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FARM INSURANCE POLICY

Your complete policy is made up of this booklet and the Coverage Summary Page(s) provided to you.

The Insurance Policy has two sections:

Section I – Property Coverage

Section II – Liability Coverage

The Policy Conditions, Statutory Conditions and General Conditions set out at the back of this booklet apply to all sections of the policy.

The amounts of insurance are shown on the Coverage Summary Page.

Insurance cannot be a source of profit. It is only designed to indemnify you against actual losses or expenses incurred by you or for which you are legally liable.

INSURING AGREEMENT

We provide the insurance described in this policy, only if indicated on the Coverage Summary Page, in return for payment of the premium specified and subject to the terms and conditions set out.

All claims (under Section – I Property) will be settled directly with the person(s) named on the Coverage Summary Page.

All coverages under Section I – Property are subject to a deductible unless otherwise stated. The deductible is shown on the Coverage Summary Page.

SECTION I – PROPERTY COVERAGE

DEFINITIONS

“Burglary” means theft following illegal and forcible entry or exit, leaving visible marks at the point of forced entry or exit.

“Business” means any continuous or regular pursuit undertaken for financial gain including a trade, profession or occupation.

“Cash Card” means a card designed to store a cash value by electronic means for use as a mode of payment, without a personal identification number and without direct access to a bank or other account.

“Data” means representations of information or concepts, in any form.

“Data Problem” means:

1. erasure, destruction, corruption, misappropriation, misinterpretation of Data, or;
2. error in creating, amending, entering, deleting or using Data or;
3. inability to receive, transmit or use Data.

“Domestic Water Container” means a device or apparatus for personal use on the premises for containing, heating, chilling or dispensing water including but not limited to waterbeds, swimming pools, hot tubs and aquariums.

“Dwelling” means a building, mobile home or, if tenant, life lease occupant or condominium unit owner, the portion of a building occupied principally as a private residence.

“Flood” means spray, waves, tides, dam breaks, seiche, tsunami, tidal waves or the rising of, the breaking out or the overflow of, any body of water or water source, whether natural or man-made; shoreline ice build-up, water borne ice or other objects, all whether driven by wind or not.

“Fungi” includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic, or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any “fungi”, or “spores” or resultant mycotoxins, allergens or pathogens.

“Model Aircraft” for the purpose of this policy means an aircraft, the total weight of which does not exceed 35 kg (77.2 pounds), that is mechanically driven or launched into flight for recreational purposes and is not designed to carry persons or other living creatures.

“Personal Property” or **“Contents”** means the contents of your home including property of a personal nature such as clothing and other property usual and incidental to the ownership or maintenance of a dwelling.

“Pollutant” means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapors, soot, fumes, acids, alkalis, chemicals, waste, as well as animal or human bodily fluids. Waste includes materials to be recycled, reconditioned or reclaimed.

“Premises” means any location described in the Declarations, or if a condominium or apartment, **“Premises”** means your unit and includes garages, outbuildings, lockers, storage rooms and private approaches reserved for your use or occupancy only.

“Residence Employee” means a person employed by you to perform duties in connection with the maintenance or use of the insured premises. This includes persons who perform household or domestic services or duties of a similar nature for you. This does not include persons while performing duties in connection with your business or farming operation, even if we have extended Liability coverage on the Coverage Summary Page to include either business or farming operations.

“Robbery” means theft by violence or threat of violence to any person.

“Specified Perils” means: fire or lightning; explosion; smoke; falling object which strikes the exterior of the building; impact by aircraft, spacecraft or land vehicle; riot; vandalism or malicious acts, other than theft or attempted theft; freezing of any part of a plumbing, heating, sprinkler or air conditioning system or “Domestic Water Container”; rupture of a heating, plumbing, sprinkler or air conditioning system, or by escape of water from such a system, a “Domestic Water Container”, or from a swimming pool or attached equipment, or from a public water main; windstorm or hail; weight of ice, snow or sleet; collapse of a building or any part of a building; sudden and accidental damage from artificially generated electrical current.

“Spore(s)” includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of

any “fungi”.

“**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 sector of the public.

“**Unit**” means the condominium unit described in the Condominium Declaration occupied by you as a private dwelling.

“**Unmanned Air Vehicle**” for the purpose of this policy means a power driven aircraft, other than a “Model Aircraft” that is operated without a flight crew member on board, and is used for non-recreational or commercial purposes.

“**Vacant**” means the occupant(s) has (have) moved out with no intent to return regardless of the presence of furnishings. A newly constructed dwelling is vacant after it is completed and before the occupant(s) move(s) in. Furthermore, the dwelling is also vacant when the occupant(s) move(s) out and before any new occupant(s) move(s) in. To further clarify, occupants are deemed to have moved out (and the property is considered vacant) when they cease to occupy the premises as their usual residence, even in circumstances where they temporarily return thereafter to clean the premises, remove personal property, care for the property, inspect the property or use the property on a casual or intermittent basis. Unoccupancy, as is normal to a seasonal dwelling does not constitute vacancy.

“**We**” and “**us**” and “**insurer**” means Red River Mutual.

“**You**” and “**your**” and “**insured**” means the person(s) named as Insured on the Coverage Summary Page and, while living in the same household, his or her spouse, the relatives of either or any person under 21 in their care. Spouse means:

1. either of two persons who are married to each other; or
2. either of two persons who are living together in a conjugal relationship outside marriage and have so lived together continuously for a period of 2 years or, if they are the natural or adoptive parents of a child, for a period of 1 year.

In addition, an unmarried student who is enrolled in and actually attending a school, college or university and who is dependent on the Named Insured or his or her spouse for support and maintenance is also insured even if temporarily residing away from the principal residence stated on the Coverage Summary Page.

In addition, an Insured, child, parent, grandparent or other family member of an Insured who is dependent on the Named Insured or his or her spouse for support and maintenance, is also insured while residing in a nursing or care facility.

Only the person(s) named on the Coverage Summary Page may take legal action against us.

DESCRIPTION OF COVERAGES (APPLICABLE TO HOMEOWNERS AND TENANTS PACKAGES)

COVERAGE A – DWELLING BUILDING (APPLICABLE TO HOMEOWNERS ONLY)

We insure:

1. The dwelling and attached structures on the premises.
2. Permanently installed outdoor equipment on the premises, including fences within 150m (500 ft.) of the dwelling (excluding fences used in whole or part for agricultural purposes).
3. Outdoor “Domestic Water Containers”, including swimming pools, outdoor hot tubs and attached equipment on the premises.
4. Materials and supplies located on or adjacent to the premises intended for use in construction, alteration or repair of your dwelling or private structures on the premises.

Building fixtures and fittings - You may apply up to 10% of the amount of insurance on your dwelling to insure building fixtures and fittings temporarily removed from the premises for repair or seasonal storage.

COVERAGE B – DETACHED PRIVATE STRUCTURES (APPLICABLE TO HOMEOWNERS ONLY)

We insure structures or buildings (including Fabric, Plastic, Poly or Tarp covered structures) separated from the dwelling by a clear space, on your premises but not insured under Coverage A. If they are connected to the dwelling by only a fence, utility line or similar connection, they are considered to be a detached structure.

We also insure boathouses, docks and boat lifts owned by you which are located in the same seasonal resort as your dwelling/seasonal dwelling.

If you have more than one detached structure, the amount of insurance will be divided in the proportions that the value of each structure has to the value of all structures at the time of loss.

We do not insure buildings and/or structures, and/or their contents used in whole or in part or designed for business or farming purposes whether occupied, unoccupied or “Vacant”, unless indicated on the Coverage Summary Page.

COVERAGE C – PERSONAL PROPERTY

1. **On Premises** - We insure the contents of your dwelling and other personal property you own, wear or use while on your premises which is usual to the ownership or maintenance of a dwelling.

If you wish, we will include uninsured personal property of others while it is on that portion of your premises which you occupy but we do not insure property of roomers or boarders who are not related to you.

2. **Off Premises** - We insure your personal property while it is

temporarily away from your premises, anywhere in the world, however Personal Property normally kept at any other location you own, rent or occupy is not insured. Personal property temporarily removed from your premises to any other location you own, rent or occupy is also not insured, except while you are temporarily living there.

If you wish, we will include personal property belonging to others while it is in your possession, or belonging to a residence employee travelling for you.

Personal property stored in a warehouse is only insured for 30 days from the date the property was first stored. To extend cover in storage for a further period we must be notified in writing and endorse your policy as required. No notice is required for personal property in storage between seasons in any premises.

Golf carts are insured even if kept at a golf course year round.

3. **While Moving** - We insure your personal property while you are moving from the premises shown on the Coverage Summary Page in transit to, and at, a new dwelling anywhere in Canada. If you have personal property in more than one location, the amount of insurance will be divided in the proportions that the value of property in each location has to the value of all your personal property at the time of loss.

Your personal property while you are moving will be covered only for a period of 60 days commencing on the date you started moving but will not extend beyond your policy term.

4. **Excluded Personal Property (On/Off Premises)** - We do not insure loss or damage to motorized vehicles, camper units, truck caps, trailers and aircraft or their equipment (except for motorized wheelchairs, scooters having more than two wheels and specifically designed for the carriage of a person with a physical disability, electric power assisted bicycles, watercrafts, motorized lawn mowers, garden or yard tractors, skid steers, other gardening equipment, snow blowers, or motorized golf carts). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle, watercraft or aircraft.

