

**SCHEDULE 15
INSURANCE REQUIREMENTS**

PART 1 INSURANCE REQUIRED - CONSTRUCTION..... 1

- 1.1 Third Party Liability Insurance - Construction 1
- 1.2 Professional Liability Insurance (Errors & Omissions)..... 3
- 1.3 Automobile Insurance..... 4
- 1.4 Property Insurance 5
- 1.5 Additional Conditions In Property and Liability Policies in this Part 6
- 1.6 Cancellation/Limitation 7
- 1.7 Loss Payable 7
- 1.8 Use and Occupancy 7

PART 2 INSURANCE REQUIRED – OPERATION AND MAINTENANCE 8

- 2.1 Insurance - Operation and Maintenance 8
- 2.2 Additional Conditions in Liability Policies in this Part 8
- 2.3 Cancellation/Limitation 9
- 2.4 Use and Occupancy 9

PART 3 GENERAL PROVISIONS 9

- 3.1 Project Work after the SC3 Substantial Completion Date..... 9
- 3.2 Amendments to Insurance Coverages..... 10
- 3.3 Primary and Excess Coverage 10

**PART 1
INSURANCE REQUIRED - CONSTRUCTION**

1.1 Third Party Liability Insurance - Construction

- (a) From and including the Effective Date and through to and including the SC3 Substantial Completion Date, “Wrap-Up” Commercial General Liability insurance with inclusive limits of not less than _____ for bodily injury, death, and property damage arising from any one accident or occurrence and in the annual aggregate. The insurance policy will pay on behalf of the named insureds and the additional named insureds under the policy for any sum or sums which the insureds may become liable to pay or shall pay for bodily injury, death or property damage or for loss of use thereof, arising out of or resulting from the work or operations of Project Co, the Principal Contractors or the Subcontractors of any tier, and including all persons, firms, corporations or partnerships who perform any of the Project Work contemplated by this Agreement, anywhere within Canada and the USA. In addition to the above limits, such liability insurance will also pay all costs, charges, and expenses in connection with any claims that may require to be contested by the insureds anywhere within Canada and the USA.
- (b) From and including the Effective Date and through to and including the SC3 Substantial Completion Date, if ships, boats or other vessels are used in the performance of the Project Work contemplated by this Agreement and are owned, leased, rented, operated or used by Project Co or any Principal Contractor or Subcontractor, then for bodily injury or death and property damage arising from any one accident or occurrence for all ships, boats and other vessels, insurance coverage is to be provided through either:
- (i) the “Wrap-Up” Commercial General Liability Insurance policy referred to in Section 1.1(a) of this Schedule; or
- (ii) a separate Protection and Indemnity insurance policy or such other policy or policies or combination thereof appropriate for this risk in the context of the Project, in any case with limits of not less than _____ for bodily injury or death and property damage arising from any one accident or occurrence and in the term aggregate.

Project Co will be responsible for ensuring that any changes to the requirements of the *Marine Liability Act* (Canada) and/or the regulations of the *Marine Liability Act* (Canada) are reflected in the insurance coverage provided.

- (c) From and including the Effective Date and through to and including the SC3 Substantial Completion Date, if aircraft (including helicopters) are used in the performance of the Project Work contemplated by this Agreement and are owned, leased, rented, operated or used by Project Co or any Principal Contractor or Subcontractor, then third party Aircraft liability coverage with limits of not less than _____ for bodily injury or death and property damage arising from any one accident or occurrence and in the annual aggregate must be provided, together with a waiver of subrogation on the hull.
- (d) From and including the Effective Date and through to and including the SC3 Substantial Completion Date, if unmanned air vehicles (UAV) are used in the performance of the Project Work contemplated by this Agreement and are owned, leased, rented, operated or

- 2 -

used by Project Co or any Principal Contractor or Subcontractor, then third party Aircraft liability coverage with limits of not less than _____ for bodily injury or death and property damage arising from any one accident or occurrence and in the annual aggregate. This coverage may be provided by a separate policy or with the Wrap-Up Commercial General Liability policy referred to in Section 1.1(a) of this Schedule. All UAV movements to comply with all Transport Canada requirements, including the requirement to obtain, and comply with, a Transport Canada “Special Flight Operation Certificate”.

