

# **Manitoba Housing Supplementary Conditions**

Contract #

Available in alternate formats upon request.

	GENERAL			
1.	Design-Build Stipulated Price Contract CCDC Document 14 - 2013	The Design-Build Contract for this project is the standard construction document - CCDC Document 14 - Design-Build Stipulated Price Contract 2013.		
14 - 2013 and the Go Supplementary Build Stipu Conditions in these S Conditions Design-Bu		The Agreement between <i>Owner</i> and <i>Design-Builder</i> , the Definitions and the General Conditions of the CCDC Document 14 – Design-Build Stipulated Price Contract 2013 is amended as set out below in these Supplementary Conditions. If these Supplementary Conditions conflict with other terms in the CCDC Document 14 – Design-Build Stipulated Price Contract 2013, these Supplementary Conditions shall take precedence and prevail.		
		Where any Article, Definition or General Condition is modified or any paragraph, subparagraph or sentence thereof is modified or deleted by these Supplementary Conditions, the unaltered portions shall remain in effect.		
3.	Manitoba Housing Contacts	Add the following: Contract Administrator is: Project Manager is:		
AG	AGREEMENT BETWEEN OWNER AND DESIGN BUILDER			
	icle A-1 Design rvices And The Work	1. <b>Delete</b> paragraph 1.3 in its entirety and <b>replace</b> with:  "1.3 commence the <i>Design Services</i> and <i>Work</i> within x weeks after contract award and subject to adjustment in <i>Contract Time</i> as provided for in the <i>Contract Documents</i> , achieve <i>Substantial Performance of the Work</i> within xx weeks after execution of signed Agreement and achieve <i>Project</i> completion within xx weeks after execution of the signed Agreement.		



Article A-3 Contract Documents	<b>Delete</b> paragraph 3.1 in its entirety and <b>replace</b> with:			
Doddinonto	"3.1 The following are the <i>Contract Documents</i> referred to in Article A-1 of the Agreement – DESIGN SERVICES AND THE WORK:			
	<ul> <li>Agreement between Owner and Design-Builder</li> <li>Definitions in this Contract</li> <li>General Conditions of this Contract</li> <li>Owner's Statement of Requirements, consisting of the following: <ul> <li>the Request for Proposals # issued)</li> <li>including the Owner's Description of Services in Schedule A;</li> <li>Price Form in Schedule B; and</li> </ul> </li> <li>The Design-Builder's Proposal dated</li> <li>Appendix #3 Supplementary Conditions to the CCDC 14 - Design-Build Stipulated Price Contract 2013</li> <li>Construction Documents, after they have been accepted by the Owner."</li> </ul>			
Article A-4 Contract Price	4.1 <b>Add</b> the following to the end of paragraph 4.1:  "For clarity, the <i>Contract Price</i> consists of \$ xxxx, plus applicable Manitoba Retail Sales Tax (also known as RST or PST) of \$ xxxxx			
	4.2 Paragraph 4.2 shall be completed as:			
	"not applicable; see paragraph 4.6."			
	Add new paragraph 4.6 as follows:			
	"4.6 The Owner certifies that the Design Services and Work is being acquired under the Contract by the MHRC with Crown funds and that it is therefore not subject to the Federal Goods and Services Tax ("GST"). The Design-Builder 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 Contract. The MHRC GST Registration Number is R125624932."			
Article A-5 Payment:	5.1 <b>Delete</b> from the first sentence the words "and, where such legislation or regulations do not exist or apply, subject to a holdback of percent (%)"			