Toys or hobby items such as "Model Aircraft", or children's battery powered vehicles using no more than a 12 volt battery that can attain speeds of no more than 8 kph (5 mph), are not considered motorized vehicles or aircraft for the purpose of this exclusion.

"Unmanned Air Vehicles" including all related equipment (whether attached or not), are excluded.

Improvements and Betterments (Applicable to Tenants and Life Leases Only)

We insure improvements and betterments to the dwelling made by you or acquired at your expense, including:

1. any building, structure, or swimming pool on the premises;
2. materials and supplies located on or adjacent to the premises for use in such improvements and betterments.

If you are a Tenant, payment under this coverage reduces the Coverage C - Personal Property amount of insurance by the sum

paid. If you are a resident of a Life Lease, we will pay for an additional amount of up to 100% of the amount of insurance on Coverage C - Personal Property, (or such other amount as may be shown on the Coverage Summary Page).

Special Limits of Insurance

We insure:

1. Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$5,000 in all, only while on your premises. This applies to all items whether used in whole or in part for business, professional or occupational purposes, including samples and goods held for sale.
2. Computer hardware, software or cellular phones (owned or leased by the Insured) used in whole or in part for business, professional or occupational purposes up to \$5,000 in all, while off premises only.
3. Securities up to \$5,000 in all.
4. Money including "Cash Cards", or bullion up to \$500 in all.
5. Watercraft, their furnishings, equipment, accessories and motors up to \$3,000 in all. These are insured only for Specified Perils and theft or attempted theft.
6. Computer software up to \$5,000 in all. We do not insure the cost of gathering or assembling information or data.
7. The personal property of a student, insured by the policy, who is dependent on the Named Insured for support and maintenance, up to \$7,500 per student while at a residence away from home.
8. Lawn mowers, snow blowers, garden or yard tractors, skid steers or other motorized garden equipment up to \$10,000 in all.
9. Motorized golf carts, including attached equipment up to \$10,000 in all.
10. Collectibles, (including but not limited to such items as crystal ornaments, sports cards, sports memorabilia and comic books) up to \$5,000 in all, subject to a limit of \$500 per item.
11. Animals, birds, reptiles and fish up to \$5,000 in all and only if they are kept as household pets.
12. Unattached motorized vehicle parts and equipment otherwise excluded up to \$1,500 in all (excluding automotive keys and key fobs).

The following special limits of insurance apply:

To Forms 991 and 992 if the items described are stolen, or;
To Form 993 unless the claim is caused by a Specified Peril:

13. Jewellery, watches, gems, fur garments and garments trimmed with fur up to \$3,000 in all.
14. Numismatic property (such as coin collections) up to \$1,000 in all.
15. Manuscripts, stamps and philatelic property (such as stamp collections) up to \$2,000 in all.
16. Bicycles including equipment and accessories up to \$1,000 on any one bicycle.

17. Tapes, discs, flash drives, video games, videos, e-books or other electronic media storage devices, while in or on motor vehicles, watercraft or aircraft, up to \$1,000 in all.

Enhanced Special Limits Endorsement – Form 2020

If the Coverage Summary Page indicates that Form 2020 applies, the Special Limits of Insurance under Coverage C – Personal Property are increased to the limits shown. Detailed descriptions shown above for specific coverages also apply to this endorsement.

	Item Description	Basic Limits	Enhanced Limits
1	Books, tools and instruments pertaining to a business	\$ 5,000	\$ 10,000
2	Computer hardware, software or cellular phones	\$ 5,000	\$ 10,000
3	Securities	\$ 5,000	\$ 10,000
4	Money, incl Cash Cards and bullion	\$ 500	\$ 1,000
5	Watercraft	\$ 3,000	\$ 5,000
6	Computer software	\$ 5,000	\$ 10,000
7	Personal property of a student	\$ 7,500	\$ 15,000
8	Lawn mowers, snow blowers, garden or yard tractors	\$ 10,000	\$ 20,000
9	Motorized golf carts	\$ 10,000	\$ 15,000
10	Collectibles		
	- Per occurrence	\$ 5,000	\$ 10,000
	- Per item	\$ 500	\$ 500
11	Animals, birds, reptiles and fish	\$ 5,000	\$ 10,000
12	Unattached motorized vehicle parts	\$ 1,500	\$ 3,000
13	Jewellery, watches, gems and furs		
	- Per occurrence	\$ 3,000	\$ 10,000
	- Per item	\$ 3,000	\$ 5,000
14	Numismatic property	\$ 1,000	\$ 3,000
15	Manuscripts and stamps	\$ 2,000	\$ 5,000
16	Bicycles	\$ 1,000	\$ 2,500
17	Tapes, discs, and electronic media storage devices	\$ 1,000	\$ 2,500
	Credit or debit card coverage	\$ 10,000	\$ 15,000
	Voluntary medical payments	\$ 1,000	\$ 10,000

COVERAGE D – ADDITIONAL LIVING EXPENSES

The amount of insurance for Coverage D is the total amount for any one or a combination of the following coverages. The periods of time stated below are not limited by the expiration of the policy.

1. **Additional Living Expense** - If an Insured Peril makes your dwelling or unit unfit for occupancy, or you have to move out while repairs are being made as the result of damage directly caused by a peril insured by this policy, we insure any necessary increase in living expenses, including moving expenses incurred by you, so that your household can maintain its normal standard of living. Payment shall be for the reasonable time required to repair or rebuild your dwelling or, if you permanently relocate, the reasonable time required for your household to settle elsewhere.

2. **Fair Rental Value** - If an Insured Peril makes that part of the dwelling or detached private structures rented to others or held for rental by you unfit for occupancy, we insure its Fair Rental Value. Payment shall be for the reasonable time required to repair or replace that part of the dwelling or detached private structures rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the dwelling or detached private structures rented or held for rental is unfit for occupancy.
3. **Prohibited Access / Emergency Evacuation**
 - a. If access to your dwelling is prohibited by civil authority as a direct result of damage to neighbouring premises by an Insured Peril, we insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding four weeks.
 - b. If access to your dwelling is prohibited by order of civil authority, we will pay any necessary and reasonable increase in living expenses incurred by you, but only when such order is given for emergency evacuation as a direct result of a sudden and accidental event within Canada or the Continental United States of America. You are insured for a period not exceeding two weeks from the date of order of evacuation.

You are not insured for any claim arising from evacuation from:

- a. "Flood";
- b. earthquake;
- c. terrorism or by any activity or decision of a government or other entity to prevent, respond to or terminate Terrorism regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;
- d. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

This coverage does not increase the amount of insurance shown on the Coverage Summary Page for Coverage D – Additional Living Expense.

The term "civil authority" shall mean any person acting under the authority of the Governor General in Council of Canada or the Lieutenant Governor in Council of a Province, and/or any person acting with authority under a Federal, Provincial or Territorial legislation with respect to the protection of persons and property in the event of an emergency.

Deductible - No deductible applies to coverage "4" Prohibited Access / Emergency Evacuation unless stated on the Coverage Summary Page.

We do not insure loss or expense due to the cancellation of a lease or agreement.

This section consists of four parts –

Part 1 – STANDARD FORM PACKAGES – 991

Part 2 – BROAD FORM PACKAGES – 992

Part 3 – COMPREHENSIVE FORM PACKAGES – 993

Part 4 – OPTIONAL COVERAGES

PART 1 – STANDARD FORM PACKAGES – 991

HOMEOWNERS PACKAGE – 991H

MOBILE HOMEOWNERS PACKAGE – 991M

SEASONAL HOMEOWNERS PACKAGE – 991S

TENANTS PACKAGE – 991T

Insured Perils

You are insured against direct loss or damage caused by the following perils as described and limited:

1. **Fire or Lightning.**
2. **Explosion.**
3. **Smoke.** This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.
4. **Falling Object.** This peril means a falling object which strikes the exterior of a building but not objects which strike the building because of snow slide, landslide or any other earth movement.
5. **Impact by aircraft, spacecraft or land vehicle.** This peril does not include any loss or damage to animals.
6. **Riot.**
7. **Vandalism or Malicious Acts.** This peril does not include loss or damage:
 - a. occurring while the building is under construction or “Vacant”, even if permission for construction or vacancy has been given by us;
 - b. to glass which forms part of a building;
 - c. caused by theft or attempted theft.
8. **Water Escape, Rupture, Freezing.** This peril means:
 - a. the sudden and accidental escape of water from a water main;
 - b. the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system or “Domestic Water Container”, which is located inside your dwelling;
 - c. the sudden and accidental escape of water from a “Domestic Water Container” located outside your dwelling. However, such damage is not covered when the escape of water is caused by freezing.

