

Form #IF001 (Rev. January 3, 2013)
Installation Floater

INDEMNITY AGREEMENT

1. 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:
- (a) The actual cash value of the property at the time of loss or damage;
 - (b) The interest of the Insured in the property;
 - (c) The amount of insurance specified in the "Declarations" 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 in the "Declarations".

PROPERTY INSURED

2. This Form, except as otherwise provided herein, insures the following property at the "installation site" for the amount of insurance specified in the "Declarations":
- (a) any and all materials, equipment, machinery and supplies of any nature:
 - (i) owned by the Insured;
 - (ii) owned by others, provided the value of such property is included in the amount of insurance;all to enter into and form part of the completed installation including expendable materials and supplies, not otherwise excluded, necessary to complete the installation;
 - (b) temporary buildings, scaffolding, falsework, forms, hoardings, excavation, site preparation and similar work, provided that the value thereof is included in the amount of insurance and then only to the extent that replacement or restoration is necessary to complete the project.

LIMITS OF LIABILITY

3. The maximum liability of the Insurer in any one loss shall not exceed 100% of the amount(s) of insurance stated in the "Declarations" for:
- (a) (i) property at any one "installation site"; or
(ii) the Catastrophe Limit stated in the "Declarations" in respect to loss or damage in any one accident or occurrence;
 - (b) property in transit to and from the "installation site";
 - (c) property at unnamed locations, provided such locations are not owned, rented or controlled in whole or in part by the Insured.

DEDUCTIBLE

4. Each claim for loss or damage to the property insured shall be adjusted separately and from the amount of each such adjusted claim shall be deducted the amount specified in the "Declarations".

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

CO-INSURANCE

5. In the event of loss, if the total value of property covered in or on the affected location or conveyance shall at that time exceed the amount of insurance in or on such location or conveyance, as set forth herein, the Insured shall be entitled to recover only such proportion that the said amount of insurance bears to the total value of property at risk in or on such location or conveyance.

ATTACHMENT

6. This insurance attaches, within the policy period, when the property becomes at the Insured's risk after being unloaded at and while on the "installation site" until:
- (a) thirty (30) days after completion of the project;
 - (b) the termination or expiration of this insurance;
 - (c) your interest ceases; or
 - (d) the construction activity has ceased for more than thirty (30) consecutive days;
- whichever first occurs.

TERRITORIAL LIMITS

7. The insured property is covered while anywhere within the territorial limits of Canada.

PERILS INSURED

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

PROPERTY EXCLUDED

9. This Form does not insure loss of or damage to:
- (a) property:
 - (i) while waterborne, from the commencement of loading until completion of discharge except while on a ferry, railway car or transfer barge, all in connection with land transportation;
 - (ii) while insured under an Ocean Marine Cargo Policy;
 - (iii) while aboard or being transported by any aircraft;
 - (iv) caused by falling through ice on lakes, rivers, or other bodies of water, or sinking in muskeg;
 - (v) while being shipped by mail;
 - (b) underground shafts or tunnels or property therein;
 - (c) boilers and pressure vessels including all piping and apparatus attached thereto, caused
 - (i) by the pressure of steam or water therein;
 - (ii) while undergoing any hydrostatic, pneumatic or gas pressure test;
 - (iii) by the use thereof;
 - (d) contractor's and sub-contractor's tools and equipment including spare parts and accessories whether owned, loaned, hired or leased;
 - (e) electrical devices, appliances 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;
 - (f) accounts, bills, currency, deeds, evidence of debt, money, notes, securities, manuscripts, records, blueprints, original plans and specifications, buildings, watercraft, aircraft, motorcycles, motor vehicles, trailers or other conveyances or their appurtenances or accessories.
 - (g) property at locations which to your knowledge are vacant, unoccupied or shut down for more than 30 consecutive days;

- (h) automobiles, watercraft, amphibious or air cushioned vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property;
- (i) property illegally acquired, kept, stored or transported; property subject to forfeiture, seized or confiscated for breach of any law or by order of any public authority;
- (j) buildings, but building materials and supplies are covered until such time they become a permanent part of any installation project completed by you;
- (k) plans, blueprints, designs, specifications or any similar property;
- (l) money, notes, securities, accounts, bills, evidence of debt or valuable papers;
- (m) any installation or part thereof from the commencement of use for purposes for which it was intended.

PERILS EXCLUDED

10. This Form does not insure:

- (a) the cost of making good:
 - (i) faulty or improper material;
 - (ii) faulty or improper workmanship;
 - (iii) faulty or improper design;
 or loss or damage caused directly or indirectly therefrom, provided however, to the extent not otherwise excluded under this Form, resultant damage to the property insured caused by fire or explosion shall be insured;
- (b) loss or damage, unless directly caused by a peril not otherwise excluded herein, caused directly or indirectly by wet or dry rot, mould, rust or corrosion, dampness or dryness of atmosphere, changes in or extremes of temperature or heating, frost or freezing, inherent vice, latent defect, wear and tear, rust or corrosion, or gradual deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (c) loss or damage caused by electric or magnetic injury, disturbance or erasure of electronic recordings, except by lightning;
- (d) loss or damage caused directly or indirectly by centrifugal force, mechanical or electrical breakdown or derangement in or on the premises, unless fire ensues and then only for the loss or damage caused by such ensuing fire;
- (e) loss or damage caused directly or indirectly by earthquake, except:
 - (i) ensuing damage which results from fire, explosion, smoke or leakage from "fire protective equipment", or;
 - (ii) while the property is in due course of transit, if an amount is stated in the "Declarations";
- (f) loss or damage caused directly or indirectly by flood, and the word "flood" means "surface water", waves, tides, tidal waves, tsunamis, and the rising of, the breaking out or the overflow of, any body of water, whether natural or manmade; but this exclusion does not apply to loss or damage:
 - (i) caused by leakage from "fire protective equipment", or;
 - (ii) occurring while the property is in due course of transit, if an amount is stated in the "Declarations";
 - (iii) resulting from ensuing fire, explosion or smoke.
- (g) loss or damage caused directly or indirectly by misappropriation, secretion, conversion, infidelity or any dishonest, fraudulent or criminal act on the part of the Insured or any other party of interest, employees or agents of the Insured, or any person to whom the property may be entrusted (bailees for hire excepted);
- (h) any loss or shortage disclosed on taking inventory or making appraisal, or by mysterious disappearance;
- (i) loss or damage caused directly or indirectly by cessation of work or by interruption of construction, unless directly caused by a peril otherwise insured and not otherwise excluded under this Form;
- (j) loss or damage caused directly or indirectly by delay, loss of market or loss of use or occupancy however caused;
- (k) penalties or liquidated damages for non-completion or delay in completion of contract or non-compliance with contract conditions or costs incurred solely in an effort to eliminate or reduce penalties or liquidated damages for which the Insured may be contractually liable;
- (l) loss directly or indirectly, proximately or remotely, arising in consequence of or contributed to by the enforcement of any by-law, regulation, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures, which by-law, regulation, ordinance or law makes it impossible to repair or re-instate the property as it was immediately prior to the loss;
- (m) loss or damage caused by or resulting from the weight of a load exceeding the registered lifting capacity of any machinery;
- (n) loss, damage or expense caused by or resulting from settling, shrinkage, expansion, subsidence or earth movement underneath or adjacent to foundations, footings or structures.
- (o) loss or damage under any guarantee or warranty (expressed or implied) by any contractor, manufacturer or supplier, whether or not such contractor, manufacturer or supplier is an insured under this extension;
- (p) gnawing, nesting or infestation, or discharge or release of waste products or secretions, by animals, including but not limited to, insects, birds, and rodents. If the gnawing, nesting or infestation, or discharges or release of water product or secretions results in an insured peril, this form will cover the resultant loss or damage.
- (q) shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, change in colour or texture or finish, contraamination, marring, scratching or crushing;
- (r) by civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- (s) (1) 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; (2) by contamination by radioactive material;
- (t) proximately or remotely, arising in consequence of or contributed to by enforcement of any by-law, regulation, ordinance, or law regulating zoning or the demolition, repair or construction of buildings or structures, which by-law, regulation, ordinance or law makes it impossible to repair or reinstate the property as it was immediately prior to the loss.
- (u) (1) loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants", nor the cost or expense of any resulting "clean up", but this exclusion does not apply:
 - (i) if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is the direct result of a peril not otherwise excluded under this form;
 - (ii) to loss or damage caused directly by a peril not otherwise excluded under this form;
 (2) cost or expense for any testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants"

