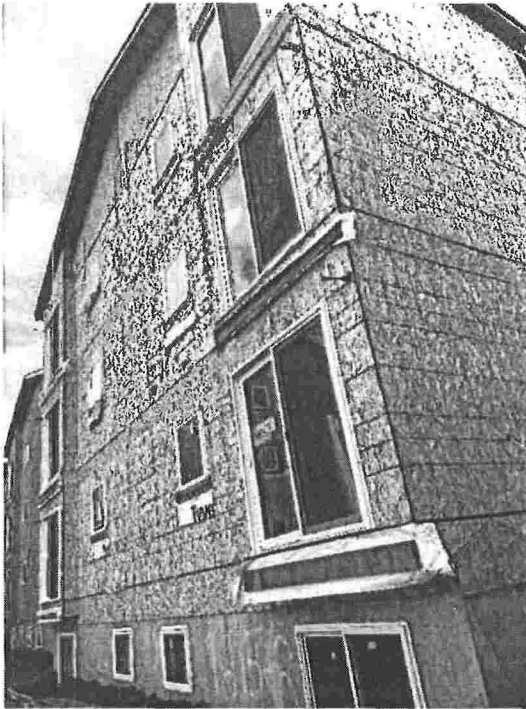


Figure 37 Building



Figure 39 Building 5 basement

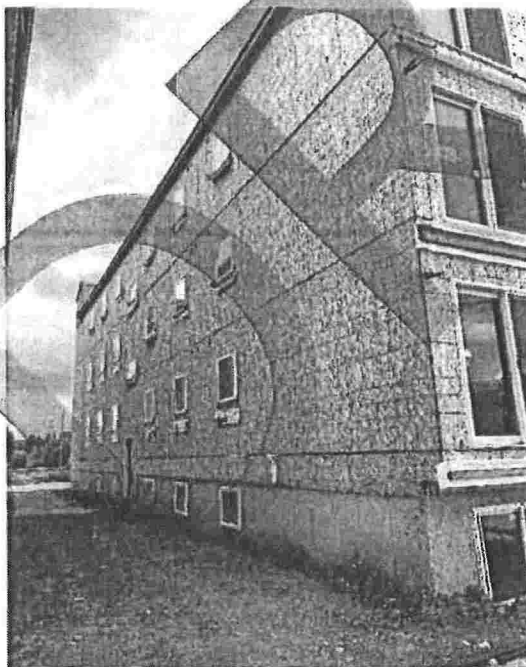


Figure 38 Building 5



Figure 40 Building 5 framing



Figure 41 Building 5 Interior



Figure 43 building 7

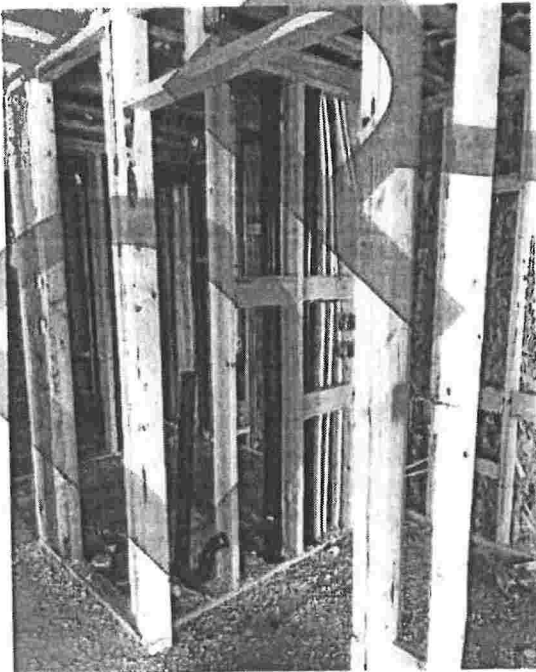


Figure 42 Building 5 rough ins

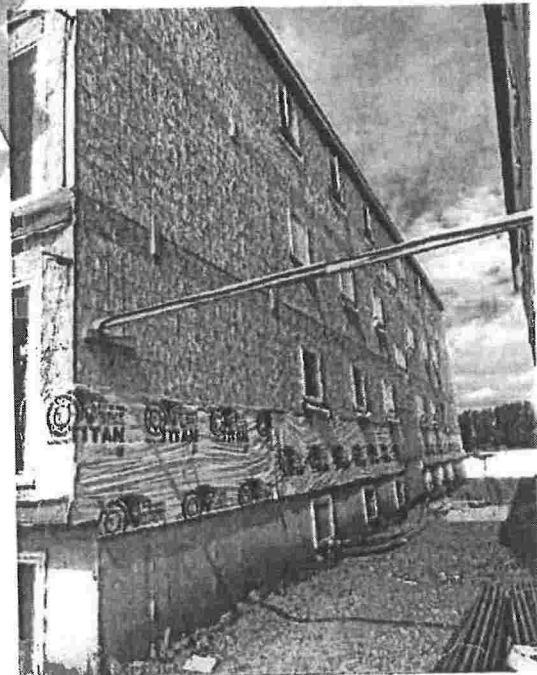


Figure 44 Building 7

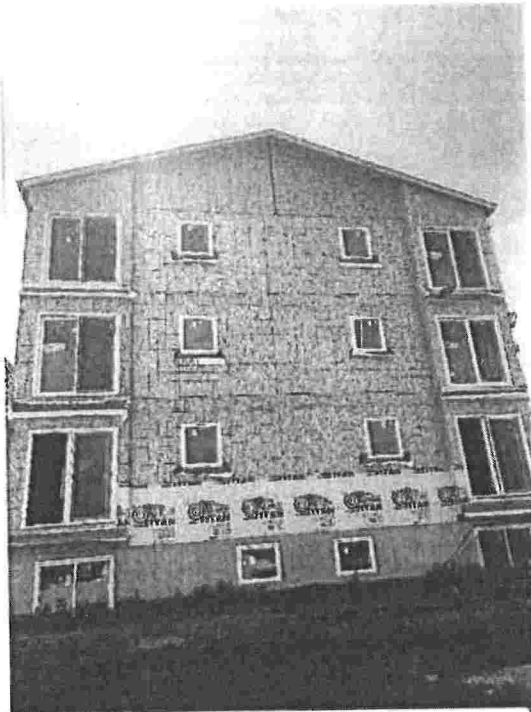


