BRITISH COLUMBIA HOUSING
SUPPLEMENTARY GENERAL CONDITIONS (DESIGN TENDER) TO
CCDC2 – 2008
STIPULATED PRICE CONTRACT
(Nov 2019 version)

IMPORTANT: Any changes to these SGCs must have prior approval from Supply Chain Management. Please delete this text prior to issuing.

ARTICLE A-1 THE WORK

Add:

“1.4 The Owner supports the provision of opportunities for work experience and training in the construction industry for entry level workers to trade apprentices. This includes recruitment from programs intended to grow skilled trades such as the Skilled Trades Employment Program (STEP) and registration in programs committing employers to supply a safe and productive work environment such as the Builders Code.

The Contractor’s work force is required, where such programs exist, to include individuals placed through agencies such as Bladerunners, Tradeworks and Embers that provide ongoing training and support to persons with barriers to employment. Individual placed through these programs will be considered employees of the Contractor Subcontractor. If no applicable program(s) exist within the geographic area of the Work the Contractor may seek a waiver from the Owner.

The Owner, at its discretion, may require the Contractor or Subcontractor to provide sufficient evidence of the involvement of these employees in the Work.

1.5 The Owner is committed to reducing waste in all aspects of business. As such, construction and demolition (C&D) waste management targets have been set out in the BC Housing livegreen plan and BC Housing’s Design Guidelines and Construction Standards, and shall be tracked and reported. The minimum targets for C&D waste diversion from landfill in the Lower Mainland and on Vancouver Island projects is 80%, and 60% for projects elsewhere in the province. The Contractor shall submit the Waste Management Plan before signing the construction contract and is responsible for tracking waste diversion rates throughout the construction project and submission of the completed Waste Management Reporting Form. Refer to BC Housing’s Design Guidelines and Construction Standards.”

ARTICLE A-3 CONTRACT DOCUMENTS

3.1

Add:

“• British Columbia Housing Supplementary General Conditions (Design-Tender) to CCDC2-2008 Stipulated Price Contract”
Add:

“ARTICLE A-9 TIME OF THE ESSENCE

“9.1 All time limits stated in this Contract are of the essence of the Contract.”

ARTICLE A-10 LIQUIDATED DAMAGES

10.1 If the Contractor fails to achieve Substantial Performance of the Work on or before the date set out in paragraph 1.3 of Article A-1 THE WORK, as may be adjusted in accordance with this Contract (the “Scheduled Substantial Performance Date”), the Contractor will pay to the Owner by way of liquidated damages and not as a penalty the sum of \[\text{[POPULATE]}\] per day for each and every day after the Scheduled Substantial Performance Date that Substantial Performance of the Work is not achieved (or if the Owner has extended the Contract Time in accordance with this Contract, such other date established for the Scheduled Substantial Performance Date). The maximum aggregate amount of such liquidated damages will be ten percent (10%) of the Contract Price. If this Contract is terminated, the reference in this Article A-10 to the “Contract Price” will be deemed only for purposes of this Article A-10 to be the amount to which the Contractor would have been entitled if the Contractor had properly performed and completed the Work and this Contract had not been terminated. The liquidated damages will not relieve the Contractor from its obligation to complete the Work or from any other duties, obligations or responsibilities of the Contractor under this Contract, and will not limit the Owner’s rights to terminate this Contract for default of the Contractor under this Contract.

10.2 The Owner and the Contractor agree that the amount in Article A-10 represents a genuine pre-estimate of the damages and expenses that the Owner is likely to incur for such failure to meet the Scheduled Substantial Performance Date and both parties expressly agree that such amount is not a penalty. The Owner may, in its discretion, either deduct the daily sums in respect of liquidated damages from any amounts payable to the Contractor under this Contract or may require payment thereof by the Contractor on demand.”

DEFINITIONS

20. Substantial Performance of the Work

Delete and replace with the following:

“Substantial Performance of the Work shall have been reached when:

.1 the Work is ready for use or is being used for the purpose intended and is so certified by the Consultant; and

.2 a Certificate of Completion has been issued for the Work as a whole.”
Add:

“27. **BC Housing**

*BC Housing* means the British Columbia Housing Management Commission and its authorized agents or representatives.

28. **Builders Lien Act**


29. **Certificate of Completion**

*A Certificate of Completion* is a certificate of completion as defined in the *Builders Lien Act*.”

**GENERAL CONDITIONS**

**PART 1 GENERAL PROVISIONS**

**GC1.1 CONTRACT DOCUMENTS**

1.1.7.1.1 Delete and Replace with the following:

“.1 the order of priority of documents, from highest to lowest, shall be:
- Supplementary Conditions (if any),
- the Agreement between the Owner and the Contractor,
- the Definitions,
- the General Conditions,
- Division 1 of the Specification,
- technical Specification,
- material and finishing schedules,
- the Drawings.”

**GC1.4 ASSIGNMENT**

Add:

“1.4.2 Notwithstanding paragraph 1.4.1, the Owner may assign its interest in the Contract and any of its rights and remedies available at law to BC Housing at any time without the consent of the Contractor.”