Under this peril, we do not insure loss or damage:

 - i. caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or “Domestic Water Container”;
 - ii. caused by seepage or leakage of water below the surface of the ground, including through sidewalks,

driveways, foundations, walls, basement or other floors or through doors, windows or any other openings unless the loss or damage resulted from the escape of water from a public water main, swimming pool or equipment therein;

- iii. caused by the backing up or escape of water from a sewer, sump, septic tank, storm drain, drain, eavestrough or downspout unless Sewer Back-Up coverage is shown on the Coverage Summary Page, and then only for the perils and limits as described in the Sewer Back-Up Endorsement;
- iv. caused by ground water or rising of the water table;
- v. caused by surface waters, unless the water escapes as described in a above;
- vi. caused by "Flood", spray, waves, tides, tidal waves, tsunami, shoreline ice build-up, water-borne ice or other objects, all whether driven by wind or not;
- vii. to a water main;
- viii. to a system or appliance from which the water escaped;
- ix. to outdoor swimming pools, outdoor hot tubs or equipment attached, public water mains or domestic water wells, caused by freezing;
- x. occurring while the dwelling is under construction or "Vacant", even if permission for vacancy has been given by us;
- xi. caused by freezing of a plumbing, heating, sprinkler or air conditioning system or "Domestic Water Container" unless it happens within a building heated during the usual heating season and you have not been away from your premises for more than 14 consecutive days.

However, if you have been away for more than 14 consecutive days and have arranged for a competent person to enter your dwelling daily after the initial 14 day period to ensure that heating was being maintained, or if your dwelling is electronically monitored 24 hours per day by a company that monitors and responds to a low temperature signal, or if you had shut off the water supply and had drained all the pipes and appliances, you would still be insured.

Under this peril, a plumbing system does not include eavestroughs or downspouts.

9. **Windstorm or Hail.** This peril does not include loss or damage to the interior of your building or the personal property inside your building caused by rain, hail, snow, sleet, sand or dust unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening.

This peril does not include damage:

- a. due to weight or pressure or melting of ice or snow, waves or "Flood", all whether driven by wind or not;
- b. to the outer metal cover of any mobile home caused by

hail, whether wind driven or not, unless such cover is punctured thereby. This exclusion does not apply if the Mobile Home is insured under the Optional Loss Settlement Clause and is so identified on the Coverage Summary Page.

10. **Glass Breakage.** If you are a homeowner or condominium owner, we insure glass that forms part of your building on your premises, including glass in storm windows and doors against accidental breakage.

This peril does not include loss or damage occurring while your dwelling is under construction or "Vacant" even if permission for construction or vacancy has been given by us.

11. **Transportation.** This peril means loss or damage caused by collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer in which the insured property is being carried. This would also apply to any conveyance of a common carrier.

This peril means loss or damage to:

- a. your personal property while it is temporarily removed from your premises;
- b. building fixtures and fittings when they are temporarily removed from your premises for repair or seasonal storage.

This peril does not include loss or damage to any watercraft, their furnishings, equipment, accessories and motors.

12. **Theft, including damage caused by attempted theft.**

This peril does not include loss or damage:

- a. to property in or from a dwelling under construction or "Vacant", or of materials and supplies for use in the construction until the dwelling is completed and ready to be occupied, even if permission for construction or vacancy has been given by us;
- b. to animals, birds or fish.

13. **Damage caused by bears.**

14. **Weight of ice, snow or sleet.** This peril means the weight of ice, snow or sleet which causes damage to your building or property contained in your building.

This peril does not include loss to an awning, fence, driveways or other pavement, swimming pool, foundations, retaining wall, bulkhead, pier, wharf or dock.

15. **Collapse of your building or any part of your building.**

This peril does not include loss to an awning, fence, driveway or other pavement, swimming pool, underground pipe, domestic water well, flue, drain, cesspool, septic tank, septic field, foundation, retaining wall, bulkhead, pier, wharf or dock unless the loss is a direct result of the collapse of your building. Collapse does not include settling, cracking, shrinking, bulging, expansion of driveways or other pavements, patios, walls, floors, roofs or ceilings, or the falling of ceilings, drywall or wall plaster.

This peril does not include collapse caused by or resulting from faulty construction.

16. **Sudden and accidental damage from artificially generated**

electrical current.

17. **Escape of fuel oil.** We cover loss or damage to your dwelling building and personal property caused by sudden and accidental escape of fuel oil from a fixed household type tank or apparatus and pipes which are part of a heating unit for the insured dwelling.

This peril does not include loss or damage:

- a. caused by prior fuel oil leakage, or;
- b. caused by or resulting from continuous or repeated seepage or leakage of fuel oil, or;
- c. from any fuel oil tank other than a permanently installed domestic fixed fuel tank, including attached equipment, apparatus or piping, however buried tanks are excluded;
- d. which occurs while the building is under construction or "Vacant", even if permission for construction or vacancy has been given by us.

Loss or Damage Not Insured

We do not insure:

1. loss or damage to property at any fairground, exhibition or exposition for the purpose of exhibiting.
2. loss or damage due to theft or attempted theft, vandalism, or malicious acts from that part of your premises which you rent to others, caused by any tenant, tenant's guests or employees, or members of their household.
3. loss or damage due to theft, attempted theft, vandalism, or malicious acts caused by you or anyone living in your household.
4. loss or damage occurring while a mobile home is being moved except in an emergency to protect it when endangered by an Insured Peril. Moving includes the period of time during which the leveling jacks or blocks are removed or all utilities are disconnected.
5. loss or damage to a mobile home and/or contents unless the mobile home is in a stationary (immobile) condition, securely blocked at all four corners.
6. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

PART 2 – BROAD FORM PACKAGES – 992

HOMEOWNERS PACKAGE – 992H

MOBILE HOMEOWNERS PACKAGE – 992M

SEASONAL HOMEOWNERS PACKAGE – 992S

Insured Perils - Coverages A and B

You are insured against all risks of direct physical loss or damage from any external cause to the property described in Coverages A and B except we do not insure:

1. items grown for commercial purpose;
2. outdoor trees, shrubs, plants and lawns except as shown under Additional Coverages;
3. settling, expansion, contraction, moving, bulging, buckling or cracking of driveways or pavements, patios, foundations, walls, floors, roofs or ceilings, except resulting damage to building glass;
4. collapse of an awning, fence, driveway or other pavement, swimming pool, underground pipe, domestic water well, flue, drain, cesspool, septic tank, septic field, foundation, retaining wall, bulkhead, pier, wharf or dock unless the loss is a direct result of the collapse of your building.
5. loss or damage caused by snow slide, earthquake, landslide or any other earth movement. If any of these results in fire or explosion, we will pay only for the resulting loss or damage;
6. cracking or falling of ceilings, drywall or wall plaster;
7. loss or damage to mobile home and/or contents unless the mobile home is in a stationary (immobile) condition, securely blocked at all four corners;
8. loss or damage to the outer metal cover of any mobile home caused by hail, whether wind driven or not, unless such cover is punctured thereby. This exclusion does not apply if the Mobile Home is insured under the Optional Loss Settlement Clause and is so identified on the Coverage Summary Page.

Insured Perils – Coverage C

You are insured against direct loss or damage caused by the following perils as described and limited:

1. **Fire or Lightning.**
2. **Explosion.**
3. **Smoke.** This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.
4. **Falling Object.** This peril means a falling object which strikes the exterior of a building but not objects which strike the building because of snow slide, landslide or any other earth movement.
5. **Impact by aircraft, spacecraft or land vehicle.** This peril does not include any loss or damage to animals.
6. **Riot.**
7. **Vandalism or Malicious Acts.** This peril does not include loss or damage:
 - a. occurring while the building is under construction or "Vacant", even if permission for construction or vacancy has been given by us;
 - b. caused by theft or attempted theft.
8. **Water Escape, Rupture, Freezing.** This peril means:
 - a. the sudden and accidental escape of water from a water main;
 - b. the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning

system or "Domestic Water Container", which is located inside your dwelling;

- c. the sudden and accidental escape of water from a "Domestic Water Container" located outside your dwelling. However, such damage is not covered when the escape of water is caused by freezing.

- 9. **Windstorm or Hail.** This peril does not include loss or damage to personal property inside your building caused by rain, hail, snow, sleet, sand or dust unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening.

Any watercraft you own, including their furnishings, equipment accessories and motors are insured up to \$3,000.

This peril does not include damage due to weight or pressure or melting of ice or snow, waves or "Flood", all whether driven by wind or not.

- 10. **Transportation.** This peril means loss or damage caused by collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer in which the insured property is being carried. This would also apply to any conveyance of a common carrier.

This peril means loss or damage to your personal property while it is temporarily removed from your premises.

This peril does not include loss or damage to any watercraft, their furnishings, equipment, accessories and motors.

- 11. **Theft, including damage caused by attempted theft.**

This peril does not include loss or damage:

- a. to property in or from a dwelling under construction or "Vacant" or of materials and supplies for use in the construction until the dwelling is completed and ready to be occupied, even if permission for construction or vacancy has been given by us;

- b. to animals, birds or fish.

- 12. **Damage caused by bears.**

- 13. **Weight of ice, snow or sleet.** This peril means the weight of ice, snow or sleet which causes damage to your building or property contained in your building.

This peril does not include loss to an awning, fence, pavement, driveway, swimming pool, foundations, retaining wall, bulkhead, pier, wharf or dock.

- 14. **Collapse of your building or any part of your building.**

This peril does not include loss to an awning, fence, driveway or other pavement, swimming pool, underground pipe, domestic water well, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock unless the loss is a direct result of the collapse of your building. Collapse does not include settling, cracking, shrinking, bulging, expansion of driveways or other pavements, patios, walls, floors, roofs or ceilings, or the falling of ceilings, drywall or wall plaster. This peril does not include collapse caused by or resulting from faulty construction.

