

## Intact Insurance Company

### Replacement Cost Contractors Equipment

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This form amends coverage provided under the following form:

BF04 Contractor's Equipment (Actual Cash Value)

With respect to Contractor's Equipment specified on the "Declaration Page(s)" and insured under this Form:

1. The Insurer agrees to amend the basis of settlement from Actual Cash Value to Replacement Cost, subject to the following provisions:
  - (i) this endorsement applies separately to items of Contractor's Equipment that are 36 months old or newer at the time of loss or damage;
  - (ii) replacement cost shall not apply to:
    - (a) tires or batteries; nor
    - (b) betterment resulting from the repair or replacement of parts having prior unrepaired damage;
  - (iii) replacement shall be effected by the Insured with due diligence and dispatch;
  - (iv) failing compliance by the Insured with any of the foregoing provisions, settlement shall be made as if this endorsement had not been in effect;
  - (v) any other insurance effected by or on behalf of the Insured in respect of the perils insured against by this Form on the equipment insured under this Form shall be on the basis of replacement cost as defined in this extension;
  - (vi) this endorsement applies separately to each of the items insured under this Form.
2. Any reference to actual cash value in a co-insurance clause in this Form is deemed to be a reference to Replacement Cost of the equipment insured.
3. In this clause:
  - (i) "replacement cost" means the cost of replacing, repairing, constructing or reconstructing (whichever is the least) the equipment damaged or destroyed with new equipment of like kind and quality without deduction for depreciation; and
  - (ii) "replacement" includes repair, construction or reconstruction with new equipment of like kind and quality.
4. In the event that new equipment of like kind and quality is not obtainable, new equipment which is as similar as possible to that damaged or destroyed and which is capable of performing the same function shall be deemed to be new property of like kind and quality for the purposes of this clause.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged