
MATERIAL ACCEPTANCE AGREEMENT

TO: RCABC Guarantee Corp. ("RGC") and
Roofing Contractors Association of British Columbia (the "Association")

RE: MATERIAL ACCEPTANCE AGREEMENT

This agreement will confirm the terms and conditions upon which RGC will accept Roofing Systems and Roofing Materials (as defined in Policy A-041 as revised from time to time) (the "Products") from you (the "Member") for inclusion in RGC's Guarantee Program (the "Program").

1. The Member represents and warrants that the Products will perform properly provided the Member's specifications and procedures set forth in the Roofing Practices Manual, or submitted in conjunction with an application for acceptance of the Products by RGC, are followed.
2. The Member acknowledges and agrees:
 - (a) The Products will only be eligible for acceptance if the acceptance procedure and criteria set forth in RGC's and/or the Association's policies, or amendments thereto, have been complied with by the Member;
 - (b) The acceptance of the Products by RGC does not constitute an endorsement of the quality or fitness of the Products or the appropriateness of the Products generally or for a particular purpose or use, nor will the Products be represented by the Member as having been accepted, approved, or endorsed by RGC or advertised as such without the prior written consent of RGC;
 - (c) RGC reserves the right to withdraw acceptance of the Products at any time and for any reason.
3. If RGC issues a Guarantee (the "Guarantee") under the Program and a leak or other failure occurs in a roof covered by the Guarantee as a result of a defect, defects or failure in the Products, or as a result of the application standards or data provided by or on behalf of the Member being incorrect, incomplete or otherwise defective, the Member will:
 - (a) perform any and all obligations of the Association & RGC which may arise pursuant to the said Guarantee;
 - (b) satisfy all liabilities incurred by the Association & RGC in relation to such defect, defects or failure in the Products, or error or defect in data as aforesaid;
 - (c) indemnify and save harmless the Association & RGC from any and all claims made under the Guarantee in relation thereto; and
 - (d) cooperate fully with the Association & RGC, the roofing contractor and the building owner for the purpose of satisfying any claim under the said Guarantee.
4. RGC, in the administration of a particular claim, may waive, compromise or fail to enforce any condition or otherwise deal with any rights or obligation arising under the said Guarantee, without prejudice to its rights and the Members' obligations under the Agreement.

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5. The Member will comply with the RGC's Policies with respect to the acceptance of the Products and in particular will be bound by and observe the conditions and obligations of the member under Policy A-041 as amended from time to time.
 6. The Member will provide RGC, in a timely manner, with specifications on the installation or application of the Products, including any and all materials and products acceptable to the Member for use in conjunction with the Products, as intended for publication in the Roofing Practices Manual.
 7. Members with a Private Labelled material must make application for acceptance as if they were the manufacturer, and consequently all other conditions and requirements for membership, insurance and bonding apply.
 8. Members with a Primary Material or System accepted by the RGC must supply and maintain a Material Bond. RGC Bonds must be obtained using Policy A-080.
 9. Members with Secondary Materials or Accessories may require a Material Bonds at the request the Technical Committee as a condition of acceptance.
 10. Members will provide RGC with a valid, current Certificate of Insurance for Product Liability that names the RGC Guarantee Corp. as an Additional Insured as out lined in Policy A-041.
 11. During the period in which the Products are included under the Program or any Guarantee of RGC relating to the Products is in effect the Member:
 - (a) will forthwith notify RGC of any material changes in the Member's financial position which may effect the Member's ability to satisfy its obligations to RGC hereunder;
 - (b) will provide any information concerning such changes in financial position immediately upon the request of RGC.

Such changes in the Member's financial position include, but are not limited to, changes in the corporate organization of the Member, a transfer or encumbering of all or a substantial part of the Member's assets, a proposal or assignment under the Bankruptcy and Insolvency Act, the Companies' Creditors' Arrangement Act or similar legislation in any jurisdiction and any changes in the conditions or operation of the business, assets or financial affairs of the Member which has, or may have, a materially adverse effect on the business, assets, properties or future prospects of the Member.

12. RGC may cancel an acceptance of the Products at any time for non-compliance with the terms and conditions listed herein or with RGC's and the Association's Policies or in the event that RGC considers the financial status of the Member materially adversely affects or will affect the ability of the member to meet its obligations to RGC hereunder.
13. RGC agrees to process the Member's Application in the ordinary course and in the event of acceptance of the Products by RGC and compliance by the Member with the terms and conditions set forth herein and in RGC's and the Association's policies, to include the Products in the Program.
14. The liability of the Member under this agreement with respect to any particular claim under a roofing contract for which a Guarantee has been or will be issued by RGC, shall be limited to an amount not exceeding the value of the contract with the roofing contractor for the installation of the guaranteed roof.

- 15. This agreement shall be governed by the laws of the Province of British Columbia.
- 16. This agreement is in addition to and not in substitution for any other agreements given by the member to RGC or the Association.

We request that you acknowledge your acceptance of the terms and conditions of this agreement by signing the attached copy of this letter and returning it to our office at your earliest convenience. Upon receipt we will process your application and advise you of RGC's decision regarding the acceptance of the Products.

The terms and conditions stated herein are acknowledged and accepted by the authorized Member representative,

_____ the _____ day of _____, _____.
 (Print Name of Authorized Signature)

Per: _____
 Authorized Signature (Officer / Director)

 Member Company Name

NOTE TO THIS POLICY – *This policy supports A-041 Material Acceptance Criteria.*