**PART 3 EXECUTION OF THE WORK**

**GC3.2 CONSTRUCTION BY OWNER OR OTHER CONTRACTORS**

3.2.2.2 Delete.
Add:

“3.2.3.4 as it applies to applicable health and construction safety legislation at the Place of the Work the Contractor shall assume overall responsibility and be designated as the “Prime contractor” in accordance with GC 9.4 Construction Safety.

3.2.7 If the Contractor has caused damage to the work of another contractor on the Project, the Contractor agrees to settle the matter with the other contractor by negotiation or arbitration. If the other contractor makes a claim against the Owner on account of damage alleged to have been so sustained, the Owner shall notify the Contractor and may require the Contractor to defend the action at the Contractor's expense. The Contractor shall satisfy a final order or judgment against the Owner and pay the costs incurred by the Owner arising from such action. Paragraph 12.1.6.2 of GC 12.1 INDEMNIFICATION shall apply.”

GC3.7 SUBCONTRACTORS AND SUPPLIERS

3.7.2 Delete and replace with the following:

"Subject to paragraph 3.7.3, the Contractor agrees to employ only those Subcontractors proposed in writing, including the Contractor's own forces, if any, and accepted by the Owner with the acceptance of the tender or on entering into this Contract. The Contractor shall not change any Subcontractor without cause and without the written consent of the Owner, which consent will not be unreasonably withheld."

GC3.11 USE OF THE WORK

Add:

“3.11.3 The Contractor shall not use any service, plant or equipment installed as part of the Work without first receiving the written approval of the Consultant. On receipt of such approval, the Contractor shall be subject to any conditions set out as part of such approval and shall be responsible for all costs including damage and compensation for wear.”

PART 5 PAYMENT

GC5.2 APPLICATIONS FOR PROGRESS PAYMENT

5.2.3 In line 2, after Place of Work, add “, which in the opinion of the Consultant will be installed within 30 calendar days of delivery, unless agreed otherwise,”

Add:

“5.2.8 The Contractor shall submit one copy of all applications for payment and all applications for payment, except the first, shall be accompanied by a form of statutory declaration approved by the Owner completed and sworn before a Notary Public or a Commissioner for Oaths for the Province of British Columbia, which statutory declaration must include a statement that all accounts for labour, subcontracts, Products, construction machinery
and equipment and other indebtedness which may have been incurred by the Contractor in the performance of the Work covered by the immediately preceding progress claim, and for which the Owner might in any way be held responsible, have been paid in full, except holdback monies properly retained.

5.2.9 Every application for payment shall identify the Value-Added Taxes payable by the Owner to the Contractor as a separate entry."

**GC5.3 PROGRESS PAYMENT**

5.3.1.2 Add at the end:

"No certificate for payment will be issued for any of the Work and no payment shall be approved, authorized or made unless the Contractor has provided all documents as required to be provided at that time under this Contract or as otherwise reasonably required by the Consultant for the Consultant to determine the amount properly due."

5.3.1.3 Delete and replace with the following:

“The Owner shall make payment of 90% of the amount as determined by the Consultant to be due to the Contractor on account in accordance with the provisions of Article A-5 PAYMENT no later than 20 calendar days after the certificate for payment has been issued, provided that the Owner, at its sole and absolute discretion, may retain out of such payment the amount of any outstanding liens or claims or any other indebtedness which may have been incurred by the Contractor in performing the Work and for which the Owner may in any way be held responsible. "Other indebtedness" means only such debts incurred by the Contractor to persons in privity of contract with the Contractor, debts arising out of statutory requirements and, in the case of the Contractor’s workers, any debts arising out of collective bargaining agreements, legislation applying to workers compensation, employment insurance and minimum wage standards where applicable. Upon request by the Owner, the Contractor shall forthwith provide a full accounting as to the disbursement of all monies paid by the Owner to the Contractor, including a complete list of all persons to whom monies remain due and the amounts due."

**GC 5.4 SUBSTANTIAL PERFORMANCE OF THE WORK**

5.4.1

Add at the end of paragraph 5.4.1:

“The Contractor shall submit the following documents and other items with their request for Substantial Performance review by the Consultant.

.1 the list of all deficient and incomplete items of work including the estimated value of each item;
.2 complete reports including a balancing report for the mechanical system and certification by all testing, cleaning or inspection authorities or associations as specified in the Contract Documents;

.3 a complete demonstration of all mechanical and electrical systems and electrically-operated devices to the Owner’s operating and maintenance staff and any training required by the specifications, to the Owner’s satisfaction;

.4 all maintenance manuals, operating instructions, maintenance and operating tools, replacement parts or materials and warranties as specified in the Contract Documents;

.5 a complete set of marked up construction drawings and other data in the form specified in the Contract Documents, or as required by the Consultant, for the production of as built drawings to show all significant Changes to the Work made during construction;

.6 current certification by the Workers Compensation Board that the Contractor and all Subcontractors are in good standing;

.7 a statement that all claims and demands for extra work or otherwise, under or in connection with the Contract, have been presented to the Consultant and that the Contractor expressly releases the Owner from all claims and demands except those made in writing prior to that date and still unsettled;

.8 a statutory declaration in accordance with the Construction Contract;

.9 an updated survey of the Place of the Work prepared by a British Columbia Land Surveyor confirming the exact area of the property, the location of all registered easements or statutory rights of way, and confirming that the position of the buildings, including foundations and overhangs, building heights and finish grades comply with all municipal requirements;

.10 all keys required for the entire Project;

The requirement to provide documents and other items listed in sub-paragraphs .1 through .10 does not limit the Contractor’s Substantial Performance obligations noted elsewhere in the Contract. A deficiency holdback will be retained for documents and other items not submitted and an estimated value is to be submitted for review and acceptance by the Consultant.’’

