



Supplier Prequalification – Insurance Requirements

1. INTRODUCTION

1.1 Order of Precedence

This document is intended to be complementary to the Purchase Order ("PO"), Equipment Lease Agreement ("EQLA"), Consulting Agreement ("CA"), Memorandum Of Understanding ("MOU"), Strategic Alliance ("SA") and/or the Back-to-Back Subcontract ("B2B") documents (each respectively, an "Agreement"). The Agreement shall govern if there is conflict, ambiguity or discrepancy between this prequalification document and the other Agreement documents.

1.2 Definitions

For the purposes of this Pre-qualification document, capitalized words, phrases and acronyms, and the grammatical variations thereof, which are not defined herein shall have the meanings specified in the Agreement.

"CENTURION" means Centurion Canada Infrastructure Inc., and/or such other Affiliate of CENTURION, as may be nominated by it, which may include any or all of the following: Bear Access and Environment Inc., Site Equipment Ltd., or Force Copps Piling Inc.

For the purposes of this document; your organization, whether self-labelled as a supplier, vendor, material or service provider, consultant, agent, subcontractor (of any tier), or any other third party provider "title", shall hereinafter be defined as "Contractor" and shall mean you, the party being pre-qualified.

2. CONTRACTOR'S INSURANCE

Unless otherwise specified in the Agreement, Contractor will obtain and maintain, from the date of Order or from commencement of the Work, until the end of the Warranty Period, the following policies of insurance:

2.1 **"Commercial General Liability Insurance"** that Contractor can meet through a combination of primary and excess coverage, with a limit per occurrence, and in the aggregate of not less than \$5,000,000, and a deductible of not more than \$50,000 per occurrence covering all sums which the insureds or their contractors (of every tier) may become legally obligated to pay as compensatory damages because of personal injury, bodily injury, death or property damage and resulting from the performance of the Work at the Work Site, or at places other than the Work Site, and all locations dedicated to the Work. CENTURION shall be named as an additional insured on this insurance policy. Such insurance policy must be endorsed to provide the following coverage:

- 2.1.1 Premises and operations liability;
- 2.1.2 CENTURIONS' and Contractors' protective liability;
- 2.1.3 Products and completed operations which shall cover the risks of liability for bodily injury and property damage arising from the operations, activities, and Work performed on and away from the Work Site;
- 2.1.4 Blanket contractual liability;
- 2.1.5 Cross-liability and severability of interests with respect to each insured thereunder;
- 2.1.6 Employer's liability/Contingent employer's liability;
- 2.1.7 Personal injury liability;
- 2.1.8 Liability with respect to medical payments;
- 2.1.9 "Occurrence" basis coverage for bodily injury and property damage;
- 2.1.10 Broad form property damage coverage, including "broad form" completed operations coverage and loss of use of property coverage in an amount not less than the full replacement cost of such property;

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- 2.1.11 Cargo liability. To the extent Contractor has obligations to transport any Materials, Supplies or Equipment from a point of origin Contractor shall provide coverage in an amount equal to the full replacement value of the subject matter insured. Coverage under the policy will attach at the time of commencement of the loading of the subject matter insured, and continue in force through shipment (including transshipment and interim storage (if any)) until the conclusion of unloading at the Work Site;
 - 2.1.12 Crime coverage liability;
 - 2.1.13 Officer and director liability;
 - 2.1.14 Shoring, blasting, excavating, under-pinning, demolition, pile driving and caisson work, work below and above ground surface, work below, on and above water, grading, and similar operations associated with Work, as applicable;
 - 2.1.15 Hook and rigging liability (for any lifting or crane services);
 - 2.1.16 Forest fire fighting expense coverage, as applicable;
 - 2.1.17 Hired and non-owned automobile liability insurance, including third party liability arising from use and operation of hired vehicles;
 - 2.1.18 Sudden and gradual accidental pollution coverage, and premises pollution liability coverage. It shall additionally respond to cleanup both on and off the Work Site and shall further include all transportation-related events.
 - 2.1.19 Blanket contractual liability; and
 - 2.1.20 Waiver of subrogation in favor of CENTURION.
- 2.2 **"Contractor's Equipment Insurance"** covering all tools and equipment used at the Work Site by, or on behalf of, the Contractors or its subcontractors (of any tier) against "All Risks" of direct physical loss or damage, including the perils of earthquake and flood, and subject to customary exclusions. This insurance shall be maintained continuously from commencement of the Work until all construction, erection, installation and testing has been completed and the Work has been finally accepted by CENTURION. Such Contractors' Equipment Insurance shall contain a waiver of subrogation against CENTURION, and all contractors, subcontractors of any tier engaged on the Work, and shall provide for thirty (30) days prior written notice of cancellation or material change to be given by the insurers to CENTURION and Contractor;
- 2.3 **"Automobile Liability Insurance"** covering all licensed vehicles which shall have limits of not less than \$5,000,000 inclusive per accident for bodily injury (including death resulting therefrom) and damage to property, in the form of a standard automobile policy providing third party liability and accident benefits insurance and covering licensed vehicles owned, leased, operated or used by, or on behalf of, the Contractor or any of its Subcontractors or Affiliates involved in the Work;
- 2.4 **"Aircraft and Watercraft Liability Insurance"** if aircraft or watercraft, including unmanned aerial or marine vehicles, are used in the performance of the Work, then Contractor will obtain and maintain or cause to be obtained and maintained aircraft liability and/or watercraft liability (as applicable), with a limit of not less than \$5,000,000 per accident or occurrence for bodily injury (including death resulting therefrom) and damage to property per passenger for aircraft passenger hazard, in the form acceptable to CENTURION;
- 2.5 **"Workers' Compensation"** insurance in accordance with the Applicable Laws of the jurisdiction where the Work and/or product is to be performed and/or delivered, as applicable, with limits not less than those required by such Applicable Laws. If any employees are principally employed in any jurisdiction other than Canada, but working on the Work and located in Canada, the Workers Compensation and policy will be extended to include extra territorial coverage;
- 2.6 **"Professional Liability Insurance"** covering professional errors and omissions with respect to any engineering, design, construction management or other professional services provided, which coverage shall include all professionals and consultants involved in the Work on the Work Site. The policy limit will be not less than \$5,000,000 per claim and in the aggregate, which limit shall be dedicated to the Work alone



