



The Steel Company of Canada

ATTACHMENT "I"

INSURANCE REQUIREMENTS

Seller shall procure and maintain, at its own expense, and shall require its Subcontractor(s), if any, to procure and maintain for the duration hereunder the insurance coverage meeting or exceeding the requirements set forth below:

1. Minimum Scope of Insurance -- Coverage shall be at least as broad as the following:

- A. Commercial General Liability Insurance:** Shall be written on ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). If a 1973 edition ISO form must be used by the insurer, the broad form comprehensive general liability (BFCGL) (or a substitute form providing equivalent coverage) endorsement shall be included. Additionally, the policy shall not contain a sunset provision, commutation clause or any other provision which would prohibit the reporting of a claim and the subsequent defence and indemnity that would normally be provided by the policy. The policy of insurance shall contain or be endorsed to include the following:
- i. Premises/Operations;
 - ii. Products/Completed Operations;
 - iii. Contractual;
 - iv. Independent Contractors;
 - v. Broad Form Property Damage;
 - vi. Personal and Advertising Injury;
 - vii. Non-Owned Automobile Liability;
 - viii. Employer's Liability;
 - ix. Separation of Insureds (Severability of Interest);
 - x. The policy shall be endorsed using ISO form CG 20 10 11 85 (or a substitute form providing equivalent coverage) so as to include Stelco Inc. (hereinafter "Purchaser") and its affiliates, including all units, divisions and subsidiaries as Additional Insureds on a primary and non-contributory basis. The coverage shall contain no special limitations on the scope of protection afforded to said Additional Insured.
 - xi. Waiver of subrogation shall be provided to the benefit of all Additional Insureds, as aforesaid.
 - xii. No XCU (explosion, collapse, underground) exclusion.
 - xiii. For any claims related herein, the Seller's and its Subcontractor's insurance shall be primary and non-contributory respecting the aforesaid Additional Insureds.

- Any insurance or self-insurance maintained by Purchaser shall be in excess of the Seller's and its Subcontractor's insurance and shall not contribute with it.
- xiv. The policy shall not contain any provision, definition, or endorsement which would serve to eliminate third-party action over claims.
 - xv. The policy shall not be endorsed to include ISO endorsement form CG 24 26 or any similar provision.
 - xvi. Self-funded or other non-risk transfer insurance mechanisms are not normally acceptable to Purchaser. If the Seller and/or Subcontractor has such a program, full disclosure must be made to Purchaser prior to any consideration being given.

SPECIAL NOTE: If watercraft are used in connection with operations, evidence of watercraft liability coverage is required, subject to Purchaser's approval.

- B. Automobile Liability Insurance:** As specified by ISO form number CA 0001 (or Canadian equivalent), Symbol I (any auto), with an MCS 90 endorsement and a CA 99 48 endorsement attached if hazardous materials or waste are to be transported, to comply with Canadian laws.
- C. Workers' Compensation Insurance:** As required by the State or Commonwealth or Canadian Province in which work is being done, and in accordance with any applicable Federal laws or Canadian Provincial laws.
- D. Errors and Omissions Professional Liability Insurance (If made applicable by Purchaser):** Coverage should be for a professional error, act or omission arising out of the Seller's performance of work hereunder. The policy form may not exclude coverage for bodily injury, property damage, claims arising out of laboratory analysis, pollution or the operations of a treatment facility, to the extent these items are applicable under the scope of work hereunder. This policy shall be endorsed to include waiver of subrogation to the benefit of Purchaser and its affiliates, including all units, divisions and subsidiaries. If coverage is on a claims-made form, Seller shall maintain continuous coverage or exercise an extended discovery period for a period of no less than five (5) years from the time that the work hereunder has been completed.
- E. Environmental Impairment Insurance (If made applicable by Purchaser):** Covering damage to the environment, both sudden and non-sudden, caused by the emission, disposal, release, seepage, or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquid or gases, waste materials or other irritants, contaminants or pollutants, into or upon land, the atmosphere or any water course or body of water; or the generation of odour, noises, vibrations, light, electricity, radiation, changes in temperature, or any other sensory phenomena. Such insurance shall contain or be endorsed to include:
 - i. Property damage, including loss of use, injury to or destruction of property;
 - ii. Cleanup costs which shall include operations designed to analyze, monitor, remove, remedy, neutralize, or clean up any released or escaped substance which has caused environmental impairment or could cause environmental impairment if not removed, neutralized, or cleaned up.
 - iii. Personal injury, which shall include bodily injury, sickness, disease, mental anguish, shock or disability sustained by any person, including death therefrom
 - iv. Purchaser and its affiliates, including all units, division, and subsidiaries as

Additional Insureds, on a primary, and non-contributory basis.

- v. Waiver of Subrogation in favour of Purchaser and its affiliates, including all units, divisions, and subsidiaries.

If the Environmental Impairment Insurance is on a claims-made form, Seller shall maintain continuous coverage or exercise and extended discovery period for a period of no less than five (5) years from the time that the work hereunder has been completed.

