

SCHEDULE 'A'

GENERAL REQUIREMENTS April 1, 2019 to March 31, 2020

GENERAL CONDITIONS

1. The Contractor shall comply with all statutes, regulations, by-laws, resolutions, ordinances and requirements of any municipal corporation, board, committee, commission or agency and all provincial and federal authorities including the Canada Mortgage and Housing Corporation having authority over the work.
2. The Contractor agrees that he has examined the site and the plans and specifications relating to the work. The Contractor agrees to identify in writing forthwith to the Builder any mistakes, errors, or inconsistencies of which the Contractor becomes aware, and in any event, before proceeding to do any work which is in any way affected or related to such mistakes, errors or inconsistencies.
3. All work pursuant to this agreement shall as a minimum standard conform to the requirements as set forth in the specifications required or followed by any governmental and regulatory authority or agency having authority over the work.
4. Time, Schedule, Conformity, Service, Efficiency and First-Class Workmanship Shall in all respects, **be** in of the essence of this agreement.
5. All work shall be performed by competent, capable and skilled persons of the trade.
6. The Contractor is expected to carry out their duties in a professional and workmanlike manner at all times while on **the Builder's** Site.
7. Notwithstanding any other provision of this agreement, all work performed or required to be performed by the Contractor pursuant to this agreement shall be done to the satisfaction of the Builder.
8. Notwithstanding any other provision of this agreement, the Builder can set-off or recover from the Contractor all monies due to the Builder pursuant to this agreement.
9. The duties and obligations imposed by this agreement on the Contractor and the rights and remedies available to the Builder shall be in addition to and not a limitation of any of the duties, obligations, rights and remedies, otherwise imposed or available by law.
10. No action or failure to act by the Builder shall constitute a waiver of any right available to the Builder under this agreement nor shall any such action or failure to act constitute an approval of or an acquiescence in any breach there under, except as may be specifically agreed in writing.
11. The Builder will not be responsible for any change to this agreement unless the change has been authorized in writing and signed by the Builder. If agreement cannot be reached on the value of the change, the Contractor shall nevertheless perform the change in accordance with the direction of the Builder. Payment for the change to which the prices set out in Schedule "C" of the agreement cannot apply, shall not exceed the Contractor's cost in performing the change plus a markup of fifteen (15%) percent for overhead and profit less a credit to the Builder for the value of the work not **performed because of the change.**
12. Without restricting any warranty stipulated or implied by law the Contractor shall, at any time before and after occupancy upon direction in writing of the Builder and within such time as shall be specified in such direction, rectify and make good at the Contractor's own expense any defects or other faults that may appear in the work for which in the opinion of the Builder, the Contractor is responsible.
13. The Contractor agrees to indemnify and save the Builder harmless from any and all losses which the **Contractor** may suffer arising out of any sickness, personal injury, death or damage to any person or property arising out of, or in any way connected with, this agreement.
14. The Contractor agrees that the Builder has the right to have designated personnel at any time to conduct physical and property searches of any person employed by or representing the Contractor. The Contractor agrees to indemnify and save the Builder harmless from any and all claims which are advanced against the Builder in this respect.
15. The Contractor agrees not to assign this Contract or any portion thereof without the written consent of the Builder.
16. This agreement shall ensure to the benefit of and be binding upon the parties thereto and their respective heirs, executors, administrators, successors and assigns, as the case may be.
17. In the event of the death, dissolution, bankruptcy or receivership of the Contractor, before completing this agreement, the Builder at its option may terminate this agreement and deduct from the monies payable to the Contractor all costs incurred by the Builder in completing the Contractor's work **and any** amount to the Builder pursuant to this agreement.
18. If the Builder incurs any expense for any claim for lien or trust claim pursuant to the Construction Lien Act, including, but not limited to, the removal from title of claims for lien, then, the Builder may deduct from any monies owing to the Contractor such expenses.
19. TERMS OF PAYMENT are part of SCHEDULE "C" attached

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20. Upgrade prices requested by the Builder shall be returned by the contractor within 48 hours. If the contractor cannot meet the 48-hour deadline, they will notify the Builder within 24 hours of receipt of price request.
21. The Contractor shall agree, in the event of necessity of such an action, to lien only the property(ties) to which payment in question is applicable.