(e) Extensions of Coverage

The liability insurance referred to in Sections 1.1(a), (b) and (c) of this Schedule will cover liability assumed by Project Co in connection with and applicable to this Agreement and will include the following coverage extensions applicable to the following liability policies:

- (i) Coverage Extensions Applicable to the “Wrap-Up” Commercial General Liability Policy
- Canada and USA coverage territory
 - Products/Completed Operations
 - Occurrence Property Damage
 - Broad Form Property Damage
 - Broad Form Completed Operations
 - Contingent Employers Liability
 - Medical Payments
 - Incidental Medical Malpractice
 - Blanket Written Contractual
 - Cross Liability
 - Attached Machinery
 - Non Owned Automobile
 - Legal Liability for damage to hired automobiles
 - Hazardous Operations (XCU)
 - 24 months Products and Completed Operations (as more fully outlined under Section 1.5(b) of this Schedule)
 - Sudden and Accidental Pollution Coverage with a limit not less than _____ in accordance with the Insurance Bureau of Canada’s sudden and accidental pollution coverage endorsement, subject to 120 hours/120 hours
 - 60 days notice of Cancellation or Limitation of cover (as more fully outlined under Section 1.6 of this Schedule)
 - Blanket Additional Insureds
- (ii) Coverage Extensions Applicable to the Marine and Aviation Policies
- Canada and USA coverage territory
 - 60 days notice of Cancellation or Limitation of cover (as more fully outlined under Section 1.6 of this Schedule)

- 3 -

(f) Inclusions / Exclusions Not Permitted

The following inclusions/exclusions are not permitted for any insurance referred to in Sections 1.1(a), (b) and (c) of this Schedule, except in the case of any insurance referred to in Sections 1.1(b) and (c) of this Schedule where such insurance is obtained under policies that are separate from the policy for the insurance referred to in Section 1.1(a) of this Schedule, as such separate policies are described in Sections 1.1(b) and 1.1(c) of this Schedule:

- (i) Hazardous operations, including excavation, pile driving, shoring, blasting, under-pinning or demolition work or any other operation or work to be performed as part of or in the course of the Project Work will not be excluded from insurance coverage.
- (ii) Claims arising out of the legal liability imposed upon the insured at common law and/or by statute for bodily injury or death to employees of the insured will not be excluded. However, exclusions applicable to liability imposed upon or assumed by the insured under Health and Safety Laws or for assessment by any Workers Compensation Board will be permitted.
- (iii) Liability assumed by the insureds under contract with railroad companies for the use and operation of railway sidings or crossings will not be excluded.
- (iv) Liability arising out of all products where Project Co supplies the material will not be excluded.
- (v) Tort liability assumed by Project Co under this Agreement will not be excluded.
- (vi) Exclusions for design/build, design/build/finance, design/build/finance/operate, or joint venture projects will not be permitted.
- (vii) Other types of services not listed above, to be performed by or on behalf of Project Co under this Agreement will not be excluded.

(g) Deductible

A maximum deductible on the primary insurance policy will be allowed for any one accident or per occurrence of up to _____.

(h) Self-Insured Retention

A maximum self-insured retention of up to _____ for any one accident or per occurrence will be permitted for Project Co providing umbrella/excess liability insurance subject to having a minimum primary insurance policy of _____ underlying the umbrella/excess.

