WELDING, CUTTING, HOT WORK AND OPEN FLAME WARRANTY – ADDITIONAL CONDITION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

It is agreed that:

1. Insurance provided under SECTION IV - SPECIAL CONDITIONS of the Wrap-Up Liability Form is amended as follows:

The following Special Conditions apply to this Form. In the event of conflict between these Special Conditions and any other provision contained under the General Conditions which are attached to this Form, these Special Conditions shall govern unless they conflict with Statutory Conditions. Notwithstanding the foregoing, should any portion of these Special Conditions be found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.

1. WELDING, CUTTING, HOT WORK AND OPEN FLAME WARRANTY - ADDITIONAL CONDITION

It is warranted by the Insured that the following precautions will be taken in the event that the Insured's work in connection with the insured project involves the application of open flame or hot work in any form or manner:

- 1.1. The entire area subject to hot work will be cleared of combustible material to a safe distance from or beneath the place where such work is being carried out. This includes removing flammable liquids, dust, lint, and oily deposits, including from the building structure. A safe distance shall not be less than fifteen (15) metres or fifty (50) feet when hot work operations are carried out. Where such precautions are impracticable such material will be covered with fire-retardant tarpaulins or metal shields or covers or similar protective equipment. Openings or cracks in walls, floors or ducts within fifteen (15) metres or fifty (50) feet shall also be shielded. Combustibles on the other side of walls, or below floors, having cracks will be moved away from the wall or from underneath the floor;
- 1.2. Hot work will not be conducted on combustible walls, including foam insulated metal wall panel systems, plastic or FRP panel walls;
- 1.3. Ducts and conveyors will be protected and shutdown until the hot work watch is completed;
- 1.4. Explosive atmospheres will be eliminated
- 1.5. Containers and enclosed equipment will be cleaned and purged of all combustibles and flammable liquids or vapours;
- 1.6. Fully charged and operable fire extinguishers of a minimum two-gallon capacity bearing Underwriters' Laboratories of Canada label and of a type or types suitable for the combustible material on or in the project site or such other locations or site used directly in connection with the insured project, will be kept within six (6) metres or twenty (20) feet of the welding or cutting operation or other operations involving the application of open flame or hot work. If fire hoses are available, they shall be kept charged during the duration of the hot work when not subject to freezing. The fire watch will be trained in the proper use of extinguishers and fire hose, and in sounding the alarm;
- At least two Insureds will be present during hot work;
- 1.8. Heat or spark producing equipment will be lit as short a time as possible before use and extinguished immediately after use;
- 1.9. Lighted equipment will not be left unattended;
- 1.10. A continuous fire watch of the area will be made for at least sixty (60) minutes after the completion of the hot work, including lunch or breaks. A fire watch may be required above and below the area in which the hot work has been undertaken depending on combustible contents or construction;
- 1.11. The fire-watcher will be properly equipped and able to perform fire prevention and protection duties during the operation; and
- 1.12. A thorough examination for any signs of combustion will be made within or below the area in which hot work have been undertaken every half hour for the next three (3) hours after the termination of each period of hot work.

Failure to comply with the abovementioned conditions shall suspend the corresponding coverage related to the loss sustained until the Insured overcomes such failure to comply. We may deny coverage if failure to comply caused, contributed or aggravated the loss is proven.

2. SALAMANDER WARRANTY

It is warranted that whenever the Insured is employing the use of a salamander or any other heating device, such device will be positioned on fire resistive drywall board, tied off to a wall stud, with not less than three (3) feet of clear space surrounding it.

- 2. For the purposes of this Endorsement only, the following definitions are added to SECTION V DEFINITIONS of the Wrap-Up Liability Form:
 - 2.1. Hot work means brazing, welding, torch cutting, grinding, or any other operations involving the application of heat in any form or any manner at any location or site directly related to the insured project.
 - 2.2. Salamander means any portable, temporary heating device, including, but not limited to propane, oil, kerosene, radiant or any other flame device.

All other terms, conditions and limitations of this Policy remain unchanged.