

GENERAL	
1. STIPULATED PRICE CONTRACT CCDC17-2010	The Construction Contract for this project is the standard Construction Document - CCDC17 2010, Stipulated Price Contract between <i>Owner</i> and <i>Trade Contractor</i> for Construction Management Projects
2. CCDC17-2010 SUPPLEMENTAL CONDITIONS	The following supplements modify, delete from or add to the "Agreement between <i>Owner</i> and <i>Trade Contractor</i> ", the "Definitions" and "The General Conditions of the Stipulated Price Contract between <i>Owner</i> and <i>Trade Contractor</i> for Construction Management Projects" as noted above. Where any Article or General Condition is modified or any paragraph, sub-paragraph or sentence thereof is modified or deleted by these supplements, the unaltered portions shall remain in effect.
3. PART OF CONTRACT	These Supplemental Conditions form part of the CCDC17-2010 contract for the " <i>Work</i> ".
4. WORK PREVIOUSLY PERFORMED UNDER SEPARATE SUB-CONTRACT AGREEMENT WITH M & L GENERAL CONTRACTORS LTD.	The <i>Trade Contractor</i> hereby acknowledges and agrees that all work previously performed by the <i>Trade Contractor</i> in relation to the IRCOM II Housing Project by way of sub-contract with M&L General Contractors Ltd. in furtherance of the contract between M&L General Contracting Ltd. and the <i>Owner</i> dated October 30, 2012 and all payments due to the <i>Trade Contractor</i> from M&L General Contracting Ltd. pursuant to any such sub-contract between the <i>Trade Contractor</i> and M&L General Contracting Ltd. form the subject of a separate and distinct contract and is distinct from the works contemplated under this <i>Contract</i> . The <i>Trade Contractor</i> also acknowledges and agrees that this <i>Contract</i> creates no obligation on the part of the <i>Owner</i> to make payment to M&L General Contractors Ltd. or to the <i>Trade Contractor</i> for works performed pursuant to any prior sub-contract between the <i>Trade Contractor</i> and M&L General Contracting Ltd.
5. MANITOBA HOUSING CONTRACT ADMINISTRATOR AND PROJECT MANAGER	Add the following: Contract Administrator is: Name Phone Email Project Manager is: Name Phone Email
AGREEMENT BETWEEN OWNER AND CONTRACTOR	
ARTICLE A-5 COMPENSATION FOR SERVICES	5.1 Delete: "and, where such legislation or regulations do not exist or apply, subject to a holdback of ____ percent (%)" from the first sentence.

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	<p>Add: 5.1.4 "If the <i>Owner</i> has notice of any lien or trust claim when a progress payment or release of holdback is due, the <i>Owner</i> may refuse to make the progress payment or release the holdback until it is satisfied that the lien or trust claim has been discharged or that sufficient funds have been set aside for this purpose."</p> <p>5.3 Delete: The entire paragraph</p>
ARTICLE A-8 LANGUAGE OF THE CONTRACT	8.1. Delete: "French *
DEFINITIONS	
Owner	Add: "The <i>Owner</i> shall mean Manitoba Housing and Renewal Corporation (MHRC), which also operates under the business name "Manitoba Housing"."
Substantial Performance of the Work	<p>Delete: The second sentence.</p> <p>Replace with: "Date of <i>Substantial Performance of the Work</i> means the date on which the <i>Consultant</i> certifies that <i>Substantial Performance of the Work</i> has occurred."</p>
Value Added Taxes	<p>Delete: The entire paragraph.</p> <p>Replace with: "Based on a Reciprocal Tax Agreement with the Canada Revenue Agency, The Manitoba Housing and Renewal Corporation (MHRC), which also operates under the business name "Manitoba Housing", is relieved of paying GST/HST."</p>
PART 1 GENERAL PROVISIONS	
GC 1.1 CONTRACT DOCUMENTS	<p>1.1.6.1: Delete the entire subparagraph.</p> <p>Replace with: "If there is a conflict within the <i>Contract Documents</i>:</p> <ol style="list-style-type: none"> 1. the order of priority of documents, from highest to lowest, shall be: <ul style="list-style-type: none"> • these Supplementary Conditions to the Standard Construction Document, CCDC 17 – 2010, Stipulated Price Contract, between <i>Owner</i> and <i>Trade Contractor</i> for Construction Management Projects, • the Articles of Agreement between <i>Owner</i> and the <i>Trade Contractor</i>, • the Definitions, • the General Conditions, • Division 00 – Special Instructions, • Division 1 of the <i>Specifications</i>, • technical <i>Specifications</i>, • material and finishing schedules, • the <i>Drawings</i>." <p>1.1.8: Delete the first sentence.</p> <p>Replace with: "<i>Specifications, Drawings, models and copies thereof</i> furnished by the <i>Consultant</i> are and shall remain the</p>

	<p><i>Consultant's and/or the Owner's property, as the case may be, with the exception of the signed Contract sets, which shall belong to each party to the Contract.</i></p>
PART 2 ADMINISTRATION OF THE CONTRACT	
GC 2.1 AUTHORITY OF THE CONSTRUCTION MANAGER AND THE CONSULTANT	<p>2.1.2: Delete "with the written consent of the <i>Owner</i> and the <i>Trade Contractor</i>"</p> <p>Replace with: "by the <i>Owner</i> and shall be effective upon written notice issuing to the <i>Construction Manager</i>, the <i>Consultant</i> and the <i>Trade Contractor</i>."</p>
GC 2.2 ROLES OF THE CONSTRUCTION MANAGER AND THE CONSULTANT	2.2.1.2: Delete "except with respect to GC 5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER"
	2.2.1.3: Delete "or GC 5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER"
PART 3 EXECUTION OF THE WORK	
GC 3.1 CONTROL OF THE WORK	<p>Add: 3.1.3 "Subject to other provisions of GC 3.1 – CONTROL OF THE WORK, the <i>Trade Contractor</i> agrees that it shall fully comply with any policies or procedures of the <i>Owner</i> which are relevant to any activity of the <i>Trade Contractor</i> to be performed under the <i>Contract</i>."</p>
GC 3.4 DOCUMENT REVIEW	<p>3.4.1: Delete the last sentence.</p> <p>Replace with: "If the <i>Trade Contractor</i> does discover any error, inconsistency or omission in the <i>Contract Documents</i>, the <i>Trade Contractor</i> shall report the matter promptly to the <i>Construction Manager</i>, the <i>Owner</i> and the <i>Consultant</i>, and shall not proceed with the work affected until the <i>Trade Contractor</i> has received corrected information from the <i>Construction Manager</i>."</p>
GC 3.5 CONSTRUCTION SCHEDULE	3.5.3.2: Add to the beginning of the sentence: "perform the <i>Work</i> in accordance with the submitted construction schedule,"
GC 3.6 SUPERVISION	<p>Add: 3.6.3 "The <i>Owner</i> may, for reasonable cause request, through the <i>Construction Manager</i>, that the <i>Trade Contractor</i> remove from the <i>Project</i> any supervisor, representative or employee of the <i>Trade Contractor</i> or <i>Trade Subcontractor</i>, and the <i>Trade Contractor</i> shall forthwith make arrangements to designate replacements who are acceptable to the <i>Owner</i>".</p>
GC 3.13 CLEAN UP	<p>Add: 3.13.4 "Should the <i>Trade Contractor</i> fail to perform ongoing or final cleanup when required by the <i>Owner</i>, the <i>Owner</i> may have the cleanup performed by whatever means may be expedient and all associated costs will be charged to the <i>Trade Contractor</i>. The <i>Owner</i> may set-off such costs against any amount owing to the <i>Trade Contractor</i>."</p>
PART 4 ALLOWANCES	
GC 4.2 CONTINGENCY ALLOWANCE	Delete entire 4.2.