5.4.2 Delete and replace with the following:

"Upon receipt of the Contractor’s request for issuance of a Certificate of Completion for all or a designated portion of the Work, the Consultant will forthwith review the Work to verify the validity of the request and no later than 20 working days after the date of the request, will notify the Contractor and the Owner whether the Work, or the designated portion of the Work, is substantially performed by delivery of the applicable Certificate of Completion for the Work. With respect to a request from the Contractor for a review by the Consultant"
for issuance of the **Certificate of Completion** for the Work in its entirety, the Consultant will, in addition to making an inspection and assessment of the Work to verify the validity of the request, establish a list of all deficient and incomplete items of work including an estimated value for each item, subject to the approval of such value by the Owner. The Owner may, until all of the deficient and incomplete work is rectified or completed to the satisfaction of the Consultant, withhold the following amounts from any payments to the Contractor:

.1 the aggregate amount, if any, determined pursuant to this paragraph 5.4.2 multiplied by two; and

.2 the amount, if any, determined pursuant to GC5.8 WITHHOLDING OF PAYMENT.”

Add:

“5.4.4 The Contractor shall be responsible for all additional costs incurred by the Owner for inspection of the Work prior to the Contractor meeting all requirements set out in paragraph 5.4.1, and such costs shall be deducted from the monies due to the Contractor upon Substantial Performance of the Work.”

5.4.5 If not submitted at the time of the request for Substantial Performance review then no later than 30 calendar days following issuance of the **Certificate of Completion** for the Work, the Contractor shall provide to the Owner all service contracts, manufacturer's inspections, certifications, guarantees and warranties and assignments of all guarantees and warranties as specified in the Contract Documents.”

**GC5.5 PAYMENT OF HOLDBACK UPON SUBSTANTIAL PERFORMANCE OF THE WORK**

5.5.1 In line 1, delete “the certificate of Substantial Performance of the Work” and replace with “the Certificate of Completion for the Work”.

5.5.2 Delete and replace with the following:

“The Consultant shall be the payment certifier responsible under the Builders Lien Act for certifying substantial completion of the Work and, if required, the work of a Subcontractor or Supplier, and for issuing a Certificate of Completion. The Contractor shall promptly provide the Consultant with all information and documentation requested by the Consultant to assist the Consultant in making its inquiries and determinations for issuing a Certificate of Completion, including without limitation for Subcontractors and Suppliers, and shall indemnify and save the Owner and the Consultant harmless from all liability arising from a failure to issue a Certificate of Completion when required, or from a premature issuance of a Certificate of Completion for a Subcontractor or Supplier, arising directly or indirectly from a failure to promptly provide complete and accurate information and documentation requested by the Consultant.”

5.5.3 Delete.

5.5.5 Delete.
GC5.6  PROGRESSIVE RELEASE OF HOLDBACK

5.6.1  In lines 1 and 2, delete:

“, 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”

and replace with the words:

“the Consultant has pursuant to paragraph 5.5.2 issued a Certificate of Completion for the work of a Subcontractor or Supplier,“

5.6.2  Delete.

GC5.7  FINAL PAYMENT

5.7.4  In line 2, delete the number "5" and replace with the number "20".

Add at the end thereof:

"less any monies properly retained by the Owner pursuant to the terms of this Contract and less any other third party monetary claims against the Contractor which are enforceable against the Owner."

PART 6 CHANGES IN THE WORK

GC6.1  CHANGES

Add:

“6.1.3  Any substitution of Products specified in the Contract Documents must be approved by the Owner in writing prior to such substitution.”

6.2  CHANGE ORDER

6.2.1  Add at the end:

“The adjustment for the Contract Price shall not exceed the actual cost of the Contractor’s work for the change in the Work, plus an allowance for overhead and profit as follows:

.1  For Contractor, for overhead and profit, 15% of the actual cost of the Contractor’s work;

.2  For Contractor, for overhead and profit, 7.5% of the amount for Subcontractor’s work, being the actual cost of the Subcontractor’s work plus the amount determined as set out in .3 below;
.3 For Subcontractor, for overhead and profit, 15% of the actual cost of the Subcontractor’s work.”

Add:

“6.2.3 If a change in the Work results in a net decrease in the Contract Price, the amount of the credit shall be the net cost, without deduction for overhead and profit. When both additions and deletions covering related work or substitutions are involved in a change in the Work, the allowance for overhead and profit shall be calculated on the basis of the net increase, if any, with respect to that change in the Work.

6.2.4 Where requested by the Consultant, the Contractor shall promptly provide itemized labour and material cost and quantity breakdowns, subcontractor costs, and other detailed information required to substantiate the Contractor’s claim for a change to the Contractor Price or Contract Time.”