1.2 Professional Liability Insurance (Errors & Omissions)

- (a) Single Project Specific Professional Liability insurance with minimum limits of _____ per claim and _____ term aggregate insuring against all insured

- 4 -

loss or damage including coverage for third party property damage, bodily injury or death, arising out of any professional services rendered by Project Co, the Principal Contractors or Subcontractors, and/or any engineers, architects, surveyors, and any of their respective employees including personnel on loan to Project Co or the Principal Contractors or Subcontractors and personnel who perform normal services of Project Co under this Agreement. The named insured shall also include all architectural firms and all engineering firms, including project managers, construction managers and applied science technologists, and all land surveyors, quantity surveyors and others engaged in providing professional services to the Project.

- (b) Coverage will be maintained:
- (i) From and including the Effective Date and, subject to Section 1.2(b)(ii) of this Schedule, for a period of _____ after the SC3 Substantial Completion Date; and
 - (ii) in the case of any Project Work carried out by Project Co after the SC3 Substantial Completion Date, for a period of _____ following completion of the work that is the subject of the Project Work;

provided that coverage shall not be required to be maintained for longer than eight (8) years after the effective date of the policy.

- (c) A maximum deductible of _____ will be allowed.
- (d) Exclusions for design/build, design/build/finance, design/build/finance/operate, or joint venture projects will not be permitted.
- (e) The insurance referred to in this Section 1.2 [Professional Liability Insurance (Errors & Omissions)] of this Schedule shall not be cancelled, removed, or endorsed to restrict coverage or limits of liability, without 60 days' notice in writing by registered mail to the Province's Representative with a copy by registered mail to "The Corporate Insurance and Bonds Manager" at Ministry of Transportation and Infrastructure, P.O. Box 9850 STN PROV GOVT, 4th Floor, 940 Blanshard Street, Victoria, BC, V8W 9T5 (or at such other address as the Province may from time to time by notice to Project Co advise).
- (f) The insurance referred to in this Section 1.2 [Professional Liability Insurance (Errors & Omissions)] of this Schedule will be effected on the Effective Date but shall have a "retroactive date" (as such term is understood by the insurance industry with respect to "claims made" policies) to coincide with the verifiable start of design for any work covered by such insurance, such verification to be the sole responsibility of Project Co.

1.3 Automobile Insurance

From and including the Effective Date and through to and including the SC3 Substantial Completion Date, Automobile Liability coverage providing third party liability and accident benefits insurance coverage must be provided for all vehicles required by law to be licensed that are owned, leased or rented by Project Co or any Principal Contractor or Subcontractor and are used in the performance of the Project Work contemplated by this Agreement, with limits of not less than _____ for vehicles owned, leased or rented by Project Co, any Principal Contractor, or any Subcontractor contracting directly with

- 5 -

Project Co, and limits of not less than _____ for vehicles owned, leased or rented by any other Subcontractor.

1.4 Property Insurance

(a) Builders' Risk

From and including the Effective Date and through to and including the SC3 Substantial Completion Date, Builders' Risk Property Insurance insuring against all risks (including but not limited to structural collapse and transit risks by any conveyance to and/or from the site, while there, awaiting and/or during erection, installation and testing, occurring anywhere within Canada and the United States, but specifically not including earthquake or flood) of direct physical loss of or damage to (including full resultant loss or damage) all Project Infrastructure (including all Structures forming part thereof) including the value of any material and/or structure and/or property destined for or entering into or forming part of the Project Infrastructure, whether belonging to Project Co or any of the Principal Contractors or Subcontractors and/or the Province and/or BCTFA and/or the engineers and/or otherwise and including automatically any changes in design or method of construction occurring during the term of the policy, such insurance to specify a policy limit of not less than _____. Project Co shall cause to be completed a PML study on or before 60 days following the Effective Date, the form, content and provider of such PML study all to be acceptable to the Province, acting reasonably. Should such PML study find that a policy limit of _____ is insufficient for such insurance, Project Co shall, on or before 30 days following the Province's acceptance of the PML study, obtain such insurance with the policy limit as specified in the PML study.