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and shall not be eroded by claims incurred at other work sites. Such policy shall be in force commencing no later than the Effective Date of the Agreement and shall include an extended reporting period of not less than 24 months following expiry of the Warranty Period.

- 2.7 any other insurance (including additional coverage within the policies listed above) which is required by Applicable Law; and
- 2.8 any other insurance (including additional coverage within the policies listed above) which is required by CENTURION or which Contractor considers necessary or prudent in accordance with good industry practice.

3. GENERAL PROVISIONS FOR INSURANCE TO BE PROVIDED BY CONTRACTOR

With respect to the policies of insurance obtained and maintained by Contractor hereunder:

- 3.1 Prior to any Work taking place under an Agreement, and immediately upon renewal of any insurance policy, Contractor will furnish CENTURION, with certificates of insurance and if requested, copies of any applicable policy endorsements. If CENTURION requests, Contractor will also furnish CENTURION with policies of insurance for inspection by authorized representatives of CENTURION. The furnishing of insurance by Contractor does not limit any of the other obligations or Liabilities of Contractor under this document or the Agreement. The bankruptcy or insolvency of any insurance company or the failure of any insurance company to pay any claim under an insurance policy will not be construed as a waiver or release of Contractor's obligations or Liabilities under the Agreement;
- 3.2 All applicable policies shall specify that they cannot be cancelled, lapsed or materially changed without providing thirty (30) days' written notice by registered mail to Contractor and immediately thereafter to CENTURION;
- 3.3 Contractor's insurance obligations contained in Section 2 above shall be considered primary and non-contributory to any insurance that CENTURION may maintain and that might apply on the same basis;
- 3.4 If Contractor fails to provide to CENTURION satisfactory evidence of Contractor's insurance upon request or, if after providing such evidence, the policy lapses, is cancelled, or is reduced in coverage, then in each such case CENTURION may without restricting any of its other rights and remedies arising from such failure, whether under this document or the Agreement or pursuant to any Applicable Laws, obtain and maintain such insurance in the name of Contractor;
- 3.5 Contractor shall ensure that all Subcontractors performing Work shall obtain and maintain insurance in accordance with Contractor's usual practice and good industry practice. Before permitting any Subcontractor to perform any Work, Contractor shall obtain a certificate of insurance from each Subcontractor evidencing such insurance. Notwithstanding the generality of the foregoing, Contractor shall ensure that all of its Subcontractors have and continuously maintain effective Workers' Compensation or equivalent insurance in any jurisdiction in which its Subcontractors perform any Work, and specifically in respect of any Work performed at the Work Site. Any deficiency in the coverage, policy limits, or endorsements of said Subcontractors will be the sole responsibility of Contractor;
- 3.6 CENTURION and all other parties having a contractual right to insurance coverage shall receive a waiver of subrogation and be named as "additional insureds" on all Contractor's insurance policies (except Contractor's Automobile Liability Insurance, Contractor's Equipment Insurance and Workers' Compensation), except where prohibited by Applicable Laws. The CENTURION information shall read as follows:



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Centurion Canada Infrastructure Inc.
#170, 120 Pembina Road
Sherwood Park, AB, Canada
T8H-0M2
Attention: Supply Chain Management;

- 3.7 All insurances policies shall be placed with insurers licensed to carry on business in Canada, which are rated "A-VII" or higher by A.M. Best, and are reasonably acceptable to the site, and for further specificity, shall be placed by insurers licensed to do business in the Province of Alberta or Province of British Columbia or Province of Manitoba or Province of Saskatchewan, as applicable;
 - 3.8 Contractor shall use all diligence to ensure that all insurance arranged under this document or the Agreement shall not be invalidated;
 - 3.9 All insurance policies provided by Contractor will be consistent to what is typically obtained for work similar in nature, size and scope of the Work being performed by Contractor;
 - 3.10 All insurance policies provided by Contractor will have commercially reasonable deductibles acceptable to CENTURION, but in no case shall they be in excess of \$50,000 CAD;
 - 3.11 Contractor shall be solely responsible and liable, in each claim or occurrence for all deductibles, self-insured retentions and self-insurance payable under any Contractor policies of insurance; and
 - 3.12 Notwithstanding Section 3.1, CENTURION shall not be obligated to review any of Contractor's certificates of insurance, insurance policies or endorsements or advise Contractor of any deficiencies in such documents. Receipt of copies by CENTURION shall not limit any of the other obligations or Liabilities of Contractor under the Agreement or be deemed a waiver of CNETURION's rights thereunder.
- 4. CENTURION'S INSURANCE**
- 4.1 CENTURION will obtain and maintain the policies of insurance specified in the Agreement, if any.

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