GC6.3 CHANGE DIRECTIVE

6.3.6.3 Delete and replace with the following:

"Unless otherwise agreed between the Owner and the Contractor, the allowance for overhead and profit shall be calculated as follows:

.1 For Contractor, for overhead and profit, 15% of the actual cost of the Contractor's work;

.2 For Contractor, for overhead and profit, 7.5% of the amount for Subcontractor's work, being the actual cost of the Subcontractor’s work plus the amount determined as set out in .3 below;

.3 For Subcontractor, for overhead and profit, 15% of the actual cost of the Subcontractor’s work.”

GC6.4 CONCEALED OR UNKNOWN CONDITIONS

Add:

"6.4.5 The Contractor warrants and represents that it is familiar with the site comprising the Place of the Work having physically inspected such site and reviewed all reports thereon included within the Contract Documents.”

GC6.5 DELAYS

Add:

"6.5.6 During any delays in the performance of the Work as set out in GC6.5 DELAYS, the Contractor shall maintain adequate surveillance of the Work and undertake such maintenance and protection of the Work as may be reasonable to maintain safety and
PART 7  DEFAULT NOTICE

GC7.1  OWNER'S RIGHT TO PERFORM THE WORK, STOP THE WORK, OR TERMINATE THE CONTRACT

7.1.1  In line 1, after the word “bankrupt”, insert “commits an act of bankruptcy or threatens to commit an act of bankruptcy,”

Add:

"7.1.7  If the Owner terminates the Contractor's right to continue with the Work in whole or in part or terminates the Contract, the Contractor shall, safeguard the Work then completed and the materials and equipment then delivered to the Place of the Work, assign or novate any Subcontractor or Supplier contracts to the Owner or terminate any Subcontractor or Supplier contracts to the extent requested by the Owner during the term of the Contract and do such other extra work as may be ordered by the Consultant for the purpose of leaving the Work in a safe and useful condition.

7.1.8  The Owner may terminate this Contract, in whole or part, during its term upon 14 calendar days’ written notice to the Contractor.

7.1.9  Except as provided in paragraphs 7.1.5.3 and 7.1.5.4, the Contractor shall have no claim or right of action against the Owner for any damages, costs, expenses, loss of profits or otherwise as a result of the termination by the Owner of the Contractor's right to continue with the Work in whole or in part or the termination by the Owner of the Contract."  

GC7.2  CONTRACTOR'S RIGHT TO STOP THE WORK OR TERMINATE THE CONTRACT

7.2.3.1  Delete.

7.2.3  Add the following to 7.2.3 as a new paragraph following paragraph 7.2.3.4:

“The defaults in contractual obligations set out in paragraphs 7.2.3.1 through 7.2.3.4 shall not apply to the withholding of certificates of payment or payment, or both, following receipt of court ordered garnishments of monies owing to the Contractor, notice of the Contractor's failure to pay claims against the Contractor or the filing of liens against the Project for as long as they remain outstanding."

7.2.4  In line 2, delete the number "5" and replace with the number "20".

Add at the end:

"provided that if the default is of the nature set out in paragraph 7.2.3.4 and such default cannot be reasonably corrected within twenty (20) Working Days, the Owner shall no longer be considered to be in default if the Owner:"
.1 provides the Contractor with a reasonable schedule for correction within twenty (20) Working Days; and

.2 corrects the default in accordance with such schedule."

PART 8 DISPUTE RESOLUTION

GC8.2 NEGOTIATION, MEDIATION AND ARBITRATION

Add:

"8.2.9 Unless both parties agree, the Contractor shall not stop the Work, or any part of the Work, pending the resolution of any dispute under the Contract between the parties."

PART 9 PROTECTION OF PERSONS AND PROPERTY

GC9.2 TOXIC AND HAZARDOUS SUBSTANCES AND MATERIALS

9.2.1 Add:

"and the Contractor shall be deemed to have control and management of the Place of the Work with respect to any toxic or hazardous substances or materials which may be brought on to the Place of the Work by the Contractor or its Subcontractors."

9.2.5.4 Add:

"and take all necessary steps in accordance with the instructions of the Consultant and all applicable legislation to treat, store or otherwise dispose of the substances or materials."

Delete and replace with the following:

9.2.8.4 “The Contractor shall indemnify and hold harmless the Owner, the Consultant, their agents and employees, from and against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of or resulting from exposure to, or the presence of, toxic or hazardous substances or materials which are brought on to the Place of the Work by the Contractor or its Subcontractors. This obligation shall not be construed to negate, abridge or reduce other rights or obligations of indemnity set out in GC 12.1 - INDEMNIFICATION or which otherwise exist respecting a person or party described in this paragraph."

GC9.4 CONSTRUCTION SAFETY

9.4.1 In line 1, delete "subject to paragraph 3.2.2.2 of GC3.2 – CONSTRUCTION BY OWNER OR OTHER CONTRACTORS,"

Add the following to GC 9.4:

“9.4.2 The Contractor shall be responsible for the safety of the workers, Subcontractor and Suppliers, and of all other persons who enter the Place of the Work, and their plant and equipment,
whether during working hours or not, and for that purpose shall install such hoardings and
signs subject to owner specifications and incorporate such safety and security measures as
may be necessary to ensure the safety of such persons.