- 15. **Sudden and accidental damage from artificially generated electrical current.**

16. **Escape of Fuel Oil.** We cover loss or damage to your personal property caused by sudden and accidental escape of fuel oil from a fixed household type tank or apparatus and pipes which are part of a heating unit for the dwelling.

Loss or Damage Not Insured—Coverages A, B, C and D

We do not insure loss or damage:

1. due to theft or attempted theft, vandalism, or malicious acts from that part of your premises which you rent to others, caused by any tenant, tenant's guests or employees, or members of their household;
2. due to theft, attempted theft, vandalism, or malicious acts caused by you or anyone living in your household;
3. caused by theft or attempted theft of property in or from a dwelling under construction or of materials and supplies for use in the construction until the dwelling is completed and ready to be occupied;
4. caused by vandalism or malicious acts or glass breakage occurring while your dwelling is under construction or "Vacant" even if permission for construction or vacancy has been given by us;
5. occurring while the mobile home is being moved except in an emergency to protect it when endangered by an Insured Peril. Moving includes the period of time during which the leveling jacks or blocks are removed or all utilities are disconnected;
6. to property at any fairground, exhibition or exposition for the purpose of exhibiting;
7. caused by leakage or escape of fuel oil resulting from:
 - a. prior fuel oil leakage, or;
 - b. continuous or repeated seepage or leakage of fuel oil;
 - c. any fuel oil tank other than a permanently installed domestic fixed fuel tank, including attached equipment, apparatus or piping, excluding buried tanks;
 - d. any fuel oil tank within a building which is under construction or "Vacant", even if permission for construction or vacancy has been given by us.
8. caused by water unless the loss or damage resulted from:
 - a. the sudden and accidental escape of water from a water main;
 - b. the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system or "Domestic Water Container", which is located inside your dwelling;
 - c. the sudden and accidental escape of water from a "Domestic Water Container" located outside your dwelling. However, such damage is not covered when the escape of water is caused by freezing;
 - d. water which enters your dwelling through an opening which has been created suddenly and accidentally by an Insured Peril other than Water Damage, and occurs concurrently with the creation of the opening. This coverage is only applicable to Coverage A – Dwelling Building.

- e. Ice damming, meaning water from the accumulation of ice or snow on the roof or eavestroughs, which enters the dwelling through a roof. This coverage is only applicable to Coverage A – Dwelling Building.

Under this peril, we do not insure loss or damage:

- i. caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or “Domestic Water Container”;
- ii. caused by seepage or leakage of water below the surface of the ground, including through sidewalks, driveways, foundations, walls, basement or other floors or through doors, windows or any other openings unless the loss or damage resulted from the escape of water from a public water main, swimming pool or equipment therein;
- iii. caused by the backing up or escape of water from a sewer, sump, septic tank, storm drain, drain, eavestrough or downspout unless Sewer Back-Up coverage is shown on the Coverage Summary Page, and then only for the perils and limits as described in the Sewer Back-Up Endorsement;
- iv. caused by ground water or rising of the water table;
- v. caused by surface waters, unless the water escapes as described in a above;
- vi. caused by “Flood”, spray, waves, tides, tidal waves, tsunami, shoreline ice build-up, water-borne ice or other objects, all whether driven by wind or not;
- vii. to a water main;
- viii. to a system or appliance from which the water escaped;
- ix. to outdoor swimming pools, outdoor hot tubs or equipment attached, public water mains or domestic water wells, caused by freezing;
- x. occurring while the dwelling is under construction or “Vacant”, even if permission for vacancy has been given by us;
- xi. caused by freezing of a plumbing, heating, sprinkler or air conditioning system or “Domestic Water Container” unless it happens within a building heated during the usual heating season and you have not been away from your premises for more than 14 consecutive days.

However, if you have been away for more than 14 consecutive days and have arranged for a competent person to enter your dwelling daily after the initial 14 day period to ensure that heating was being maintained, or if your dwelling is electronically monitored 24 hours per day by a company that monitors and responds to a low temperature signal, or if you had shut off the water supply and had drained all the pipes and appliances, you would still be insured.

Under this peril, a plumbing system does not include

- eavestroughs or downspouts;
9. as stated in the "Loss or Damage Not Insured" section of the General Conditions.

PART 3-COMPREHENSIVE FORM PACKAGES- 993

HOMEOWNERS PACKAGE – 993H

MOBILE HOMEOWNERS PACKAGE – 993M

SEASONAL HOMEOWNERS PACKAGE – 993S

TENANTS PACKAGE – 993T

Insured Perils

You are insured against all risks of direct physical loss or damage from any external cause subject to the exclusions and conditions in this policy.

Loss or Damage Not Insured

We do not insure:

1. sporting equipment, including "Model Aircraft", where the loss or damage is due to its use;
2. contact lenses unless the loss or damage is caused by a Specified Peril, accident to a land vehicle, watercraft or aircraft, or theft or attempted theft;
3. animals, birds or fish unless the loss or damage is caused by a Specified Peril or collision of an aircraft, land vehicle or common carrier in which the animal is being transported. Impact by aircraft or land vehicle is excluded;
4. marring or scratching of any property or breakage of any fragile or brittle articles unless caused by a Specified Peril, accident to a land vehicle, watercraft or aircraft, or theft or attempted theft;
5. settling, expansion, contraction, moving, bulging, buckling or cracking of driveways or pavements, patios, foundations, walls, floors, roofs or ceilings, except resulting damage to building glass;
6. collapse of an awning, fence, driveway or other pavement, swimming pool, underground pipe, domestic water well, flue, drain, cesspool, septic tank, septic field, foundation, retaining wall, bulkhead, pier, wharf or dock unless the loss is a direct result of the collapse of your building;
7. cracking or falling of ceilings, drywall or wall plaster;
8. items grown for commercial purposes;
9. outdoor trees, shrubs, plants and lawns except as shown under Additional Coverages.

We do not insure loss or damage:

1. due to theft or attempted theft, vandalism, or malicious acts from that part of your premises which you rent to others, caused by any tenant, tenant's guests or employees, or members of their household;

2. due to theft, attempted theft, vandalism, or malicious acts caused by you or anyone living in your household;
3. to property at any fairground, exhibition or exposition for the purpose of exhibiting;
4. caused by snow slide, earthquake, landslide or any other earth movement. If any of these results in fire or explosion, we will pay only for the resulting loss or damage;
5. caused by theft or attempted theft of property in or from a dwelling under construction or "Vacant", or of material and supplies for use in the construction, until the dwelling is completed and ready to be occupied, even if permission for construction or vacancy has been given by us;
6. caused by vandalism or malicious acts or glass breakage occurring while your dwelling is under construction or "Vacant" even if permission for construction or vacancy has been given by us;
7. to the outer metal cover of any mobile home caused by hail, whether wind driven or not, unless such cover is punctured thereby. This exclusion does not apply if the Mobile Home is insured under the Optional Loss Settlement Clause and is so identified on the Coverage Summary Page;
8. to a mobile home and/or contents while the mobile home is being moved except in an emergency to protect it when endangered by an Insured Peril. Moving includes the period of time during which the leveling jacks or blocks are removed or all utilities are disconnected;
9. to mobile home and/or contents unless the mobile home is in a stationary (immobile) condition, securely blocked at all four corners;
10. caused by leakage or escape of fuel oil resulting from:
 - a. prior fuel oil leakage, or;
 - b. continuous or repeated seepage or leakage of fuel oil;
 - c. any fuel oil tank other than a permanently installed domestic fixed fuel tank, including attached equipment, apparatus or piping, excluding buried tanks;
 - d. any fuel oil tank within a building which is under construction or "Vacant", even if permission for construction or vacancy has been given by us;
11. caused by water unless the loss or damage resulted from:
 - a. the sudden and accidental escape of water from a water main;
 - b. the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system or "Domestic Water Container", which is located inside your dwelling;
 - c. the sudden and accidental escape of water from a "Domestic Water Container" located outside your dwelling. However, such damage is not covered when the escape of water is caused by freezing;
 - d. water which enters your dwelling through an opening which has been created suddenly and accidentally by an Insured Peril other than Water Damage, and occurs concurrently with the creation of the opening;

- e. ice damming, meaning water from the accumulation of ice or snow on the roof or eavestroughs, which enters the dwelling through a roof.

Under this peril, we do not insure loss or damage:

- i. caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "Domestic Water Container";
- ii. caused by seepage or leakage of water below the surface of the ground, including through sidewalks, driveways, foundations, walls, basement or other floors or through doors, windows or any other openings unless the loss or damage resulted from the escape of water from a public water main, swimming pool or equipment therein;
- iii. caused by the backing up or escape of water from a sewer, sump, septic tank, storm drain, drain, eavestrough or downspout unless Sewer Back-Up coverage is shown on the Coverage Summary Page, and then only for the perils and limits as described in the Sewer Back-Up Endorsement;
- iv. caused by ground water or rising of the water table;
- v. caused by surface waters, unless the water escapes as described in a above;
- vi. caused by "Flood", spray, waves, tides, tidal waves, tsunami, shoreline ice build-up, water-borne ice or other objects, all whether driven by wind or not;
- vii. to a water main;
- viii. to a system or appliance from which the water escaped;
- ix. to outdoor swimming pools, outdoor hot tubs or equipment attached, public water mains or domestic water wells, caused by freezing;
- x. occurring while the dwelling is under construction or "Vacant", even if permission for vacancy has been given by us;
- xi. caused by freezing of a plumbing, heating, sprinkler or air conditioning system or "Domestic Water Container" unless it happens within a building heated during the usual heating season and you have not been away from your premises for more than 14 consecutive days.

