

SCHEDULE 8

INSURANCE REQUIREMENTS

1. PROJECT CO GENERAL INSURANCE REQUIREMENTS

1.1 Insurance Act

All insurance policies must comply with *The Saskatchewan Insurance Act* (Saskatchewan). All insurance will be provided through companies licensed, admitted and authorized to do business in Saskatchewan.

1.2 No Limit on Obligations

The insurance forms and limits listed below are presented as minimum requirements that Project Co must provide, without in any way limiting Project Co's obligations or liabilities under this Agreement. Any insurance maintained by Project Co or any Project Co Party, whether in accordance with this Agreement or otherwise, will not reduce or limit the obligations under this Agreement. The insolvency or bankruptcy of any insurance company, or failure of any insurance company to pay any claim accruing, shall not waive any liability of Project Co under this Agreement or otherwise.

1.3 Actual Form and Substance

All insurance must be in forms and with terms and conditions acceptable to the City.

1.4 Waiver of Subrogation

From the date hereof, Project Co placed insurance will require all insurance policies in any way related to the work and operations waive all rights of recovery, under subrogation or otherwise, against the City, consultant and all tiers of consultants. Such waiver will be evidenced within a certificate of insurance issued annually.

1.5 Primary Insurance

All insurance policies required by Project Co will be primary and non-contributory with any insurance carried by the City.

1.6 Project Co Party Insurance

Project Co shall cause and ensure that all Project Co Parties purchase and maintain insurance as described in Section 3.

1.7 Deductibles

Project Co and all Project Co Parties shall pay any deductibles, self-insured retentions or retentions associated with any claim through insurance, as applicable. If the City or City Parties

are the cause of any insurance claims, the City shall be responsible to pay any deductibles related to such claims.

1.8 Availability of Insurance

Project Co shall take all steps reasonably necessary to ensure that the full benefit of the insurance coverage set out in Section 11 of this Agreement and in this Schedule 8 at all times required hereunder remains available to the parties. In the event that the policy limit of liability is exhausted through the incidence of claims from other sources, limits shall be reinstated subject to availability of coverage within the commercial insurance market. The form and type of reinstatement shall be subject to the approval of the City, acting reasonably. All insurance shall be carried and maintained until Final Completion has been achieved in accordance with Section 5.21 of this Agreement.

2. PROJECT CO'S REQUIRED PROJECT DESIGN BUILD INSURANCE

Project Co shall purchase and maintain in full force at all times the insurances described in this Section 2 for the benefit the City and Project Co, where relevant. Other insureds on the policy shall include Project Co Parties, City Parties where required and suppliers who do work on site whether named or unnamed in the policy.

2.1 Project Specific General Liability Wrap-Up Insurance

At the date of commencement of the Construction Period, including site mobilization and through to Final Completion, Project Co shall maintain project specific general liability wrap-up insurance in an amount not less than \$ [REDACTED] inclusive per occurrence and in the aggregate with respect to products and completed operations, insuring against bodily injury, personal injury and property damage including loss of use thereof. Project aggregate limit, if any, must not be less than \$ [REDACTED]. Defence costs must be in addition to the limits of insurance. Aggregate limit can be achieved through primary, excess, or umbrella liability insurance. Any professional liability exclusion for supervisory or inspection activities shall be limited to services provided by architects, engineers, surveyors or design professionals. Such coverage shall cover all operations related to the Project whether conducted on the Lands or elsewhere. The named insureds on the policy shall be the City and Project Co. Other insureds on the policy shall include all Project Co Parties and City Parties, as applicable, and suppliers who do work on site whether named or unnamed in the policy. The City as a named insured must have the right to make a claim directly to the insurer. Such insurance shall include but not be limited to:

- (a) coverage for existing or adjacent structures and property not forming part of the Works and not insured by Project Co's builder's risk insurance policy;
- (b) products and completed operations liability, which coverage shall remain in effect for a period of 24 months after Final Completion;
- (c) the City's and Project Co's protective liability;
- (d) blanket written contractual liability;

- (e) contingent employer's liability;
- (f) personal injury liability;
- (g) non-owned automobile liability;
- (h) cross liability;
- (i) employees as additional insureds;
- (j) fire fighting expenses;
- (k) broad form property damage endorsement;
- (l) operation of attached machinery;
- (m) sudden and accidental pollution as per IBC 2313 or similar wording;
- (n) blasting, demolition, pile driving, caisson work or tunneling, as applicable;
- (o) elevator and hoist liability;
- (p) towing/on hook (riggers liability) coverage unless this risk is covered by Project Co's "all risks" builder's risk insurance policy; and
- (q) loading and unloading.

2.2 Project Specific Professional Errors and Omissions Insurance

From the date hereof through to Final Completion, project specific professional errors and omissions insurance, covering all architects and engineers and other design professionals and consultants involved in the Project, in an amount not less than \$ [REDACTED] per claim and in the aggregate. Project Co must ensure that such policy is endorsed to add by name all architects, engineers and design professionals involved in the Project as additional insureds. Project specific professional errors and omissions insurance coverage shall include an extended reporting period of not less than 36 months from Final Completion.