HOUSEKEEPING:

22. This Contractor shall be responsible for the cleaning of his/her own work area and the removal of all waste daily. Disposal is to be made by way of a container supplied by the Builder.
23. The Builder has the right to direct the Contractor to meet his requirements regarding housekeeping. If the Contractor fails to comply forthwith with the written direction of the Builder, the Builder may deduct from the monies otherwise payable to the Contractor one hundred and twenty-five (125%) percent of the Builder's costs in performing such work on behalf of the Contractor.
24. The Contractor shall satisfy himself before commencing the work as to the work performed by others having relation to his own work and any objections shall be stated to the Builder in writing. The Contractor shall be deemed to have accepted all job conditions about which he has not given the notice required within. **The Contractor shall then be responsible for any repairs required due to unacceptable and/or incomplete work by others.**
25. This Contractor shall supply his/her own generator to provide temporary power when required.

THEFT AND DAMAGE:

26. The Contractor shall be held responsible for any damages which may occur due to either negligence and/or non-performance of their work, as specified in this Contract
27. In the event there is any loss or damage to the property of the Builder, to the Project, or the work being performed by the Contractor or any other Contractor in the Project, which the Builder cannot identify as being the fault of any particular Contractor or individual, the Contractor agrees to accept as a deduction from the monies payable to the Contractor under this agreement some or all of the loss suffered by the Builder as determined by the Builder at the Builder's discretion.
28. Where this Contractor may be responsible for damages to another Contractor's work and the Builder becomes responsible to compensate for said damages, this Contractor will be 'BACKCHARGED' the cost for said compensation plus a 10% administration fee, with a minimum of \$50.00 per issuance.
29. ALL WORKERS NEED TO RESPECT OTHER'S WORK, PLEASE RESPECT THE JOB SITE.
30. The scheduling of the work shall be in accordance with the directions given to the Contractor from time to time by the Builder. The failure of the Contractor to comply with the direction of the Builder shall result in the Contractor being responsible for all damages suffered by the Builder in addition to any other remedies available to the Builder.
31. The Contractor shall at all times be responsible for any damage, theft, vandalism or disappearance of its equipment and materials. Materials placed on the job site by the Contractor and/or materials delivered to the job site by the Builder for the work shall be at the risk of the Contractor until the final acceptance of the work by the Builder.

JOBSITE SAFETY & WORKERS

32. It is the responsibility of this Contractor to ensure that all his/her employees and/or subcontractors are in full compliance with the CURRENT Occupational Health and Safety Act and Regulations for Construction Projects, R.S.O., 1980 (Ont Regs 213/91) and are conforming with the Safety Program set forth the builder at all times while on the builder's site. This Contractor understands and agrees with the following:
 - a) The Builder has implemented a compliance safety fee system that exists on all jobsites at all times. As such, any contractor not in compliance will be fined or may be dismissed immediately without warning from the jobsite.

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- b) The Contractor is responsible to forward all records of training for every worker on our jobsites. Furthermore, all workers must be "competent" (as defined by "OHSA") and have licenses in good standing and be able to provide same upon request. Mandatory training certification and compliance prior to entering the Builder's jobsite shall not be limited to: (See Safety Program)
- Working at Heights (Implemented March 1, 2015)
 - Access and egress ramps adequately cleated (Implemented Feb12, 2012)
 - Heavy Equipment Operator's licenses (Crane, Boom truck etc...)
 - Trades Qualification Act Certification. (Ontario college of Trades)
 - Explosive activated tools (HILTI License).
 - WHMIS
 - Chainsaw Training
 - Accessibility Training
 - Bill 168 & 132
 - Workers awareness 4 steps or 5 steps whichever is applicable.
- c) The Contractor is responsible to register all Quebec workers and subcontractors. This must be **completed, and** compliance met with all the (JPO) Job Protection Office Requirements prior to being permitted on the Builder's jobsite. The Contractor shall forward such Certification to the Builder.
- d) The Contractor has reviewed and acknowledges receipt of the Builder's current Safety Program requirements.
- e) The Contractor certifies that he, his employees and his subcontractors will comply to the safety program.
- f) The Contractor is aware that the builder reserves the right to take pictures or videos at its discretion at any moment for purposes of any unsafe practices. The Contractor is also aware that video surveillance is located at various sites and that it's being monitored by both the Builder and a **third-party** security company. Videos or pictures captured by the monitoring of the site can also be used for the implementation and/or Enforcement of the builder's safety policies.
- g) The Contractor will abide by the non-compliance fee structure see Valecraft Safety Program – and procedures 2.12.