EXTENSIONS OF COVERAGE

11. Notwithstanding any provision to the contrary contained within this policy it is understood and agreed that the following shall apply:

The following extensions of coverage shall not increase the amounts of insurance applying under this Form and are subject to all conditions of this Form:

- (a) **Removal:** If any of the insured property is necessarily removed from the "installation site" to prevent loss or damage or further loss or damage thereto, that part of the insurance under this Form that exceeds the amount of the Insurer's liability for any loss already incurred shall, for seven (7) days only, or for the unexpired term of the Policy, if less than seven (7) days, insure the property removed and any property remaining at the "installation site" in the proportions which the value of the property in each of the respective locations bears to the value of the property in them all.

- (b) (1) **Debris Removal:** The Insurer will indemnify the Insured for expenses incurred in the removal from the “premises” of debris of the property insured, occasioned by loss or damage to such property, for which loss or damage which is not otherwise excluded under this policy. The total amount payable under this extension shall not exceed 25% of the total amount payable for the direct physical loss, subject to a maximum limit of \$50,000, to property insured plus the amount of the applicable deductible.
- (2) **Removal of Windstorm Debris:** The Insurer will indemnify the Insured for expenses incurred in the removal of debris or other property which is not insured by this form but which has been blown by windstorm upon a location specified on the “Declaration Page”.

Extensions of coverage (1) and (2) do not apply to cost or expenses:

- (i) direct or indirect loss, damage, cost or expense, arising out of the clean-up, removal, containment, treatment, detoxification, decontamination, stabilization, neutralization, or remediation resulting from any actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release, or escape of “pollutants” from land or water.
- (ii) direct or indirect loss, damage, cost or expense, for any testing, monitoring, evaluation or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “pollutants”.
- Debris removal expense shall not be considered in the determination of actual cash value for the purpose of applying the Co-insurance Clause.

SPECIAL CONDITIONS

12. (a) Report and Premium Adjustment

This clause applies only if this Form is on a Reporting Basis and an adjustment rate is shown in the “Declarations”. The premium stated in this Policy is provisional. The Insured shall report to the Insurer within thirty (30) days after the expiration or anniversary date of this policy, the total completed contract price of all contracts, plus the value of any and all materials, equipment, machinery and supplies of any nature, the property of others, not included in such completed contract price. Except, however, with respect to any projects which are incomplete at the date of such expiration or anniversary the insured shall report to the Insurer that proportion of the completed contract price, plus the value of any and all materials, equipment, machinery and supplies of any nature not included in the completed contract price, which has been completed or installed.

The actual premium shall then be calculated at the rate specified in the “Declarations”. If the premium so calculated exceeds the provisional premium the Insured shall pay to the Insurer the amount of such excess. If such premium is less than the provisional premium the Insurer shall refund to the Insured the amount of the difference.

(b) Records

The Insurer or its duly appointed representative shall be permitted at all reasonable times during the term of the Policy, or within a year after expiration, or anniversary date to examine the Insured’s books, records and such policies as they relate to any property insured hereunder. Such inspection or examination shall not waive nor in any manner affect any of the terms or conditions of this Policy.

(c) Property of Others

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

(d) Breach of Conditions

Where a loss occurs and there has been a breach of condition relating to a matter before the happening of the loss, which breach would otherwise disentitle the Insured from recovery under this Form, the breach shall not disentitle the Insured from recovery if the Insured establishes that the loss was not caused or contributed to by the breach of condition or if the breach of condition occurred in any portion of the premises over which the Insured has no control.

(e) Permission

Permission is granted to do such work and to keep and use such articles, materials, and supplies in such quantities as are usual or necessary to the Insured’s business.

(f) Description of Property

It is agreed that this insurance shall not be prejudiced by an unintentional error in description or amount hereof, provided prompt notice be given the Insurer as soon as said facts become known to the Insured, and additional premium paid if required.

(g) Other Insurance

If at the time of loss or damage there is available to the Insured any other insurance which would apply in the absence of this policy, the insurance under this Form shall apply only as excess insurance over such other insurance.

