

# Make sure you get a lien certificate of completion right

A certificate of completion is one of the triggers, which will start the 45 day lien period running.

When used correctly, the certificate provides a clear, unambiguous date, which construction participants can rely upon to determine when lien rights will expire.

However, when the correct format and process is not followed, you can end up with a costly mess.

An example of such a mess is provided by the recent case of W Redevelopment Group, Inc. v. Allan Window Technologies Inc.

In that case, W Redevelopment issued two batches of certificates of completion, one from its primary payment certifier and another, months later, from its alternate payment certi-

fier. The \$2 million question at issue was whether the first batch of certificates of completion was valid.

If it was, as W Redevelopment argued, then Allan Window filed

most of its liens after the expiry of the 45 day time limit. If it was not, as Allan Window argued, Allan Window filed most of its liens within the 45 day limit.

The court found that valid certificates of completion should:

- Be in writing and in

a form which is readily understandable and identifiable as a certificate of completion;

- State the date and place of issue;

- Identify the payment certifier and include his or her signature;

- Contain an address for service of the payment certifier;

- Identify the loca-

tion of the improvement by street address and legal description;

- Include a short description of the improvement;



**Legal Reinforcement**  
Norm Streu and Chris Hirst

the prescribed format provided in the B.C. Builders Lien Act (Form 2).

The form can be found easily on-line or obtained from your local construction association.

If for some reason you prefer to use your own form of certificate of contractual completion, the better practice is to issue a lien certificate of completion in the prescribed format at the same time.

If you fail to follow the prescribed format, you run the risk of missing one or more of the elements above, and you may find yourself

faced with valid lien claims long after you believed the lien period expired.

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