

## HEALTH – CONTRACTOR INSURED CONSTRUCTION PROJECTS

### Insurance and Indemnification Clauses (to be included in Supplementary Conditions to the CCDC 2 – 2008 Contracts for Health projects with an Estimated Project Cost of less than \$1,000,000.00 Insured by the Contractor)

#### MODIFICATIONS TO GENERAL CONDITIONS

**GC 11.1—INSURANCE**, replace entirely with the following:

11.1.1 The Contractor shall, without limiting its obligations or liabilities herein and at its own expense, provide and maintain the following insurances with insurers licensed in British Columbia and in forms and amounts acceptable to the Owner:

- (a) **Commercial General Liability Insurance** in an amount not less than:
- Two Million Dollars (\$2,000,000.00) inclusive per occurrence against bodily injury and property damage for projects less than Two Hundred and Fifty Thousand Dollars (\$250,000.00); or
  - Five Million Dollars (\$5,000,000.00) inclusive per occurrence against bodily injury and property damage for projects greater than Two Hundred and Fifty Thousand Dollars (\$250,000.00) but less than One Million Dollars (\$1,000,000.00).

The Owner is to be added as an additional insured under this policy. Any deductible applicable to property damage shall not exceed Five Thousand Dollars (\$5,000.00) or such other reasonable deductible. Such insurance shall include, but not be limited to:

- .01 Products or Completed Operations Liability;
- .02 Owner's and Contractor's Protective Liability;
- .03 Blanket Written Contractual Liability;
- .04 Contingent Employer's Liability;
- .05 Personal Injury Liability;
- .06 Non-Owned Automobile Liability;
- .07 Cross Liability;

- .08 Employees as Additional Insureds;
- .09 Broad Form Property Damage;
- .10 Broad Form Completed Operations;
- .11 Elevator and Hoist Liability;
- .12 Operation of Attached Machinery;

**and where such further risk exists:**

- .13 Shoring, Blasting, Excavating, Underpinning, Demolition, Piledriving and Caisson Work, Work Below Ground Surface, Tunneling and Grading, as applicable; and
- .14 Limited Pollution Liability in an amount not less than Two Million Dollars (\$2,000,000.00).

- (b) **Property** insurance which shall cover, on a replacement cost basis, all property, of every description, to be used in the construction of the Work, against "All Risks" of physical loss or damage, including earthquake and flood, while such property is being transported to the site, and thereafter throughout erection, installation and testing and such insurance shall be maintained until Substantial Performance of the Work. Such policy of insurance shall extend to protect the interest of the Owner, and shall contain a waiver of subrogation against the Owner. Any deductible shall not exceed Five Thousand Dollars (\$5,000.00) or such other reasonable deductible for each and every occurrence except for the peril of flood, which may include a maximum deductible of Ten Thousand Dollars (\$10,000.00), and earthquake, which may include a maximum deductible of Ten Percent (10%) based upon completed values at the time of loss.
- (c) **Automobile Liability** on all owned or leased vehicles in an amount not less than Two Million Dollars (\$2,000,000.00).
- (d) **Aircraft and/or Watercraft Liability**, where applicable, for all owned or non-owned craft operating or used in the performance of the Work by the Contractor, in an amount not less than Two Million Dollars (\$2,000,000.00) per occurrence and including aircraft passenger hazard liability, where applicable.

- 11.1.2 All the foregoing insurance shall be primary and not require the sharing of any loss by any insurer of the Owner.
- 11.1.3 The Contractor shall provide the Owner with evidence of all required insurance prior to the commencement of the Work or services. Such evidence shall be in the form of the Owner's Certificate of Insurance (copy attached – Appendix 1). When requested by the Owner, the Contractor shall provide certified copies of required insurance policies.
- 11.1.4 All required insurance shall be endorsed to provide the Owner with thirty (30) days advance written notice of cancellation or material change.
- 11.1.5 The Contractor hereby waives all rights of recourse against the Owner with regard to damage to the Contractor's property.
- 11.1.6 The Contractor shall require and ensure that each Subcontractor maintain liability insurance comparable to that required above.
- 11.1.7 Unless specified otherwise, the duration of each insurance policy shall be from the date of commencement of the Work until the date of the final certificate for payment.

