

AMENDMENT TO MTO GENERAL CONDITIONS OF CONTRACT, NOVEMBER 2016 - Property; Aircraft ~~Liability; —and—~~ Watercraft ~~Liability; Boiler/Equipment Breakdown;—and—~~ Contractor's Equipment—Insurance; Builders' Risk; Environmental/Pollution Liability; and Wrap-up Liability Insurances

Special Provision No. 100F28

August 2022~~November 2016~~

CG 6.03 Contractor's Insurance

[* Designer Option A - See Notes to Designer]

Subsection GC 6.03 of the MTO General Conditions of Contract is amended by the addition of the following:

Property Insurance

All risks property insurance shall be in the joint names of the Contractor, the Owner and the Contract Administrator, in the amount of \$ _____, with a deductible not exceeding ~~one percent (1%)~~ of the amount insured at the site of the Work. This insurance shall be in a form acceptable to the Owner.

[* Designer Option B - See Notes to Designer]

Subsection GC 6.03 of the MTO General Conditions of Contract is amended by the addition of the following:

Aircraft ~~and Watercraft~~ Liability Insurance

Aircraft ~~and watercraft~~ liability insurance with respect to owned or non-owned aircraft ~~and watercraft~~ if used directly or indirectly in the performance of the Work, including use of additional premises, shall be in the joint names of the Contractor, the Owner and the Contract Administrator, subject to limits of not less than ~~five million dollars (\$5,000,000)~~ inclusive per occurrence for bodily injury, death, and damage to property including loss of use thereof, and limits of not less than ~~five million dollars (\$5,000,000)~~ for aircraft passenger hazard. Such insurance shall be in a form acceptable to the Owner. The policies shall be endorsed to provide the Owner with not less than ~~thirty (30) d~~Days' written notice in advance of cancellation, change or amendment restricting coverage.

[* Designer Option C - See Notes to Designer]

Subsection GC 6.03 of the MTO General Conditions of Contract is amended by the addition of the following:

Watercraft Liability Insurance

Watercraft liability insurance with respect to owned or non-owned watercraft if used directly or indirectly in the performance of the Work, including use of additional premises, shall be in the joint names of the Contractor, the Owner and the Contract Administrator, subject to limits of not less than \$5,000,000 inclusive per occurrence for bodily injury, death, and damage to property including loss of use thereof. Such insurance shall be in a form acceptable to the Owner. The policies shall be endorsed to provide the Owner with not less than 30 Days written notice in advance of cancellation, change or amendment restricting coverage.

[* Designer Option D - See Notes to Designer]

Subsection GC 6.03 of the MTO General Conditions of Contract is amended by the addition of the following:

Boiler Insurance/Equipment Breakdown

Boiler insurance ~~insuring the interests of the Contractor, the Owner and the Contract Administrator shall be in the joint names of the Contractor, the Owner and the Contract Administrator, in the amount of~~ not less than the replacement value of boilers and pressure vessels forming part of the Work, including testing and commissioning. Such insurance ~~and~~ shall be in a form acceptable to the Owner.

[* Designer Option ~~ED~~ - See Notes to Designer]

Subsection GC 6.03 of the MTO General Conditions of Contract is amended by the addition of the following:

Contractor's Equipment Insurance

All risks Contractors' equipment insurance shall be in the joint names of the Contractor, the Owner and the Contract Administrator, covering construction machinery and equipment used by the Contractor for the performance of the Work, including boiler insurance/equipment breakdown on temporary boilers and pressure vessels, shall be in a form acceptable to the Owner and shall not allow subrogation claims by the Insurer against the Owner. ~~-The policies shall be endorsed to provide the Owner with not less than thirty (30) Days' written notice in advance of cancellation, change or amendment restricting coverage. -Subject to satisfactory proof of financial capability by the Contractor for self-insurance of the Contractor's equipment, the Owner agrees to waive the equipment insurance requirement, and for the purpose of this Contract, the Contractor shall be deemed to be insured. -This policy shall be amended to provide permission for the Contractor to grant prior releases with respect to damage to the Contractor's equipment.~~

[* Designer Option F - See Notes to Designer]

Subsection GC 6.03 of the MTO General Conditions of Contract is amended by the addition of the following:

Builder's Risk Insurance

All risks builder's risk insurance, including collapse, shall be in the joint names of the Contractor, the Owner and the Contract Administrator, in the amount of~~insuring the interests of the Contractor, the Owner and the Contract Administrator for~~ not less than 100% of the hard construction costs plus at least 25% of the total soft construction costs forming part of the Work. This insurance, ~~shall be in a form acceptable to the Owner.~~

[* Designer Option G - See Notes to Designer]

Subsection GC 6.03 of the MTO General Conditions of Contract is amended by the addition of the following:

Environmental/Pollution Liability Insurance

Environmental/Pollution liability insurance shall be in the joint names of the Contractor, the Owner and the Contract Administrator, in the amount of~~a limit~~ not less than \$5,000,000 inclusive per occurrence for bodily injury, death, clean-up, and damage to property as a result of sudden or accidental or gradual pollution

conditions arising from contracting operations performed by or on behalf of the Contractor. This insurance shall be in a form acceptable to the Owner.

