



May 2, 2005

Mr. Mark Sylvia
Executive Vice President
Echelon General Insurance Company
President & Chief Operating Officer
EGI Insurance Managers Inc.
310- 1550 Enterprise Road
Mississauga, ON, L4W 4P4
Fax. 905-564-8462

Reference: **Application for CMHC Recognition of Progressive Home Warranty Program for Homeowner Mortgage Insurance Purposes**

Dear Mr. Sylvia:

I am pleased to advise that your request for CMHC recognition of Progressive Home Warranty Program in the provinces of Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Newfoundland, and Prince Edward Island for homeowner mortgage insurance purposes has been approved. Mortgage insurance applications for loans secured by homeowner properties that are covered under the warranty program may be submitted to CMHC effective immediately.

CMHC's recognition of new home warranty programs is for homeowner mortgage insurance purposes. As such this approval should not be represented as a general endorsement of the program or an acceptance of the quality of consumer/homeowner protection provided by the warranty program.

Please accept our congratulations and thank you for your cooperation.

Sincerely,

Mark McInnis
National Manager
Underwriting
CMHC