(h) Reinstatement

Loss under any item of this Form shall not reduce the applicable amount of insurance.

(i) Locked Vehicle Warranty

With respect to small portable equipment, it is warranted by the Insured that any vehicle in which the insured property is carried is equipped with a fully enclosed metal body or compartment, and the Insurer shall be liable in case of loss by theft from an unattended vehicle only as a direct result of forcible entry (of which there shall be visible evidence) into such body or compartment, the doors of which are securely locked and the windows closed. This clause shall not apply to property which is under the control of a common carrier.

(j) Notice to Authorities

Where the loss is due to malicious acts, burglary, robbery, theft or attempt thereat, or is suspected to be so due, the Insured shall give immediate notice to the police or other authorities having jurisdiction.

(e) No Benefit to Bailee

It is warranted by the Insured that this insurance shall in no wise enure directly or indirectly to the benefit of any carrier or other bailee.

(k) Pair and Set

In the case of loss of or damage to any article or articles, whether scheduled or unscheduled, which are a part of a set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, but in no event shall such loss or damage be construed to mean total loss of set.

(l) Parts

In the case of loss of or damage to any part of the insured property, whether scheduled or unscheduled, consisting, when complete for use, of several parts, the Insurer is not liable for more than the insured value of the part lost or damaged, including the cost of installation.

(m) **Sue And Labour**

It is the duty of the Insured in the event that any property insured hereunder is lost to take all reasonable steps in and about the recovery of such property. The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with the foregoing according to the respective interests of the parties.

(n) **Basis Of Settlement**

Unless otherwise provided, the Insurer is not liable beyond the actual cash value of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.

(o) **Subrogation**

The Insurer, upon making any payment or assuming liability therefor under this Policy, shall be subrogated to all rights of recovery of the Insured against others and may bring action to enforce such rights. Notwithstanding the foregoing, all rights of subrogation are hereby waived against any corporation, firm, individual or other interest with respect to which insurance is provided by this Policy. Where the net amount recovered, after deducting the costs of recovery is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportion in which the loss or damage has been borne by them respectively. Any release from liability entered into by the Insured prior to loss shall not affect the right of the Insured to recover.

(p) **Termination Of Insurance**

(1) This contract may be terminated,

(a) by the Insurer giving to the Insured written notice of termination at least:

(i) five days before the effective date of termination if personally delivered;

(ii) fifteen days before the effective date of termination if the contract is terminated by registered mail for non-payment of premium; or

(iii) thirty days before the effective date of termination if the contract is terminated by registered mail for any other reason.

(b) by the Insured at any time on request.

(2) If the contract is terminated by the Insurer,

(a) the Insurer must refund the excess of premium actually paid by the Insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and

(b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.

(c) the written notice will be mailed or delivered to the Insured's last known mailing address.

(3) If the contract is terminated by the Insured, the Insurer must refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.

(4) The fifteen and thirty days referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

(q) **Contribution**

If on the happening of any loss or damage to property in consequence of which a claim is or may be made under this policy there is in force more than one contract covering the same interest, the liability of the Insurer hereunder shall be limited to its rateable proportion of such claim.

DEFINITIONS

13. Whenever used in this Form:

(a) **"Declarations"** means the Declarations Page applicable to this Form;

(b) **"Installation Site"** means the actual site which, at the time of loss or damage, the Insured is contracted to perform the business operations as specified in the "Declarations".

(c) **"Clean up"** means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of "pollutants," including testing which is integral to the aforementioned processes.

(d) **"Pollutants"** means any solid, liquid, gaseous or thermal irritant, or contaminants including odour, vapour, fumes, acids, alkalis, chemicals and waste. "Waste" includes materials to be recycled, reconditioned or reclaimed.

(e) **"Surface water"** means water or natural precipitation temporarily diffused over the surface of the ground.

(f) **"Fire protective equipment"** includes tanks, water mains, hydrants, valves and any other apparatus whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:

(i) branch piping from a joint system where such branches are used entirely for purposes other than fire protection;

(ii) any water mains or appurtenances located outside of the "project site" and forming a part of the public water distribution system; or

(iii) any pond or reservoir in which the water is impounded by a dam.