

Dedicated to People Flow



Elevators Escalators

September 23, 2010

Mr. John Hickey

Senior Property Manager
Brookfield Residential Services Ltd.
The Residences of the World Trade Centre
10 Yonge Street, Toronto, ON
M5E 1R4

(416) 362-1222

KONE Inc.

Toronto District Branch
16 Esna Park Drive, Unit 8
Toronto, Ontario L3R 5X1
Tel: (905) 948-2230
Fax: (905) 947-9026
www.kone.com

Elevators Operational Status Update

Dear John,

As you're aware, last Friday, the service elevator became inoperative as a result of a compound electrical failure affecting the DC motor of the existing gearless machine as well as several electronic boards in the controller. Unfortunately, this critical equipment/component failure has resulted in the elevator being inoperative for an extended period, despite KONE's extensive troubleshooting efforts including the completion of corrective actions by our field technicians in collaboration with a specialized Electric Motor Repair contractor that services the elevator industry.

Largely due to issues of elevator equipment obsolescence, (i.e. OEM no longer in business), age, usage and other factors, regrettably, restoring the normal operation of elevator # 1 sooner and /or keeping the down time to an absolute minimum has not been possible. It is important to note that these broader system issues are currently being addressed during the ongoing elevator modernization project, and that the likely occurrence of critical failures of this nature and their associated impacts to elevator service will be significantly minimized or eliminated altogether moving forward.

At this time, the corrective action plan needed to restore normal operation of the service elevator requires the replacement of the field windings on the main drive motor and the repair of several electronic boards in the controller. Because the process that produces new coils requires several days to elapse, a supplier action that is being expedited, our current estimate projects the elevator to be back on service by Tuesday, Sept 23/10.

Please feel free to contact me if you have any questions.

Yours Truly,

KONE, Inc.

A handwritten signature in black ink, appearing to read "Robert Feo-Olaya", with a date "9/23/10" written below it.

Robert Feo-Olaya
Modernization Manager
Tel: (905) 948-2230
Fax: (905) 947-9026
E-mail: robert.feo-olaya@kone.com
Website: www.kone.com

C.C. Derrick Hough, Sales Manager / Mike Cleary, District Service Operations Manager