(b) Equipment Insurance

From and including the Effective Date and through to and including the SC3 Substantial Completion Date, "All Risks" Equipment Insurance, including flood and waterborne coverages, satisfactory to the Province covering all Construction Plant, including Construction Plant owned, rented or leased by Project Co or any Principal Contractor or Subcontractor and used in the performance of any Project Work or for which Project Co may be responsible.

(c) Deductibles Per Occurrence

All losses under the Builders' Risk Property Insurance or the Equipment Insurance – up to _____ per occurrence.

(d) Waiver of Subrogation/Builders' Risk Insurance

The following Waiver of Subrogation is to be added to the Builders' Risk Property Insurance Policies:

"In the event of any physical loss or damage to property, the settlement or payment of the subsequent claim shall be made without the right of subrogation against Her Majesty the Queen in right of the Province of British Columbia or the BC Transportation Financing Authority, or any of the employees, agents and servants of Her Majesty the Queen in right of the Province of British Columbia or the BC Transportation Financing Authority,

- 6 -

or any of the architects, engineers, consultants or contractors of Her Majesty the Queen in right of the Province of British Columbia or the BC Transportation Financing Authority, or any of the servants, agents, employees, volunteers, directors, or parent, subsidiary, affiliated or related firms of any such architects, engineers, consultants or contractors, engaged in or connected with the design, construction and related operations known as the “Pattullo Bridge Replacement Project”.

(e) **Waiver of Subrogation / Equipment Insurance**

The following Waiver of Subrogation is to be added to the equipment insurance policies:

“In the event of any physical loss or damage to equipment of Fraser Crossing Project Corporation or any of its contractors or subcontractors, the settlement or payment of the subsequent claim shall be made without the right of subrogation against Her Majesty the Queen in right of the Province of British Columbia or the BC Transportation Financing Authority, or any of the employees, agents and servants of Her Majesty the Queen in right of the Province of British Columbia or the BC Transportation Financing Authority, or any of the architects, engineers, consultants or contractors of Her Majesty the Queen in right of the Province of British Columbia or the BC Transportation Financing Authority, or any of the servants, agents, employees, volunteers, directors, or parent, subsidiary, affiliates or related firms of any such architects, engineers, consultants or contractors, engaged in or connected with the design, construction and related operations known as the “Pattullo Bridge Replacement Project”.

1.5 Additional Conditions In Property and Liability Policies in this Part

- (a) The Province and BCTFA will be named as additional named insureds in all policies for the property insurance referred to in Section 1.4(a) of this Schedule by an endorsement as follows:

“Her Majesty the Queen in Right of the Province of British Columbia and the BC Transportation Financing Authority are added as Additional Named Insureds.”

- (b) Notwithstanding any other terms, conditions or exclusions elsewhere in the policies or in this Schedule, it is understood and agreed that all policies for the liability insurance referred to in Section 1.1(a) of this Schedule shall be extended to include insurance coverages and clauses as follows:

“Her Majesty the Queen in Right of the Province of British Columbia and the BC Transportation Financing Authority, together with all their employees, agents and servants, and all architects, engineers, consultants, contractors and any of their servants, agents, employees, volunteers, directors, parent, subsidiary, affiliated or related firms, engaged in or connected with the design, construction and related operations known as the “Pattullo Bridge Replacement Project” (all the foregoing being referred to in this Section as “Additional Named Insureds”), are added as additional named insureds in respect of liability arising from the work or operations of the Insured and the Additional Named Insureds, in connection with contracts entered into between the Insured and the Additional Named Insureds.

- 7 -

The insurance provided by this policy shall apply in the same manner and to the same extent as though a separate policy had been issued to each Insured and Additional Named Insured. Any breach of a condition of the policy by any Insured or Additional Named Insured shall not affect the protection given by this policy to any other Insured or Additional Named Insured. The inclusion herein of more than one Insured and Additional Named Insured shall not operate to increase the limit of liability under this policy.

Products and Completed Operations Hazard coverage shall be provided and such cover shall remain in full force and effect for a period of _____ after the work has been completed, irrespective of the expiry date of the policy.”