	5.3 <b>Delete</b> paragraph 5.3.1 in its entirety and <b>replace</b> with:
	"5.3.1 If the <i>Owner</i> fails to pay amounts when due according to paragraph 5.1 of this Article, amounts not paid by the <i>Owner</i> within sixty (60) days after they are due shall bear interest, from the 61st day after the due date until paid in full, at the interest rate payable on holdbacks under Crown contracts as set out in <i>The Builders' Liens Act</i> (Manitoba)."
DEFINITIONS	
Contract Time	Add the following to the end of the definition of Contract Time:
	"and the date of <i>Project</i> completion."
Owner	Add the following to the end of the definition of Owner:
	"The <i>Owner</i> shall mean Manitoba Housing and Renewal Corporation (MHRC)".
Project Completion	Add the following definitions after the definition of <i>Project</i> :
	"Project Completion means the entire Design Services and the Work, except those arising from GC 12.5 – WARRANTY, have been performed in accordance with the Contract."
Substantial	Delete the second sentence and replace with:
Performance of Work	"Date of Substantial Performance of the Work means the date on which the Consultant certifies that Substantial Performance of the Work has occurred."
Value Added Taxes	<b>Add</b> the following to the beginning of the definition of <i>Value Added Taxes</i> :
	"Subject to paragraph 4.6 in Article A-4 of the Agreement - CONTRACT PRICE,"
	Add the following to the end of the definition of Value Added Taxes:
	"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.
	Manitoba Retail Sales Tax (also known as RST or PST) is excluded from, and does not form part of the <i>Value Added Taxes</i> . PST is



included in the *Contract Price* in paragraph 4.1 of Article A-4 of the Agreement – CONTRACT PRICE."

General Conditions of the Design-Build Stipulated Price Contract

#### **PART 1 GENERAL PROVISIONS**

### GC 1.1 Contract Documents

GC 1.1.6.1 - **Delete** subparagraph 1.1.6.1 in its entirety and **replace** with:

"If there is a conflict within the *Contract Documents*:

- .1 the order of priority of documents, from highest to lowest, shall be:
  - these Supplementary Conditions to the CCDC 14 Design-Build Stipulated Price Contract 2013,
  - the Agreement between the *Owner* and the *Design-Builder*,
  - the Definitions.
  - the General Conditions,
  - the Owner's Statement of Requirements,
  - the Design-Builder's Proposal dated ,
  - the Construction Documents.

GC 1.1.7 to 1.1.10 – **Delete** paragraphs 1.1.7 to 1.1.10 in their entirety and **replace** with:

- "1.1.7 All information, documents and materials, including (without limitation) all designs, *Drawings*, plans, sketches, graphic representations, original models or renderings and *Specifications*, prepared by the *Design-Builder* or the *Consultant*, *Other Consultants* or any of the their officers, employees or agents in the performance of, or incidental to the performance of, the *Contract*, and all intellectual property rights therein (including, without limitation, all copyright, patent, trade mark rights), shall be the exclusive property of the *Owner*, and shall be delivered without cost to the *Owner* upon request.
- 1.1.8 The *Design-Builder* hereby waives all moral rights pursuant to the *Copyright Act (Canada)* in respect of all information, documents and materials described in paragraph 1.1.7 in favour of the *Owner*, and agrees to execute any additional



	documents, in a form satisfactory to the <i>Owner</i> , which may be required to evidence this waiver.
	1.1.9 The <i>Design-Builder</i> further agrees to obtain from each of its officers, employees and agents, and the officers, employees and agents of the <i>Consultant</i> and <i>Other Consultants</i> , written waivers, in a form satisfactory to the <i>Owner</i> , of all their moral rights in such information, documents and materials in favour of the <i>Owner</i> .
	1.1.10 While this <i>Contract</i> is in effect, and at all times thereafter, the <i>Design-Builder</i> , its <i>Consultant</i> , <i>Other Consultant</i> s and any of their officers, employees or agents shall not use, publish or disclose any information, documents and materials described in paragraph 1.1.7 without first obtaining written permission from the <i>Owner</i> .
	GC 1.1.11 – <b>Add</b> new paragraph as follows:
	1.1.11 Any equipment, materials, and supplies provided by the <i>Owner</i> to the <i>Design-Builder</i> for use in the performance of this <i>Contract</i> shall remain the property of the <i>Owner</i> and shall be returned without cost to the <i>Owner</i> upon request."
PART 2 OWNER'S RESP	PONSIBILITIES
GC 2.4 Role Of The	GC 2.4.7 Add the following to the end of paragraph 2.4.7:
Payment Certifier	"If the Payment Certifier is the Design-Builder's Consultant or Other Consultant, all certificates of payment shall be reviewed and approved by the Owner prior to issuance."
GC 2.6 Work By Owner	GC 2.6.2.2 – <b>Delete</b> subparagraph 2.6.2.2 in its entirety.
Or Other Contractors	GC 2.6.3.4 – <b>Add</b> new subparagraph 2.6.3.4 as follows:
	"assume overall responsibility for other contractors and <i>Owner's</i> own forces for compliance with the applicable health and construction safety legislation at the <i>Place of the Work</i> ;"



