



SCHEDULE "A"
PERFORMANCE BOND

No:

Bond Amount: \$

as Principal, hereinafter called the Principal, and TRISURA GUARANTEE INSURANCE COMPANY a corporation created and existing under the laws of Canada and duly authorized to transact the business of Suretyship in Canada as Surety, hereinafter called the Surety, are held and firmly bound unto as Obligee, hereinafter called the Obligee, in the amount of /100 Dollars (\$) lawful money of Canada, for the payment of which sum the Principal and the Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally.

WHEREAS, the Principal has entered into a written contract with the Obligee, dated the day of for hereinafter referred to as the Contract.

The condition of this obligation is such that if the Principal shall promptly and faithfully perform the Contract then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Whenever the Principal shall be, and declared by the Obligee to be, in default under the Contract, the Obligee having performed the Obligee's obligations hereunder, the Surety shall promptly:

- (1) remedy the default, or;
(2) complete the Contract in accordance with its terms and conditions or;
(3) obtain a bid or bids for submission to the Obligee for completing the Contract in accordance with its terms and conditions and upon determination by the Obligee and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Obligee and make available as work progresses (even though there should be a default, or a succession of defaults, under the contract or contracts of completion, arranged under this paragraph) sufficient funds to pay to complete the Principal's obligations in accordance with the terms and conditions of the Contract and to pay those expenses incurred by the Obligee as a result of the Principal's default relating directly to the performance of the work under the Contract, less the balance of the Contract price; but not exceeding the Bond Amount. The balance of the Contract price is the total amount payable by the Obligee to the Principal under the Contract, less the amount properly paid by the Obligee to the Principal, or;
(4) pay the Obligee the lesser of (1) the Bond Amount or (2) the Obligee's proposed cost of completion, less the balance of Contract price.

It is a condition of this bond that any suit or action must be commenced before the expiration of two (2) years from the earlier of (1) the date of Substantial Performance of the Contract as defined in the lien legislation where the work under the Contract is taking place, or if no such definition exists, the date when the work is ready for use or is being used for the purpose intended, or (2) the date on which the Principal is declared in default by the Obligee.

Notwithstanding anything to the contrary contained herein or in the Contract, it is intended by the Principal, the Surety and the Obligee that this Bond shall not apply to any claim for warranty or guarantee work made by the Obligee after years following the date of substantial performance of the Contract and, for the purpose of this Bond, all warranties and guarantees contained in the Contract shall be deemed to expire years from the date of substantial performance of the Contract. Further, the Obligee agrees that notwithstanding anything to the contrary contained in the Contract, it will not set off or make any claim for set off against any funds due or due and payable to the Principal pursuant to the Contract on account of any claim for warranty or guarantee work made after years following the date of substantial performance of the Contract. This limitation on the Obligee's right of set off is applicable only if the Obligee makes a claim pursuant to this Bond.

The Surety shall not be liable for a greater sum than the Bond Amount.

No right of action shall accrue on this Bond, to or for the use of, any person or corporation other than the Obligee named herein, or the heirs, executors, administrators or successors of the Obligee.

IN WITNESS WHEREOF, the Principal and the Surety have Signed and Sealed this bond dated the day of , in the year of

SIGNED and SEALED in the presence of

Witness as to Principal

Principal

Trisura Guarantee Insurance Company

, Attorney-in-fact,

Vancouver Office
1055 West Georgia St.
Suite 3020, Box 11160
Vancouver, BC V6E 3R5
Tel: (604) 688-5641
Fax: (604) 688-5826

Calgary Office
421 7th Avenue SW
Suite 3730
Calgary, Alberta, T2P 4K9
Tel: (403) 663-3343
Fax: (416) 214-9597

Toronto Office
333 Bay St.
Suite 1610
Toronto, ON M5H 2R2
Tel: (416) 214-2555
Fax: (416) 214-9597

Montréal Office
1501 McGill College Ave
Suite 1620
Montréal, QC H3A 3M8
Tel: (514) 845-4555
Fax: (514) 845-6876

Halifax Office
201 Brownlow Ave
Suite 4
Dartmouth, NS B3B 1W2
Tel: (902) 468-6889
Fax: (416) 214-9597