

APEX Guide: Insurance for Construction & Renovation Projects

Purpose

This document covers risk and insurance considerations for construction projects. Briefly explaining the insurance, you have and do not have, as well as set minimum insurance standards for new construction and renovations involving parishes or any Diocesan or Eparchial facility as a member of the Asset Protection Insurance Exchange (APEX). Use this alongside legal and broker advice and align with contracts when applicable.

What Insurance Do We have?

The APEX insurance program includes both property and liability coverage for members when you engage in any type of construction or repairs. This coverage is intended to protect the interests of the diocese/eparchy and does not cover the property or the liability of a contractor.

New construction: the coverage afforded under the APEX program provides automatic coverage for up to \$1,000,000 of new construction. To bind this coverage, the completed value of the building must be reported to Acera at the commencement of construction.

Renovations: are covered with no need to report them to Acera unless the replacement cost value of the building is being increased.

If construction of a new building exceeds \$1,000,000 in value then separate insurance must be arranged. We recommend that you, and not the contractor, make those arrangements. The benefits of having your broker place the insurance for you is that you will then know exactly what the true cost of insurance is and you will know that appropriate coverage is in place in your name and protecting your interests.

When to ask Contractors about their insurance?

Any time you are having a third-party contractor come on site to do work on your parish property. In these circumstances the contractor must be asked to provide a certificate of liability insurance that names the parish and the diocese as "Additional Insured's with respect to their liability arising out of the activities of the Named Insured." This will not result in them incurring any additional costs.

General Principles

Always consult your insurance broker and legal advisor when drafting or amending contracts for construction projects.

- For CCDC contracts, ensure you use the latest versions (see www.ccdc.org).
- Major renovations may affect your existing property policy — coordinate with your insurer to avoid coverage gaps.

Required Coverages

Coverage Type	Who Provides?	Key Minimums & Notes
Builder's Risk	Owner (some CCDC contracts list the Contractor and should be amended)	Broad Form; limit $\geq 1.1 \times$ contract price; covers on-site, off-site storage, in transit; includes testing & commissioning; co-insurance waived.
Installation Floater	Contractor	Covers materials/equipment in transit, awaiting installation, or in progress until completion.
Boiler & Machinery	Owner	Covers full replacement value for boilers/pressure vessels; include commissioning phase.
Contractor's Equipment Floater	Contractor	Broad Form; covers owned/leased/rented equipment + rental expense; maintained until 1 year post-substantial performance.
Commercial General Liability (CGL)	Contractor	Minimum per occurrence & aggregate: as advised by broker; name Owner as Additional Insured; includes standard extensions (products-completed ops, non-owned auto, etc.). Must run from start to 1 year after substantial performance; completed ops for 6 years.
Wrap-Up Liability (if applicable)	Owner (some CCDC contracts list the	Single limit encircling all parties; same minimums as CGL; same extensions.

	Contractor and should be amended)	
Recommended - Contractor's Pollution Liability (CPL)	Contractor	Covers bodily injury, property damage, clean-up; minimum limit per broker advice.
Professional Liability	All professionals	Min. limit as advised; deductible ≤ \$100,000; renewed for 2 years post-completion; 90-day cancel notice; Owner may request Extended Reporting.
Automobile Liability	Contractor	Meets provincial law; minimum limit per broker.
Aircraft/Drone/Watercraft Liability (if applicable)	Contractor	Required if non-owned aircraft, drones or watercraft used; minimum limit per broker.
Asbestos Abatement or Environmental Impairment (if applicable)	Contractor	Required if hazardous materials involved; can be separate or endorsed on CGL; must cover entire scope; claims-made policy must be renewed for 5 years.
Crane/Hook Liability (if applicable)	Contractor	Limit must equal cost of the heaviest load lifted or moved.

Contractor Bonds

In many cases, having a performance bond in place is wise as a risk transfer tool to ensure work and financial obligations are met by the contractors you are working with.

- Bid Bond: Ensures contractor enters contract if awarded.
- Performance Bond: Guarantees completion as per contract.
- Labour & Material Payment Bond: Ensures subcontractors/suppliers are paid.
- Maintenance Bond: Covers defect correction for agreed period post-completion.

Major vs Minor Renovations

Project Type	Key Point
Major Renovation (e.g. structural)	Usually requires a full Builder's Risk covering entire building value or a Wrap-Up Liability policy covering the existing structure. Remove the building from property schedule until complete.
Minor Renovation (non-structural)	Often covered under your existing policy. Consult your insurance broker — Builder's Risk may not be needed if minor.

Contractual Notes

- Confirm who pays deductibles (contractor or split).
- All policies must be primary and non-contributory to the Diocese/Eparchy's own coverage.
- Insurance wordings must align with CCDC GC 11.1 if applicable.
- If you change any insurance requirement, amend your contract to match.

Contacts & Resources

Acera Insurance	Robin Whittaker	250.869.3817	Robin.whittaker@acera.ca
(Broker) Contact:	Jennifer Kobelka	250.869.3913	Jennifer.kobelka@acera.ca

Diocesan/Eparchial
Office Contact: Applicable Finance Officer

CCDC Documents: www.ccdc.org

✓ Checklist Before Signing

- ✓ Confirm certificates for all coverages.
- ✓ Confirm Additional Insured status & waivers.
- ✓ Confirm expiry aligns with contract end + required tail coverage.
- ✓ Confirm deductibles are clearly allocated.
- ✓ Review Wrap-Up if multiple parties involved.
- ✓ Engage legal for any contract custom wording.

Construction: Frequently Asked Questions

Q: If the contract is requiring a Wrap-up Liability Policy, does the contractor still require a Commercial General Liability Policy?

A: Yes – the contractor requires both policies. The Wrap-up Policy provides Completed Operations Coverage for 24 months. The standard CCDC requires that completed operations coverage be maintained for 6 years following substantial completion. The CGL provides the coverage after the Wrap-up expires.

Q: The Contractor would like to make changes to the indemnification wording, is that acceptable?

A: No. The wording used in the indemnification clause should be drafted by your legal counsel to give your Diocese/Eparchy/Parish the maximum amount of legal protection possible. The indemnification verbiage should stand up if challenged in Court. Amendments to indemnification clauses should only be made under advice of a lawyer.

Q: The contractor's insurance does not meet the insurance requirements in our insurance contract. Should we alter the requirements to fit the contractor's insurance?

A: No. The insurance requirements have been carefully considered and altering the language could weaken the protection they provide for you. The contractor should be required to obtain the appropriate insurance to meet the requirements listed in the contract. The contractor should meet your requirements. You should never be expected to meet their requirements. If you are faced with this situation, consider it a red flag.

Q: For the smaller contractors that we use for small jobs it is not always possible or practical for them to obtain the higher insurance limits in our contracts. In these cases, can lower limits be permitted?

A: Yes (in some cases). There are some smaller contractors for whom the cost of obtaining higher limits would be prohibitive. You should consider the loss potential, the benefit to the Eparchy/Diocese of using this contractor and their ability to purchase the coverage requested at reasonable rates when lowering your required limits.

Q: Does a contractor need professional liability coverage?

A: Only if the contractor is altering blueprints, adding their own design elements or providing a service (engineers, architects, construction managers). If the contractor is simply following the blueprints given to them and only doing physical work, then a CGL should suffice. However, once the contractor engages in any form of design, professional liability is required.