PART 3 DESIGN-BUILDER'S RESPONSIBILITIES			
GC 3.1 Control Of The Design Services And The Work	GC 3.1.2 – <b>Add</b> the following sentence to the end of paragraph 3.1.2:		
THE WORK	"The <i>Design-Builder</i> shall be responsible for any <i>Design Services</i> and <i>Work</i> not explicitly set out in the <i>Contract</i> but which may be reasonably implied for proper completion of the <i>Design Services</i> and the <i>Work</i> ."		
	GC 3.1.4 – <b>Add</b> the following sentence to the end of paragraph 3.1.4:		
	"Without limiting the generality of the foregoing, the <i>Design-Builder</i> shall ensure that the <i>Design-Builder</i> 's contract with the <i>Consultant</i> shall incorporate terms and conditions which are consistent with paragraphs 1.1.7 to 1.1.11 of these Supplementary Conditions."		
GC 3.4 Other Consultants, Subcontractors And	GC 3.4.2 - <b>Add</b> the following sentence to the end of paragraph 3.4.2:		
Suppliers	"The Design-Builder agrees not to change such Other Consultants, Subcontractors and Suppliers identified in writing without prior written approval of the Owner, which approval will not be unreasonably withheld."		
GC 3.5 Construction Documents	Add new paragraph 3.5.5 as follows:		
Documents	"3.5.5 The <i>Design-Builder</i> shall submit the following close-out documents to the <i>Owner</i> in the time specified unless otherwise provided in writing by the <i>Owner</i> :		
	.1 Initial O & M Manuals, for review by <i>Owner</i> , to be provided no later than thirty (30) calendar days after the date of <i>Substantial Performance of the Work</i> ;		
	.2 Complete O&M Manuals and As-Built Drawings to be provided fourteen (14) calendar days from receipt of Owner's feedback."		
GC 3.7 Supervision	GC 3.7.1: <b>Add</b> the following sentence to the end of paragraph 3.7.1:		
	"The appointed representative and any additional personnel representing the <i>Design-Builder</i> , and their roles and responsibilities for the work shall not be changed except for valid reason and with notification to the <i>Owner</i> ."		



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GC 3.8 Labour And Products	Add new paragraphs 3.8.4, 3.8.5 and 3.8.6 as follows:		
1 Toddots	"3.8.4 All employees must wear identification badges, which shall include a photo of the employee, the company name and the first name of the employee.		
	3.8.5 The Owner may request the Design-Builder, the Consultant, Other Consultants, Subcontractors, or any of their officers, employees or agents to undergo character, financial and security screening. The Design-Builder shall execute and deliver and shall cause its Consultant, Other Consultants, Subcontractors or any of their employees or agents to execute and deliver such consents and other documentation as may be reasonably required by the Owner to carry out the screening under this section. Criminal Record Searches, Child Abuse Registry Searches and Adult Abuse Registry Searches are required when the Manitoba Housing asset is occupied. Confirmation of screening requirements must be supplied when requested by the Owner."		
GC 3.11 Non- Conforming Design And Defective Work	GC 3.11.2 – <b>Add</b> the following sentences to the end of paragraph 3.11.2:		
Delective Work	"The correction of defective work shall be at the <i>Design-Builder</i> 's expense. The <i>Design-Builder</i> shall rectify, in a manner acceptable to the <i>Owner</i> , and the <i>Design-Builder</i> shall prioritize the correction of any defective work so as not to interfere with, or derogate from, the construction schedule, provided that the <i>Design-Builder</i> shall prioritize the correction of any defective work that in the sole discretion of the <i>Owner</i> is determined to adversely affect the day to day operation of the <i>Owner</i> ."		
PART 5 PAYMENT			
GC 5.1 Financing Information Required Of The Owner	GC 5.1 – <b>Delete</b> paragraphs 5.1.1 and 5.1.2 in their entirety and <b>replace</b> with:		
THE OWNER	"Intentionally left blank"		
GC 5.3 Progress Payment	GC 5.3.1.2 - <b>Delete</b> from the second line of paragraph 5.3.1.2, the words "calendar days" and <b>replace</b> with "Working Days".		
	GC 5.3.1.3 - <b>Delete</b> paragraph 5.3.1.3 in its entirety and <b>replace</b> with:		
	"The <i>Owner</i> shall make payment to the <i>Design-Builder</i> on account as provided in Article A-5 of the Agreement - PAYMENT no later		