However, if you have been away for more than 14 consecutive days and have arranged for a competent person to enter your dwelling daily after the initial 14 day period to ensure that heating was being maintained, or if your dwelling is electronically monitored 24 hours per day by a company that monitors and responds to a low temperature signal, or if you had shut off the water supply and had drained all the pipes and appliances, you would still be insured.

Under this peril, a plumbing system does not include eavestroughs or downspouts;

12. as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

ADDITIONAL COVERAGES (APPLICABLE TO HOMEOWNERS AND TENANTS PACKAGES)

The following coverages are included where applicable when coverage is provided under Parts 1-3 of this Section.

Arson Conviction Reward Extension

We will pay \$1,000 for information which leads directly to a conviction for arson in connection with a fire loss to property insured by this policy. This limit applies regardless of the number of persons providing information. No deductible applies to this coverage.

Automatic Principal Residence Coverage

If you purchase a new dwelling anywhere in Canada that will become your principal residence to replace your dwelling shown on the Coverage Summary Page, and notify us within 60 days either before or after title registration to you, we will cover both residences for a period of 60 days before or after that registration, or until expiry date of the policy if less than 60 days. This is excess insurance; however we will not pay more for either residence than the principal residence amount of insurance shown on the Coverage Summary Page. The following endorsements do not apply to this additional coverage, even if shown on the Coverage Summary Page:

1. Single Inclusive Limit Endorsement - Form 2015
2. Guaranteed Rebuilding Cost Endorsement - Form 2175

Any applicable vacancy restrictions, as described and limited in this policy will apply to both residences.

Change of Temperature

We insure your personal property damaged by change of temperature resulting from physical damage to your dwelling or equipment by an Insured Peril. This only applies to personal property kept in the dwelling.

Life Lease Additional Coverage

If you reside in a Life Lease unit, we insure your unit, excluding your improvements and betterments to it for an additional amount of up to 250% of the amount of insurance on Coverage C - Personal Property if the Life Lease Corporation building policy has no insurance or its insurance is inadequate or is not effective provided the loss or damage is caused directly by a peril insured by the Tenants Package as shown on the Coverage Summary Page. "Inadequate" includes a deductible in the insurance policy of the Life Lease Corporation.

We do not pay more than \$25,000 for that part of an assessment made necessary by a deductible in the insurance policy of the Life Lease Corporation (or such other amount as may be shown on the Coverage Summary Page).

Credit Card, Debit Card, Forgery, Counterfeit Money

We will pay up to \$10,000 for:

1. your legal obligation to pay because of the theft or unauthorized use of credit cards issued to you or registered in your name;
2. loss caused by theft of your debit cards;
3. loss caused by forgery or alteration of any cheque or negotiable instrument; and
4. loss sustained through acceptance in good faith of counterfeit Canadian or United States paper currency.

We do not pay for loss:

1. unless you have complied with all the conditions under which the cards have been issued;
2. caused by the use of your cards by a resident of your household or by a person to whom cards have been entrusted;
3. arising out of your business pursuits.

At our option and expense we may defend any claim against you under 1, 2 and 3.

No deductible applies to this coverage.

Damage to Dwelling (Tenants Packages only)

You may apply up to \$2000 of your Personal Property insurance to pay for damage, not including fire damage:

1. to the dwelling directly caused by theft or attempted theft;
2. to the interior of the dwelling directly caused by vandalism or malicious acts.

Debris Removal

We will pay the reasonable expense incurred by you in the removal of debris of insured property as a result of an Insured Peril. We will pay up to an additional 5% of the limit of insurance on your Dwelling for debris removal resulting from insured damage to the dwelling if the amount payable for the dwelling exceeds the limit of insurance.

We will also pay up to an additional 5% of the limit of insurance on your Detached Private Structures for debris removal resulting from insured damage to the Detached Private Structure(s) if the amount payable for the Detached Private Structure(s) exceeds the limit of insurance.

Emergency Entry Property Damage

We will pay to repair damage to your dwelling caused by the forcible entry by police, ambulance, fire department, or other persons if such damage results from attempts to save and preserve life. No deductible applies to this coverage.

Emergency Removal Expense - (Mobile Homeowners Package only)

You may apply up to 5% of the amount of insurance on your mobile home to cover any reasonable expenses to remove the building to protect it should it be endangered by an Insured Peril. Any payment made under this extension is not subject to the policy deductible.

Estate Coverage

"Vacancy" restrictions will not apply within the first 180 days (or expiry date of the policy, whichever comes first) from the date your "Dwelling" became "Vacant" or unoccupied due to the death of an "Insured" or move to a Senior's Home or Care Facility;

Fire Department Charges

We will pay up to \$3,000 (or such other amount as may be specified on the Coverage Summary Page) for your liability for fire department charges incurred when the fire department is called to save or protect insured property from an Insured Peril. No deductible applies to this coverage.

Frozen Food - (Not applicable to Seasonal Homeowners Packages)

You may apply up to \$5,000 of the amount of your insurance under Section C – Personal Property to frozen food in your freezer (on your premises only) for damage caused by power failure, accidental disconnection or mechanical breakdown of the freezer unit. This coverage includes loss or damage to the freezer itself resulting from spoilage of frozen food therein caused by a "Specified Peril" only. We do not insure inherent vice or natural spoilage. You must agree to use all reasonable means to save and preserve the insured property. We will reimburse you for such reasonable expenses, however we will not reimburse you for expenses incurred in the acquisition of food. The Deductible Clause as specified on the Coverage Summary Page applies to this coverage.

Headstones

We will pay up to \$3,000 in any one occurrence for loss or damage caused by "Specified Perils" to headstones of "your" immediate family members, anywhere in Canada or the Continental United States. No deductible applies to this coverage.

Lock Repair or Replacement

We will pay up to \$1,000 in all to repair (rekey) the lock cylinders on the insured dwelling, or if necessary, replace the locks on the insured dwelling if the keys are stolen providing the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft. This includes the cost of replacing stolen automotive keys or key fobs, but does not include the cost of replacing automotive locks or reprogramming an automobile necessitated by the replacement of automotive keys or key fobs. No deductible applies to this coverage unless indicated on the Coverage Summary Page.

Loss Assessment Coverage

If you reside in a Life Lease unit, we will pay for an additional amount of up to 250% of the amount of insurance on Coverage C – Personal Property of your share of any special assessment if:

1. the assessment is valid under the Life Lease Corporation governing rules; and
2. it is made necessary by a direct loss to the collectively owned life lease property caused by an Insured Peril in this policy.

We do not pay more than \$25,000 for that part of an assessment

made necessary by a deductible in the insurance policy of the Life Lease Corporation (or such other amount as may be shown on the Coverage Summary Page).

Outdoor Trees, Shrubs, Plants and Lawns - (not applicable to Seasonal Homeowners)

You may apply up to 5% in all of the amount of insurance on your dwelling (or personal property if Tenants or Condominium) to outdoor trees, shrub, plants and lawns on your premises. We will not pay more than \$1000 on any one outdoor tree, shrub, plant or lawn including debris removal expenses. We insure these items against loss caused by fire, lightning, explosion, impact by aircraft, spacecraft or land vehicle (except damage caused by a vehicle owned by or operated by you or anyone in your household), riot, vandalism and malicious acts. We do not insure any items grown for commercial purposes, or any item located more than 90 m (300 ft.) from the dwelling.

Pollution Damage - Insured Premises

If a sudden and unintentional event occurs during the policy term resulting in contamination of insured property by a "pollutant", which is required to be reported to any provincial authority, we will pay up to \$5,000, in any one policy term, subject to the policy deductible, for costs to remove and restore property of the insured premises.

Property of Others

We will pay up to \$1,000 for property of others, such as fire extinguishers, which have been expended or damaged while used to combat any hostile fire in or on the Insured's premises. This does not apply to property owned by a fire department. No deductible applies to this coverage.

Property Removed

If you must remove insured property from your premises to protect it from loss or damage, it is insured by this policy for 30 days or until your policy term ends - whichever occurs first. The amount of insurance will be divided in the proportions that the value of the property removed bears to the value of all property at the time of loss.

Tear Out

We will pay the cost of tearing out and replacing any part of a building (if you are a homeowner or mobile homeowner) or your improvements (if you are a tenant or condominium unit owner) that must be removed or torn apart, before insured water damage from a plumbing, heating, sprinkler or air conditioning system or "Domestic Water Container" can be repaired, except damage related to an outdoor swimming pool, hot tub or attached equipment, or public water mains. This cost is included in the amount of insurance that applies to the property being replaced. The cost of tearing out and replacing property to repair damage related to water mains, public water mains, domestic water wells or outdoor plumbing or sewage systems is not insured.

PART 4 – MISCELLANEOUS COVERAGES

The following Optional Coverage(s) apply only when indicated on the Coverage Summary Page. We provide the insurance described in return for payment of the premium specified and subject to the terms and conditions set out in the Optional Coverages.