9.4.3 The Contractor acknowledges and agrees that the Contractor shall be the “prime contractor”
for the workplace for the purposes of section 118 of the Workers Compensation Act, as
amended from time to time. Without limiting the foregoing, the Contractor shall, as the “prime
contractor”, comply with, and ensure compliance by Subcontractor and Suppliers with, the
Workers Compensation Act of British Columbia and its regulations including the Occupational
Health & Safety Regulations, WHIMIS regulation and the transportation of hazardous
substances or dangerous goods requirements and obligations and shall pay assessments or
compensation required to be paid under applicable legislation. If Contractor or any
Subcontractor fails to pay any due assessment or compensation, the Owner may make such
payment on behalf of Contractor or any Subcontractor, but will not be obliged to do so.
Contractor shall reimburse Owner the amount of such payment on demand. The Owner may
set off any amounts paid against money otherwise owed to the Contractor.

9.4.4 The Contractor shall deliver the Notice of Project required by Section 20.2 of B.C. Regulation
296/97 to the Workers’ Compensation Board of British Columbia, in accordance with the
requirements of Section 20.2 of B.C. Regulation 296/97.

9.4.5 The Contractor shall be the “prime contractor” with respect to any work performed by the
Owner’s own forces or other firms retained by the Owner carried out in the area of the Place of
the Work. Without limiting the generality of the foregoing, the Contractor is responsible for
ensuring that the work undertaken by the Owner’s own forces or other contractors retained by
the Owner are coordinated with the Work so as to avoid or minimize any hazardous situations.

9.4.6 The Contractor shall immediately inform the Owner if the Owner’s own forces or other
contractor firms retained by the Owner attend at the Place of the Work without prior
notification to the Contractor.

9.4.7 The Workers’ Compensation Board of British Columbia operates under the name WorkSafe BC.
References in the Contract to the Workers’ Compensation Board, WCB, compensation board,
WorkSafe BC, and other similar terms shall be understood to refer to the Workers’
Compensation Board of British Columbia and WorkSafe BC and its operating bodies.”

PART 10 GOVERNING REGULATIONS

GC10.1 TAXES AND DUTIES

Add:

“10.1.3 Where documentation may be required for tax refund purposes, the Contractor shall be
responsible for providing the Owner with such invoices and records as may be necessary to
substantiate the amount of tax paid during the performance of the Work for which the
Owner may lawfully claim exemption.”
GC10.2 LAWS, NOTICES, PERMITS AND FEES

Add:

"10.2.8 The Contractor shall provide to the Consultant copies of all inspection reports from the various authorities having jurisdiction forthwith as they are received from time to time."

GC10.4 WORKERS COMPENSATION

10.4.1 In line 3, after the word “compliance” insert “by the Contractor and Subcontractors”.

Add:

"10.4.3 The Contractor shall abide by and comply with all provisions of the Workers’ Compensation Act with respect to the performance of the Work and will make all payments, contributions and other remittances and all reports, returns and statements required of employers under the said Act. The Contractor shall ensure full compliance with the said Act by all Subcontractors and other persons employed by the Contractor or with whom the Contractor may make any contract for the performance of any part of the Work. The Contractor agrees to indemnify the Owner against all cost, loss, liability, obligation and lien which may arise as a consequence of any failure by the Contractor or any Subcontractor or other person fully to comply with the said Act. The Contractor agrees immediately to qualify, and shall require all Subcontractors to qualify, as an employer or employers under the said Act."

PART 11 INSURANCE - BONDS

GC11.1 INSURANCE

11.1 Delete in its entirety and replace with the following:

“11.1.1 The Owner shall obtain, maintain and pay for, through BC Housing, the following types of insurance coverages described in this 11.1.1 issued by insurance companies licensed to carry on business in British Columbia:

.1 Course of Construction Policy

(1) The policy shall cover “all risks” of direct physical loss or damage to the property described in (2) (a) below, including the perils of earthquake and flood, subject to customary exclusions.

(2) The policy shall:

(a) be written in the joint names of the Owner, the fee simple owner of the Place of the Work, BC Housing, the Contractor and Subcontractors, consulting architects, sub consultants, engineers, suppliers who perform work at the Place of the Work.
(b) cover all property forming part of the Project, including goods and materials to be incorporated in the Project while in storage at the Place of the Work or in transit to the Place of the Work and within Canada or the U.S.A., including while on a ferry, railway car or transfer barge in connection with land transportation thereof, but such coverage shall not include coverage for the Contractor’s construction machinery and equipment of any description; and

(c) Provide for a limit of coverage not less than the estimated final completed value of the Project, with a sub-limit of $1,000,000 Transit.

(3) Each claim under the foregoing insurance shall be adjusted separately.

(4) Claims under the foregoing insurance shall be subject to a deductible of $10,000 for each and every claim, except for projects with a project value in excess of $10,000,001, in which case the deductible shall be $25,000 and, except for the following peril, which shall be subject to the following higher deductible:

(a) 5% of the value of the Project at the time and place of loss when the loss arises as a consequence of the peril of earthquake shock, with a minimum deductible of $250,000;

(5) In addition, a minimum waiting period of 1 day for each month of the project term, subject to a minimum of 30 calendar days, shall apply to costs and expenses described in the insurance policy as “soft costs”.