Figure 45 Building 7

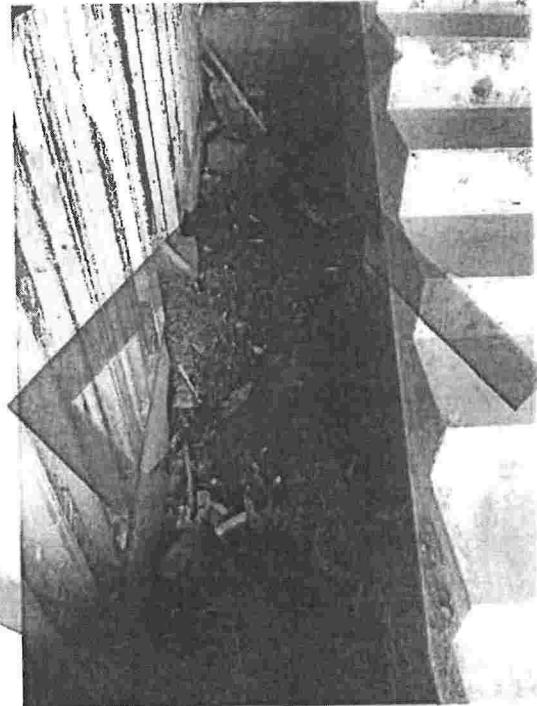


Figure 47 Building 7 basement/stair

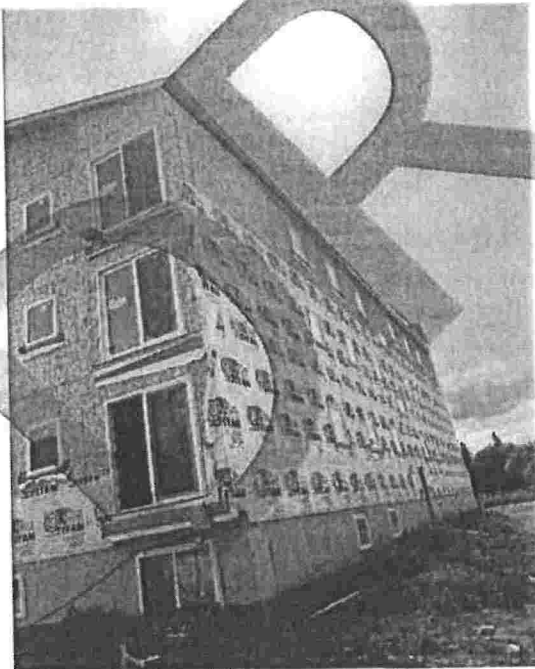


Figure 46 Building 7



Figure 48 building 7 interior

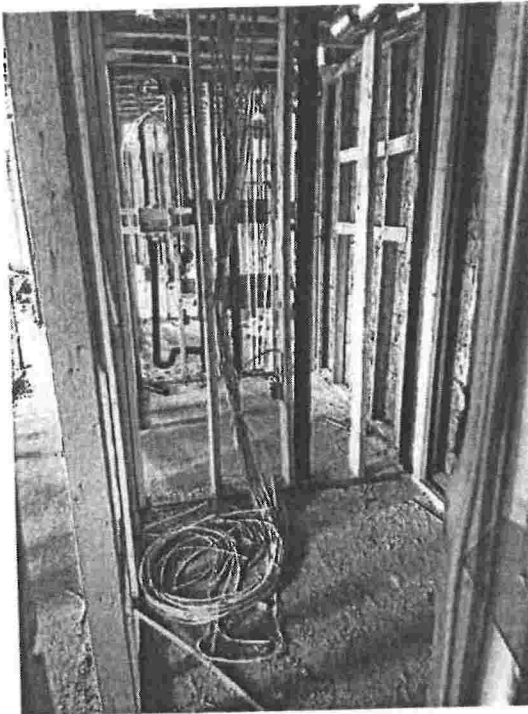


Figure 49 Building 7 interior

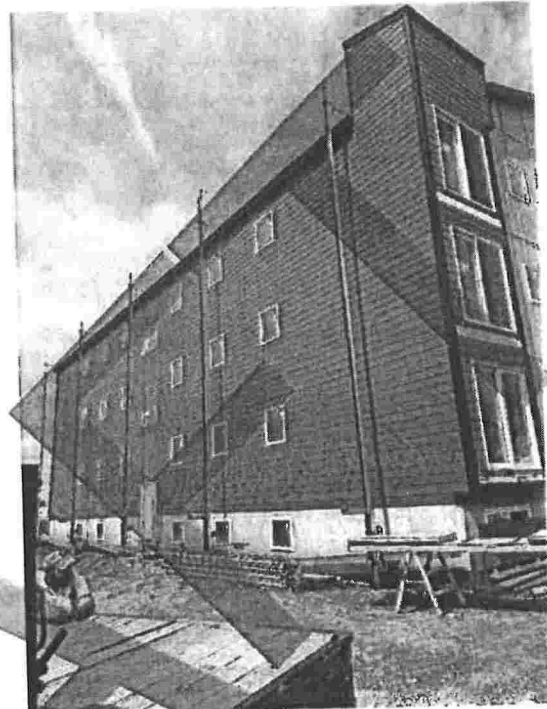


Figure 51 Building 12



Figure 50 Building 12

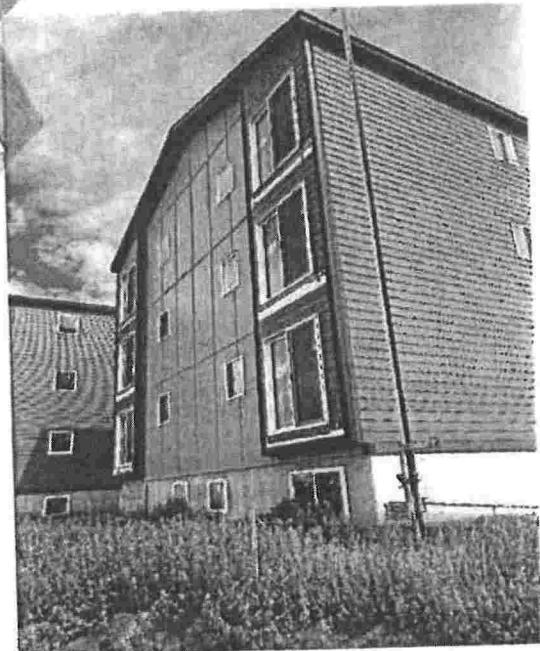


Figure 52 Building 13