**GC 12.1 – INDEMNIFICATION, delete GC 12.1.1 and 12.1.2 and** replace with the following:

**GC 12.1 – INDEMNIFICATION**

- 12.1.1 Without restricting the parties' obligation to indemnify as described in paragraphs 12.1.4 and 12.1.5, and excepting always losses arising out of the independent acts of the party for whom indemnification is sought, the Owner and the Contractor shall each indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings whether in respect to losses suffered by them or in respect to claims by third parties that arise out of, or are attributable in any respect to their involvement as parties to this contract, provided such claims are:
  - .1 caused by:
    - (1) the acts or omissions of the party from whom indemnification is sought or anyone for whose acts or omissions that party is liable, or
    - (2) a failure of the party to the Contract from whom indemnification is sought to fulfill its terms or conditions; and
  - .2 made by Notice in Writing within such periods as prescribed by the Limitation Act of the Province of British Columbia.

12.1.2 The obligation of either party to indemnify as set forth in paragraph 12.1.1 shall be limited as follows:

- .1 In respect to losses suffered by the Owner and the Contractor for which insurance is to be provided by the owner pursuant to GC 11.1 – INSURANCE, the limit of the GENERAL LIABILITY COVERAGE – GC 11.1.1(a) or the limit of the PROPERTY COVERAGE – GC 11.1.1(b) whichever is pertinent to the loss.
- .2 In respect to losses suffered by the *Owner* and the *Contractor* for which insurance is not required to be provided by either party in accordance with GC 11.1 – INSURANCE, the greater of the *Contract Price* as recorded in Article A-4 – CONTRACT PRICE or \$2,000,000.00, but in no event shall the sum be greater than \$20,000,000.00.
- .3 In respect to claims by third parties for direct loss resulting from bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, the obligation to indemnify is without limit. In respect to all other claims for indemnity as a result of claims advanced by third parties, the limits of indemnity set forth in paragraphs 12.1.2.1 and 12.1.2.2 shall apply.

Appendix 1

*Freedom of Information and Protection of Privacy Act*  
 The personal information requested on this form is collected under the authority of and used for the purposes of contract review.  
**Please refer all questions to the contact named in Part 1**

CERTIFICATE OF INSURANCE

**Part 1 To be completed by the Owner**

THIS CERTIFICATE IS REQUESTED BY and ISSUED TO <i>(Name of office)</i>		AGREEMENT IDENTIFICATION NO.
<b>OWNER CONTACT PERSON</b> NAME & TITLE		PHONE NO (      )
		FAX NO (      )
MAILING ADDRESS		POSTAL CODE
CONTRACTOR NAME		
CONTRACTOR ADDRESS		POSTAL CODE

**Part 2 To be completed by the Insurance Agent or Broker**

INSURED	NAME		
	ADDRESS		
		POSTAL CODE	
OPERATIONS INSURED	PROVIDE DETAILS		
<b>TYPE OF INSURANCE</b> <i>List each separately</i>	<b>COMPANY NAME, POLICY NO. &amp; BRIEF DESCRIPTION</b>	<b>EXPIRY DATE</b> YYYY/MM/DD	<b>LIMIT OF LIABILITY/AMOUNT</b>

**This certificate certifies that policies of insurance described herein are in full force and effective as of the date of this certificate and comply with the insurance requirements of the Agreement identified above, except as follows:**

AGENT OR BROKER COMMENTS:

AGENT OR BROKER	ADDRESS	PHONE NO (      )
SIGNED BY THE AGENT OR BROKER ON BEHALF OF THE ABOVE INSURER(S)		DATE SIGNED