	than sixty (60) days after the <i>Payment Certifier</i> has issued a certificate of payment as contemplated by paragraph 5.3.1.2."			
GC 5.5 Payment Of Holdback Upon Substantial Performance Of The Work	GC 5.5.3 – <b>Delete</b> paragraph 5.5.3 in its entirety and <b>replace</b> with: "Intentionally left blank"			
GC 5.7 Final Payment	GC 5.7.2 - <b>Delete</b> from paragraph 5.7.2 the words "calendar days" and <b>replace</b> with " <i>Working Days</i> ".			
	GC 5.7.4 - <b>Delete</b> from the paragraph 5.7.4 the words "5 calendar days" and <b>replace</b> with "60 calendar days".			
PART 6 CHANGES IN T	HE CONTRACT			
GC 6.2 Change Order	GC 6.2.1 <b>Add</b> at the end of paragraph 6.2.1:			
	"The adjustment in <i>Contract Price</i> shall be determined by one or more of the following methods:			
	.1 by estimate in a lump sum;			
	.2 by the unit prices and quantities and methods set out in the Contract or subsequently agreed upon;			
	.3 by the actual costs of the change in the <i>Design Services</i> or the <i>Work</i> to the <i>Design-Builder</i> plus a fixed fee;			
	.4 by the actual costs of the change in the <i>Design Services</i> or the <i>Work</i> to the <i>Design-Builder</i> plus the following 'mark-ups':			
	(1) Design-Builder, overhead and profit, ten percent (10%) of the actual cost of the change in the Design Services or the Work undertaken by the Design-Builder's own forces;			
	(2) Design-Builder, overhead and profit, five percent (5%) of the actual cost of the change in the Design Services or the Work undertaken by the Consultant, Other Consultants, a Subcontractor or a Supplier plus the amount determined as set out in (3) below;			
	(3) Consultant, Other Consultants, Subcontractor or Supplier, overhead and profit, ten percent (10%) of the actual cost of the change in the Design Services or the Work undertaken by the Consultant, Other Consultants, a Subcontractor or a Supplier.			



The valuation of an adjustment shall be assessed based on actual costs as defined in paragraph 6.3.7 of GC 6.3 – CHANGE DIRECTIVE."

For the purpose of assessing the adjustment, the following items are to be included in the mark-up percentage as overhead costs and shall not be otherwise included as actual costs:

- (4) Salaries, wages and benefits paid to personnel in the direct employ of the *Design-Builder* and its *Consultant*, *Other Consultants*. *Subcontractors* and *Suppliers*:
- (5) equipment and services required for the *Design-Builder's* field office;
- (6) Vehicles and related costs;
- (7) Materials, supplies, Construction Equipment, Temporary Work, and hand tools not owned by the workers"

GC 6.2.4 – Add new paragraphs 6.2.4 and 6.2.5 as follows:

- "6.2.4 If a change in the *Design Services* or 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 *Design Services* or 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 *Design Services* or the *Work*.
- 6.2.5 Where requested by the *Owner*, the *Design-Builder* shall promptly provide itemized labour and material cost and quantity breakdowns, subcontract costs, and other detailed information required to substantiate the *Design-Builder's* claim for an adjustment in the *Contract Price* or *Contract Time*."

GC 6.3 Change Directive

GC 6.3.6 – **Delete** paragraph 6.3.6 in its entirety and **replace** with:

"Intentionally left blank"

#### PART 7 DEFAULT NOTICE

GC 7.1 Owner's Right
To Suspend The Design
Services Or Terminate
The Contract Before
The Work Commences

GC 7.1.4 – **Delete** the second sentence of paragraph 7.1.4 and **replace** with:

"Failing such an agreement, the *Owner* may terminate the *Contract* by giving the *Design-Builder Notice in Writing* to that effect, and the *Design-Builder* shall be entitled to be paid for all