[* Designer Option H - See Notes to Designer]

Paragraph GC 6.03.01.01 is deleted in its entirety.

Subsection GC 6.03 of the MTO General Conditions of Contract is amended by the addition of the following:

Wrap-up Liability Insurance

Wrap-up liability insurance shall be in the joint names of the Contractor, the Owner and the Contract Administrator, on an occurrence basis, including insurance against claims for bodily injury, personal injury, death, property damage and/or loss in the performance of the Work and extended to include coverage for contractual liability, contingent employer's liability, products and completed operations, and underground hazards, limited pollution liability and non-owned automobile liability, all with a minimum combined single limit of \$ _____ per occurrence and \$ _____ in the aggregate with respect to products and completed operations liability to also include the interests of all owners, developers, engineers, architects, projects managers as well as Contractors, Subcontractors, trades and suppliers of Materials (excluding suppliers who only supply Materials, Equipment, machinery or supplies to the Work and who do not carry out any installation or construction works) whatsoever to the extent such coverage is not otherwise provided. This insurance shall be in a form acceptable to the Owner.

NOTES TO DESIGNER:

- * Delete options not required for the Contract. Fill in amounts of insurance based on warrants.

WARRANT:

Option A: ~~All risks property insurance is required whenever the Work includes a building. The limits of the insurance are based on the replacement value of the building. Include any owner supplied materials.~~

All risks property insurance provides coverage for direct damage resulting from perils such as fire, wind, hail, explosion, flood, collapse, and sprinkler leakage. Categories of property include buildings, equipment, stock, tenant improvements, piers and wharves, fences, bridges, tunnels, trestles, landscaping, paving, mines, scaffolding, tanks and dams. This is required in situations where MTO has a financial interest in the building such as an Owner or mortgage.

All risks property insurance is required whenever the Work includes a building that is already in use for its intended purpose. The limits of the insurance are based on the replacement value of the building. Include any Owner supplied Materials. It provides protection against most risks to property such as fire, theft and weather damage.

Option B: Aircraft ~~and watercraft~~ liability insurance with respect to owned and non-owned aircraft ~~and watercraft will be~~ required whenever owned or non-owned aircraft ~~or watercraft~~ are expected to be used directly or indirectly in the performance of the Work.

Option C: Watercraft liability insurance with respect to owned and non-owned watercraft will be required whenever owned or non-owned watercraft are expected to be used directly or indirectly in the performance of the Work.

~~Option D:~~ Boiler and machinery insurance is coverage for loss caused by fired or unfired pressure vessels, air conditioning and HVAC units and mechanical or electrical equipment breakdown, including damage to the equipment, damage to other property of the insured, and damage to property of others. Coverage is written to complement property insurance that excludes these types of losses and should be present where MTO has an interest as set out in the property insurance section.

Boiler insurance is required when the Work includes the installation of boilers and pressure vessels. The limits of the insurance will be not less than the replacement value of the boilers and pressure vessels which form part of the Work, including testing and commissioning.

~~Option E:~~ The purpose of Contractor's equipment insurance is to provide a fund to finance the repair or replacement of a piece of damaged or destroyed equipment. It should only be specified where unique or expensive equipment which is critical to the progress of the Work is being employed by the Contractor.

Option F: Builder's risk insurance is designed to protect those with a financial interest in a construction project during construction. Those with a financial interest include the Owner, lender, Contractor, architects and Engineers. The builder's risk policy is written for the term of the project. The coverage afforded under this policy will include a Boiler and Machinery cover for testing and start up requirements.

All risks builder's risk insurance is a type of property insurance and is required whenever the Work includes construction of a new building, a building addition or a building renovation. The limits of the insurance cover physical loss or damage representing not less than 100% of the total hard construction costs plus at least 25% of the total soft construction costs. Include any Owner supplied Materials. It is not to be used for typical highway construction projects.

Option G: Environmental/pollution liability insurance provides protection for first party damages and third party bodily injury and property damage resulting from an environmental incident. There are various types of environmental insurance that the Owner, Contractor and environmental consultants can purchase.

Environmental/pollution liability insurance ~~should only be specified where~~ is required when the consequence of polluting could result in significant clean-up costs or a potential claim would not be covered under commercial general liability insurance. Otherwise covered under commercial general liability insurance.

Option H: Wrap-up liability insurance is normally associated with large construction projects. A wrap-up policy is a single liability policy covering all interests (Owner, Contractor, Subcontractors, architects and Engineers) for all general, but, not professional liability, arising out of the project. Wrap-up insurance is suitable for very large projects (e.g. over \$10M) and offers dedicated limits, consistency of coverage and cost savings.

Wrap-up liability insurance may be specified as an alternative to commercial general liability insurance. This type of insurance protects the team involved in a specific project under one insurance policy against third party and general liability exposures associated with the project. It is so the Contractor does not need to know what types of insurance Subcontractors are carrying since all parties are covered under a single policy. May be considered on Work that exceeds \$10,000,000 and Work where numerous Subcontractors are anticipated. If used, paragraph GC 6.03.02.01 of MTO General Conditions of Contract is to be deleted in its entirety.

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