(6) The foregoing insurance shall be maintained continuously from commencement of the Work until the occupancy permit is issued by the authority having jurisdiction with respect to the Project.

(7) The foregoing insurance shall contain a waiver of the insurer’s subrogation rights against all insureds and their officers, employees and servants, except where a loss is caused by or results from any error or omission in design or any other professional error or omission.

(8) Exclusions under the foregoing insurance will be as prescribed by the insurer.

(9) The Contractor shall, at the Contractor’s own expense, comply with all insurance warranties applicable to the foregoing insurance, including watchman, open flame, fence, fire hydrant and hot works operations. The detail of Owner Controlled Insurance Warranties required of this policy is posted on BC Housing website as the following hyperlinks:

http://www.bchousing.org/Partners/Standards_Procurement/Procurement/Contracts
http://www.bchousing.org/contractors/resources
.2 Wrap Up Liability Policy

(1) The wrap up liability policy shall:

(a) be written in the joint names of the Owner, the fee simple owner of the
Place of the Work, BC Housing, the Contractor and subcontractors,
consulting engineers, sub consultants or consulting architects and
suppliers who perform work at the Place of the Work provided however
that such policy shall exclude Suppliers whose only function is to
supply materials, machinery or other supplies to the project and who
do not carry out any installation, construction, or supervisory work on
the project and shall exclude security protection organizations or
persons providing site protection on or at the project.

(b) provide the following coverage's:

(i) Premises and Operations Liability;
(ii) Products and Completed Operations Liability;
(iii) Blanket Contractual Liability;
(iv) Cross Liability;
(v) Elevator and Hoist Liability;
(vi) Contingent Employer’s Liability;
(vii) Personal Injury Liability;
(viii) Shoring, Blasting, Excavating, Underpinning, Demolition,
Pile driving and Caisson Work, Work Below Ground
Surface, Tunneling and Grading, as applicable;
(ix) Broad Form Completed Operations;
(x) Broad Form Property Damage; and
(xi) Employees as Additional Insureds,

provided however that the insurance does not extend to any activities,
work, jobs or undertakings of the insureds other than those directly
related to the Work under this Contract; and

(c) Provide for a limit of liability not less than $10,000,000 inclusive per
occurrence for bodily injury, death, and damage to property including
loss of use thereof, subject to a general aggregate limit of $20,000,000
and a limit of liability not less than $10,000,000 annual aggregate for
completed operations.

(2) Exclusions under the foregoing insurance will be as prescribed by the insurer.

(3) Each claim under the foregoing insurance shall be adjusted separately.
(4) Claims under the foregoing insurance shall be subject to a deductible of $10,000 for each and every claim, except with respect to hot roofing activities, the deductible shall be $50,000.00.

(5) The foregoing insurance shall be maintained continuously from commencement of the Work until the insured project is completed and accepted by or on behalf of the owner, provided that the Broad Form Completed Operations coverage shall be maintained for 24 months.

11.1.2 The Contractor shall be responsible for deductible amounts under all policies described in paragraph 11.1.1 except where such amounts may be excluded from the Contractor’s responsibility by the terms of GC 9.1 – PROTECTION OF WORK AND PROPERTY and except for deductibles associated to perils of flood or earthquake insurances.

11.1.3 The Owner shall promptly provide a copy of each insurance policy described in paragraph 11.1.1 to any insured party upon request.

11.1.4 The Owner does not represent that the insurance policies described in paragraph 11.1.1 will be sufficient to protect the Contractor against all of its responsibilities under the Contract or as required by law. The Contractor shall obtain such additional insurance as it may consider necessary at its own expense. The insurance coverage described in paragraph 11.1.1 shall in no way limit the Contractor’s obligations under GC 12.1 INDEMNIFICATION.

11.1.5 Without restricting the generality of GC 12.1 – INDEMNIFICATION, the Contractor shall obtain, maintain and pay for the following types of insurance coverages issued by insurance companies licensed to carry on business in British Columbia and shall cause all of its Subcontractors to maintain insurance in forms and with limits appropriate to the work conducted by the subcontractors engaged on the Project. If any of the insurance coverage required by the Contract is not provided or lapses for any reason whatsoever, the Contractor shall, if requested to do so by the Owner at the Contractor’s risk and expense, stop all work on the Project until satisfactory evidence of coverage is produced. The insurance coverage required by this paragraph 11.1.5 shall be in forms and amounts acceptable to the Owner and shall be issued by an insurer licensed to conduct insurance business in British Columbia. The approval of any insurance policy by the Owner shall in no way relieve the Contractor of the obligation to provide the insurance referred to in this paragraph 11.1.5:

1 Automobile Insurance

(1) This policy shall cover all vehicles owned by the Contractor or leased by the Contractor and shall provide for third party liability limits not less than $2,000,000.00 inclusive for bodily injury and property damage.