	Design Services performed and for such other damages as the Design-Builder may have sustained, including reasonable profit, as a result of the termination of the Contract."			
GC 7.3 Design-Builder's Right To Suspend The Design Services Or Work, Or Terminate The	GC 7.3.1 - <b>Delete</b> paragraph 7.3.1 in its entirety and <b>replace</b> with: "Intentionally left blank"			
Contract	GC 7.3.3.1 - <b>Delete</b> subparagraph 7.3.3.1 in its entirety and <b>replace</b> with:			
	"Intentionally left blank"			
Add GC 7.4 Termination	Add new paragraphs 7.4.1, 7.4.2 and 7.4.3 as follows:			
Of Contract Without Default	"7.4.1 The Owner may terminate this Contract at any time by giving the Design-Builder Notice in Writing to that effect, notwithstanding the fact that the Design-Builder may not then be in default. In the event of such termination, the Design-Builder shall be entitled to be paid for all Design Services and Work performed including reasonable overhead and profit up to the date of termination. In addition, the Design-Builder shall be entitled to recover the direct costs associated with termination, including the costs of demobilization, losses sustained on Products and Construction Equipment.			
	7.4.2 The <i>Design-Builder</i> shall negotiate all agreements and contracts on terms that will enable the <i>Design-Builder</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>Design-Builder</i> shall cooperate with the <i>Owner</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 7.4.1.			
	7.4.3 Upon notice of termination under paragraph 7.4.1, the Design-Builder shall be released from their liability or obligation under the Contract Documents, save and except those liabilities or obligations applying to that portion of the Design Services and Work completed prior to termination with respect to deficiencies and warranties."			



DART & PROTECTION OF REPRONS AND PROPERTY				
PART 9 PROTECTION OF PERSONS AND PROPERTY				
GC 9.1 Protection of Work and Property	Add new paragraph 9.1.5 as follows:			
,	"9.1.5 The <i>Design-Builder</i> is responsible for all additional security and the safety of the <i>Work</i> ; this includes installation of a security fence around the perimeter of the construction zone, coordination of additional security and any costs associated with damage, vandalism or theft in the construction zone. Additional on-site security services must be communicated to and approved in writing by the <i>Owner</i> ."			
GC 9.4 Construction Safety	GC 9.4.1 - <b>Delete</b> paragraph 9.4.1 in its entirety and <b>replace</b> with:			
Salety	"The Design-Builder shall be solely responsible for construction and workplace safety at the Place of the Work and at any other locations where the Design-Builder's employees or Subcontractors may be undertaking the Work and for compliance with all laws, rules, regulations and practices required by the applicable construction and workplace safety legislation and shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Work."			
	<b>Add</b> new paragraphs 9.4.2, 9.4.3, 9.4.4, 9.4.5 and 9.4.6 as follows:			
	9.4.2 The <i>Design-Builder</i> is the "prime contractor" for the <i>Work</i> at the <i>Place of the Work</i> and shall have all the duties and responsibilities of a prime contractor.			
	9.4.3 For the purposes of clause 7(2)(a) of <i>The Workplace Safety</i> and <i>Health Act</i> (Manitoba), this <i>Contract</i> is a contract to serve as prime contractor.			
	9.4.4 In addition to the role as prime contractor, the <i>Design-Builder</i> may also be an "employer" and "contractor", as those roles are set out in <i>The Workplace Safety and Health Act</i> (Manitoba), and shall have all of the duties and responsibilities of an employer and contractor.			
	9.4.5 Before commencing any work, the <i>Design-Builder</i> shall prepare and submit to the <i>Owner</i> a site safety plan that meets the requirements of <i>The Workplace Safety and Health Act</i> , C.C.S.M. c.W210. This plan shall include but is not limited to all items listed below:			