- F. **Cyber Insurance**: Coverage for cyber liabilities including network security and privacy liability and related fines and penalties imposed. Seller shall maintain coverage for a period of no less than two (2) years from the time that the work hereunder has been completed.

2. Minimum Limits of Insurance – Seller and its Subcontractor(s) shall maintain limits *no less than*:

- A. **Commercial General Liability**: Including Umbrella Liability Insurance, if necessary, limits shall be not less than \$7,500,000 each occurrence for personal injury and property damage; \$7,500,000 each occurrence and aggregate for products and completed operations; \$2,000,000 each occurrence for sudden & accidental pollution; and \$7,500,000 general aggregate. The limits and coverage requirements may be revised at the option of Purchaser.
- B. **Automobile Liability Insurance**: Including Umbrella Liability Insurance, if necessary, limits shall be not less than \$5,000,000 per accident for bodily injury and property damage, \$7,500,000 if hazardous materials or substances are to be transported.
- C. **Workers' Compensation**: As required by the State or Commonwealth or Canadian Province in which the work will be performed, and as required by any applicable Federal laws or Canadian Provincial laws.
- D. **Errors and Omissions Professional Liability Insurance**: (If applicable) \$5,000,000 per loss; \$5,000,000 annual aggregate limit.
- E. **Environmental Impairment Insurance**: (If applicable) \$5,000,000 combined single limit per loss. The limits and coverage requirements may be revised at the option of Purchaser.
- F. **Cyber Insurance** (if applicable): \$5,000,000 for each claim and in the aggregate.

3. Deductibles and Self-Insured Retentions -- All insurance coverage carried by Seller and its Subcontractor(s) shall extend to and protect Purchaser, its subsidiaries and/or affiliates to the full amount of such coverage, and all deductibles and/or self-insured retentions (if any), including those relating to defence costs, are the sole responsibility of Seller and its Subcontractor(s).

4. Rating of Insurer -- The Seller and its Subcontractor(s) will only use insurance companies acceptable to Purchaser and authorized to do business in the state or area in which the work hereunder is to be performed. Insurers must have a minimum rating of A-, Class VII, as evaluated by the most current A.M. Best rating guide. If the insurer has a rating less than an A-, Class VII, the Seller must receive specific written approval from Purchaser prior to proceeding.

5. Other Insurance Provisions

- A.** Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, or certificate holder deleted as additional insured except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to Purchaser.
- B.** These insurance provisions are intended to be a separate and distinct obligation on the part of the Seller. Therefore, these provisions shall be enforceable and Seller and its Subcontractor(s) shall be bound thereby regardless of whether or not indemnity provisions are determined to be enforceable in the jurisdiction in which the work covered hereunder is performed.
- C.** The above-described insurance coverage to be provided by Seller and its Subcontractor(s) hereunder will extend coverage to all work or services performed hereunder
- D.** The obligation of the Seller and its Subcontractor(s) to provide the insurance herein above specified shall not limit in any way the liability or obligations assumed by the Seller and its Subcontractor(s) hereunder.
- E.** In the event Seller and its Subcontractor(s), or its insurance carrier defaults on any obligations hereunder, Seller and its Subcontractor(s) agree that they will be liable for all reasonable expenses and attorneys' fees incurred by Purchaser to enforce the provisions hereunder.

6. Evidence of Coverage

- A.** Seller shall furnish to Purchaser copies of the endorsements effecting the coverage required by this specification. Additionally, ***prior to the commencement of any work or services on Purchaser's Premises***, Seller shall furnish to Purchaser Certificates of Insurance evidencing full compliance with the requirements herein. The Certificates of Insurance must show that the required insurance is in force, the amount of the carrier's liability thereunder, and must further provide that Purchaser will be given thirty (30) days advance written notice of any cancellation or reduction in coverage or in limits, or deletion of the certificate holder herein as an Additional Insured under the policies. Seller shall also carry such additional insurance as Purchaser may specify in connection with the Seller's performance of its obligations under this agreement.
- B.** All Certificates of Insurance shall be in form and content acceptable to Purchaser and shall be submitted to Purchaser in a timely manner so as to confirm Seller's full compliance with the insurance requirements stated hereunder.
- C.** Any failure on the part of Purchaser to pursue or obtain the Certificates of Insurance required hereunder from Seller and/or the failure of Purchaser to point out any non-compliance of such Certificates of Insurance shall not constitute a waiver of any of the insurance requirements hereunder, nor relieve Seller of any of its obligations or liabilities hereunder. Moreover, acceptance by Purchaser of insurance submitted by the Seller does not relieve or decrease in any manner the liability of the Seller for performance hereunder. The Seller is responsible for any losses, claims, and/or costs of any kind which their insurance does not cover.

D. In addition to its other remedies, Purchaser may, at its sole option and without liability to Seller, suspend the work and/or exclude Seller from Purchaser's premises until Seller furnishes satisfactory evidence of its full compliance with the provisions hereunder.

7. **Subcontractors** -- *Prior to the commencement of any work or services on Purchaser's Premises*, Seller shall be responsible to obtain separate Certificates of Insurance from each Subcontractor. All coverages for Subcontractors shall be subject to all of the requirements stated herein.