PART 5 PAYMENT	
GC 5.1 FINANCING INFORMATION REQUIRED OF THE OWNER	Delete entire 5.1
GC 5.2 APPLICATIONS FOR PAYMENT	Add: 5.2.8 "An application for payment shall be deemed received only if submitted complete with required supporting documentation as determined by the <i>Payment Certifier</i> ."
GC 5.3 PROGRESS PAYMENT	<p>5.3.1.2: Change "... no later than 10 calendar days after receipt ..." to "no later than 10 working days after receipt ..."</p> <p>5.3.1.3: Delete entire subparagraph.</p> <p>Replace with: "the <i>Owner</i> shall make payment to the <i>Trade Contractor</i> on account as provided in Article A-5 PAYMENT no later than 30 calendar days after the date the <i>Payment Certifier</i> issues a certificate of payment representing the <i>Owner's</i> approval of the <i>Construction Manager's</i> application for payment."</p> <p>Add: 5.3.2 "Title to all <i>Products</i> delivered to the <i>Place of the Project</i> for which credit is claimed in any application for payment shall, on making payment, vest in the <i>Owner</i>."</p>
GC 5.4 SUBSTANTIAL PERFORMANCE OF THE WORK	<p>5.4.2: In the first sentence "The <i>Construction Manager</i> and the <i>Consultant</i> will review the <i>Work</i> ..." Add "... in consultation with the <i>Owner</i> ."</p> <p>5.4.3 In the first sentence "... a designated portion of the <i>Work</i>, the <i>Trade Contractor</i>, in consultation with the <i>Construction Manager</i>, ..." Add "...<i>Consultant</i> and the <i>Owner</i>, ..."</p> <p>Add: 5.4.4 "Promptly after the issuance of any certificate of <i>Substantial Performance of the Work</i>, the <i>Trade Contractor</i> shall submit to the <i>Owner</i>, through the <i>Construction Manager</i>, all written guarantees, warranties, certificates, service contracts, manufacturer's inspections, testing and balancing reports, distribution system diagrams, <i>Shop Drawings</i>, maintenance manuals and materials, all record of As Built Drawings, and any other materials or documentation required by the <i>Contract Documents</i>."</p>
GC 5.5 PAYMENT OF HOLDBACK UPON SUBSTANTIAL PERFORMANCE OF THE WORK	<p>Delete entire 5.5.3</p> <p>5.5.4: Delete "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."</p> <p>Delete entire 5.5.5</p>
GC 5.6 PROGRESSIVE RELEASE OF HOLDBACK	Delete entire 5.6.2
GC 5.7 FINAL PAYMENT	5.7.1: Add "The <i>Trade Contractor's</i> application for final payment shall be accompanied by any documents or materials not yet delivered and which are required under the <i>Contract Documents</i> to be submitted by the <i>Trade Contractor</i> before final payment."

	5.7.2: Change "No later than 10 calendar days after the receipt" to "No later than 10 working days after the receipt"
	5.7.4: Change "no later than 5 calendar days after the issuance of" to "no later than 30 calendar days after the issuance of"
ADD: GC 5.10 RIGHT OF SET OFF	Add: 5.10.1 "Without restricting any right of set-off given or implied by law, the <i>Owner</i> may set-off against any amounts payable under the <i>Contract Documents</i> to the <i>Trade Contractor</i> any amount including expenses and damages owing to the <i>Owner</i> by the <i>Trade Contractor</i> ."
PART 6 CHANGES IN THE WORK	
GC 6.2 CHANGE ORDER	<p>Add to the end of paragraph 6.2.1 the following:</p> <p>"Quoted prices shall be all inclusive and final with no exclusions.</p> <p>When the valuation of a change in the <i>Work</i> is to be determined either by estimate and acceptance in a lump sum, or by cost and a fixed or percentage fee, the valuation shall be in accordance with the following:</p> <p>.1 <u>Costs:</u></p> <p>The valuation of a change in the <i>Work</i> shall be based on actual costs as defined in paragraph 6.3.7 of GC 6.3 CHANGE DIRECTIVE.</p> <p>.2 <u>Mark-Up:</u></p> <p>Costs for increases in the <i>Work</i>, unless otherwise agreed, shall be marked up as follows for overhead and profit:</p> <p>(a) <i>Trade Contractor</i>: 10% overhead and 5% fee on the cost of their own work, and 5% overhead and 5% fee on <i>Trade Subcontractors'</i> prices.</p> <p>(b) <i>Trade Subcontractors</i>: 10% overhead and 10% fee on the cost of their own work: 5% overhead and 5% fee on trade sub-subcontractors' prices.</p> <p>(c) <i>Trade sub-subcontractors</i>: Same rates as for <i>Trade Subcontractors</i>.</p> <p>Cost for decreases in the <i>Work</i> shall not be marked up, and no compensation is claimable by the <i>Trade Contractor</i> for any loss of anticipated profit in respect of any decreases in the <i>Work</i>.</p> <p>.3 <u>Substantiation:</u></p> <p>If requested, the <i>Trade Contractor</i> shall submit details of quantities, prices, and fees, as outlined above, together with substantiating documentation.</p> <p>.4 <u>Time for Submission and Acceptance of Quotation:</u></p>

