

**SCHEDULE 14  
INSURANCE REQUIREMENTS**

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**1. Third Party Liability Insurance During Construction**

1.1 From and including the Effective Date and through to and including the Substantial Completion Date, “Wrap-Up” Commercial General Liability insurance with limits of not less than [REDACTED] project aggregate not on an annual basis, inclusive of defence costs, for bodily injury or death and property damage arising from any one accident or occurrence and in the aggregate. The insurance policy shall 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 the Primary Contractor or Subcontractors, as well as all persons, firms, corporations or partnerships who perform any of the Work anywhere in Canada or the USA at a minimum. In addition to the above limits, such liability insurance shall 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 at a minimum.

1.2 From and including the Effective Date and through to and including the Substantial Completion Date, for all bodily injury or death and property damage arising from any one accident or occurrence for all vessels that are owned, leased, rented or operated by the Primary Contractor or Subcontractors, as well as all persons, firms, corporations or partnerships who perform any of the Work, insurance coverage is to be provided through either:

- (a) the “Wrap-Up” Commercial General Liability Insurance policy referred to in Section 1.1 of this Schedule; or
- (b) 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 Work, in any case with limits of not less than [REDACTED], inclusive of defence costs, for bodily injury or death and property damage arising from any one accident or occurrence and in the aggregate. The Primary Contractor shall 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.

1.3 If aircraft (including helicopters) are used in the performance of the Work and are owned, leased, rented or used by the Primary Contractor or any Subcontractor, then, from and including the Effective Date and through to and including the Substantial Completion Date, third party Aircraft liability coverage with limits of not less than [REDACTED] for bodily injury or death and property damage arising from any one accident or occurrence and in the annual aggregate (or such lower limit that the Province’s Representative determines in its discretion is acceptable) must be provided, together with a waiver of subrogation on the hull.

**1.4 Extensions of Coverage**

The liability insurance referred to in Sections 1.1, 1.2, and 1.3 of this Schedule shall cover liability assumed by the Province and BCTFA and liability assumed by the Primary Contractor in connection with and applicable to this Agreement and shall include the following coverage extensions applicable to the following liability policies:

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(a) **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 5.2(a) [Additional Conditions In Property and Liability Policies] of this Schedule)
- Sudden and Accidental Pollution with coverage of not less than [REDACTED] (IBC Form #2313) subject to 120 hours/120 hours 60 days notice of Cancellation or Limitation of cover (as more fully outlined under Section 6 [Cancellation/Limitation for all Policies Except Owned Automobile and Professional Liability] of this Schedule)
- Blanket Additional Insureds

(b) **Coverage Extensions Applicable to the Marine and Aviation Policies**

- Canada and USA coverage territory

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

The following inclusions/exclusions are not permitted for any insurance referred to in Sections 1.1, 1.2 and 1.3 of this Schedule, except in the case of any insurance referred to in Sections 1.2 and 1.3 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 of this Schedule, as such separate policies are described in Sections 1.2 and 1.3 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 Work shall 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 shall not be excluded. However, exclusions applicable to liability imposed upon or assumed by the insured under all Laws, including Laws relating to occupational health and safety, including the *Workers Compensation Act* (British Columbia), the OHS Regulation and the *Railway Safety Act* (Canada) or for assessment by any Workers' Compensation Board shall be permitted.

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- (iii) Liability assumed by the insureds under contract with railroad companies for the use and operation of railway sidings or crossings shall not be excluded.
- (iv) Liability assumed by the Primary Contractor under and applicable to any gravel licenses shall not be excluded.
- (v) Liability arising out of all products where the Primary Contractor supplies the material shall not be excluded.
- (vi) Tort liability assumed by the Primary Contractor under this Agreement shall not be excluded.
- (vii) Exclusions for design/build, design/build/finance, design/build/finance/operate or joint venture projects shall not be permitted.
- (viii) Other types of services not listed above, to be performed by or on behalf of the Primary Contractor under this Agreement, shall not be excluded.