	.1 Hazard/Risk Assessment Practices and Procedures, including planned site safety inspections and accident/incident investigation procedures;			
	.2 Site safety rules;			
	.3 Outline of company safety training program;			
	.4 Safety committee and/or site safety (toolbox) meeting program; and			
	.5 Emergency response plan and procedures.			
	9.4.6 The Design-Builder and its Subcontractors (where applicable under The Province of Manitoba's Government Wide Contract Policy – Legislative and Safety Requirements) shall maintain good standing in COR/SECOR certification through to Project completion."			
PART 10 GOVERNING F	REGULATIONS			
GC 10.4 Workers Compensation	GC 10.4.1 – <b>Add</b> the following to the end of paragraph GC 10.4.1:			
Compensation	"10.4.1 Without limiting the generality of the foregoing, the evidence of compliance with <i>The Workers Compensation Act (Manitoba)</i> , C.C.S.M, c.W200 shall include a clearance letter from the Worker's Compensation Board of Manitoba."			
PART 11 INSURANCE -	BONDS			
GC 11.1 Insurance	GC 11.1.1 - <b>Delete</b> paragraphs 11.1.1 to 11.1.9 in their entirety and <b>replace</b> with the following:			
	"11.1.1 Without restricting the generality of GC 12.1 - INDEMNIFICATION, and unless the <i>Owner</i> and the <i>Design-Builder</i> agree to obtain project specific insurance, or higher insurance limits, the <i>Design-Builder</i> shall provide, maintain and pay for the minimum insurance coverages specified in GC 11.1 – INSURANCE.			
	.1 Commercial General Liability Insurance:			
	Commercial general liability insurance for the Project, with limits of not less than \$2,000,000.00 per occurrence, an aggregate limit of not less than \$2,000,000.00 within any policy year with respect to completed operations, and a deductible not exceeding \$5,000.00. The policy must include completed			



operations hazards coverage, from the date of Substantial Performance of the Work on an ongoing basis for a period of 6 years, and include "sudden and accidental pollution liability coverage", and must cover the Design-Builder, the Consultant, and Other Consultants and all Subcontractors involved with the Design Services or the Work. The Owner's Advisor, the Payment Certifier, the Owner and its Ministers, officers, employees and agents shall be added as additional insureds with respect to this policy.

#### .2 Errors and Omissions Insurance:

The Design-Builder shall ensure that the Consultant and Other Consultants engaged in the performance of the Design Services each carry errors and omissions insurance that have limits of not less than \$2,000,000.00 per claim. The Consultant or Other Consultants found to be at fault will be responsible for the deductible amount. The policy shall be maintained continuously from the commencement of the Contract until 2 years after Substantial Performance of the Work.

#### .3 Builder's Risk Property Insurance

Builder's Risk "all risks" - Course of construction property insurance shall be in the joint names of the Design-Builder, the Owner, the Consultant, all Other Consultants, the Owner's Advisor, the Payment Certifier and all Subcontractors involved with the Work, covering all *Project* structures and associated fixtures and equipment on a full replacement cost basis. This insurance shall include "all risks" equipment breakdown insurance covering pressure vessels, electrical equipment, heating and cooling equipment forming part of the *Project*. This insurance shall be provided from the date of commencement of the Work and maintained until ten (10) days after Project completion, including all testing and commissioning. The Owner's financial interest in the property shall be shown in the policy.

#### .4 Equipment Insurance

The Design-Builder is responsible for insuring its Construction Equipment used by the Design-Builder



for the performance of the *Work* and such insurance shall not allow subrogation claims against the *Owner*.

- 11.1.2 The above insurance requirements are minimum requirements. It is the responsibility of the *Design-Builder* and its insurance advisors to ensure that the *Design-Builder* purchases insurance coverage that adequately protects the *Design-Builder* and its property.
- 11.1.3 Unless otherwise stipulated, the duration of each insurance policy shall be from the date of the commencement of the *Design Services* or *Work* until *Project* completion.
- 11.1.4 The *Design-Builder* shall provide the *Owner* with certificates of insurance with Manitoba Housing added as additional insured as written evidence of the above insurance coverage before commencing the *Design Services* or *Work* on the *Project*, unless previously provided by the *Design-Builder* as part of its Proposal submission.
- 11.1.5 The *Design-Builder* shall be responsible for deductible amounts under the policies except where such amounts may be excluded from the *Design-Builder's* responsibility by the terms of the *Contract*.
- 11.1.6 If the *Design-Builder* fails to provide or maintain insurance as required by the *Contract Documents*, then the *Owner* shall have the right, but is under no obligation, to provide and maintain such insurance and give evidence to the *Design-Builder*. The *Design-Builder* shall pay the costs therefore to the *Owner* on demand or the *Owner* may deduct the cost from the amount which is due or may become due to the *Design-Builder*.
- 11.1.7 All required insurance policies shall be with insurers acceptable to the *Owner* and licensed to write insurance in the Province of Manitoba.
- 11.1.8 All policies provided by the *Design-Builder* shall require the insurer to endeavour to give the *Owner* and *Design-Builder* at least fifteen (15) days' prior written notice if by registered mail or at least five (5) days' prior written notice if personally delivered if it intends to cancel the policy. The



