Ministry of Forests, Lands and Natural Resource Operations

SCHEDULE "B" – INSURANCE

MAJOR WORKS CONTRACT – FOREST ROAD CONSTRUCTION

File: 10005-40/EN22TFH003

Attachment to the Agreement with Insert fully legal name as it appears on the Contract for Wardner South FSR Road Construction Project.

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1. The Contractor shall, without limiting its obligations or liabilities or restricting the generality of the indemnification provisions contained in the Agreement, at its own expense, provide and maintain the following insurance(s) coverage as fully specified in Paragraph 13 and any additional insurance which it is required by law to carry or which it considers necessary to cover risks not otherwise covered by insurance specified in this Schedule in its sole discretion.
2. Unless otherwise specified, the duration of each coverage and insurance policy shall be from the date of commencement of Work and shall remain in full force and effect until all conditions of the Agreement have been fully complied with and until acceptance by the Ministry of all Works and appurtenances pertaining to the Agreement.
3. Insurance shall be placed with Insurers licensed to underwrite such insurance in Canada and in forms and amounts acceptable to the Province. All such insurance shall be at no expense to the Province. If the Province requires additional Insurance Coverage to be obtained by the Contractor, the additional expense of such additional insurance shall be borne by the Province.
4. All insurance shall be primary and not require the sharing of any loss by any insurer of the Province.
5. The Contractor hereby waives all rights of recourse against the Province with regard to damage to the Contractor's property.
6. Notwithstanding Paragraph 7, the Contractor shall, prior to the commencement of the Work and before any payments are made under the Agreement, file with the Ministry Representative evidence of insurance coverage in the form of a completed Province of British Columbia Certificate of Insurance (Form FIN 173). When requested by the Province, the Contractor shall provide certified copies of required insurance policies.
7. ICBC's Confirmation of Automobile Insurance Coverage (Form APV 47) or Confirmation of Unlicensed Vehicle Coverage (Form APV 45) shall be used when applicable as evidence of Automobile Liability Insurance for vehicles or off-road vehicles used during the performance of the work.
8. The insurance policies, except for ICBC Automobile Liability Insurance, shall provide that the insurance shall not be canceled or materially changed so as to affect the coverage provided under the Agreement, without the Insurer giving at least thirty (30) days prior written notice to the Province.
9. Failure to provide the required insurance documentation shall result in termination of the Agreement.
10. If the insurance policies expire prior to the end of the Agreement Term, the Contractor shall provide the ministry evidence of renewal or new policy meeting the requirements of the expired insurance in the form of a completed Province of British Columbia Certificate of Insurance and ICBC's Form APV 47 or APV 45, if applicable, at least ten (10) days prior to the expiry date of the policies listed in this Schedule.
11. The payment of any deductible shall be the responsibility of the Contractor, except for flood and earthquake which will be the responsibility of the Province.
12. The Contractor shall ensure that all its subcontractors performing Services under the Agreement carry insurance in the form and limits specified in Paragraph 13.

13. The following forms of insurance and specified minimum limits are required.

(a) **Commercial General Liability** insurance in an amount not less than $2 million inclusive per occurrence against bodily injury, personal injury, and damage to property including loss of use thereof arising out of our resulting from the Work and including liability assumed under the Agreement.

Such policy(s) of insurance shall include, but not be limited to:

i) Products and Completed Operations Liability;
ii) Owner's and Contractor's Protective Liability;
iii) Contingent Employer's Liability;
iv) Blanket Written Contractual Liability;
v) Personal Injury Liability;
vi) Non-Owned Automobile Liability;
vii) Cross Liability;
viii) Employees as Additional Insureds;
ix) Broad Form Property Damage;
x) Sudden and Accidental Pollution endorsement on the Commercial General liability insurance policy with a limit of liability not less than the amount indicated below per occurrence insuring against bodily injury, property damage and cleanup expenses arising from new pollution conditions arising from the Contractor's performance of the Agreement, or if such endorsement is unavailable on the Commercial General Liability insurance policy, a Sudden and Accidental Pollution insurance policy insuring against same and with same limits of liability indicated below, and this insurance shall include the Province as an additional insured as stated below:

☐ $250,000
☒ $500,000
☐ $1 million

xi) Shoring, Blasting, Excavating, Underpinning, Demolition, Removal, Piledriving and Caisson Work, Work Below Ground Surface, Tunnelling and Grading;
xii) Elevator and Hoist Liability;
xiii) Operation of Attached Machinery;

and where such further risk exists:

xiv) Forest Fire Fighting Expense Coverage in the amount of:

☒ $1 million
☐ $500,000
☐ Not applicable

The Province is to be added as an "Additional Insured" under this policy, as follows: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations and any of its employees, servants or agents".

Such insurance must:

i) Include as a protected entity the Province and each Contractor, Subcontractor, Architect, Engineer, Consultant and anyone employed by them to perform a part or parts of the Work, but excluding suppliers whose only function is to supply and/or transport products to the work site;

ii) identify the Province on the policy as: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations and any of its employees, servants or agents";

iii) preclude subrogation claims by the insurer against anyone insured by the policy; and

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iv) provide Products and Completed operations coverage for a period of twenty-four (24) months after Substantial Performance of the Work, irrespective of the expiry date of the policy.

(b) **Automobile Liability** on all vehicles or off-road vehicles owned, leased, rented, or used in the performance of the Agreement, Third Party Automobile Liability insurance in an amount not less than $2 million inclusive per occurrence must be provided for any such vehicle.

(c) **Builder's All-risk** insurance in the form of an "all-risks" builder's risk policy including coverage for flood and earthquake. Such policy shall insure the Work in the amount of the total finished value (includes labour and materiel) of the culverts and bridge portion of the Work, while in transit and during installation and testing.

Such insurance must:

i) include as a protected entity the Province and each Contractor, Sub-contractor, Architect or Engineer, and all others having an insurable interest in the Work;

ii) identify the Province as "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests, Lands and Natural Resource Operations";

iii) preclude subrogation claims by the insurer against anyone insured by the policy except where a loss is deemed to have been caused by or resulting from any error in design or any other professional error or omission;

iv) permit that use and occupancy of the Work or any part thereof prior to Substantial Performance will not be cause for any termination of coverage; and.

v) automatically include any changes in design or method of construction.

Deductibles per Occurrence:

i) Flood - $25,000.00 maximum;

ii) Earthquake – up to 10% of the actual value at the time of loss;

iii) All other losses up to $5,000.00 or one percent (1%) of the contract amount, whichever is greater.

The Contractor shall, at its own expense, take special precaution to prevent fires occurring in or about the Work and shall observe and comply with all insurance policy warranties and all laws and regulations in force respecting fires.

(d) **Contractor's Construction Equipment** insurance covering construction machinery and equipment used by the Contractor for performance of the Work in such forms and amounts as will enable prompt replacement and repair of the equipment.

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