2.3 Contractor's Pollution Liability Insurance

At the date of commencement of the Construction Period, including site mobilization and through to Final Completion Project Co shall maintain pollution liability insurance in an amount not less than \$ [REDACTED] limit of liability inclusive per loss and in the aggregate. The \$ [REDACTED] limit must be dedicated to this policy and must not be shared or linked as tower limits between this and any other insurance policy. The named insureds on the policy shall be the City and Project Co. Other insureds on the policy shall include all Project Co Parties and City Parties, as applicable, and suppliers who do work on site whether named or unnamed in the policy. Such insurance should also not be impaired by any time element limitations, biological contaminants (mold/Legionella/bacteria), asbestos, or lead based paint exclusions. Any "insured

vs. insured” exclusion shall not prejudice coverage for the City and shall not affect the City’s ability to bring suit against Project Co as a third party. Furthermore, any “insured vs. insured” exclusion shall not affect the City’s coverage in the event of a government cleanup order. The City as a named insured must have the right to make a claim directly to the insurer. Such insurance shall include but not be limited to:

- (a) completed operations, which shall remain in effect for a period of 24 months after Final Completion;
- (b) blanket non-owned disposal site coverage;
- (c) first and third party transported cargo coverage; and
- (d) civil fines and penalties and punitive damages where allowable by Applicable Law.

2.4 Builders Risk Insurance

At the date of commencement of the Construction Period, including site mobilization and through to Final Completion, Project Co shall maintain course of construction insurance in the form of an “all risks” builder’s risk policy covering the Facility, the Project including existing facilities, decommissioning and demolishing and the work on a replacement cost basis. The named insureds on the policy shall be the City and Project Co. Other insureds on the policy shall include all Project Co Parties and City Parties, as applicable, and suppliers who do work on site whether named or unnamed in the policy and all others having an insurable interest in the Project. The City as a named insured must have the right to make a claim directly to the insurer. The course of construction insurance shall not: (i) create or contemplate an insurance trustee; (ii) contain any endorsements in favour of lenders that may be prejudicial to the City; (iii) modify or endorse the standard mortgage clause; (iv) modify or endorse the loss payable clause; nor (v) modify or endorse the basis of loss settlement clause in terms of the insertion of an insurance trustee.

- (a) Such insurance shall cover: all materials; supplies; equipment and machinery including mechanical and electrical breakdown; and other property intended to be permanently incorporated as the Infrastructure, the Project and the work. Coverage shall apply to such property while it is located at the Site or located at temporary off-site storage or staging areas approved by the City, or while in land-based transit to the Site within the continental United States and Canada. Coverage shall be written on an “all risk” form for direct physical damage. Limits under this insurance shall not be less than 100% of the contract value of the Project and related equipment on site for physical damage to property and related expenses, provided that sublimits shall be established for losses due to certain perils. Any time element deductibles shall not exceed 30 days.
- (b) The policy shall be extended to provide coverage for all testing and commissioning activities, including the Ramp Up Events.
- (c) The policy shall include delay in start-up coverage for the benefit of the City, and where applicable the project financiers/lenders and Project Co under concession contracts for

the financial consequences of a delay to Final Completion arising from an insured physical damage event. Delay in start-up indemnification shall consist of gross profit, loss of anticipated revenue, including debt service costs, fixed operating costs as well as anticipated net profit, and extra expense to reduce loss. The indemnification period shall consist of a minimum of 18 months. If delay in start-up is triggered provisions for reinstatement of the limits shall be included. The City agrees that, should a claim be made under the Delay in start-up coverage, it will substantiate the loss to the insurer.

- (d) Where specialized owned, leased or rented contractors equipment is utilized for the contract works and such equipment if damaged replacement impacts the Construction Period such equipment shall be insured under Project Co's builder's risk insurance policy.

Exclusions from such insurance may include, but are not limited to, the following: (1) loss or damage to any automobiles, (2) loss or damage to the Design and Construction Subcontractor's or any insured Subcontractor's owned, leased or rented property or construction-type tools, equipment, machinery, or supplies used for the Works but not intended to be permanently incorporated in the Project, (3) loss or damage covered by a manufacturer's warranty or guarantee, and (4) loss or damage caused by or resulting from faulty workmanship, faulty material, faulty design, except resulting damage shall be insured.

2.5 Marine Cargo (if required)

If applicable, Project Co shall maintain ocean marine cargo insurance for all materials, equipment or other property to be supplied pursuant to this Agreement, or used in the performance of this Agreement, and which will be transported as ocean marine cargo for their full replacement value subject to the conditions of the Institute Cargo Clauses (All Risks), including delay in start-up, war and strikes extensions and transits and storage, as applicable.