(d) **Deductible**

A maximum deductible on the primary insurance policy shall be allowed for any one accident or occurrence of up to [REDACTED].

(e) **Self-Insured Retention**

A maximum self-insured retention of up to [REDACTED] for any one accident or per occurrence shall be permitted for the Primary Contractor providing umbrella/excess liability insurance subject to having a minimum primary insurance policy of [REDACTED] underlying the umbrella/excess.

**2. Professional Liability Insurance (Errors & Omissions)**

- (a) (a) Single Project Specific Professional Liability insurance with minimum limits of [REDACTED] per claim and [REDACTED] project aggregate not on an annual basis, insuring against all insured loss or damage including coverage for third party property damage, bodily injury or death arising out of the professional services rendered by the Primary Contractor or Subcontractors, and/or any engineers or architects, and any of their respective employees, including:
  - (i) personnel on loan to the Primary Contractor or Subcontractors and personnel who perform normal services of the Primary Contractor under this Agreement; and
  - (ii) any project managers, construction managers, applied science technologists, land surveyors, quantity surveyors and others engaged in providing professional services in connection with the Work.

The named insureds shall also include the following:

- (iii) the Independent Engineer;
- (iv) the Independent Certifier;

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- (v) the Seismic Peer Review Panel members; and
- (vi) upon written request by the Province and the Primary Contractor, the coverage will be extended to such architects, engineers, project managers, construction managers, applied science technologists, land surveyors, quantity surveyors and others who are identified as providing professional services to or on behalf of the Province in connection with the Primary Contractor's performance of the Work, subject to:
  - (A) the review and acceptance by the insurer of pertinent underwriting information, such acceptance by the insurer not to be unreasonably withheld;
  - (B) the coverage shall be granted based on terms and conditions to be agreed by the insurer.
- (b) Coverage shall be maintained:
  - (i) from and including the Effective Date and, subject to Section 2.1(b)(ii) of this Schedule, for a period of [REDACTED] after the Substantial Completion Date; and
  - (ii) in the case of any Work carried out by the Primary Contractor after the Substantial Completion Date, for a period of [REDACTED] following completion of that Work.
- (c) The deductible permitted for the insurance referred to in this Section 2.1 [Professional Liability Insurance (Errors & Omissions)] shall not exceed [REDACTED]
- (d) Exclusions for design/build, design/build/finance, design/build/finance/operate or joint venture projects shall not be permitted.
- (e) The insurance referred to in this Section 2.1 [Professional Liability Insurance (Errors & Omissions)] shall not be cancelled, removed or endorsed to restrict coverage or limits of liability, except for non-payment of premiums and in that case with not less than 60 days' notice in writing by registered mail to the Primary Contractor and the Province's Representative with a copy by registered mail to the following:

"The Corporate Insurance and Bonds Manager"  
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's Representative may from time to time by notice to the Primary Contractor advise.
- (f) The insurance referred to in this Section 2.1 [Professional Liability Insurance (Errors & Omissions)] shall 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 the Primary Contractor.

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**3. Automobile Insurance**

- 3.1 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 the Primary Contractor or any Subcontractor and are used in the performance of the Work, with limits of not less than [REDACTED] for each accident for vehicles owned, leased or rented by the Primary Contractor and limits of not less than [REDACTED] for each accident for vehicles owned, leased or rented by any Subcontractor (with the exception of Thales, for which the limits shall be no less than [REDACTED] for each accident for vehicles owned, leased or rented by Thales). The Primary Contractor or any 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 3.1.