Figure 53 Building 13 West

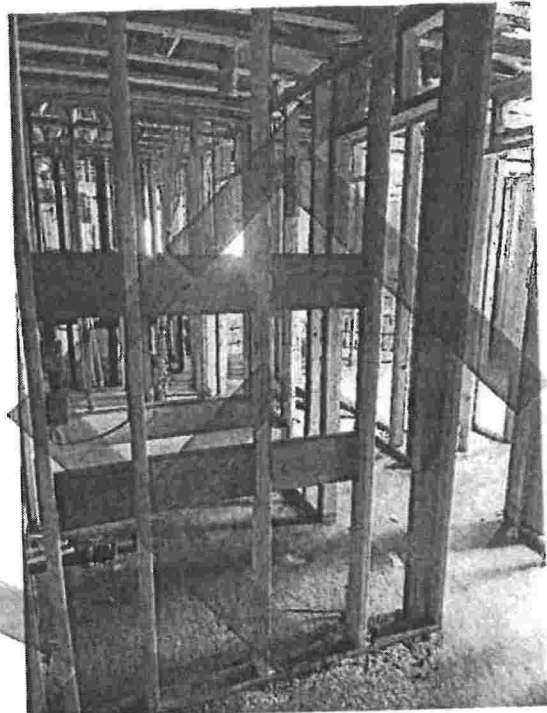


Figure 55 Building 12 & 13 typical interior



Figure 54 Building 12 & 13 typical basement

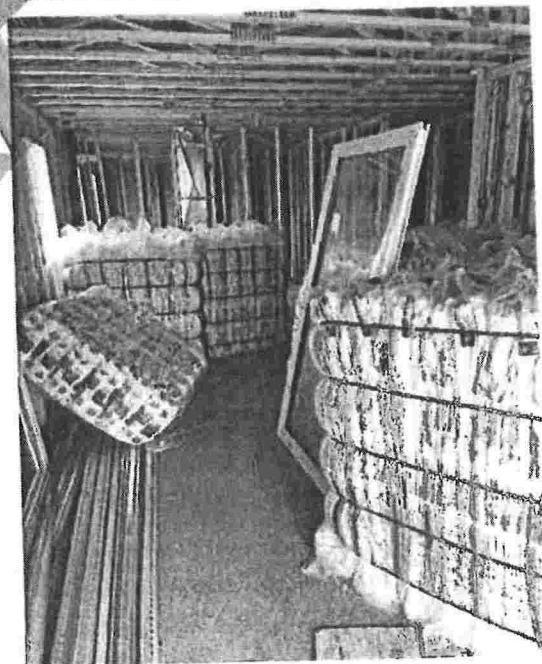


Figure 56 Building 13 insulation material

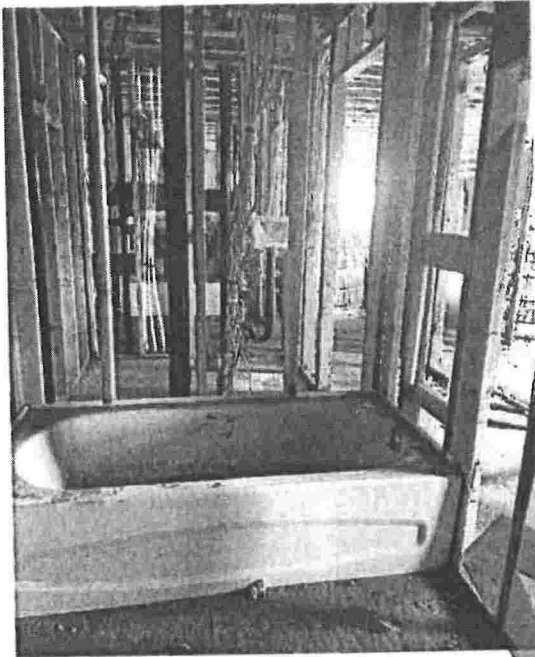


Figure 57 building 12 & 13 typical rough ins



Figure 59 building 12 Northeast

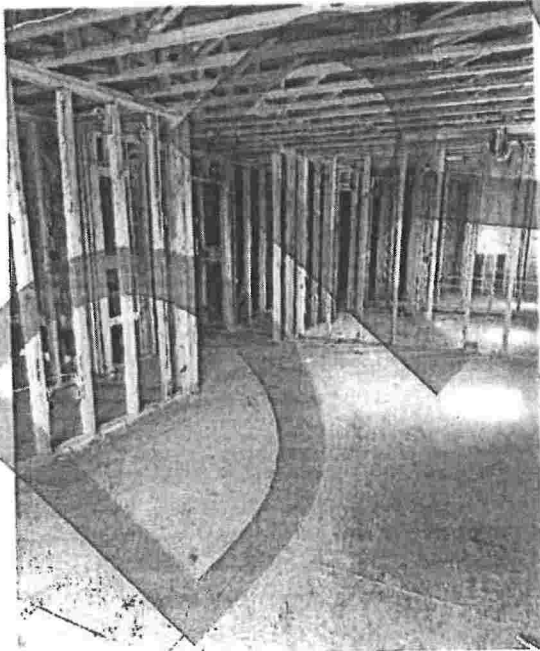


