

## **Contractor's Equipment Broad Form**

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The terms and conditions of this form override and take the place of those of the policy to which it is attached, wherever they conflict therewith; the terms and conditions of the policy remain in full force and effect.

### **1. PROPERTY INSURED**

Covering on contractor's equipment as described on the attached schedule being:

- a) the property of the Insured, or
- b) the property of others of a similar nature in the custody or control of the Insured and for which the Insured is legally liable, anywhere within the limits of Canada and the Continental United States of America, except as excluded elsewhere herein.

### **2. INSURING AGREEMENT**

This policy insures against all risks of direct physical loss of or damage to the property insured from any external cause except as hereinafter excluded.

### **3. PERILS EXCLUDED**

This policy does not insure against loss, damage or expense caused by:

- a) mechanical breakdown, but other loss or damage insured by this policy following mechanical breakdown, shall not be excluded;
- b) latent defect, inherent vice, gradual deterioration or wear and tear;
- c) electrical disturbances to electrical devices of any kind (including wiring) due to electrical currents artificially generated, unless fire or explosion ensues and then only for the loss or damage caused by such ensuing fire or explosion;
- d) or sustained while the property insured is actually being worked upon and directly resulting therefrom or caused by any repairing, adjusting or servicing of the property insured (unless fire or explosion ensues and then only for the loss or damage caused by such ensuing fire or explosion);
- e) corrosion, rust, dampness of atmosphere, freezing, heating or changes in temperature;
- f) misappropriation, secretion, conversion, infidelity or any dishonest act on the part of the Insured or other party of interest, his or their employees or agents or any person or persons to whom the property may be entrusted (bailees for hire excepted);
- g) any mysterious disappearance or any loss or shortage disclosed on taking inventory;
- h) or resulting from delay, loss of market or loss of use, or any other indirect or consequential loss of any kind;
- i) explosion, rupture or bursting of steam boilers, steam pipes, steam turbines, steam engines or flywheels, if any of the foregoing are owned, operated or controlled by the Insured;

- j) or resulting from
  - (1) the weight of the load imposed on a machine exceeding the capacity for which the machine was designed, or
  - (2) the weight of any load (including the loadblock and any and all rigging) exceeding any limits set out in the manufacturer's specifications, capacity tables or rating sheets for the particular unit involved, or
  - (3) operating contrary to any instructions or recommendations set out in the manufacturer's specifications or capacity tables;
- k) breaking through ice or subsidence of ice; sinking or subsidence in muskeg, swamp or soft soil;
- l) loss, destruction or damage caused by civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war rebellion, revolution, insurrection or military power;
- (m) (i) by any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;  
(ii) by contamination by radioactive material.

#### 4. PROPERTY EXCLUDED

This policy does not insure against loss or damage to:

- a) automobiles, except that which is specifically insured hereunder, aircraft, watercraft, motorcycles or similar conveyances; money, notes securities, accounts, bills, evidences of debt or valuable papers; plans, blueprints, designs, or specifications;
- b) personal belongings or personal effects;
- c) property while located underground, in caissons, underwater or on offshore rigs;
- d) property which has become a permanent part of any structure;
- e) property whilst waterborne; except while being transported on any regular ferry or in or on railway cars or transfers in connection therewith, this policy insures against direct physical loss of or damage to the property insured caused by fire or the stranding, sinking, or collision of the vessel, including general average and salvage charges;
- f) property whilst airborne, unless specifically endorsed hereon;
- g) tires or tubes mounted on machines or equipment scheduled herein unless the loss or damage is caused by fire, windstorm or theft or is coincident with other loss or damage insured by this policy;

#### 5. LIMIT OF LIABILITY

The Insurer shall not be liable for more than the amount shown on the "Declaration Page(s)" in any one loss, disaster or casualty either in case of partial or total loss or salvage or other charges or expenses or all combined.

#### 6. DEDUCTIBLE

Each claim for loss, damage or expense shall be adjusted separately, and from the amount of each such adjusted claim, the sum specified on the "Declaration Page(s)" shall be deducted.

#### 7. DEBRIS REMOVAL

The Insurer will pay expenses incurred, up to a limit of \$10,000.00 in the removal of debris of the property insured thereunder, provided such property is not a "pollutant", which may be occasioned by loss or damage by a peril herein insured against. Limit assumed by the Insurer under this clause shall not increase the limit(s) of liability provided under the policy in the absence of this clause.

#### 8. GENERAL AVERAGE

The Insurer will pay general average charges assessed against the Insured whether or not there is loss or damage to the property insured under this policy.

#### 9. COINSURANCE

The Insurer shall be liable in event of loss for no greater proportion thereof than the amount hereby insured bears to 90% of the actual cash value (as determined by the valuation clause contained in this policy) of the property insured hereunder at the time such loss shall happen. If this policy covers two or more items, this condition applies to each item separately.

#### 10. ADDITIONAL ACQUISITIONS

This policy is extended to cover additional items of a nature similar to those scheduled herein or usually covered under the contractor's equipment policy, which items have been acquired by the Insured subsequent to the attachment date and during the term of this policy, in consideration of the agreement by the Insured to report such additions within thirty (30) days from the date acquired and to pay full premium thereon from the date acquired at pro rata of the current rates of the Insurer for such insurance. It is specifically understood and agreed, however, that this policy shall cease to cover such additional items if they are not reported to the Insurer within said thirty (30) day period and that in any event the Insurer shall not be liable under the provisions of this clause for more than the actual cash value of such property nor for more than 25% of the total amount of the policy (exclusive of the provisions of this clause) or \$250,000.00 whichever is less. Liability assumed by the Insurer under this clause shall not increase the limit of liability in any one loss, disaster or casualty, provided by the policy in the absence of this clause.

#### 11. INSPECTION OF RECORDS

All records of the insured pertaining to this insurance or the subject thereof shall at any reasonable time be open to inspection by a duly authorized representative of the Insurer.

#### 12. NOTICE TO POLICE

The insured is required to notify the police authorities immediately and file a report with them in the event of any loss from theft or attempted theft.

#### 13. OTHER INSURANCE

If at the time of loss or damage there is available to a named or unnamed insured or any other interested party any other insurance which would apply in the absence of this policy, the insurance under this policy shall apply only as excess insurance over such other insurance.

14. DEFINITIONS

Wherever used in this form

- a) "Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapour, soot, fumes, acids, alkalis, chemical and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- b) "Declaration Page(s)" means the Declaration Page(s) attached to this form.

14. ALL OTHER MATTERS

Subject to all conditions of the policy to which this form is attached, except that any and all clauses and conditions