NO SMOKING POLICY

33. The Contractor agrees to ensure that all personnel, sub-Contractors, suppliers, and/or other individual authorized by this Contractor do not smoke on **Builder** property or within the confines of the home. This Contractor understands and agrees that there will be "Zero Tolerance" with regards to smoking in any home and that failure to comply will result in the immediate dismissal of that individual from the home and the job site.
34. **If the** Contractor, his employees, subcontractors or any other individual authorized by the contractor has the need to smoke, they shall do so outside the furthest point of the unit and at a distance of at least 10m (30ft).
35. The Contractor shall also be aware that smoking around combustible materials (i.e. Propane tanks) is prohibited and will result in immediate dismissal.

ALCOHOL, CANNABIS AND BANNED SUBSTANCES POLICY

36. The Contractor agrees to ensure that all personnel, sub-Contractors, suppliers, and/or other individual authorized by the Contractor is aware that there is "Zero Tolerance" with regards to consumption of alcohol, cannabis, or being under the influence or impairment of alcohol or cannabis on any of the Builder's Site. This also is the same with any banned substances, legal or illegal being consumed or under the influence or impairment of at any time on the Builder's Site. Failure to comply will result in the immediate dismissal of that individual from the home and the job site, and possible never to return.

WORKPLACE VIOLENCE AND HARRASSEMENT POLICY

37. The Contractor agrees to ensure that all personnel, sub-Contractors, suppliers, and/or other individual authorized by the Contractor is aware that there is a workplace violence and harassment policy in place and that there is "**Zero Tolerance**" with regards to this policy. Failure will result in the immediate dismissal of that individual from the home and the job site, and possible never to return. (Bill 168 and Bill 132)

FORM 1000

38. The Ontario Ministry of Labor now requires all Builders to have a copy of the Registration of Contractors and Employers Engaged in Construction (Form 1000) for each trade. Furthermore, they require a copy on each site in which the contractor has a current contract. The Contractor shall provide the builder with an up-to-date Form 1000 at contract signing each year. Failure to provide an up-to-date Form 1000 will result in workers not being permitted on any Jobsites and cheques being withheld. The Builder will enforce the Contractor to implement and follow up on these items.

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CITY BYLAWS

39. It is the responsibility of the Contractor to inform themselves and to adhere to all city noise & labour bylaws, as set out by the authority having jurisdiction. Any fines, levied by the enforcement officer, shall be the Contractors' responsibility for payment.

PRIVACY POLICY

40. In consideration of working together with the Builder, and by execution and return of this agreement, you also agree both to comply with the minimum standards set out in the Builder's Privacy Policy and to provide the Builder with copies of your privacy policies and guidelines, if any, including updates as they may be amended from time to time.
41. Notwithstanding any other provision in this agreement, the Builder reserves the right to terminate any and all contracts or agreements with you should it be discovered that you had breached, or put the Builder in breach of any privacy obligations it owes to its employees, its associates, its customers or the general public.

AUTHORITY HAVING JURISDICTION INSPECTIONS

42. The Contractor acknowledges and agrees that they are responsible and accountable for completing the work as defined under Schedule "B" in said manner as to ensure their works successfully pass the Authority Having Jurisdiction inspection. They further accept and agree to pay all applicable fee(s) and taxes imposed by the Authority Having Jurisdiction Performance Deposit Policy (Building Service Branch) for each and every failed inspection.

W.S.I.B

43. It is the sole responsibility of the Contractor to have all paperwork up to date and in good standing. The Contractor is to provide the Builder with a valid W.S.I.B. number from the Workplace Safety & Insurance Board (herein known as W.S.I.B.). The builder will print a certificate every 90 days. Failure to have a valid certificate for any reason will result in workers not being permitted on any Jobsites and cheques being withheld. The Builder will NOT follow up on these items.
44. WSIB requires that all independent operators, sole proprietors, partners in a partnership and executive officers (all deemed workers) will be required to have a WSIB number. It is the sole responsibility of the contractor to make sure that any of the above-mentioned workers has a WSIB number and is to provide the Builder all WSIB certificates for any parties that is working for, or with the contractor on any Jobsites. Failure to do so will result in workers not being permitted on site and possible contract termination.
45. The Contractor is to provide his up-to date CAD 7 (WSIB) at the time of renewal, along with copies of all CAD 7 for all independents that work for the Contractor.