1.6 Cancellation/Limitation

- (a) The insurance coverages referred to in this Part (except owned automobile insurance and professional liability insurance) shall not be cancelled, removed, or endorsed to restrict coverage or limits of liability, without 60 days’ notice in writing by registered mail to the Province’s Representative with a copy by registered mail to “The Corporate Insurance and Bonds Manager” at Ministry of Transportation and Infrastructure, P.O. Box 9850 STN PROV GOVT, 4th Floor, 940 Blanshard Street, Victoria, BC, V8W 9T5 (or at such other address as the Province may from time to time by notice to Project Co advise), except in the case of non-payment of premiums, in which case the minimum statutory notice requirements shall apply. In the case of Marine and Aviation Policies Project Co shall use all reasonable efforts to fulfill the 60 days’ notice requirement, but if, after using all reasonable efforts, Project Co cannot fulfill the 60 days’ notice requirement, the notice requirement in this subsection for Marine and Aviation Policies may be reduced to not less than 30 days.
- (b) The insurance coverages referred to in this Part shall not be lapsed without at least 30 days’ notice in writing by registered mail to the Province’s Representative with a copy by registered mail to “The Corporate Insurance and Bonds Manager” at Ministry of Transportation and Infrastructure, P.O. Box 9850 STN PROV GOVT, 4th Floor, 940 Blanshard Street, Victoria, BC, V8W 9T5 (or at such other address as the Province may from time to time by notice to Project Co advise).

1.7 Loss Payable

The insurance policies under Section 1.4(a) of this Schedule must contain a loss payable clause directing payment in accordance with the provisions of Section 6.18 [Application of Proceeds of Insurance] of this Agreement.

1.8 Use and Occupancy

Use and occupancy of any Project Infrastructure or any part thereof prior to any applicable date of completion shall not be cause for any termination of insurance coverage shown in the applicable sections of this Part.

- 8 -

**PART 2
INSURANCE REQUIRED – OPERATION AND MAINTENANCE**

2.1 Insurance - Operation and Maintenance

For any Operation and Maintenance activities that are not covered under the insurances provided in Part 1 [Insurance Required – Construction] of this Schedule, Project Co shall maintain, from and including the Effective Date and through to and including the SC3 Substantial Completion Date, the following :

- (a) Third Party Liability Insurance consistent with the coverages, extensions of coverages and endorsements set out in Section 1.1 [Third Party Liability Insurance – Construction] of this Schedule, with limits of not less than
- (b) Automotive Liability Insurance consistent with the coverages and endorsements set out in Section 1.3 [Automobile Insurance] of this Schedule, with limits of not less than
; and
- (c) Equipment Insurance consistent with the coverages and endorsements set out in Section 1.4(b) of this Schedule.

2.2 Additional Conditions in Liability Policies in this Part

Notwithstanding any other terms, conditions or exclusions elsewhere in the policies or in this Schedule, it is understood and agreed that all policies for the liability insurance referred to in Section 2.1(a) of this Schedule shall be extended to include insurance coverages and clauses as follows:

“Her Majesty the Queen in Right of the Province of British Columbia and the BC Transportation Financing Authority, together with all their employees, agents and servants, and all architects, engineers, consultants, contractors and any of their servants, agents, employees, volunteers, directors, parent, subsidiary, affiliated or related firms, engaged in or connected with the design, construction and related operations known as the “Pattullo Bridge Replacement Project” (all the foregoing being referred to in this Section as “Additional Named Insureds”), are added as additional named insureds in respect of liability arising from the work or operations of the Insured and the Additional Named Insureds, in connection with contracts entered into between the Insured and the Additional Named Insureds.

The insurance provided by this policy shall apply in the same manner and to the same extent as though a separate policy had been issued to each Insured and Additional Named Insured. Any breach of a condition of the policy by any Insured or Additional Named Insured shall not affect the protection given by this policy to any other Insured or Additional Named Insured. The inclusion herein of more than one Insured and Additional Named Insured shall not operate to increase the limit of liability under this policy.

