

BAILEES' CUSTOMERS - RIDER MP3 (Broad Form)

I. PROPERTY INSURED

On all kinds of lawful goods and articles the property of its customers, accepted by the Insured for processing usual or incidental to the business operations as specified in the Declarations. Coverage applies while in possession of the Insured, while located in the premises shown in the Declarations and while being transported to or from its customers' premises, only if shipped via the Insured's vehicles, messengers, or contract carriers within Canada.

II. LIMITS OF INSURANCE

This rider is applicable only with respect to those items of this clause for which an amount is shown in the Declarations, and the maximum liability of the Insurer in any one loss, casualty or disaster, including salvage charges and other expenses, shall not exceed 100% of:

- A. Customers goods
- B. Property in Transit
- C. Any One Article Limit.

III. 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 in the Declarations in any one occurrence.

IV. CO-INSURANCE

The Insurer shall not be liable in the event of loss or damage for any greater proportion of any such loss or damage than the amount hereby insured bears to the actual value of the property insured at the time such loss or damage shall happen.

V. PERILS INSURED

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

VI. EXCLUSIONS

A. Property Excluded

This rider does not insure loss or damage to:

1. property at locations which to the knowledge of the Insured, are vacant, unoccupied or shut down for more than thirty (30) consecutive days;
2. electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing, unless fire or explosion ensues and then only for such ensuing loss or damage;
3. property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority;
4. money, bullion, platinum and other precious metals and alloys, securities, stamps, tickets and tokens, evidence of debt or title;
5. jewelry, costume jewelry, watches, pearls, precious and semi-precious stones;
6. property held in storage or for which a storage charge is made;
7. property while in the custody of other bailees or processors;
8. property used for the cultivating, harvesting, processing, manufacturing, distributing or selling of marijuana, or any other substance falling under the Controlled Drug and Substances Act.

B. Perils Excluded

This rider does not insure against loss or damage caused directly or indirectly:

1. a. by seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows or other openings therein, foundations, basement floors, sidewalks, sidewalk lights, or by the backing up of sewers, sumps, septic tanks or drains, unless concurrently and directly caused by a peril not otherwise excluded;
b. by the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings unless through an aperture concurrently and directly caused by a peril not otherwise excluded;
2. 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 directly by such ensuing fire;
3. by dampness or dryness of atmosphere, changes of temperature, freezing, heating, shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, contamination, change in colour or texture or finish, rust or corrosion, marring, scratching or crushing, but this exclusion does not apply to loss or damage caused directly by fire, lightning, explosion, impact by aircraft, spacecraft or land vehicle, riot, vandalism, malicious acts, smoke, windstorm or hail, rupture of pipes or breakage of apparatus not excluded hereof, theft or attempt thereat or accident to transporting conveyance provided such perils are not otherwise excluded;
4. by rodents, insects or vermin;
5. by delay, loss of market, or loss of use or occupancy;

6. by misappropriation, secretion, conversion, infidelity or any dishonest manner of acquiring possession 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;
7. 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;

NOR DOES THIS RIDER INSURE:

8. wear and tear, gradual deterioration, latent defect, inherent vice, or the cost of making good faulty or improper material, faulty or improper workmanship, faulty or improper design, provided, however, to the extent otherwise insured and not otherwise excluded under this rider, resultant damage to the property is insured;
9. loss or damage resulting from misdelivery or careless destruction of goods or other unaccountable loss;
10. loss or damage sustained while the property insured is being actually 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;
11. loss or damage caused by the neglect of the Insured to use all reasonable means to save and preserve the property insured at the time of and after any loss or damage;
12. by failure of any:
 - a. electronic data processing equipment, or other equipment, including microchips embedded therein;
 - b. computer program;
 - c. software;
 - d. media;
 - e. data;
 - f. memory storage system;
 - g. memory storage device;
 - h. real time clock;
 - i. date calculator; or
 - j. any other related component, system, process or device,to correctly read, recognize, interpret or process any encoded, abbreviated or encrypted date, time or combined date/time data or data field. Such failure shall include any error in original or modified data entry or programming. This exclusion does not apply to loss or damage caused directly by "Named Perils";
13. in whole or in part, out of "Terrorism" or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism". This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the claim.

VII. TERRITORY

This Rider shall cover only within the limits of Canada.

VIII. OTHER INSURANCE

Where there is any other valid insurance providing indemnity for loss for which this rider provides indemnity, the Insurer shall be liable only for its rateable proportion of the loss.

IX. PERMISSION

It is hereby 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.

X. WARRANTY

It is warranted that the Insured does not hold any agreement and will not enter into any agreement relieving any Corporation, Concern or individual from any liability imposed by law or custom.

XI. GOODS FOR STORAGE

Goods held by the Insured without instructions from the owners to hold in storage shall not be considered as being held in storage.

XII. REINSTATEMENT

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

XIII. 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 rider, 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.

XIV. LOSS PAYABLE

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

XV. DEFINITIONS

"Terrorism" means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s), or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.