



Fisheries and Oceans
Canada

Pêches et Océans
Canada

Insurance Conditions

Dated: April 14, 2011

Canada 

INSURANCE CONDITIONS - April 14, 2011

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Except as otherwise directed by Amendment to the Tender Documents, the Contractor shall, at the Contractor's expense, maintain all insurance required of these Insurance Conditions.

1 INDEMNIFICATION

1.1 The insurance coverage required by the provisions of these Insurance Conditions shall in no way limit the Contractor's obligations under the General Conditions of the contract. Any additional coverage the Contractor may deem necessary to fulfill the Contractor's obligations under the aforesaid General Conditions shall be at the Contractor's own discretion and expense.

2 INSURED

2.1 The insurance policy shall insure the Contractor, and shall include, Her Majesty the Queen in Right of Canada, represented by the Minister of Fisheries and Oceans, as an additional Insured, with respect to liability arising out of the operations of the contractor with regard to the work.

3 PERIOD OF INSURANCE

3.1 Unless otherwise directed in writing by the DFO Representative, or otherwise stipulated elsewhere herein, the policies required hereunder shall be in force and be maintained from the date of contract award and until the day of issue of the DFO Representative's Final Certificate of Completion – FP-5136 except that the coverage for Completed Operations Liability shall, in any event, be maintained for a period of at least six (6) years beyond the date of Certificate of Substantial Performance.

4 PROOF OF INSURANCE

- 4.1 Before commencement of the Work, and within thirty (30) calendar days after acceptance of the Contractor's tender, the Contractor is required to deposit with the DFO Representative an Insurer's [Certificate of Insurance Form \(FP-5140-E\)](#) pursuant to the requirements of these Insurance Conditions.
- 4.2 The Certificate of Insurance noted in 4.1 shall disclose all warranties, endorsements or exclusions that alter the standard IBC 2100 and IBC 4042 forms.
- 4.3 Upon request by the DFO Representative, the Contractor shall provide originals or certified true copies of all contracts of insurance maintained by the Contractor pursuant to the provisions contained herein.

Note that the Insurer's Certificate of Insurance must be completed by the Insurer, not the Broker.

5 NOTIFICATION

5.1 Each insurance policy shall contain a provision that within thirty (30) calendar days prior written notice shall be given by the Insurer to Her Majesty the Queen in Right of Canada, represented by the Minister of Fisheries and Oceans, as additional insured, in the event of any material change in, cancellation of, expiration of coverage, or amendment restricting coverage specific to this contract.

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6 PAYMENT OF DEDUCTIBLE

- 6.1 The payment of monies up to the deductible amount made in satisfaction of a claim shall be borne by the Contractor.

7 COMMERCIAL GENERAL LIABILITY

Scope of Policy

- 7.1 The insurance coverage provided shall not be less than that provided by IBC 2100, as amended from time to time, and shall have:
- (a) an Each Occurrence Limit of not less than \$5,000,000;
 - (b) a Products/Completed Operations Aggregate Limit of not less than \$5,000,000; and
 - (c) a General Aggregate Limit of not less than \$10,000,000 per policy year, if the policy is subject to such a limit.
- 7.2 The policy shall include but not necessarily be limited to the following coverages:
- 7.2.1 All premises, property and operations necessary or incidental to the performance of this contract.
 - 7.2.2 Personal Injury.
 - 7.2.3 Bodily Injury and Property Damage on an "occurrence" basis.
 - 7.2.4 "Broad Form" Property Damage including the loss of use of property.
 - 7.2.5 Removal or weakening of support of any property, building or land whether such support is natural or otherwise.
 - 7.2.6 Elevator liability, including escalators, hoists, and similar devices.
 - 7.2.7 Contingent Employer's Liability.
 - 7.2.8 Owner's and Contractor's Protective Liabilities.
 - 7.2.9 Blanket Contractual Liability.
 - 7.2.10 Completed Operations and Products Liability.
 - 7.2.11 Cross Liability – The insurance as is afforded by this policy shall apply in respect to any claim or action brought against any one Insured by any other Insured. The coverage shall apply in the same manner and to the same extent as though a separate policy had been issued to each Insured. The inclusion herein of more than one Insured shall not operate to increase the limit of the Insurer's Liability.
- 7.3 The policy shall either include or be endorsed to include coverage for the following exposures or hazards if the Work is subject thereto:
- 7.3.1 blasting
 - 7.3.2 pile driving and caisson work
 - 7.3.3 underpinning
 - 7.3.4 removal or weakening of support of any building or land whether such support be natural or otherwise if the work is performed by the insured contractor
 - 7.3.5 demolition
 - 7.3.6 marine risks including piers, wharves and docks

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7.3.7 radioactive contamination resulting from the use of commercial isotopes

8 BUILDERS RISK/INSTALLATION FLOATER

Scope of Policy

- 8.1 The insurance coverage provided by a Builder's Risk policy or an Installation Floater policy shall not be less than that provided by IBC 4042 and 4047, as amended from time to time.
- 8.2 The policy shall permit use and occupancy of the project, or any part thereof, where such use and occupancy is for the purposes for which the project is intended upon completion.
- 8.3 The policy may exclude or be endorsed to exclude coverage for loss or damage caused by any of the following:
 - (a) Asbestos
 - (b) Fungi or spores
 - (c) Cyber
 - (d) Terrorism
- 8.4 The amount of insurance shall not be less than the sum of the contract value plus the declared value (if any) set forth in the contract documents of all material and equipment supplied by Canada at the site of the project to be incorporated into and to form part of the finished Work. If the value of the Work is changed, the policy shall be changed to reflect the revised contract value.
- 8.5 The policy shall insure the Contractor and shall include, as an additional Insured, Her Majesty the Queen in right of Canada, represented by the Minister of Fisheries and Oceans.
- 8.6 Unless otherwise directed in writing by the DFO Departmental Representative, or, stipulated elsewhere herein, the policy required herein shall be in force and be maintained from prior to the commencement of work until the day of issue of the Certificate of Substantial Performance.
- 8.7 .The policy shall provide that the proceeds thereof are payable to Her Majesty, in accordance with GC10.2, Insurance Proceeds. The Contractor shall, without delay, do such things and execute such documents as are necessary to effect payment of the proceeds.