(2) Automobile liability insurance shall cover any motor vehicle, trailer or semi-trailer owned, used or operated by or on behalf of the Contractor and obligated by law to carry a license (other than a special license issued in respect of any motor vehicle, trailer or semi-trailer, chiefly used or operated...
off highways) as well as self-propelled equipment unlicensed but required to be insured in accordance with the Motor Vehicle Act.

.2 Contractor’s Equipment Insurance

(1) This policy shall cover all Contractor’s tools and equipment used at the Place of the Work against “all risks” of direct physical loss or damage, including the perils of earthquake and flood, subject to customary exclusions.

(2) All such contractor’s equipment insurance policies shall contain a waiver of subrogation against the Owner, the fee simple owner of the Place of the Work, BC Housing, the Contractor, the Consultant, the Subcontractors, architects, engineers, consultants and sub-consultants engaged on the Project, and shall provide for sixty (60) calendar days’ prior written notice of cancellation or material change to be given by the insurer(s) to the Owner and BC Housing.

.3 Errors and Omission Insurance

The Contractor shall ensure that any consultants engaged by the Contractor in the design of the Work each carry Errors and Omissions Insurance that has limits appropriate to the risk arising out of the work conducted.

11.1.6 The Contractor shall be responsible for deductible amounts under all policies described in paragraph 11.1.5 except where such amounts may be excluded from the Contractor’s responsibility by the terms of GC 9.1 – PROTECTION OF WORK AND PROPERTY.

11.1.7 The Contractor shall, prior to the commencement of the Work, provide the Owner with Certificates of Insurance evidencing compliance with paragraph 11.1.5. For automobile liability, the standard I.C.B.C. Certificate of Insurance Form #APV-47 shall be used.

11.1.8 The Owner shall not be responsible for injury to the Contractor’s employees or for loss or damage to the Contractor’s or to the Contractor’s employees’ machinery, equipment, tools or supplies which may be temporarily used or stored in, on or about the premises during construction and which may from time to time, or at the termination of the contract, be removed from the premises. The Contractor hereby waives all rights of recourse against the Owner or any other contractor with regard to damage to the Contractor’s property.”

Delete GC 11.2 CONTRACT SECURITY, including paragraphs 11.2.1 and 11.2.2, and replace with the following:

"GC11.2  BONDS"

11.2.1 The Contractor shall, at least 7 calendar days prior to the commencement of construction, provide to the Owner a performance bond and a labour and material payment bond, each in the amount of 50% of the Contract Price.

11.2.2 All bonds shall be issued by a duly licensed surety company authorized to transact a business of suretyship in British Columbia and shall be maintained in good standing until
the fulfillment of the *Contract* including all warranty obligations pursuant to GC12.3 WARRANTY, provided that the performance bond may be qualified to exclude the following:

(a) any warranty obligation for events or circumstances occurring or discovered more than two years after the date of Substantial Performance of the Work;

(b) errors or omissions in design or engineering or breach of warranty of design by the Contractor.

Such bonds shall be in the form of the latest editions of CCDC Document 221 (2003) - Performance Bond and CCDC Document 222 (2003) - Labour and Material Payment Bond. The obligee on the bonds shall be the *Owner*, and *B.C. Housing* shall be named as dual obligee on the bonds pursuant to a dual obligee rider acceptable to the *Owner* and *B.C. Housing*.

11.2.3 All bonds shall be held and be subject to enforcement by the *Owner* without prejudice to any other legal remedy available to the *Owner*.

**PART 12 INDEMNIFICATION--WAIVER--WARRANTY**

**GC12.1 INDEMNIFICATION**

12.1.1 Delete and replace with the following:

“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, and excepting always losses arising out of the independent acts of the party for whom indemnification is sought, 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:

(a) the acts or omissions of the party from whom indemnification is sought or anyone for whose acts or omissions that party is liable, or

(b) 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 such periods as prescribed by the Limitation Act of the Province of British Columbia.

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 the owner pursuant to GC 11.1 – INSURANCE,
the limit of the COURSE OF CONSTRUCTION POLICY– GC11.1.1.1 or the limit of the WRAP UP LIABILITY POLICY– GC11.1.1.2 whichever is pertinent to the loss.

.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 $20,000,000.00

.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.”

**GC 12.2 WAIVER OF CLAIMS**

12.2.1 Delete “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 to the Place of the Work, the Contractor waives and releases the Owner from” and replace with the following:

“The Contractor’s request or application for the Certificate of Completion shall constitute a waiver and release by the Contractor of any and”.

12.2.1.1 Delete “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” and replace with the following:

“together with or prior to the Contractor’s request or application for the Certificate of Completion”.

12.2.3 Delete “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 to the Place of the Work, the Owner waives and releases the Contractor from” and replace with the following:

“The issuance of the Certificate of Completion shall constitute a waiver and release by the Owner of any and”.

12.2.3.1 Delete “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” and replace with the following:

“together with or prior to the Contractor’s request or application for the Certificate of Completion”.

12.2.3.4 Add at the end:

“or for which the aggregate cost of repair or remedying the defects or deficiencies would be greater than 10% of the Contract Price”
12.2.4 Delete “should any limitation statute of the Province or Territory of the Place of the Work permit such agreement. If the applicable limitation period does not permit such agreement, within such shorter time 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”.

and replace with the following:

“or, as to any defect or deficiency or other claim of which the Owner is not aware at the end of the said period of six years, a period of one year after the Owner has become aware”.