BASIC DWELLING AND/OR CONTENTS – 994D

BASIC SEASONAL DWELLING AND/OR CONTENTS – 994S

BASIC MOBILE HOME AND/OR CONTENTS – 994M

Dwelling Building

We insure:

1. The dwelling and attached structures on the premises.
2. Permanently installed outdoor equipment on the premises, including fences within 150 m (500 ft.) of the dwelling.
3. Outdoor “Domestic Water Containers”, including swimming pools, outdoor hot tubs and attached equipment on the premises.
4. Materials and supplies located on or adjacent to the premises intended for use in construction, alteration or repair of the dwelling or private structures on the premises.

Optional Coverage Extensions - Dwelling Building - The following extensions are available without increasing the amount of insurance shown on the Coverage Summary Page. You may apply up to 10% of the amount of insurance on the dwelling to insure each of the following:

1. Building Fixtures and Fittings temporarily removed from the premises for repair or seasonal storage.
2. Detached Private Structures - structures or buildings (including Fabric, Plastic, Poly or Tarp covered structures) separated from the dwelling by a clear space, on the premises but not insured under the building. If they are connected to the dwelling by a fence, utility line or similar connection only, they are considered to be detached structures. If you have more than one detached structure, the amount of insurance will be divided in the proportions that the value of each structure has to the value of all such structures at the time of loss. We do not insure private structures used in whole or in part or designed for business or agricultural purposes.
3. Fair Rental Value - (not applicable to Seasonal) If an Insured Peril makes that part of the dwelling or detached private structures rented to others or held for rental by you unfit for occupancy, payment shall be for the reasonable time required to repair or replace that part of the dwelling or detached private structures rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the dwelling or detached private structures rented or held for rental is unfit for occupancy.

If a civil authority prohibits access to the dwelling as a direct result of damage to neighboring premises by an Insured Peril,

we insure any resulting Fair Rental Value loss for a period not exceeding two weeks.

We do not insure loss or expense due to the cancellation of a lease or agreement.

Personal Property

We insure the contents of your dwelling and other personal property you own, wear or use while on your premises which is usual to the ownership or maintenance of a dwelling.

If you do not own the dwelling, we also insure dwelling improvements and betterments made by you or acquired at your expense.

We do not insure loss or damage to motorized vehicles, camper units, truck caps, trailers and aircraft or their equipment (except for motorized wheelchairs, scooters having more than two wheels and specifically designed for the carriage of a person with a physical disability, electric power assisted bicycles, watercrafts, motorized lawn mowers, garden or yard tractors, skid steers, other gardening equipment, snow blowers, or motorized golf carts). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle, watercraft or aircraft.

Toys or hobby items such as "Model Aircraft", or children's battery powered vehicles using no more than a 12 volt battery that can attain speeds of no more than 8 kph (5 mph), are not considered motorized vehicles or aircraft for the purpose of this coverage.

"Unmanned Air Vehicles" including all related equipment (whether attached or not), are excluded.

Optional Coverage Extensions – Personal Property - The following extensions are available without increasing the amount of insurance on the Coverage Summary Page. You may apply up to 10% of the amount of insurance on your personal property to insure each of the following:

1. Uninsured personal property of others while it is on that portion of the premises which you occupy, but we do not insure property of roomers or boarders who are not related to you.
2. Personal property temporarily removed - (not applicable to Seasonal) your personal property while temporarily removed from the premises anywhere in the world. If you wish, we will include personal property belonging to others while it is in your possession or belonging to a residence employee traveling for you.
3. Personal property normally kept at any other location you own, rent or occupy is not insured.
4. Personal property temporarily removed from your premises to any other location you own, rent or occupy is not insured, except while you are temporarily living there.
5. Personal property stored in a warehouse is not insured.
6. Additional Living Expense - (not applicable to Seasonal) Any necessary increase in living expenses, including moving expenses incurred by you, so that your household can maintain its normal standard of living, if an Insured Peril makes the dwelling unfit for occupancy or you have to move

out while repairs are being made. Payment shall be for the reasonable time required to repair or rebuild the dwelling or, if you permanently relocate, the reasonable time required by your household to settle elsewhere.

If a civil authority prohibits access to the dwelling as a direct result of damage to neighbouring premises by an Insured Peril, we insure any resulting Additional Living Expense loss for a period not exceeding two weeks. We do not insure loss or expense due to the cancellation of a lease or agreement.

Special Limits of Insurance

We insure:

1. Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$5,000 in all, only while on your premises. This applies to all items whether used in whole or in part for business, professional or occupational purposes, including samples and goods held for sale.
2. Computer Hardware, Software or Cellular Phones (owned or leased by the Insured) used in whole or in part for business, professional or occupational purposes up to \$5,000 in all, while off premises only.
3. Securities up to \$5,000.
4. Money, including "Cash Cards" or bullion up to \$500 in all.
5. Watercraft, their furnishings, equipment, accessories and motors up to \$3,000 in all.
6. Computer software up to \$5,000 in all. We do not insure the cost of gathering or assembling information or data.
7. The personal property of a student, insured by the policy, who is dependent on the Named Insured for support and maintenance, up to \$7,500 per student while at a residence away from home.
8. Lawn mowers, snow blowers, garden or yard tractors, skid steers or other motorized garden equipment up to \$10,000 in all.
9. Motorized Golf Carts, including attached equipment up to \$10,000 in all.
10. Collectibles (including but not limited to such items as crystal ornaments, sports cards, sports memorabilia and comic books) up to \$5,000 in all, subject to a limit of \$500 per item.
11. Animals, birds, reptiles and fish up to \$5,000 in all and only if they are kept as household pets.
12. Unattached motorized vehicle parts and equipment otherwise excluded up to \$1,500 in all (excluding automotive keys and key fobs).

The following special limits of insurance apply if loss or damage is caused by:

- a. theft if Householders Named Perils Extension, Form 994T applies, or;
- b. burglary or robbery if Seasonal Burglary and Robbery Extension, Form 994B applies;
13. Jewellery, watches, gems, fur garments and garments trimmed with fur up to \$3,000 in all.

14. Numismatic property (such as coin collections) up to \$1,000 in all.
15. Manuscripts, stamps and philatelic property (such as stamp collections) up to \$2,000 in all.
16. Bicycles including equipment and accessories up to \$1,000 on any one bicycle.
17. Tapes, discs, flash drives, video games, videos, e-books or other electronic media storage devices, while in or on motor vehicles, watercraft or aircraft, up to \$1,000 in all.

Insured Perils

You are insured against direct loss or damage caused by the following perils as described and limited:

1. **Fire or Lightning.**
2. **Explosion.**
3. **Smoke.** This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.
4. **Falling Object.** This peril means a falling object which strikes the exterior of a building but not objects which strike the building because of snow slide, landslide or any other earth movement.
5. **Impact by aircraft, spacecraft or land vehicle.** This peril does not include any loss or damage to animals.
6. **Riot.**
7. **Vandalism or Malicious Acts.** (not applicable to Seasonal)
This peril does not include loss or damage:
 - a. occurring while the building is under construction or "Vacant", even if permission for construction or vacancy has been given by us;
 - b. to glass which forms part of a building;
 - c. caused by theft or attempted theft.
8. **Water Escape, Rupture, Freezing.** This peril means:
 - a. the sudden and accidental escape of water from a water main;
 - b. the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system or "Domestic Water Container", which is located inside your dwelling;
 - c. the sudden and accidental escape of water from a "Domestic Water Container" located outside your dwelling. However, such damage is not covered when the escape of water is caused by freezing.

Under this peril, we do not insure loss or damage:

 - i. caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "Domestic Water Container";
 - ii. caused by seepage or leakage of water below the surface of the ground, including through sidewalks,

driveways, foundations, walls, basement or other floors or through doors, windows or any other openings unless the loss or damage resulted from the escape of water from a public water main, swimming pool or equipment therein;

- iii. caused by the backing up or escape of water from a sewer, sump, septic tank, storm drain, drain, eavestrough or downspout unless Sewer Back-Up coverage is shown on the Coverage Summary Page, and then only for the perils and limits as described in the Sewer Back-Up Endorsement;
- iv. caused by ground water or rising of the water table;
- v. caused by surface waters, unless the water escapes as described in a above;
- vi. caused by "Flood", spray, waves, tides, tidal waves, tsunami, shoreline ice build-up, water-borne ice or other objects, all whether driven by wind or not;
- vii. to a water main;
- viii. to a system or appliance from which the water escaped;
- ix. to outdoor swimming pools, outdoor hot tubs or equipment attached, public water mains or domestic water wells, caused by freezing;
- x. occurring while the dwelling is under construction or "Vacant", even if permission for vacancy has been given by us;
- xi. caused by freezing of a plumbing, heating, sprinkler or air conditioning system or "Domestic Water Container" unless it happens within a building heated during the usual heating season and the tenant has not been away from the insured premises for more than 14 consecutive days.

However, if the tenant has been away for more than 14 consecutive days and has arranged for a competent person to enter the dwelling daily after the initial 14 day period to ensure that heating was being maintained, or if the dwelling is electronically monitored 24 hours per day by a company that monitors and responds to a low temperature signal, or if the tenant has shut off the water supply and has drained all the pipes and appliances, you would still be insured.

