

**SCHEDULE 15  
INSURANCE REQUIREMENTS**

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**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 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 project 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, 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 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 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 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

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.

**(e) Extensions of Coverage**

The liability insurance referred to in Sections 1.1(a), (b), (c) and (d) of this Schedule will cover liability assumed by the Province and BCTFA and 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)
  - \_\_\_\_\_ 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)

**(f) Inclusions / Exclusions Not Permitted**

The following inclusions/exclusions are not permitted for any insurance referred to in Sections 1.1(a), (b), (c) and (d) of this Schedule, except in the case of any insurance

referred to in Sections 1.1(b), (c) and (d) 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), (c) and (d) 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 Project Work 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 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 3 years after the Substantial Completion Date; and
  - (ii) in the case of any Project Work carried out by Project Co after the Substantial Completion Date, for a period of 3 years 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 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, 4<sup>th</sup> 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 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 Project Co, and limits of not less than for vehicles owned, leased or rented by any other Subcontractor (with the exception of Thales, for which the limits shall be no less than for

each accident for vehicles owned, leased or rented by Thales). Project Co or any Principal Contractor or Subcontractor shall be responsible for paying in full or otherwise ensuring payment in full of all deductibles on the Automobile Liability coverage referred to in this Section 1.3.

#### **1.4 Property Insurance**

##### **(a) Builders' Risk**

From and including the Effective Date and through to and including the Substantial Completion Date, Builders' Risk Property Insurance insuring against all risks (including but not limited to flood, 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) 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:

- (i) specify a policy limit of not less than \_\_\_\_\_ (including full resultant loss or damage (LEG 3 or equivalent) but excluding any extra expense, delay in start up, business interruption, loss of income and loss of profits insurance);
- (ii) include coverage for full replacement value, the Tunnel Boring Machine and the launcher crane used in connection with the Work;
- (iii) include coverage for, from and including the date on which testing and commissioning of the Broadway Subway commences and to and including the date on which such testing and commissioning is complete, all Vehicles supplied by TransLink to the Project Co for the testing and commissioning of the Broadway Subway, which coverage shall, in respect of each Vehicle, be in an amount equal to the full replacement value of such Vehicle. For the purposes of this Section, "Vehicles" shall include any new Mark III vehicles supplied by TransLink to the Primary Contractor for the testing and commissioning of the Broadway Subway. The full replacement value of each Vehicle is \$3.6 million. TransLink shall be an additional named insured with respect to the coverage provided under this Section; and
- (iv) include a sublimit of \_\_\_\_\_, soft costs arising from any claims made in respect of Section 1.4(a)(i), 1.4(a)(ii) and 1.4(a)(iii).

##### **(b) Equipment Insurance**

From and including the Effective Date and through to and including the 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 (including maintenance activities in connection with continuing operations

undertaken by Project Co, Primary Contractors or Subcontractors as part of the Project Work) or for which Project Co may be responsible (but excluding the Tunnel Boring Machine and the launcher crane used in the connection with the Project Work which are covered by Section 1.4(a)(ii) [Builders' Risk coverage for Tunnel Boring Machine] of this Schedule).

**(c) Deductibles Per Occurrence**

All losses under the Builders Risk Property Insurance or the Equipment Insurance – up to per occurrence:

- (i) Except the deductible for flood shall be up to \_\_\_\_\_ per occurrence; and
- (ii) Except the deductible for Tunnel works shall be up to \_\_\_\_\_ ; and
- (iii) Except the deductible for loss or damage caused to station boxes, cut and cover sections (and excavations related to these construction processes), and for defective design, materials and workmanship under LEG3/06 shall be up to \_\_\_\_\_

**1.5 Waiver of Subrogation**

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

“Except where a loss is deemed to have been caused by resulting from any error in design or any other professional error or omission, 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:

- (i) 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
- (ii) 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, officers, 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 “Broadway Subway Project”; or
- (iii) South Coast British Columbia Transportation Authority or any of its subsidiary under the *South Coast British Columbia Transportation Authority Act* (British Columbia) or any of their respective directors, officers employees, agents and servants; or
- (iv) City of Vancouver and its officers, employees, agents and servants; or

- (v) Greater Vancouver Regional District, Greater Vancouver Sewerage and Drainage District, and Greater Vancouver Water District and their respective directors, officers, employees, agents and servants; or
- (vi) any other insured under the policies required under this Schedule.”