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	The <i>Trade Contractor</i> will co-operate in the pricing of the change in the <i>Work</i> to submit their quotation within 21 calendar days of the <i>Construction Manager's</i> request, and the quotation shall remain open for acceptance for 15 calendar days from the date of submission."
GC 6.5 DELAYS	Add: 6.5.6 " <i>Contract Time</i> shall be extended and associated costs paid only if and to the extent the <i>Trade Contractor</i> has made reasonable efforts to mitigate and minimize the impact of the delay, and can establish how the delay materially affects performance of the <i>Work</i> . Any contingency time build into the <i>Contract</i> shall be applied first, and loss of such time shall not constitute a delay and shall not be considered as a cost incurred by the <i>Trade Contractor</i> ."
	Add: 6.5.7 "Only actual costs to the <i>Trade Contractor</i> will be considered in regard to a delay, and no allowance will be made for profit, loss of profit, or overhead."
	Add: 6.5.8 "If the <i>Trade Contractor</i> fails to perform the <i>Work</i> in accordance with the construction schedule, as may be amended monthly, the <i>Owner</i> may, through the <i>Construction Manager</i> , direct the <i>Trade Contractor</i> to, at the <i>Trade Contractor's</i> cost, take reasonable steps to meet the schedule, including by assignment of overtime and extra equipment."
PART 7 DEFAULT NOTICE	
GC 7.2 TRADE CONTRACTOR'S RIGHT TO SUSPEND THE WORK OR TERMINATE THE CONTRACT	Delete entire 7.2.1
	Delete entire 7.2.3.1
	7.2.3.3 Add: ",except where the <i>Owner</i> has a bona fide claim for setoff," to the end of the sentence.
	7.2.3.4 Delete: "except for GC5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER,"
ADD: GC 7.3 TERMINATION OF CONTRACT WITHOUT DEFAULT	Add: 7.3.1 "The <i>Owner</i> may terminate this <i>Contract</i> at any time upon written notice to the <i>Trade Contractor</i> , notwithstanding the fact that the <i>Trade Contractor</i> may not then be in default. In the event of such termination, the <i>Trade Contractor</i> shall be entitled to be paid for <i>Work</i> performed up to the date of termination (including overhead and profit for <i>Work</i> performed up to the date of termination). In addition, the <i>Trade Contractor</i> shall be entitled to recover the direct reasonable costs associated with termination, including the costs of demobilization, losses sustained on <i>Products</i> and construction machinery and equipment, but in no event will the <i>Owner</i> be liable to pay any amount on account of lost profits or other indirect damages."
	Add: 7.3.2 "The <i>Trade Contractor</i> shall negotiate all agreements and contracts on terms that will enable the <i>Trade Contractor</i> to cancel same upon conditions and terms which will minimize to the extent possible their cancellation and demobilization costs in the event of a termination of this <i>Contract</i> , and generally the <i>Trade Contractor</i> shall cooperate with the <i>Owner</i> , the <i>Construction Manager</i> and the <i>Consultant</i> and do everything reasonably within its power at all times to minimize and reduce