Under this peril, a plumbing system does not include eavestroughs or downspouts.

9. **Windstorm or Hail.** This peril does not include loss or damage to the interior of your building or the personal property inside your building caused by rain, hail, snow, sleet, sand or dust unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening.

Any watercraft you own, including their furnishings, equipment, accessories and motors are insured up to \$3,000 if they were inside a fully enclosed building at the time of loss. Canoes, rowboats, paddle boats and paddle bikes are also

insured while in the open.

This peril does not include damage:

- a. due to weight or pressure or melting of ice or snow, waves or "Flood", all whether driven by wind or not;
- b. to the outer metal cover of any mobile home, travel trailer or camper caused by hail, whether wind driven or not, unless such cover is punctured thereby. This exclusion does not apply if the Mobile Home is insured under the Optional Loss Settlement Clause and is so identified on the Coverage Summary Page.

10. **Damage caused by bears.**

HOUSEHOLDERS NAMED PERILS EXTENSION-FORM 994T

1. On Premises

If the Coverage Summary Page indicates Form 994T applies, we insure the following peril in addition to the coverages provided under the Basic Contents coverage, Form 994D:

Theft from the premises, including damage caused by attempted theft.

This peril does not include loss or damage:

1. to property in or from a dwelling under construction or "Vacant", or of materials and supplies for use in the construction until the dwelling is completed and ready to be occupied, even if permission for construction or vacancy has been given by us.
2. to animals, birds or fish.

The following extensions are also included:

2. Property Temporarily Removed

10% of the limit of insurance provided shall apply on personal property while temporarily removed from the Principal Residence premises, against direct loss, destruction or damage caused by the following perils, except as herein provided.

1. fire, explosion, falling object, impact by aircraft, spacecraft or land vehicle, lightning, riot, rupture, water escape, freezing, smoke, windstorm or hail, vandalism or malicious acts, excluding loss or damage to property insured contained in a building, directly or indirectly caused by theft or attempt thereat;
2. collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer or any conveyance of a common carrier by land, water or air in which the insured property is being carried;
3. robbery;
 - a. theft of entire trunks, travelling bags or other shipping packages with their contents from rooms temporarily occupied by the Insured for residence purposes, or when checked by any hotel, boarding house, or public parcel room, or
 - b. theft from the fully enclosed body or luggage compartment of a private passenger automobile the doors and windows

of which have been locked.

The insurance provided by this Section shall not cover at the premises of any Secondary, Summer or Seasonal Dwelling owned by the Insured, nor in a storage warehouse.

Optional Extensions - At the option of the Insured:

Not exceeding \$2,000 of the limit of insurance provided may be applied to insure damage (except by fire) to the Principal Residence premises, directly caused by theft or attempt thereat, and for damage to the interior of that part of any building occupied by the Insured at the premises caused by vandalism or malicious acts committed therein.

3 Off Premises Theft Extension - Form 994A

If a specific limit of insurance and premium are stated in the Coverage Summary Page for Theft Away From Residence coverage, in addition to the insurance available under Section 1 this Rider insures to that limit on property as described against loss caused by theft or attempt thereat, vandalism or malicious acts, while away from the Principal Residence premises described in the Coverage Summary Page, anywhere in the world.

The insurance provided by this Section 3 does not apply to:

1. property at any other residence premises owned or occupied by the Insured, except while the named Insured is temporarily residing therein, nor in a storage warehouse;
2. loss of property while in the mail or in charge of any common carrier or fur storage operator;
3. loss of property while in the charge of any furrier, laundry, cleaner, dyer, tailor or processor, except by burglary of their premises or by robbery.

All the terms and conditions of the Basic Form 994D apply to this extension.

The following perils (4 & 5) do not apply unless the coverage summary page indicates coverage for each peril and an additional premium is charged.

4. Burglary and Robbery - Form 994B.

We insure against direct loss to property insured under this form caused by Burglary and Robbery. We will pay up to \$1,000 of the amount of insurance on your personal property for damage to the building caused by burglary.

This peril does not include loss or damage:

- a. to animals, birds or fish;
- b. occurring while the dwelling is under construction or "Vacant", even if permission for construction or vacancy has been given by us (Unoccupancy as is normal to a seasonal dwelling is not considered vacancy).

This coverage does not increase the amount of insurance shown in the Coverage Summary Page for Personal Property.

5. Vandalism and Malicious Acts - Form 994V.

This peril does not include loss or damage:

- a. occurring while the dwelling is under construction or "Vacant" even if permission for construction or vacancy

has been given by us (Unoccupancy as is normal to a seasonal dwelling is not considered vacancy);

- b. to glass which forms part of a building;
- c. caused by theft or attempted theft.

Loss or Damage Not Insured (applicable to Form 994)

We do not insure:

- 1. outdoor trees, shrubs, plants and lawns, except as provided under Additional Coverages;
- 2. loss or damage due to theft or attempted theft, burglary or robbery, vandalism, or malicious acts from that part of your premises which you rent to others, caused by any tenant, tenant's guests or employees, or members of their household;
- 3. loss or damage due to theft, attempted theft, burglary or robbery, vandalism, or malicious acts caused by you or anyone living in your household;
- 4. loss or damage to property at any fairground, exhibition, or exposition for the purpose of exhibiting;
- 5. loss or damage to mobile home and/or contents unless the mobile home is in a stationary (immobile) condition, securely blocked at all four corners;
- 6. loss or damage occurring while the mobile home is being moved except in an emergency to protect it when endangered by an Insured Peril. Moving includes the period of time during which the leveling jacks or blocks are removed or all utilities are disconnected;
- 7. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

ALL RISK DWELLING - FORM 996D

Dwelling Building

We insure:

- 1. The dwelling and attached structures on the premises.
- 2. Permanently installed outdoor equipment on the premises, including fences within 150 m (500 ft.) of the dwelling.
- 3. Outdoor "Domestic Water Containers", including swimming pools, outdoor hot tubs and attached equipment on the premises.
- 4. Materials and supplies located on or adjacent to the premises intended for use in construction, alteration or repair of the dwelling or private structures on the premises.

Coverage Extensions

If the Coverage Summary Page indicates Form 996 applies, Extension 1 below is included in the limit of insurance and Extensions 2 and 3 below are insured up to the additional limits of insurance shown on the Coverage Summary Page.

- 1. Building Fixtures and Fittings temporarily removed from the premises for repair or seasonal storage.

2. Detached Private Structures - structures or buildings (including Fabric, Plastic, Poly or Tarp covered structures) separated from the dwelling by a clear space, on the premises but not insured under the building. If they are connected to the dwelling by a fence, utility line or similar connection only, they are considered to be detached structures. If you have more than one detached structure, the amount of insurance will be divided in the proportions that the value of each structure has to the value of all such structures at the time of loss. We do not insure private structures used in whole or in part or designed for business or agricultural purposes.

3. Fair Rental Value - If an Insured Peril makes that part of the dwelling or detached private structures rented to others or held for rental by you unfit for occupancy, payment shall be for the reasonable time required to repair or replace that part of the dwelling or detached private structures rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the dwelling or detached private structures rented or held for rental is unfit for occupancy.

If a civil authority prohibits access to the dwelling as a direct result of damage to neighboring premises by an Insured Peril, we insure any resulting Fair Rental Value loss for a period not exceeding two weeks.

We do not insure loss or expense due to the cancellation of a lease or agreement.

Insured Perils

You are insured against all risks of direct physical loss or damage from any external cause subject to the exclusions and conditions in this policy.

Loss or Damage Not Insured(applicable to Form 996)

We do not insure:

1. settling, expansion, contraction, moving, bulging, buckling or cracking of driveways or pavements, patios, foundations, walls, floors, roofs or ceilings, except resulting damage to building glass;
2. collapse of an awning, fence, driveway or other pavement, swimming pool, underground pipe, domestic water well, flue, drain, cesspool, septic tank, septic field, foundation, retaining wall, bulkhead, pier, wharf or dock unless the loss is a direct result of the collapse of your building;
3. cracking or falling of ceilings, drywall or wall plaster;
4. items grown for commercial purposes;
5. outdoor trees, shrubs, plants and lawns except as shown under Additional Coverages.

