

Home Warranty in B.C.

St. Paul Guarantee is currently a leading provider of surety products for the residential home building and development industry in Canada. As London Guarantee Insurance Company, we were the first insurer to enter the home warranty market in British Columbia following the introduction of legislation under the Homeowner Protection Act & its Regulations ("Act") effective July 1, 1999. Utilizing the experience and knowledge of a dedicated group of underwriters and field staff, we focus on the risk evaluation process while working to develop and maintain strong relationships with the building community.

Protecting Your Investment in a New Home

Congratulations ...A new home is likely the largest investment of your lifetime. Therefore, we encourage you to carefully research all aspects and to seek professional advice when required.

To receive the benefits of St. Paul Guarantee's home warranty coverage, you, the consumers must purchase a new home built and sold by one of our approved Builders. **Prior** to signing a Contract of Purchase and Sale, it is also prudent to contact St. Paul Guarantee to verify the Builder is officially registered AND that home warranty coverage has been issued on your prospective new home.

Homeowner Protection Act – Strong protection for new home buyers

The *Homeowner Protection Act* & its *Regulations* ("Act") became effective July 1, 1999. Prior to the issuance of a building permit, the *Act* requires all residential builders to be licensed by the Homeowner Protection Office (HPO) and to provide the "2/5/10" warranty from an approved third party warranty provider. For further information please contact HPO at: (604) 646-7050 or visit their website at www.hpo.bc.ca

What is a "2/5/10" Warranty?

The *Act* outlines specific details about the mandatory warranty commonly referred to as a "2/5/10" warranty. **It is the most comprehensive third party warranty in North America, and even the world.** At law, builders must provide a third party warranty covering:

2 Year Materials & Labour Warranty

- *First 12 months* — coverage for any defect in materials and labour
- *First 15 months* — coverage for any defects in materials and labour in the common property of a multi-unit building
- *First 24 months* — coverage for any defect in materials and labour supplied for the electrical, plumbing, heating, ventilation, and air conditioning delivery and distribution systems. In addition, coverage for any defect in materials and labour supplied for the exterior cladding, caulking, windows and doors that may lead to detachment or material damage to the new home

5 Year Building Envelope Warranty

10 Year Structural Defects Warranty

Stringent Underwriting Criteria

St. Paul Guarantee thoroughly reviews all builder applicants in the areas of track record, technical expertise, financial capacity, and after sales customer service. Not every applicant qualifies. Only those builders who meet our stringent underwriting criteria are able to provide St. Paul Guarantee's home warranty coverage. The annual renewal of a builder's registration is subject to a similar review. HPO also monitors builders throughout the province and investigates consumer complaints.

Home Warranty Documentation

Our builders are responsible for having their new home buyers sign and date a Warranty Commencement Date Certificate at the time of either the title transfer or the actual occupancy of the home (whichever is earlier). Upon receipt of this completed certificate from the builder, St. Paul Guarantee issues the owner a Home Warranty Coverage Certificate. Be sure to read this document carefully and keep it in a safe place. It explains warranty coverage and the process for reporting defects in your home or common property. Upon review, if you have questions or require clarification, please contact St. Paul Guarantee.

We're Here To Stay

St. Paul Guarantee is currently a leading provider of surety products for the residential home building and development industry in Canada. We were the first warranty provider to enter the home warranty market in British Columbia following the introduction of the legislation under the Act. We have firmly established a reputation for employing highly experienced staff, implementing strong underwriting guidelines, and delivering exceptional customer service. **St. Paul Guarantee is fully committed to the home warranty business long term.**

St. Paul Guarantee – A Market Leader

- First insurance company (London Guarantee Insurance Company) approved by the Financial Institutions Commission (FICOM) to offer third party Warranty coverage in British Columbia
- Warranty coverage is eligible for high ratio mortgage insurance through CMHC and GE Capital
- A subsidiary of The St. Paul Companies, Inc.
- Dedicated to underwriting in niche areas of general insurance and surety bonding
- Licensed to offer specialty products in every province and territory of Canada
- Offices in Vancouver, Montreal, and Toronto
- Rating of A (Excellent) by A.M. Best Rating Service
- Strong relationships with British Columbia insurance brokers
- Member of: Canadian Home Builders' Association (CHBA), Urban Development Institute (UDI), Independent Contractors Business Association (ICBA), Vancouver Regional Construction Association (VRCA)