	the amount of the <i>Owner's</i> obligations under paragraph 7.3.1.”
	Add: 7.3.3 “Upon termination of the <i>Contract</i> in accordance with paragraph 7.3.1, the <i>Trade Contractor</i> shall be released from its liability or obligation under the <i>Contract Documents</i> , save and except those liabilities or obligations applying to that portion of the <i>Work</i> completed prior to termination with respect to deficiencies and warranties.”
PART 8 DISPUT RESOLUTION	
GC 8.2 NEGOTIATION, MEDIATION AND ARBITRATION	8.2.7: Change to “If a Notice in Writing is not given under paragraph 8.2.6 within the required time, the agreement of the parties under paragraph 8.2.6 to arbitrate is not binding on the parties, and 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.:
PART 9 PROTECTION OF PERSONS AND PROPERTY	
GC 9.2 TOXIC AND HAZARDOUS SUBSTANCES	9.2.3: Change from “The <i>Owner</i> shall take all reasonable steps to ensure ...” to “The <i>Owner</i> shall ensure that all reasonable steps are taken to ensure ...”
GC 9.4 CONSTRUCTION SAFETY	Delete entire 9.4.2
	Add: 9.4.3.1 “, and the <i>Construction Manager</i> shall be the “prime contractor” for the <i>Work</i> at the <i>Place of the Project</i> and shall have all duties and responsibilities of a “prime contractor” to the end of subparagraph 9.4.3.1.”
PART 10 GOVERNING REGULATIONS	
GC 10.1 TAXES AND DUTIES	Add: 10.1.1 “The <i>Owner</i> hereby certifies that the <i>Work</i> is being acquired under the <i>Contract</i> by The Manitoba Housing and Renewal Corporation with Crown funds and that it is therefore not subject to the Federal Goods and Services Tax (“GST”). The <i>Trade Contractor</i> represents and warrants that GST has not been included or quoted in any fees, prices or estimates and covenants that it will not include GST in any invoice provided, or claim for payment made, under the <i>Contract</i> .”
GC 10.2 LAWS, NOTICES, PERMITS AND FEES	10.2.2: Delete the words “building permit” from the first line
PART 11 INSURANCE AND CONTRACT SECURITY	
GC 11.1 INSURANCE	Delete paragraphs 11.1.1 to 11.1.10 in their entirety and replace with the following: <p>“11.1.1 Without restricting the generality of GC 12.1 - INDEMNIFICATION, and unless the <i>Owner</i> and the <i>Trade Contractor</i> agree to obtain project specific insurance, or higher insurance limits, the <i>Trade Contractor</i> shall provide, maintain and pay for the minimum insurance coverages specified below:</p> <p>(1) Automobile Liability Insurance: Automobile liability insurance in respect of licensed vehicles shall have limits of not less than \$5,000,000.00 inclusive per</p>