Figure 58 Building 12 & 13 Interior framing



Figure 60 Building 12 East



Figure 61 Building 11 Roof Framing

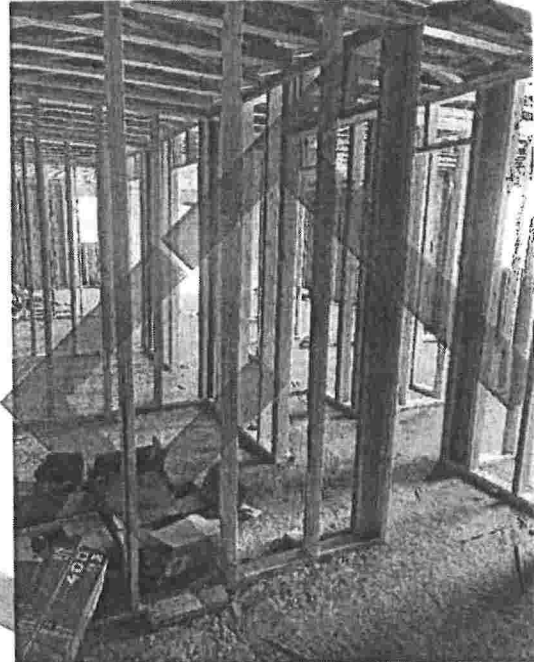


Figure 63 Building 11 Interior framing

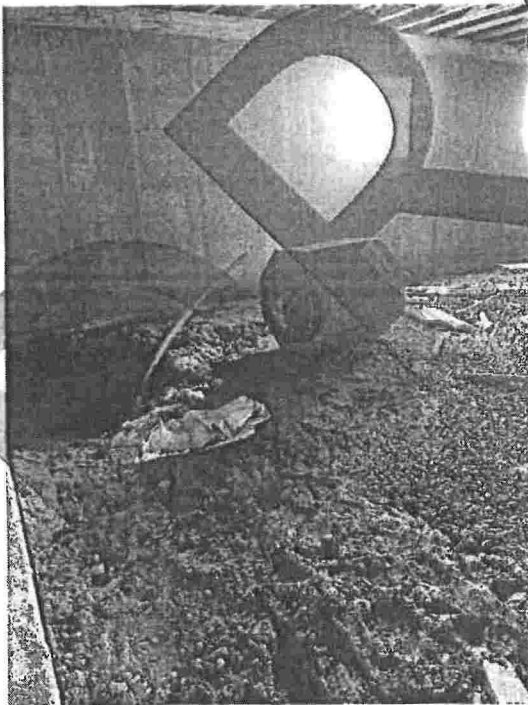


Figure 62 Building Basement

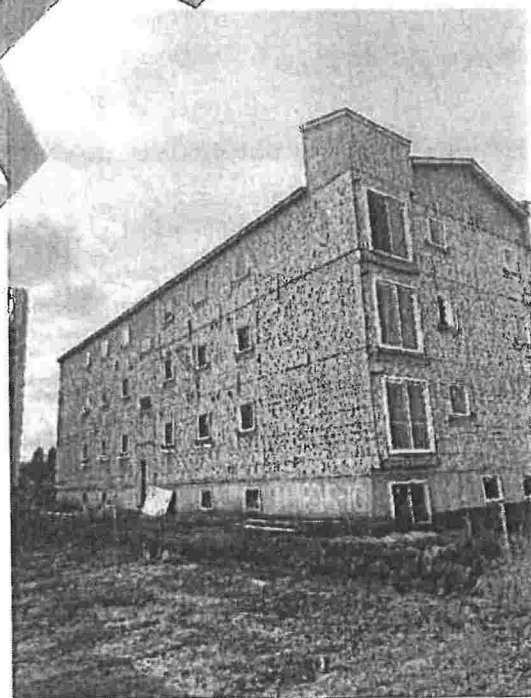


Figure 64 Building 10 Northeast

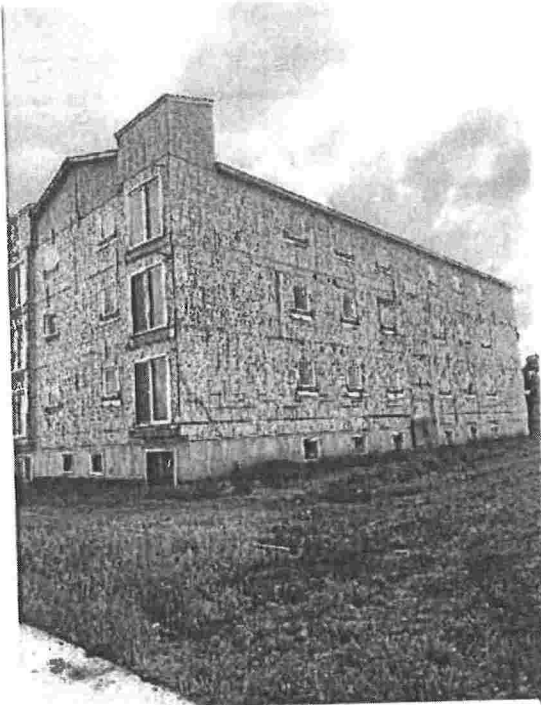


Figure 65 Building 10 Southeast

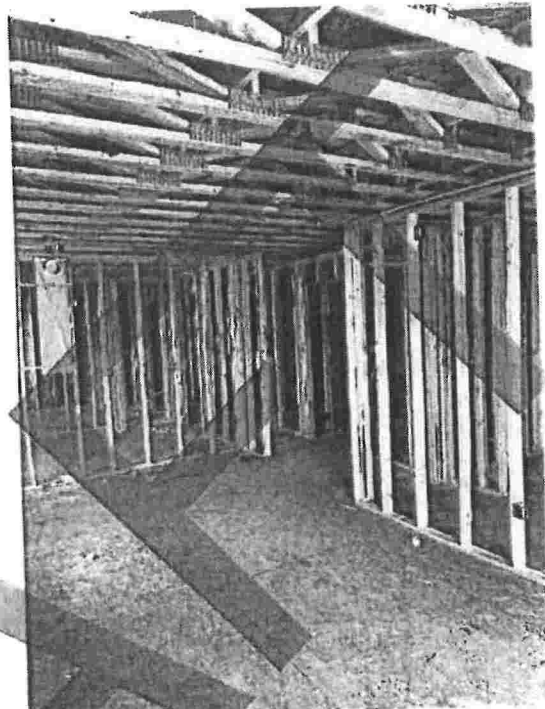