INSURANCE

46. The Contractor is to provide the Builder with A CERTIFICATE OF INSURANCE issued by the Contractor's insurance company with the following insurance policies within 7 days of execution of contract:
- A. Comprehensive General Liability minimum **\$5,000,000.00** limit including but not limited to the following coverage's: personal injury, bodily injury, property damage, voluntary compensation, non-owned auto, contractual and completed operations.
 - B. Automobile Liability minimum \$2,000,000.00 limit including but not limited to the following coverage's: comprehensive forms, owned and hired.
 - C. Non-owned Automobile Liability minimum \$2,000,000.00 limit including but not limited to the following coverage's: comprehensive forms, owned and hired.
 - D. The Contractor shall provide the Builder with certification that their policy is still in force 30 days prior to the expiry of the current policy term.
 - E. The Contractor shall add The Builder, Valecraft Homes Limited, 1455 Youville Drive, Suite 210 Orleans, Ontario, K1C 6Z7 as "additional insured" on his/her current insurance policy.
 - F. Should any of the above-described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail 30 days written notice to the certificate holder named.
 - G. The Certificate shall provide the name of the Insured as a legal entity as per contract.
 - H. Certificate of insurance not received at the builder's head office 7 days prior to expiration will result in workers not being permitted on our jobsites and cheques being withheld until said Certificate of insurance is received.

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47. The Contractor agrees to insure his equipment and materials for the work, and to require his insurer to waive its rights of subrogation, if any, against the Builder.

INVOICING

48. All workmanship shall be subject to an inspection by the Builder's Superintendent prior to signing any completion slips. In the event the Site Superintendent is not available for signature, said completion slips are to be left in the Site mailbox. The Builder reserves the right to retain the completion slips for 48 hours to properly inspect and authorize payment for the completed works.
49. Invoices must be accompanied with a COMPLETION SLIP(S) signed, dated and approved by our Site Superintendent. The following information is required on all COMPLETION SLIPS:
- Trade name / Project #
 - Lot / Unit # and Street Name
 - Cost Code
 - Description of work - DETAILED
 - Date of completion (of each item)
 - Each Project is to be billed separately

White Copy - Trade Contractor's (submit with invoice)
Yellow Copy - Trade Contractor's
Pink Copy - Builder's Copy
Gold Copy - Builder's Copy (Superintendent's files)

50. The following information is required on all INVOICES:

- A. Project #, Lot #, Model #, Completion Slip #, PO # (if required), Description of work.
- B. Codes for your operations as per Schedule "C".
- C. Invoices with more than one contract # will not be accepted.
- D. You are responsible to obtain a Purchase Order # for all work performed which is not included in your contract such as, extras, repairs and service. This work must be submitted on a separate invoice for each Purchase Order #.
- E. All invoices for extras, repairs and/or service must be accompanied by a signed completion slip, change order or work order from the Builder's Superintendent and a Purchase Order if applicable.
- F. Code 680 is for Extras.
- G. Invoices received without ALL proper documentation will be returned.
- H. Purchase Order Requests must be submitted within 30 days of issuance of Purchase Order work. All requests for Purchase Orders must be submitted in writing, in the approved form, signed by the Site Superintendent and submitted to the Construction Manager for approval.

51. Invoices for completed work MUST be received at the end of the month and/or **no later** than 5 working days of the following month in order to qualify for your respective payment terms. Invoices must be completed as per Schedule "C" of your contract. Improper invoices will be returned.

Invoices with Purchase Orders must be received at Head Office before the expiry date on the Purchase Order. Invoices with expired Purchase Orders will not be accepted.

SUBSTITUTIONS

52. Product substitutions, manufacturer model type's alterations and/or material style changes which differ from either Contract specifications and/or model home installation, shall not be permitted unless prior notice and approval is given by the builder.

SERVICE

53. Work orders may be issued by our Service Department for a variety of different reasons, ranging from incomplete work, unsatisfactory work and/or damages to your work made by another contractor. Whatever the reason, whether or not payment for those repairs is due, you are responsible for carrying out your service on an ongoing basis throughout the warranty period.