**4. Property Insurance**

**4.1 Builders' Risk**

Builders' Risk Property Insurance insuring:

- (a) 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, testing and maintenance, occurring anywhere within Canada and the United States) of direct physical loss of or damage to the following property:
- (i) from and including the Effective Date and through to and including the Substantial Completion Date:
- (A) with a limit of [REDACTED] (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) established by way of a probable maximum loss study undertaken on behalf of the Primary Contractor:
- (1) whether such Province Infrastructure or other infrastructure belongs to the Primary Contractor or any of the 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:
- (I) all Project Infrastructure (including all structures forming part thereof) including the value of material and/or structure and/or property destined for or entering into or forming part of the Project Infrastructure; and
- (II) any other infrastructure (other than infrastructure of Regulated Utilities) that is constructed, installed, altered, upgraded or augmented as part of the Work; and
- (2) any property being maintained as part of the maintenance activities to be undertaken by the Primary Contractor or Subcontractors as part of the Work as required by Article 3

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[Municipal Requirements], Part 1 of Schedule 4, or by any Conditions of Access; and

- (B) to full replacement value, the Tunnel Boring Machine and the launcher crane used in the connection with the Work; and
- (ii) from and including the date on which testing and commissioning of the Evergreen Line commences and to and including the date on which such testing and commissioning is complete, all Vehicles supplied by TransLink to the Primary Contractor for the testing and commissioning of the Evergreen Line, 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 4.1(a)(ii), “Vehicles” shall include any new Mark III vehicles supplied by TransLink to the Primary Contractor for the testing and commissioning of the Evergreen Line. The full replacement value of each Vehicle is \$3.6 million. For certainty, TransLink shall be an additional named insured with respect to the coverage provided under this Section 4.1(a)(ii); and
- (iii) with a sublimit of [REDACTED], soft costs arising from any claims made in respect of the coverages afforded by Sections 4.1(a)(i)(A), 4.1(a)(i)(B) and 4.1(a)(ii).

#### **4.2 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, in its discretion, covering all Construction Plant, including Construction Plant owned, rented or leased by the Primary Contractor or any Subcontractor and used in the performance of any the Work (including maintenance activities in connection with continuing operations undertaken by the Primary Contractor or Subcontractors as part of the Work) or for which the Primary Contractor may be responsible (but excluding the Tunnel Boring Machine and the launcher crane used in the connection with the Work which are covered by Section 4.1(a)(i)(B) of this Schedule), which coverage shall be in an amount equal to the full replacement value of such equipment.

#### **4.3 Deductibles Per Occurrence**

The deductible in respect of all losses for the insurance referred to in Section 4.1 and 4.2 of this Schedule shall not exceed [REDACTED] per occurrence.

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**4.4 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 “Evergreen Line Rapid Transit 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) Canadian Pacific Railway, or any of its associated or affiliated companies, or any of their respective directors, officers, employees, agents, servants and trustees; or
- (v) Greater Vancouver Regional District, Greater Vancouver Sewerage and Drainage District, and Greater Vancouver Water District and their respective officers, directors, employees and agents; or
- (vi) any other insured under the policies required under this Schedule.”

**5. Additional Conditions In Property and Liability Policies**

- (a) (a) Each of the Province and BCTFA shall be named as an additional named insured in the builders' risk policy referred to in Section 4.1 of this Schedule by an endorsement as follows:

“Her Majesty the Queen in Right of the Province of British Columbia and 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 “Evergreen Line Rapid Transit Project.” ”



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- (b) Each of the following shall be named as an additional insured in the builders' risk policy referred to in Section 4.1 of this Schedule by an endorsement as follows:
- (i) Canadian Pacific Railway 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) Greater Vancouver Regional District, Greater Vancouver Sewerage and Drainage District, and Greater Vancouver Water District and their respective officers, directors, employees and agents;
  - (iv) any person that the Province or BCTFA is required to indemnify under a written agreement in respect of the Evergreen Line;
  - (v) any person for whom the Province is responsible in law pursuant to Section 2.15 [Persons for Whom Province is Responsible] of Schedule 1; and
  - (vi) any other party which, by virtue of its interest or involvement in the Evergreen Line, is identified as an additional insured in respect of the builders' risk coverage.
- (c) (a) Notwithstanding any other terms, conditions or exclusions elsewhere in the policies or in this Schedule, the wrap up liability insurance referred to in Section 1.1 of this Schedule shall include insurance coverages and clauses as follows:

“Her Majesty the Queen in Right of the Province of British Columbia and 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 “Evergreen Line Rapid Transit 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 24 months after the work has been completed, irrespective of the expiry date of the policy.”