**1.6 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) Each of the following shall be named as an additional insured in the builders’ risk policy referred to in Section 1.4(a) of this Schedule by an endorsement as follows:
  - (i) South Coast British Columbia Transportation Authority, and any of its subsidiary under the *South Coast British Columbia Transportation Authority Act* (British Columbia) or any of their respective directors, officers employees, agents and servants;
  - (ii) InTransit BC Limited Partnership, Protrans BC Operations Ltd. and their respective directors, officers, employees, agents and servants;
  - (iii) Greater Vancouver Regional District, Greater Vancouver Sewerage and Drainage District, and Greater Vancouver Water District and their respective directors, officers, employees, agents and servants;
  - (iv) City of Vancouver and its officers, employees, agents and servants; and
  - (v) any other party which, by virtue of its interest or involvement in the Broadway Subway, is identified as an additional insured in respect of the builders’ risk coverage.

- (c) 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 “Broadway Subway 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 Substantial Completion Date, irrespective of the expiry date of the policy.”

- (d) The wrap up liability insurance referred to in Section 1.1(a) of this Schedule shall include the following persons as additional insureds:
- (i) BNSF Railway Company and its associated companies and affiliated companies, and their respective directors, officers, employees, agents and trustees;
  - (ii) South Coast British Columbia Transportation Authority, and any of its subsidiary under the *South Coast British Columbia Transportation Authority Act* (British Columbia) or any of their respective directors, officers employees, agents and servants;
  - (iii) InTransit BC Limited Partnership, Protrans BC Operations Ltd. and their respective directors, officers, employees, agents and servants;
  - (iv) Greater Vancouver Regional District, Greater Vancouver Sewerage and Drainage District, and Greater Vancouver Water District and their respective directors, officers, employees, agents and servants;
  - (v) City of Vancouver and its officers, employees, agents and servants;
  - (vi) any person that the Province or BCTFA is required to indemnify under a written agreement in respect of the Broadway Subway;
  - (vii) any person for whom the Province is responsible in law pursuant to Section 2.16 [Persons for Whom Province is Responsible] of Schedule 1; and
  - (viii) any other party which, by virtue of its interest or involvement in the Broadway Subway;, is identified as an additional insured in respect of the wrap up liability insurance.

For certainty, the wrap up liability insurance shall not extend to any liabilities arising from the work or operations of any of the parties identified in Sections 1.6(d)(i) through (vi) of this Schedule that are unrelated to the Broadway Subway Project.

**1.7 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, 4<sup>th</sup> 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, 4<sup>th</sup> 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).

**1.8 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.

**1.9 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 2  
GENERAL PROVISIONS**

**2.1 Project Work - Canada Line**

The insurance described in this Schedule shall apply *mutatis mutandis* in connection with any Project Work carried in and around the Canada Line, including all Project Work in, at, adjacent to, under or over the Canada Line, the Broadway-City Hall Canada Line Station, the Broadway - City Hall Millennium Line Station and the Broadway - City Hall Station.

**2.2 Project Work after the Substantial Completion Date**

- (a) The insurance described in this Schedule shall apply *mutatis mutandis* in connection with any Project Work carried out after the Substantial Completion Date and any warranty

period extending beyond the 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 2.2(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 Substantial Completion Date and any warranty period extending beyond the 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 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.

### **2.3 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 Part 1 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.

### **2.4 Primary and Excess Coverage**

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

### **2.5 Insurance Requirements of Regulated Utilities**

In the event that a Regulated Utility requires that Project Co obtain insurance coverage in respect of any Project Work undertaken with respect to the infrastructure of such Regulated Utility, Project Co shall comply with any such insurance requirements.