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54. Since your performance in providing prompt and professional service to our homeowners ultimately reflects on the Builder, we obviously place a great deal of emphasis on Service. Your past servicing performances, either with us, as interpreted throughout the industry and/or from referral forms, are a very important component towards our decision to award a contract or not.
55. The Contractor must perform the Service Work as indicated on the work order without exception on the pre-scheduled date provided by the builder or date set out by the contractor's service department. This date is noted on the work order or is to be forwarded to the Builder's Customer Service Department. Furthermore, the Contractor and/or their representatives will present themselves in a professional manner and shall carry out the necessary service work. All communications with the Customer shall be done in a polite and professional manner at all times. Failure to do so will constitute grounds for termination of this contract.
56. Work orders are to be completed, signed off and dated by the Homeowner on the pre-scheduled date given by the Builder or scheduled by the Contractor. The Builder will accept only Homeowner's signed work orders as acceptance that work has been properly completed. This signed work order is to be sent back to the Builder as it indicates to us and to Tarion Warranty Corporation that the homeowner has accepted the work and that the work is to their satisfaction.
57. If the homeowner does not sign off on the work order for any reason you must sign, date and write a brief explanation of the situation within 5 days. Fax a copy of the work order to our Service Department at Head Office or send by email to service@valecraft.com.
58. Incomplete work which goes beyond the pre-scheduled date, set by the Builder, must be communicated in writing to our Service Department along with an explanation as to why said work is not done.
59. A monthly status reporting of each work order is mandatory and a vital component of your contractual agreement with the Builder. Failure to perform Customer Service work on time will ultimately result in cheques being withheld until the necessary Service work has been completed.
60. The Contractor understands that the service work that is a result of not completing its contractual obligations, or that the workmanship is deemed unacceptable, will perform the service at no charge. For works that are beyond the scope of the contract, or that is considered PO work by the service department, the service work will be done at a cost that is accepted by the service department or hourly as noted on the Schedule "C". The hours worked are only the time required to do such work and does not include travel time to the home that is to be serviced.

WARRANTY PERIOD

61. The Contractor agrees not to perform any extra work(s) requested by the builder's homeowner for a period of one year following the occupancy date. The Contractor also agrees to attend to all Service Warranties under their applicable warranty period as indicated below.

A. The One-Year Warranty – free from all defects in work and materials.

B. The Two-Year Warranty:

- Water penetration through the basement or foundation walls.
- Defects in materials or work (including windows, doors and caulking) that result in water penetration into the building envelope.
- Defects in materials and work in the electrical, plumbing and heating delivery and distribution systems.
- Defects in materials and work which result in detachment, displacement or deterioration of exterior cladding (such as brickwork, aluminum or vinyl siding.)
- Violations of Ontario Building Code regulations under which the Building Permit was issued, affecting health and safety, including but not limited to fire safety, insulation, air and vapour barriers, ventilation, heating and structural adequacy.

TERMINATION

62. In the event the Contractor is in breach of any of its obligations under this Agreement, or if the builder's sole and absolute discretion it no longer wishes to retain the services of the Contractor, then the builder may immediately upon being served written notice, terminate this Agreement by giving notice in writing to the Contractor. The Contractor shall cease all work under this Agreement, and the builder shall be responsible to pay the Contractor any amount owing for services rendered subject to any required construction lien holdbacks or holdbacks for any deficient and/or uncompleted work. Further, the builder may retain monies which may be required to carry out and complete the contractual obligations of this Contractor. Notwithstanding any termination of this Agreement by the builder, the Contractor shall remain responsible for providing any warranty work, or correcting any deficient work as set out in this Agreement.
63. This Contract was awarded to your company based upon an expected quality of workmanship and level of service. Failure to provide either shall constitute grounds for the immediate termination of this Contract.

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64. The Builder has the right to cancel this agreement for any breach thereof by the Contractor upon giving 48 hours written notice to the Contractor and the Contractor failing to remedy the breach within the said 48 hours. In the event this agreement is cancelled the Contractor shall not have further recourse against the Builder.

NAME: _____
(Print)

SIGNATURE: _____
CONTRACTOR

DATED: _____

VALECRAFT HOMES LIMITED, AUTHORIZED SIGNING AUTHORITY

DATED: _____

Contractor Initials: _____

Valecraft Initials: _____