Figure 67 Building 10 Interior framing



Figure 66 Building 10 basement



Figure 67 Building 10 Electrical Rough Ins



Figure 68 Building 11 Interior framing



Figure 70 Parking lot excavation at building 8&9

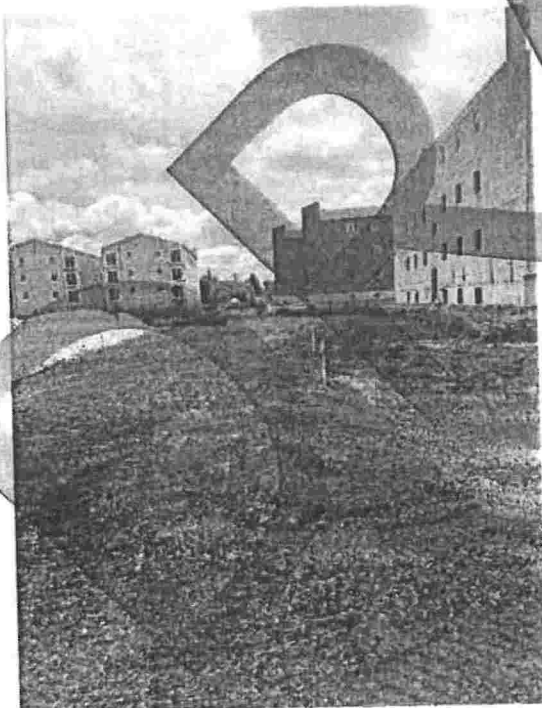


Figure 69 Parking lot at building 11



Figure 71 HM steel door and frame laydown



Figure 72 Electrical materials in storage

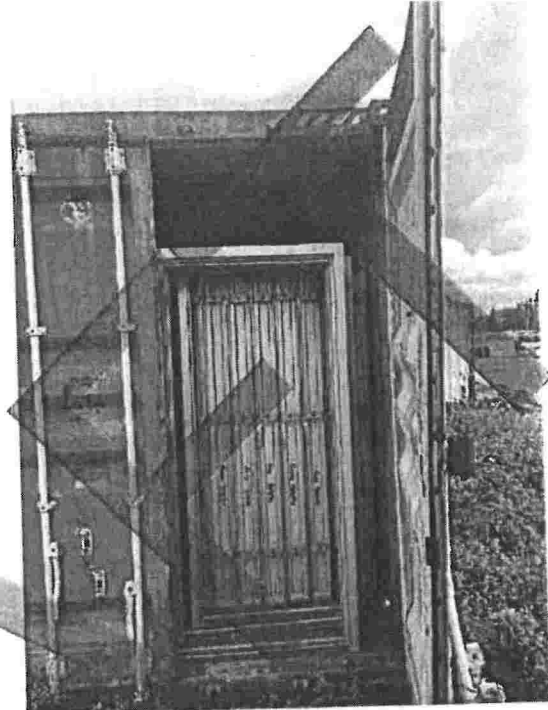


