



MAGNUM CONSTRUCTION SERVICES INC.

INSURANCE CERTIFICATES AND BONDS

Document Code: MCS-CL-P03 | **Revision:** 1.0 | **Effective Date:** November 1, 2025

1. PURPOSE

To ensure all projects, subcontractors, and suppliers operating under Magnum Construction Services Inc. maintain valid insurance and bonding coverage that meets contractual and statutory requirements.

This procedure establishes uniform control for the review, verification, and monitoring of insurance certificates, surety bonds, and guarantees.

2. SCOPE

Applies to all:

- Prime contracts, subcontracts, and supplier agreements.
- Corporate and project-level insurance policies.
- Performance, payment, and bid bonds.

Covers both **initial submission** during contract award and **continuous monitoring** through project completion.

3. REFERENCES

- MCS-CL-P01 Contract Agreements and Amendments
- MCS-QM-01 Corporate Quality Manual
- MCS-EHS-01 Health, Safety & Environmental Manual
- Florida Statutes Ch. 255 – Public Construction Bonds
- ISO 9001:2015 (Clause 8.4 – Control of External Providers)



4. RESPONSIBILITIES

Role	Responsibility
Executive Director	Approves final insurance and bond documentation for all corporate contracts.
Finance Manager	Verifies financial surety and maintains bond performance tracking.
HSE Manager	Confirms safety-related coverage (Workers' Compensation, General Liability).
Procurement Manager	Ensures subcontractors and suppliers submit valid and current certificates prior to mobilization.
Document Controller	Maintains insurance register and manages expiry alerts.

5. INSURANCE REQUIREMENTS

All vendors and subcontractors must provide **certificates of insurance (COI)** demonstrating compliance with contract minimums.

Policy Type	Minimum Coverage	Notes
General Liability	\$1,000,000 per occurrence / \$2,000,000 aggregate	Include Magnum Construction Services as Additional Insured
Automobile Liability	\$1,000,000 combined single limit	Covers owned, non-owned, and hired vehicles
Workers' Compensation	Statutory limits	Must comply with state law requirements
Employer's Liability	\$500,000 per incident	—



Policy Type	Minimum Coverage	Notes
Umbrella / Excess Liability	\$2,000,000 aggregate	Recommended for high-risk trades
Professional Liability (if applicable)	\$1,000,000 per claim	For engineers, designers, or consultants

6. BONDING REQUIREMENTS

Depending on project type and contract value, the following bonds are required:

Bond Type	Minimum Requirement	Duration / Release
Bid Bond	5% of total bid value	Released upon contract award
Performance Bond	100% of contract value	Valid through project completion and warranty period
Payment Bond	100% of contract value	Valid through closeout
Maintenance Bond	10% of contract value	Covers 12 months post-completion

All bonds must be issued by an **A-rated surety** authorized to operate within the project jurisdiction.

7. DOCUMENT CONTROL & EXPIRY MONITORING

- Maintain a **Master Insurance & Bond Register (MCS-CL-F03-XLS)** listing each vendor, policy number, expiry date, and status.
- The Document Controller and Finance Manager shall review the register **monthly**.
- Certificates expiring within **30 days** trigger automatic renewal notices.
- No vendor may mobilize or invoice without valid coverage.



8. RECORD RETENTION

All certificates and bonds shall be retained for a minimum of **ten (10) years** after project completion in QMS SharePoint under the “Legal & Compliance” directory.

9. APPROVALS

Name	Title	Signature	Date
Michael Gaya	Executive Director		
Finance Manager	Corporate Finance		
Contracts Manager	Legal & Compliance		