12.2.8 Immediately before the words “further interim” and again immediately before the words “submit a final account”, insert the following: “, upon request”.

12.2.9 Delete.

12.2.10 Delete.

Add:

12.2.11 For greater certainty, in paragraphs 12.2.1, 12.2.2, 12.2.3 and 12.2.5 of GC 12.2 WAIVER OF CLAIMS, “claims” includes claims based on changes and delay (e.g. under Part 6 CHANGES IN THE WORK).

GC12.3 WARRANTY

Add:

"12.3.7 Where specific warranties or guarantees are required by the Contract Documents relating to the Work and including without limitation those relating to any fixtures, improvements, appliances, equipment or other chattels for the Project, the Contractor shall secure such warranties or guarantees from the Subcontractors and Product suppliers and they shall be assigned to or addressed to and in favour of the Owner. The Contractor shall cooperate and assist in the enforcement of such warranties or guarantees. The Contractor shall deliver the originals plus 2 copies of such warranties or guarantees to the Owner no later than 30 calendar days following issuance of the Certificate of Completion."

12.3.8 Prior to obtaining a building permit, the Contractor shall be licensed by the Homeowner Protection Office, and if required by BC Housing and the Homeowner Protection Act, shall provide third party home warranty coverage from a warranty provider authorized by the Financial Institutions Commission."

Add the following General Conditions:
GC13.1 GAS AND ELECTRICITY

13.1.1 The occupancy date will be the date of turnover of all gas and electricity billings to the Owner. The Contractor shall notify the gas and electricity suppliers and the Owner in writing as to the date of billing turnover at least 45 calendar days prior to such date.

13.1.2 The Owner shall be responsible for notifying the gas and electricity suppliers of start-up billing failing which the Owner shall reimburse the Contractor for all charges accruing thereafter.

GC14.1 PUBLIC STATEMENTS AND SIGNS

14.1.1 The Contractor shall not make any public statement with respect to the Project without the prior written consent of the Owner and BC Housing.

14.1.2 The Contractor shall not erect or permit the erection of any sign or advertising at the Place of the Work without the prior written approval of the Owner.

GC15.1 LIENS

15.1.1 The Contractor will pay or cause to be paid promptly when due all claims, debts and charges against the Contractor or Subcontractors engaged by the Contractor which might become a lien upon the Project arising out of the Work performed or materials furnished by the Contractor or any Subcontractors under the Contract, and will not suffer or permit any lien or encumbrance of any kind to be filed against or upon the Project, regardless of whether the basis of such lien is a claim against the Contractor or any Subcontractor.

15.1.2 If the Owner is not in default in making payment to the Contractor as required under this Contract and if a claim of builders lien is filed against title to the Project by anyone claiming under or through the Contractor, the Owner may notify the Contractor in writing that the filing of such claim or claims of builders lien is a material default by the Contractor of its contractual obligations and instruct the Contractor to obtain and file a release of the said claim or claims in the Land Title Office within 7 Working Days immediately following receipt of such notice.

15.1.3 If such default is not corrected within the time specified or subsequently agreed upon in writing, the Owner, without prejudice to any other right or remedy it may have, may:

1. pay, settle or compromise any such claim or claims of builder’s lien, or pay into Court sufficient security for the cancellation thereof as determined by the Court and deduct the amount of any such payment from the next ensuing payment which may become due to the Contractor; or

2. pay into Court from the holdback account established by the Owner in accordance with the Builders Lien Act sufficient security for the cancellation of any such claim or claims of builder’s lien as determined by the Court and this provision will constitute the agreement of the Contractor to make such payment as required under Section 5(2) (c) of the Builders Lien Act;
and the Owner may deduct from the next ensuing payment which may become due to the Contractor all costs and expenses thereby incurred by the Owner, including any account for legal fees and disbursements incurred by the Owner.

15.1.4 If the Owner is not in default in making payment to the Contractor as required under this Contract, the Contractor will indemnify and save the Owner harmless from and against the costs of any and all actions commenced by any lien claimant claiming under or through the Contractor against the Owner pursuant to the Builders Lien Act, including solicitor and client costs.

15.1.5 Notwithstanding any other provision of the Contract, no payments whatsoever shall be due or owing to the Contractor so long as any liens filed by anyone claiming under or through the Contractor remain registered against title to the Project.

**GC16.1 INFORMATION TECHNOLOGY RELATED THREATS**

16.1.1 The Contractor shall notify the Owner and its mutual affiliates, as soon as reasonably possible, of any information technology related threat that may be transmitted electronically to the Owner or any of its affiliates which includes but is not limited to: viruses, rogue security software, trojan horses, spyware, computer worms, phishing, rootkits and any real or perceived electronic attack (the “IT Threat”). In the event the Owner becomes aware of an IT Threat, the Owner may, at its sole discretion, notify any organization that it reasonably believes could be exposed to the same IT Threat and include in such notification any relevant details for the purpose of avoiding or minimizing any negative impact.”

END OF DOCUMENT