Figure 74 Door frame in storage



Figure 73 Door and frame on laydown



Figure 75 Weeping tiles on laydown



Figure 76 Parking lot on west grading



Figure 78 Materials in storage



Figure 77 Parking lot on south grading

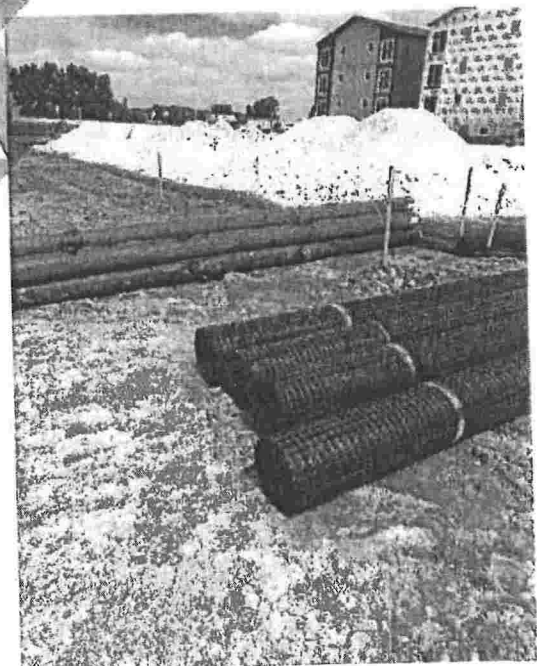
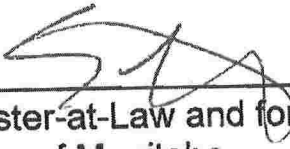


Figure 79 site roadworks granular fill

This is Exhibit "C" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.