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- (d) The wrap up liability insurance referred to in Section 1.1 of this Schedule shall include the following persons as additional insureds:
- (i) Canadian Pacific Railway 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) Greater Vancouver Regional District, Greater Vancouver Sewerage and Drainage District, and Greater Vancouver Water District, and their respective officers, directors, employees and agents;
  - (iv) any person that the Province or BCTFA is required to indemnify under a written agreement in respect of the Evergreen Line;
  - (v) any person for whom the Province is responsible in law pursuant to Section 2.15 [Persons for Whom Province is Responsible] of Schedule 1; and
  - (vi) any other party which, by virtue of its interest or involvement in the Evergreen Line, 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 5.2(b)(i) through (v) that are unrelated to the Evergreen Line Project.

**6. Cancellation/Limitation for all Policies Except Owned Automobile and Professional Liability**

6.1 The insurance coverages referred to in this Schedule (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 or courier to:

- (a) the Province's Representative, with a copy by registered mail or courier to

"The Corporate Insurance and Bonds Manager"  
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's Representative may from time to time provide by notice in writing.

6.2 The insurance coverages referred to in this Schedule shall not be lapsed without at least 60 days' notice in writing by registered mail or courier to:

- (a) the Province's Representative, with a copy by registered mail or courier to

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“The Corporate Insurance and Bonds Manager”  
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’s Representative may from time to time provide by notice in writing.

**7. Loss Payable**

7.1 The Builders’ Risk Property Insurance required under Section 4.1 [Builders’ Risk] of this Schedule shall contain loss payable clauses directing payment of all proceeds in accordance with the provisions of Section 7.18 [Application of Proceeds of Insurance] as follows:

- (a) naming the Province as sole loss payee with respect to the coverages identified in Section 4.1(a)(i)(A)(1) and 4.1(a)(i)(A)(2);
- (b) naming TransLink as sole loss payee with respect to the coverage identified in Section 4.1(a)(ii);
- (c) naming the Primary Contractor as sole loss payee with respect to the coverage identified in Section 4.1(a)(i)(B); and
- (d) naming the Senior Lenders or the Agent on their behalf as sole loss payee with respect to the coverage identified in Section 4.1(a)(iii).

**8. Use and Occupancy**

8.1 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 referred to in the applicable sections of this Schedule.

**9. After the Substantial Completion Date**

9.1 The insurance described in this Schedule shall apply *mutatis mutandis* in connection with any 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 Work, provided that the Province shall have the right to make, and the Primary Contractor 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 Work.

9.2 Any variations made by the Province as contemplated in Section 9.1 of this Schedule shall not impose more stringent or less stringent requirements than those imposed by the Province for construction contracts of a similar nature or value to the relevant part of the 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 the Primary Contractor 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 Work, the Primary Contractor shall notify the Province of its dispute within 10 Business Days after the Province has notified the Primary Contractor of the insurance requirements that shall apply to the

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relevant part of the Work. If the Province and the Primary Contractor have not resolved the dispute within 10 Business Days after the Primary Contractor'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 Work, then the insurance described in this Schedule shall be required.

**10. Amendments to Insurance Coverages**

10.1 The Province may from time to time, in its reasonable discretion, and on written notice to the Primary Contractor, amend or vary the insurance coverages described in this Schedule, including by adjusting the policy limits and by changing the scope of coverages. Any such amendment shall be considered a Province Change unless the amendment or variation is contemplated by the other provisions of this Schedule.

**11. Primary and Excess Coverage**

11.1 The Primary Contractor may satisfy limit requirements through the use of primary and excess liability insurance programs.

**12. Without Prejudice**

12.1 The insurance obligations set out in this Schedule are without prejudice to the Primary Contractor's insurance obligations set out elsewhere in this Agreement, including Article 5 [CPR Requirements], Part 1 of Schedule 4.

**13. Insurance Requirements of Regulated Utilities**

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