Design-Builder shall provide Notice in Writing to the Owner of any change or amendment reducing coverage immediately upon being notified of same by the Design Builder's insurer. The Design-Builder agrees that it will not cancel, materially alter, cause or allow the insurance required under this Contract to lapse without giving thirty (30) days' prior Notice in Writing to the Owner.

- 11.1.9 All insureds shall cooperate with the *Design-Builder* to comply with any reporting requirements of the insurance policies in order to maintain the policies in good standing, to give *Notice in Writing* of any incidents which may result in a claim or loss covered by the policies and to provide documentation necessary in the defence or settlement of claims.
- 11.1.10 The *Design-Builder* shall ensure all *Subcontractors* performing the *Work* of this *Contract* maintain adequate insurance coverage.
- 11.1.11 In the event of an accident, 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 *Work*, the *Design-Builder* shall immediately report the incident, occurrence or loss in writing to the *Owner*."

## GC 11.2 Contract Security

**Delete** paragraphs 11.2.1 and 11.2.2 in their entirety and **replace** with:

- "11.2.1 The *Design-Builder* shall provide and maintain performance security until the expiration of the warranty period in the form of:
  - .1 a performance bond of a company registered to conduct the business of a surety in the Province of Manitoba, in the amount of fifty percent (50%) of the Contract Price; and
  - .2 a labour and materials payment bond of a company registered to conduct the business of a surety in the Province of Manitoba, in the amount of fifty percent (50%) of the *Contract Price*.
- 11.2.2 The performance bond and the labour and material payment bond shall be written on a standard bond form, or on a form satisfactory to the *Owner*.



			manitobahousing
	11.2.3	perfo	Design-Builder shall provide the Owner with the required rmance security before commencement of the Design ices or Work.
	11.2.4	mate	Design-Builder shall post a copy of the labour and rial bond in a conspicuous place at the Place of Work e entire duration of the project."
PART 12 INDEMNIFICAT	ΓΙΟΝ, LI	MITA	TION OF LIABILITY, WAIVER OF CLAIMS AND
GC 12.2 Indemnification	<b>Delete</b> with the		graphs 12.2.1 to 12.2.6 in their entirety and <b>replace</b> wing:
	"12.2.1	Owr or ta Build Con perfe	Design-Builder shall save harmless and indemnify the ner against all claims, by whomsoever brought, made aken as a result of acts or omissions of the Designder, the Consultant, or the Design-Builder's Other sultants, Subcontractors, employees or agents in the ormance or purported performance of the Design vices or Work, and more particularly from:
		.1	accidental injury to or death of any person whether retained by or in the employ of the <i>Design-Builder</i> or not, arising directly or indirectly by reason of the performance of the <i>Design Services</i> or <i>Work</i> , or by reason of any trespass on or damage to property;
		.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;
		.3	damage to, or trespass or encroachment upon, property owned by persons other than the <i>Owner</i> ,
	·	.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);
		.5	failure to pay a workers' compensation assessment, or federal or provincial taxes;
		.6	unauthorized use of any design, device, material or

process covered by letters patent, copyright,



	trademark or trade name in connection with the Design Services or Work; and	
	.7 inaccuracies in any information provided to the Owner by the Design-Builder.	
	12.2.2 The Owner has the right, acting reasonably and upon Notice in Writing to the Design-Builder, to settle any such action, proceeding, claim or demand and charge the Design-Builder with the amount so paid or to be paid in effecting a settlement.	
	12.2.3 The <i>Design-Builder</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> ."	
GC 12.3 Limitation Of Liability For Design	Delete paragraph 12.3.1 in its entirety and replace with:	
Services	"Intentionally left blank"	
GC 12.4 Waiver Of Claims	<b>Delete</b> paragraphs 12.4.1 to 12.4.10 in their entirety and <b>replace</b> with:	
	"Intentionally left blank"	