3. PROJECT CO AND PROJECT CO PARTY REQUIRED INSURANCE

Project Co shall itself acquire and shall also require and ensure that insurances described in Section 11 of this Agreement and in this Schedule 8 are purchased and maintained in full force at all times for services provided by (i) the Subcontractors, (ii) the Project Co Parties and those other subcontractors identified by notice from the City, (iii) the Independent Certifier and (iv) any other contractor providing work or services pursuant to this Agreement.

3.1 Commercial General Liability Insurance

This policy will have a limit of liability of not less than \$ [REDACTED] limit of liability for each occurrence and a minimum general aggregate of \$ [REDACTED] annually in respect to third party property damage and bodily injury. The products and completed operations aggregate limit shall not be less than \$ [REDACTED]. For further certainty, limits of insurance pursuant to this Section 3.1 can be achieved through primary, excess liability or umbrella liability insurance. The policy will include coverage for:

- (a) products and completed operations liability;

- (b) the City's and Project Co's protective liability;
- (c) blanket written contractual liability;
- (d) contingent employer's liability;
- (e) personal injury liability;
- (f) employers liability;
- (g) non-owned automobile liability;
- (h) cross liability with respect to additional insureds;
- (i) employees as additional insureds;
- (j) broad form property damage endorsement;
- (k) fire fighting expenses;
- (l) operation of attached machinery;
- (m) blasting, demolition, pile driving, caisson work or tunneling, as applicable;
- (n) elevator and hoist liability, as applicable;
- (o) loading and unloading; and
- (p) towing/on hook coverage, as applicable.

3.2 Professional Liability

Where applicable if services and activities include the provision of any professional services such entities shall maintain professional liability insurance or errors and omissions insurance will be maintained with a minimum limit of liability of \$ [REDACTED] covering loss arising out of or resulting from the rendering or failure to render such services including engineering, survey, design, architectural, consulting, construction management or project management services.

3.3 Automobile Liability Insurance

Project Co and each Project Co Party shall maintain automobile liability insurance on all vehicles owned or licensed in the name of (i) Project Co, (ii) the Subcontractors, (iii) the Project Co Parties and those other subcontractors identified by notice from the City, (iv) the Independent Certifier and (v) any other contractor providing work or services pursuant to this Agreement in an amount not less than \$ [REDACTED] inclusive per occurrence.

3.4 Contractors' Equipment Insurance

Where applicable this policy will be an “all risks” policy covering machinery, tools and equipment owned or leased by the contractor and used in the performance of the Works. The policy will contain a waiver of subrogation in favour of Project Co and the City.

3.5 Workers Compensation

Project Co and each Project Co Party shall maintain worker’s compensation insurance required under Applicable Law and will comply with all worker’s compensation laws and regulations in force in Saskatchewan and any other jurisdiction in which employees are engaged or Works are performed, including the payment of premiums, assessments and other charges and the maintenance of coverage to statutory limits.

3.6 Other Insurance

Project Co and each Project Co Party shall maintain any other insurance which is required by Applicable Law to be provided and is imposed on Project Co or the City by any Governmental Authority, railway or third party for which Project Co or the City must require from any party which it contracts services; or where such contracted parties deems appropriate to protect its interests for risks assumed in this contract or otherwise.

3.7 General Insurance Requirements

- (a) Any applicable retention or deductible will be borne by Project Co, the Project Co Parties, the Subcontractors, the Independent Certifier, the City or other third party, as the case may be.
- (b) The policies shall be endorsed to provide that the insurers shall give Project Co 30 days prior written notice of any cancellation or material change in coverage.
- (c) Project Co shall require each Project Co Party, Subcontractor, the Independent Certifier and other third parties to place and maintain insurance policies as described in Section 3 of this Schedule 8.
- (d) All policies required to be placed and maintained will be with insurers acceptable to Project Co and the City, acting reasonably.
- (e) Project Co shall deliver to the City certificates of insurance, or if the City requests, certified copies of policies, evidencing that the policies required under this Schedule 8 are in force.
- (f) Where relevant, such insurance shall require all insurance policies shall waive all rights of recovery, under subrogation or otherwise, against Project Co, the City, consultant and all tiers of consultants. Such waiver will be evidenced within a certificate of insurance issued annually.
- (g) If Project Co or the applicable Project Co Party fails to place or maintain insurance as required under this Agreement, the City may place and maintain that policy and all

premiums and other costs incurred by the City will be paid by Project Co, to the City on demand or, failing payment, may be deducted by the City from any amount then or thereafter due to Project Co under this Agreement.

- (h) All parties shall cooperate with Project Co and the City in the administration of the insurance, including promptly notifying Project Co of any claim or event or circumstance that may result in a claim. Project Co, the Subcontractors, the Independent Certifier, any Project Co Party and any other third party will each comply with reasonable written procedures issued by the City from time to time relative to the administration of the insurance program.