	<p>occurrence for bodily injury, death, and damage to property, covering all licensed vehicles owned or leased by the <i>Trade Contractor</i>. Where the policy has been issued pursuant to a government-operated automobile insurance system, the <i>Trade Contractor</i> shall provide the <i>Owner</i> with confirmation of automobile insurance coverage for all automobiles registered in the name of the <i>Trade Contractor</i>.</p> <p>(2) Aircraft and Watercraft Liability Insurance: 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 <i>Work</i>, including use of additional premises, shall be subject to limits of not less than \$2,000,000.00 inclusive per occurrence for bodily injury, death, and damage to property including loss of use thereof and limits of not less than \$2,000,000.00 for aircraft passenger hazard. Such insurance shall be in a form acceptable to the <i>Owner</i>.</p> <p>(4) Contractors' Equipment Insurance: The <i>Trade Contractor</i> is responsible for insuring construction machinery and equipment used by the <i>Trade Contractor</i> for the performance of the <i>Work</i> and such insurance shall not allow subrogation claims against the <i>Owner</i>, the <i>Construction Manager</i> or the <i>Consultant</i>.</p> <p>11.1.2 The above insurance requirements are minimum requirements. It is the responsibility of the <i>Trade Contractor</i> and its insurance advisors to ensure that the <i>Trade Contractor</i> purchases insurance coverage that adequately protects the <i>Trade Contractor</i> and its property.</p> <p>11.1.3 The <i>Trade Contractor</i> is responsible to ensure that all <i>Trade Subcontractors</i> performing the <i>Work</i> of this contract maintain adequate insurance coverage.</p> <p>11.1.4 Unless otherwise stipulated, the duration of each insurance policy shall be from the date of the commencement of the <i>Work</i> until project completion.</p> <p>11.1.5 The <i>Trade Contractor</i> shall provide the <i>Owner</i> with certificates of insurance as written evidence of the above insurance coverage before commencing the <i>Work</i>, unless previously provided by the <i>Trade Contractor</i> as part of its bid submission. In addition, the <i>Trade Contractor</i> shall promptly provide the <i>Owner</i> with updated certificates of insurance upon request by the <i>Owner</i> or upon the placement, renewal, amendment or extension of all or any part of the insurance.</p> <p>11.1.6 The <i>Trade Contractor</i> shall be responsible for deductible amounts under the policies except where</p>
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	<p>such amounts may be excluded from the <i>Trade Contractor's</i> responsibility by the terms of the <i>Contract</i>.</p> <p>11.1.7 If the <i>Trade Contractor</i> fails to provide or maintain insurance as required by the <i>Contract Documents</i>, then the <i>Owner</i> shall have the right, but is under no obligation, to provide and maintain such insurance and give evidence to the <i>Trade Contractor</i>, the <i>Construction Manager</i> and the <i>Consultant</i>. The <i>Trade Contractor</i> shall pay the costs therefore to the <i>Owner</i> on demand or the <i>Owner</i> may deduct the cost from the amount which is due or may become due to the <i>Trade Contractor</i>.</p> <p>11.1.8 All required insurance policies shall be with insurers acceptable to the <i>Owner</i> and licensed to write insurance in the Province of Manitoba. All policies provided by the <i>Trade Contractor</i> shall be endorsed to provide the <i>Owner</i> and <i>Trade Contractor</i> with not less than sixty (60) days notice in writing in advance of any cancellation, and of change or amendment restricting coverage.</p> <p>11.1.9 In the event of an incident, occurrence or loss that may result in a claim under any of the above policies, including injuries to the public, or loss or damage to the <i>Work</i>, the <i>Trade Contractor</i> shall immediately report the incident, occurrence or loss in writing to the <i>Owner</i>, the <i>Construction Manager</i> and the <i>Consultant</i>."</p>
<p>GC 11.2 CONTRACT SECURITY</p>	<p>Add: 11.2.3 "The <i>Trade Contractor</i> shall provide and maintain a performance bond in the amount of at least 50% of the <i>Contract Price</i>.</p> <p>Add: 11.2.4 "The <i>Trade Contractor</i> shall provide the <i>Owner</i> with the required performance bond prior to commencing any <i>Work</i> on the <i>Project</i>."</p>
<p>PART 12 INDEMNIFICATION, WAIVER OF CLAIMS AND WARRANTY</p>	
<p>GC 12.1 INDEMNIFICATION</p>	<p>Delete paragraphs 12.1.1 to 12.1.6 in their entirety and replace with:</p> <p>"12.1.1 The <i>Trade Contractor</i> shall save harmless and indemnify the <i>Owner</i> against all costs, damages or expenses arising from actions, claims, demands and proceedings, by whomsoever brought, made or taken as a result of acts or omissions of the <i>Trade Contractor</i>, or its <i>Trade Subcontractors</i>, employees or agents in the performance or purported performance of the <i>Work</i>, and more particularly from:</p> <p>.1 accidental injury to or death of any person whether retained by or in the employ of the <i>Trade Contractor</i> or not, arising directly or indirectly by reason of the performance of the <i>Work</i>, or by</p>

	<p>reason of any trespass on or damage to property;</p> <p>.2 damage to any property owned in whole or in part by the <i>Owner</i>, or which the <i>Owner</i> by duty or custom is obliged, directly or indirectly, in any way or to any degree, to construct, repair or maintain;</p> <p>.3 damage to, or trespass or encroachment upon, property owned by persons other than the <i>Owner</i>;</p> <p>.4 failure to pay and obtain a discharge of a notice of claim for lien served upon the <i>Owner</i> in accordance with the requirements of <i>The Builders' Liens Act</i> (Manitoba);</p> <p>.5 failure to pay a workers compensation assessment, or federal or provincial taxes;</p> <p>.6 unauthorized use of any design, device, material or process covered by letters patent, copyright, trademark or trade name in connection with the <i>Work</i></p> <p>.7 inaccuracies in any information provided to the <i>Owner</i> by the <i>Trade Contractor</i>.</p> <p>12.1.2 The <i>Owner</i> has the right, acting reasonably and upon notice to the <i>Trade Contractor</i>, to settle any such action, proceeding, claim or demand and charge the <i>Trade Contractor</i> with the amount so paid or to be paid in effecting a settlement.</p> <p>12.1.3 The <i>Trade Contractor</i> shall pay to the <i>Owner</i> the value of all legal fees and disbursements required to settle any such claim or to defend the <i>Owner</i> against any such claim, action, proceeding, claim or demand notwithstanding that the settlement or defense of the said action, proceeding, claim or demand was undertaken on behalf of the <i>Owner</i> by a salaried employee of the <i>Owner</i>."</p>
<p>GC 12.2 WAIVER OF CLAIMS</p>	<p>Delete paragraphs 12.2.1 to 12.2.10 in their entirety</p>
<p>GC 12.3 WARRANTY</p>	<p>Delete paragraphs 12.3.1 to 12.3.7 in their entirety and replace with:</p> <p>"12.3.1 The <i>Trade Contractor</i> warrants that the <i>Work</i> will be free of any and all defects or deficiencies during the warranty period.</p> <p>Warranty Period</p> <p>12.3.2 Unless specifically stated otherwise in the <i>Contract Documents</i>, the warranty period shall begin on the later of the date of <i>Substantial Performance of the Work</i> and</p>