D. Maly

May 24, 2023

PROJECT MONITORING CLAIM REPORT

Affordable Apartment Development

Portage La Prairie, MB

REPORT NUMBER 21.0
MAY 18, 2023

PREPARED FOR:
Peoples Trust Company

404 6th Avenue SW, Calgary, AB T2P 0R9
T 403 269 5155

BUILDING INTELLIGENCE

BTY.COM



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Prepared By	Reviewed By	Date	File No.
Ben Weishaupt	Nathan Gerbrecht	May 18, 2023	3-12275



1.0 Introduction

1.1 Instructions Received

This Progress Claim Report ("Report") has been prepared by BTY Group at the request of Peoples Trust Company, (the "Lender"). The Report is intended to provide a general overview of the fundamental features of the project, as provided to us by the Borrower, including confirmation of any revisions to the project budget; progress on site; and costs incurred to date. This Report is to be read in the context of the Lender's Commitment Letter, dated June 29, 2021 and the scope of services attached in the Budget Review Report and as agreed with the Lender.

1.2 Reliance upon the Report

This Report is owned by BTY Group, and it is provided for the benefit and sole reliance of the Lender. BTY Group, its directors, staff, or agents do not make any express or implied representation or warranty whatsoever as to the factual accuracy of the information provided to us on behalf of Bokhari Development Inc., (the "Borrower") its subcontractors or agents, upon which this Report is based. This Report contains confidential, proprietary information and related intellectual property rights of BTY Group which is licensed on a non-exclusive and limited basis to the Lender, and the Report may not be reproduced, transferred, copied, shared or distributed, in whole or in part, to any party other than the Lender, without the express prior written permission of BTY Group.

1.3 Reporting Qualifications

This report has been prepared based on information provided to us by the Borrower up to the date of issue of this report. BTY Group has reviewed the information provided to us as part of our due diligence procedures, to ensure that the Borrower's application for payment is reasonable. BTY Group does not accept any liability or accountability for information that has not been provided to us or made available to us at the time of preparing this Report.

BTY Group is a professional firm of Property Advisors and is not qualified to provide confirmation that the works are being constructed in accordance with the approved drawings, specifications and regulatory approvals. If the design consultant of record has provided us with this confirmation, we will include the documentation as part of our Report.

1.4 Contacts

If you have any queries in relation to this Report, please contact:

BTY Group
Suite 645 – 404 6th Avenue SW
Calgary, AB T2P 0R9

Per: Ben Weishaupt, PQS, BASc
Associate Director
Tel: 403-269-5155
Email: benweishaupt@bty.com

Per: Michael Gabert, PQS(F), MRICS
Director -- Prairies
Tel: 403-269-5155
Email: michaelgabert@bty.com



2.0 Executive Summary

Site Visit	Details	Comments
Date of Visit	May 10, 2023	
Schedule		
Actual Start on Site	September 1, 2021	Mobilization approximately 2 weeks behind
Forecast Overall Completion	September 2023	Delayed 14 months (Refer to Section 11.0)
Schedule Status	Aggressive to maintain	Increased productivity is required
Loan Maturity Date	September 29, 2023	Extended per Amendment (Refer to Section 11.0)
Drawdown		
Loan Draw Recommended this month	\$ 193,179	Net Draw Amount
Cumulative Loan Advance to date	\$ 20,547,659	Including current advance
Equity Injected	\$ 1,668,900	All equity per Commitment Letter Injected
Construction Budget		
Original Budget	\$ 26,503,200	
Current Forecast Final Cost	\$ 26,712,628	
Current Variance / Status	\$ 0	\$209,428 to date. Refer to Section 6.0.
Work-in-Place	\$ 17,054,697	64% complete to date
Development Budget		
Original Budget	\$ 7,981,500	Including CMHC Fees & Premium
Current Forecast Final Cost	\$ 6,556,272	Excluding CMHC Fees & Premium
Current Variance / Status	\$ 0	\$(1,425,228) to date. Refer to Section 6.0
Work-in-Place	\$ 5,161,862	79% complete to date
Overall Project Budget		
Total Forecast Final Cost	\$ 33,268,900	Excluding CMHC Fees & Premium
Total Work-in-Place	\$ 22,216,559	67% complete overall
Cost to Complete		
Remaining Loan Facility	\$ 11,052,341	
Remaining Cost to Complete	\$ 11,052,341	33% remaining overall
Contingency		
Drawdown on Contingency this month	\$ 0	Refer to Section 7.0
Balance of Contingency Remaining	\$ 5,696	Low; Additional equity will be required
Holdback		
Builder's Lien Holdback	\$ 1,279,102	7.5% of Construction Contract to date
Holdback Release	\$ 0	
Notes / Other Comments		

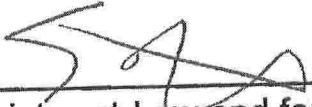
The Borrower's updated completion date of September 29, 2023 appears aggressive at this time (refer to Section 11.0)

The Borrower's Interest Reserve is only adequate until approximately June 2023, additional Borrower equity will be required for interest due past this point (refer to Section 18.0)

404 6th Avenue SW, Calgary, AB T2P 0R9 | 403 269 5155

This report has been prepared at the request of Peoples Trust Company and is the exclusive property of BTY Group, which is the owner of the intellectual property rights relating to this Report. The Report must be treated as confidential and proprietary information of BTY Group and it may not be disclosed, reproduced or permitted to be disclosed to any party without the prior consent of BTY Group.

