

## **CONTRACTORS EQUIPMENT (BROAD FORM)**

### **INDEMNITY AGREEMENT**

In the event that any of the property insured be lost or damaged by the perils insured against, the Insurer will indemnify the Insured against the direct loss so caused to an amount not exceeding whichever is the least of:

1. the actual cash value of the property at the time of loss or damage;
2. the interest of the Insured in the property;
3. the amount of insurance specified on the "Declarations Page" in respect of the property lost or damaged.

Provided, however, that where the insurance applies to the property of more than one person or interest, the Insurer's total liability for loss sustained by all such persons and interests shall be limited in the aggregate to the amount or amounts of insurance specified on the "Declarations Page".

### **CATASTROPHE LIMIT**

The Insurer shall not be liable for more than the limit of insurance specified as a catastrophe limit on the "Declarations Page" of this Policy in any one loss, casualty or disaster either in the case of partial or total loss or any other costs and expenses or all combined.

### **PROPERTY INSURED**

This Form insures the property as described on the Supplementary "Declarations Page" Forming part of this Policy, but only with respect to those items for which an amount of insurance is specified.

### **DEDUCTIBLE**

The Insurer is liable for the amount by which the loss or damage caused by any of the perils insured against exceeds the amount of the deductible specified on the "Declarations Page" in any one occurrence.

Should one occurrence give rise to the application of more than one deductible, only the largest individual deductible amount shall apply.

### **CO-INSURANCE**

The Insured shall maintain insurance concurrent with this Form on the property insured to the extent of at least the co-insurance percentage specified on the "Declarations Page" of the actual cash value thereof, and, failing so to do, shall only be entitled to recover that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.

If this Form covers two more items, this clause shall apply separately to each item of the schedule having an amount of insurance shown on the Supplementary "Declarations Page" and only where the total loss exceeds the lesser of 2% of the applicable amount of insurance, or \$5,000.

### **PERILS INSURED**

This Form, except as herein provided, insures against all risks of direct physical loss of or damage to the property insured.

### **AUTOMATIC COVERAGE**

In consideration of the agreement by the Insured to report additional items of a nature similar to that scheduled on the Supplementary "Declarations Page" acquired subsequent to attachment date of this Form, within thirty (30) days from the date acquired and to pay full premium thereon from the date acquired at pro rata of the policy rate, this Form also covers such additional items but shall cease to cover such additional items if they are not reported to this Insurer within the said thirty (30) day period.

The Insurer shall be liable under this provision in respect to any one loss, disaster or casualty, for not exceeding the actual cash value of such additional items, but in no event for more than a total amount not exceeding \$25,000.

### **PROPERTY EXCLUDED**

This form does not insure loss or damage to:

1. property illegally acquired, kept, stored or transported or property seized or confiscated for breach of any law, or by order of any public authority;
2. property leased, loaned or rented to others;
3. property while waterborne, on waterborne vessels or other floating equipment except while on ferries or railway car transfer in connection with land transportation;

4. property while located underground;
5. property after is has become a permanent part of any structure;
6. aircraft, licensed motor vehicles, trailers, semi-trailers or similar conveyances, nor plans, blueprints, designs or specifications.

## **PERILS EXCLUDED**

This form does not insure against:

1. loss or damage occasioned by the weight of the load exceeding the manufacturer's designed capacity of any machine;
2. loss, destruction or damage to electrical devices, apparatus or wiring caused by natural or artificially generated electrical currents, including arcing, unless fire or explosion ensues and then only for such ensuing loss or damage;
3. loss or damage caused by centrifugal force, mechanical or electrical breakdown or due to wear or tear incidental to actual operation;
4. loss or damage caused by any blasting or dynamiting operations conducted by or under the control of the Insured;
5. loss or damage directly or indirectly caused by explosion originating within the following if owned and/or operated by the insured namely, steam boilers, pipes, fly-wheels, engines and machinery connected therewith and operated thereby;
6. latent defect, gradual depreciation or deterioration, inherent vice, faulty material or workmanship, delay, loss of use, loss of market;
7. loss or damage to crane or derrick booms(s) unless directly caused by fire, lightning, hail, windstorm, explosion, theft, vandalism, riot or civil commotion;
8. loss or damage or expense resulting from misappropriation, secretion, conversion, infidelity or any dishonest act of anyone to whom the insured property may be entrusted, bailees for hire excepted;
9. loss or damage caused by breaking through ice or by sinking in muskeg or soft soil;
10. loss or damage caused by or resulting from dampness or dryness of atmosphere, extremes or changes of temperature, freezing, heating, breakage of glass or similar fragile materials marring, scratching, crushing, rusting, corroding, unless such loss or damage to the property insured is caused directly by fire, lightning, windstorm, explosion, strike, riot or civil commotion, collapse of bridges or culverts, collision, upset or overturn, or theft;
11. mysterious disappearance, unaccountable loss, or loss or shortage disclosed on taking inventory;
12. loss or damage sustained to property insured while actually being worked upon and directly resulting therefrom or caused by any repairing, adjusting or servicing of property insured, unless fire or explosion ensues and then only for the loss or damage caused by such ensuing fire or explosion;
13. loss or damage due to any dishonest, fraudulent or criminal act by the Insured, a partner therein or an officer, director, trustee or employee thereof, whether acting alone or in collusion with others.

## **CONDITIONS**

### **SOUND CONDITION**

It is warranted by the Insured that the property insured hereunder is in sound condition at the attachment of this insurance.

### **SPECIAL AGREEMENT**

Any act or agreement by the Insured, prior or subsequent hereto, whereby any right of the Insured to recover the full value of, or amount of damage to any property lost, destroyed or damaged and insured hereunder, from any carrier, bailee or other party liable therefore is released, impaired or lost, shall render this coverage null and void, but the right of the Insurer to retain or recover the premium shall not be affected.

### **OTHER INSURANCE**

If at the time of loss or damage, there is any other insurance which would attach if this insurance had not been effected, this insurance shall apply only as excess and in no event as contributing insurance and the only after all other insurance has been exhausted.

### **TERRITORIAL LIMITS**

This insurance covers only within the limits of Canada and the continental United States of America.

### **REINSTATEMENT**

Any loss hereunder shall not reduce the amount of insurance applicable to this Form.

### **PROPERTY OF OTHERS**

At the option of the Insurer, any loss may be paid to the Insured or adjusted with and paid to the owner of the property.