the *Project In-Use Date* and shall expire 1 year thereafter unless extended pursuant to paragraphs 12.3.3 or 12.3.4, in which case it shall expire when provided for under those paragraphs.

12.3.3 If a defect or deficiency prevents the full and normal use or operation of the *Work* or any portion thereof, for purposes of calculating the warranty period, time shall be deemed to cease to elapse for the defective or deficient portion, and for any portion of the *Work* whose use or operation is prevented by such defect or deficiency, as of the date on which the defect or deficiency is observed or the use or operation is prevented and shall begin to run again when the defect or deficiency has been corrected or the *Work* may be used or operated to the satisfaction of the *Consultant*.

12.3.4 If all outstanding defects or deficiencies have not been corrected to the satisfaction of the *Consultant* by at least 2 weeks prior to the date on which the warranty would expire except for this paragraph 12.3.4, then the *Consultant* may, through the *Construction Manager*, require the *Trade Contractor* to extend the warranty period for a further period of 1 year for those defects or deficiencies in the *Work* identified by the *Consultant* as still outstanding and uncorrected or for any portion of the *Work* whose use or operation is prevented by such defects or deficiencies.

12.3.5 Notwithstanding paragraph 12.3.2, if any law of Manitoba or of the jurisdiction in which the *Work* was manufactured requires, or if the manufacturer provides, a longer warranty period or a warranty which is more extensive in its nature, then the provisions of such law or manufacturer's warranty shall apply.

Warranty Inspection

12.3.6 Within a reasonable time before the warranty expires, the *Consultant* shall, through the *Construction Manager*, request that the *Trade Contractor* arrange, attend at and assist the *Consultant* in carrying out an inspection of the *Work*.

12.3.7 Where the warranty period has been extended pursuant to paragraph 12.3.4, a second inspection shall be carried out in accordance with paragraph 12.3.6 before the warranty period, as extended, expires.

Warranty Work

12.3.8 The *Consultant* shall, through the *Construction Manager*, notify the *Trade Contractor* of observed defects or deficiencies and damage, if any, arising or resulting from such defects or deficiencies, within the warranty period.

12.3.9 The *Trade Contractor* shall correct, to the satisfaction of the *Consultant*, all defects, deficiencies and damage identified by the *Consultant* in the manner and within the time period(s) specified in the notice.

12.3.10 If the *Trade Contractor* disagrees with the *Consultant's* determination under paragraph 12.3.8, the *Trade Contractor* shall nonetheless comply with paragraph 12.3.9. The *Trade Contractor* may concurrently appeal the determination of the *Consultant* as provided for in PART 8 – DISPUTE RESOLUTION.

Acceptance of the Work

12.3.11 The *Consultant* shall certify acceptance of the *Work* upon:

- .1 the satisfactory performance of the *Work* during the warranty period;
- .2 the *Trade Contractor* having fully complied with paragraph 12.3.9; and
- .3 the successful conclusion of any tests required under the *Contract*.

12.3.12 Only certification of acceptance of the *Work* shall constitute:

- .1 acceptance of the *Work*; or
- .2 acceptance that the *Work* or any part thereof has been duly performed; or
- .3 acceptance of the accuracy of any claim of the *Trade Contractor*.

12.3.13 Certification of acceptance of the *Work* shall not, however, relieve the *Trade Contractor* from his responsibilities for any breach of the *Contract* including, but not limited to, defective or deficient *Work* appearing after the date of such certification.”