This is Exhibit "D" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.

Tuesday, August 8, 2023 at 10:50:34 Central Daylight Time

Subject: Fwd: FW: Statement of Account
Date: Tuesday, August 8, 2023 at 9:17:35 AM Central Daylight Saving Time
From: Darcy Shaver
To: Stephan Thliveris, Colin Durward, Scott Cannon
Attachments: Gisos letter.pdf, Midcanada reinforcing.pdf, Gateway Projects - Portage La Prairie.pdf

Didn't realize don cut them 7.5% holdback money for cement that's still not completed.

No basements poured in any building

Get Outlook for Android

From: jeff approvedfinancing.ca <jeff@approvedfinancing.ca>
Sent: Monday, June 20, 2022 7:09:42 AM
To: Don.Knight@knightlaw.ca <don.knight@knightlaw.ca>; Stacey Goodwill <Stacey.Goodwill@knightlaw.ca>
Cc: Gateway Projects <gatewayprojectsmb@gmail.com>; sgbokhari@icloud.com <sgbokhari@icloud.com>; 'Darcy Shaver' <darcy_shaver@hotmail.com>
Subject: FW: FW: Statement of Account

Good morning all

I spoke to don on the weekend and we both came to an agreement to release (today) , 7.5% on the cement payments to date of \$2,472,533= \$185,439,975.

Don needed the following , which I categorized and have provided proof in emails and attached letters

1. Keller/Gisos letter that they have been paid in full as the sub contractor for the piling —please see below as the confirmation to this requirement as well as attached
2. Lafarge email stating that they are not owed anything – COD—please see below confirmation
3. North Land Ready Mix letter—as per attached—Provider of the cement mix brought to the site
4. Mid Canada—as per attached

A. See below email. This is for holdback release on the piling work which was completed back in December by Keller foundations.

----- Forwarded message -----

From: **Mah, Darrin** <Darrin.Mah@keller-na.com>

Date: Tue, May 10, 2022, 10:52 AM

Subject: Statement of Account

To: gatewayprojectsmb@gmail.com <gatewayprojectsmb@gmail.com>

Hello,

I received an voicemail from P.Sandhu.

I can confirm that there's no balance outstanding with Gateway Project 6332189 Manitoba Ltd.

Thanks,

Please note: As of January 1, 2020, North America Keller companies Bencor, Case Atlantic, Case Foundation, Hayward Baker, HJ Foundation, Keller Canada, McKinney Drilling and Moretrench have joined together and rebranded to Keller. [Learn more at keller-na.com/welcome-keller](http://keller-na.com/welcome-keller)

Darrin Mah, CPA Branch Accountant

Keller – North America

Unit 130 – 9347 200A Street Langley, BC V1M 0B3

m: +1 (604) 679-7296

e: darrin.mah@keller-na.com

keller-na.com | [LinkedIn](#)

B. ----- Forwarded message -----

From: **Luis LEITAO** <luis.leitao@lafarge.com>

Date: Fri, May 6, 2022, 8:27 AM

Subject: Re: From Oak Bluff MFP M525

To: Gateway Projects <gatewayprojectsmb@gmail.com>

No statement available due to it being on a cod.

- On Fri, May 6, 2022 at 8:16 AM Gateway Projects <gatewayprojectsmb@gmail.com> wrote:

Thanks for this Lou. Can you ask the bookkeeper to send a statement showing zero balance? Sorry for the inconvenience but lender requires

Thanks

Preet

On Fri, May 6, 2022 at 8:15 AM Luis LEITAO <luis.leitao@lafarge.com> wrote:

Gisos Construction Ltd

4563 Rebeck Road Winnipeg, Manitoba R1C0C6

Phone: (204) 330-2896

Email: gisos.construction@gmail.com

Hi,

We are the basement foundation concrete contractor for the project at 1801-1825 park drive, portage la prairie. We have been paid in full for all 13 basement walls we installed.

Thanks

Signed,

A handwritten signature in black ink, appearing to read 'A Gisos', with a stylized, cursive script.

Arnold Gisos

NORTHLAND

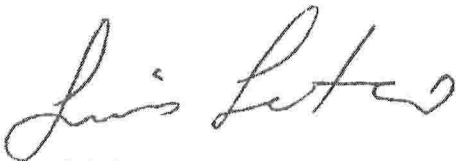
READY MIX CONCRETE

Box 249, Oak Bluff, Manitoba R0G 1N0

OFFICE: 256-4755 / FAX: 255-2175

To whom it may concern:

For the project on Park drive in Portage La Prairie sold to Gateway projects, all concrete that has been poured at all buildings has been paid in full.



Luis Leitao

Sales Manager

May 05 2022