Products and Completed Operations Hazard coverage shall be provided and such cover shall remain in full force and effect for a period of _____ after the work has been completed, irrespective of the expiry date of the policy.”

2.3 Cancellation/Limitation

- (a) The insurance coverages referred to in this Part (except owned automobile insurance) shall not be cancelled, removed, or endorsed to restrict coverage or limits of liability, without 60 days' notice in writing by registered mail to the Province's Representative with a copy by registered mail to "The Corporate Insurance and Bonds Manager" at Ministry of Transportation and Infrastructure, P.O. Box 9850 STN PROV GOVT, 4th Floor, 940 Blanshard Street, Victoria, BC, V8W 9T5 (or at such other address as the Province may from time to time by notice to Project Co advise), except in the case of non-payment of premiums, in which case the minimum statutory notice requirements shall apply. In the case of Marine and Aviation Policies Project Co shall use all reasonable efforts to fulfill the 60 days' notice requirement, but if, after using all reasonable efforts, Project Co cannot fulfill the 60 days' notice requirement, the notice requirement in this subsection for Marine and Aviation Policies may be reduced to not less than 30 days.
- (b) The insurance coverages referred to in this Part shall not be lapsed without at least 30 days' notice in writing by registered mail to the Province's Representative with a copy by registered mail to "The Corporate Insurance and Bonds Manager" at Ministry of Transportation and Infrastructure, P.O. Box 9850 STN PROV GOVT, 4th Floor, 940 Blanshard Street, Victoria, BC, V8W 9T5 (or at such other address as the Province may from time to time by notice to Project Co advise).

2.4 Use and Occupancy

Use and occupancy of any Project Infrastructure or any part thereof prior to any applicable date of completion shall not be cause for any termination of insurance coverage shown in the applicable sections of this Part.

PART 3 GENERAL PROVISIONS

3.1 Project Work after the SC3 Substantial Completion Date

- (a) The insurance described in this Schedule shall apply *mutatis mutandis* in connection with any Project Work carried out after the SC3 Substantial Completion Date and any warranty period extending beyond the SC3 Substantial Completion Date, in each case until completion of the relevant part of the Project Work, provided that the Province shall have the right to make, and Project Co shall comply with, any reasonable variations in such insurance requirements, including adjustments in policy limits and additions of coverages in connection with any particular part of the Project Work.
- (b) Any variations made by the Province as contemplated in Section 3.1(a) of this Schedule shall not impose more stringent or less stringent requirements than those imposed by the Province for contracts of a similar nature or value to the relevant part of the Project Work undertaken after the SC3 Substantial Completion Date and any warranty period extending beyond the SC3 Substantial Completion Date and shall be based on the Province's assessment of the risks involved, based on the then current version of the Ministry Form INS152 or INS172, as appropriate. If Project Co disputes the Province's assessment of the relevant risks and any resulting variation to the insurance requirements under this

- 10 -

Section with respect to any particular part of the Project Work, Project Co shall notify the Province of its dispute within 10 Business Days after the Province has notified Project Co of the insurance requirements that shall apply to the relevant part of the Project Work. If the Province and Project Co have not resolved the dispute within 10 Business Days after Project Co's notice of disagreement, the dispute shall be referred for resolution under the Dispute Resolution Procedure. If the Province does not propose any variation or adjustment to the insurance requirements in respect of any particular part of the Project Work, then the insurance described in this Schedule shall be required.

3.2 Amendments to Insurance Coverages

The Province may from time to time, acting reasonably, and on written notice to Project Co, amend or vary the insurance coverages described in Parts 1 or 2 of this Schedule, including by adjusting the policy limits and by changing the scope of coverages. Any such amendment will be considered a Province Change unless the amendment or variation is contemplated by the other provisions of this Schedule.

3.3 Primary and Excess Coverage

Project Co may satisfy limit requirements through the use of primary and excess insurance programs.