We do not insure loss or damage:

1. due to theft or attempted theft, vandalism, or malicious acts from that part of your premises which you rent to others, caused by any tenant, tenant's guests or employees, or members of their household;
2. due to theft, attempted theft, vandalism, or malicious acts caused by you or anyone living in your household;

3. caused by snow slide, earthquake, landslide or any other earth movement. If any of these results in fire or explosion, we will pay only for the resulting loss or damage;
4. caused by theft or attempted theft of property in or from a dwelling under construction or "Vacant", or of material and supplies for use in the construction, until the dwelling is completed and ready to be occupied, even if permission for construction or vacancy has been given by us;
5. caused by vandalism or malicious acts or glass breakage occurring while your dwelling is under construction or "Vacant" even if permission for construction or vacancy has been given by us;
6. caused by water unless the loss or damage resulted from:
 - a. the sudden and accidental escape of water from a water main;
 - b. the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system or "Domestic Water Container", which is located inside your dwelling;
 - c. the sudden and accidental escape of water from a "Domestic Water Container" located outside your dwelling. However, such damage is not covered when the escape of water is caused by freezing;
 - d. water which enters your dwelling through an opening which has been created suddenly and accidentally by an Insured Peril other than Water Damage, and occurs concurrently with the creation of the opening;

Under this peril, we do not insure loss or damage:

- i. caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "Domestic Water Container";
- ii. caused by seepage or leakage of water below the surface of the ground, including through sidewalks, driveways, foundations, walls, basement or other floors or through doors, windows or any other openings unless the loss or damage resulted from the escape of water from a public water main, swimming pool or equipment therein;
- iii. caused by the backing up or escape of water from a sewer, sump, septic tank, storm drain, drain, eavestrough or downspout unless Sewer Back-Up coverage is shown on the Coverage Summary Page, and then only for the perils and limits as described in the Sewer Back-Up Endorsement;
- iv. caused by ground water or rising of the water table;
- v. caused by surface waters, unless the water escapes as described in a above;
- vi. caused by "Flood", spray, waves, tides, tidal waves, tsunami, shoreline ice build-up, water-borne ice or other objects, all whether driven by wind or not;
- vii. to a water main;
- viii. to a system or appliance from which the water

- escaped;
- ix. to outdoor swimming pools, outdoor hot tubs or equipment attached, public water mains or domestic water wells, caused by freezing;
 - x. occurring while the dwelling is under construction or "Vacant", even if permission for vacancy has been given by us;
 - xi. caused by freezing of a plumbing, heating, sprinkler or air conditioning system or "Domestic Water Container" unless it happens within a building heated during the usual heating season and the tenant has not been away from the premises for more than 14 consecutive days.

However, if the tenant has been away for more than 14 consecutive days and has arranged for a competent person to enter the dwelling daily after the initial 14 day period to ensure that heating was being maintained, or if the dwelling is electronically monitored 24 hours per day by a company that monitors and responds to a low temperature signal, or if the tenant has shut off the water supply and has drained all the pipes and appliances, you would still be insured;
 - xii. caused by ice damming, meaning water that enters the dwelling through a roof due to the accumulation of ice or snow on the exterior of the roof or eavestrough.

Under this peril, a plumbing system does not include eavestroughs or downspouts;

- 7. caused by leakage or escape of fuel oil resulting from:
 - a. prior fuel oil leakage, or;
 - b. continuous or repeated seepage or leakage of fuel oil;
 - c. any fuel oil tank other than a permanently installed domestic fixed fuel tank, including attached equipment, apparatus or piping, however buried tanks are excluded;
 - d. any fuel oil tank while the building is under construction or "Vacant", even if permission for construction or vacancy has been given by us;
- 8. as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

ADDITIONAL COVERAGES (FORM 994 AND 996)

Arson Conviction Reward Extension - We will pay \$1,000 for information which leads directly to a conviction for arson in connection with a fire loss to property insured by this policy. This limit applies regardless of the number of persons providing information. No deductible applies to this coverage.

Change of Temperature - We insure your personal property damaged by change of temperature resulting from physical damage to your dwelling or equipment by an Insured Peril. This only applies to personal property kept in the dwelling.

Debris Removal - We will pay the reasonable expense incurred by you in the removal of debris of insured property as a result of an Insured Peril. This coverage does not increase the amount of insurance applying to the damaged property

Fire Department Charges - We will pay up to \$3,000 (or such other amount as may be specified on the Coverage Summary Page) for your liability for fire department charges incurred when the fire department is called to save or protect insured property from an Insured Peril. No deductible applies to this coverage.

Outdoor Trees, Shrubs, Plants and Lawns You may apply up to 5% in all of the amount of insurance on your dwelling to trees, shrubs, plants and lawns on your premises. We will not pay more than \$1000 on any one tree, shrub, plant or lawn including debris removal expenses. We insure these items against loss caused by fire, lightning, explosion, impact by aircraft, spacecraft or land vehicle (except damage caused by a vehicle owned by or operated by you or anyone in your household), riot, vandalism and malicious acts. We do not insure any items grown for commercial purposes, or any item located more than 90 m (300 ft.) from the dwelling.

Pollution Damage - Insured Premises - If a sudden and unintentional event occurs during the policy term resulting in contamination of insured property by a "pollutant", which is required to be reported to any provincial authority, we will pay up to \$5,000, in any one policy term, subject to the policy deductible, for costs to remove and restore property of the insured premises.

Property Removed - If you must remove insured property from your premises to protect it from loss or damage, it is insured by this policy for 30 days or until your policy term ends - whichever occurs first. The amount of insurance will be divided in the proportions that the value of the property removed bears to the value of all property at the time of loss.

Tear Out - We will pay the cost of tearing out and replacing any part of a building that must be removed or torn apart before insured water damage from a plumbing, heating, sprinkler or air conditioning system or "Domestic Water Container" can be repaired, except damage related to an outdoor swimming pool or attached equipment, or public water mains. This cost is included in the amount of insurance that applies to the property being replaced.

The cost of tearing out and replacing property to repair damage related to water mains, public water mains, domestic water wells or outdoor plumbing or sewage systems is not insured.

BICYCLE THEFT EXTENSION ENDORSEMENT - FORM 2095

If the Coverage Summary Page indicates Form 2095 applies, the Special Limit for bicycles shown on this policy is increased to the amount(s) specified on the Coverage Summary Page.

This extension endorsement does not increase the limits of liability shown for Personal Property on the Coverage Summary Page.

BOAT AND/OR MOTOR FLOATER - FORM 2030

If the Coverage Summary Page indicates Form 2030 applies, we insure:

1. the boat(s) if described on the Coverage Summary Page including its permanently attached equipment (except outboard motors);
2. the motor(s) if described on the Coverage Summary Page including fuel containers and electric starting equipment or controls supplied as integral equipment by the manufacturer;
3. if there is coverage for either 1 or 2 above, we include miscellaneous boat equipment such as batteries, oars, oarlocks, anchors, boat covers, cushions, life preservers, fire extinguishers, extra gasoline tanks, horns, pumps and similar property, while such property is attached to or contained in or on the boat(s) covered by this insurance. Boat equipment does not include outboard motors, parasails, hang gliders, water skiing equipment, scuba gear, fishing tackle, other sporting equipment or other personal property.

Insured Perils

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

Loss or Damage Not Insured

We do not insure:

1. loss or damage caused by marine life;
2. loss or damage caused by or resulting from any repairing, adjusting, servicing or maintenance operation, unless fire or explosion ensues and then only for the loss or damage by such ensuing fire or explosion;
3. loss or damage caused by the ingestion of any foreign material, including but not limited to sand, into the drive system of a boat and/or motor;
4. loss or damage caused by freezing;
5. loss or damage resulting from the inability of the operator to maintain proper control of the watercraft as the result of being under the influence of intoxicating and/or illegal substances and/or medications indicating restrictions pertaining to the safe operation of transportation devices or machinery;
6. loss or damage caused while the property is not being operated in accordance with the Canada Shipping Act regulations governing age and horsepower restrictions and operator competency requirements;
7. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Territorial Limits – This Rider covers only within the limits of Canada and Continental United States.

Sound Condition – It is warranted that the insured property is in sound condition at the time of attachment of this insurance.

Limitation of Use – This Rider shall be null and void if the boat and/or motor insured:

1. is used as a public or livery conveyance for carrying

- passengers for compensation;
- 2. is rented;
- 3. is used in any illicit or prohibited trade or transportation;
- 4. is operated in any official race or speed test.

Permission Granted - Permission is granted the Insured:

- 1. to rent or borrow boats from others and attach thereto the motor(s) insured hereunder;
- 2. to race sailboat(s) insured hereunder.

Plywood, Plastics, Fiberglass and Molded Hulls - In the event of damage to plywood, plastic, fiberglass and molded hull boats insured hereunder, the Insurer shall not be liable for more than the cost of making repairs in accordance with the manufacturer's specifications or other generally accepted repair practices.

Basis of Claim Payment

We will pay for insured loss or damage up to your financial interest in the property, but not exceeding the applicable amount(s) of insurance for any loss or damage arising out of one occurrence. Claim payment options are listed below.

1. **Replacement Cost**

We will pay on the basis of Replacement Cost provided that:

- a. repair or replacement is effected as soon as reasonably possible, but in no event more than one year after the date of loss;
- b. the property at the time of loss was useable for its original purpose;
- c. the property was in working condition immediately before the loss occurred;
- d. the property was not more than 10 model years old at the beginning of the policy term (unless the Coverage Summary Page indicates that Replacement Cost coverage applies even if the property is older than 10 model years at the beginning of the policy term).

2. **Actual Cash Value**

If all the above conditions are not met, we will pay the loss on the basis of Actual Cash Value of the damaged or destroyed property at the time of loss. You have the option of choosing an Actual Cash Value settlement in all cases.

3. **Appraised Value**

If the Coverage Summary Page indicates "Appraised Value" we will pay up to the "Appraised Value" provided that:

- a. The property at the time of loss was useable for its original purpose;
- b. The property was in working condition immediately before the loss occurred;

"**Actual Cash Value**" will take into account such things as the cost of replacement less any depreciation, and in determining depreciation we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

"**Appraised Value**" means the value listed on the appraisal document accepted by us.

“Replacement Cost” means the cost, at the time of loss, of repairs or replacement (whichever is lower), with new property of similar kind and quality, without deduction for depreciation.

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of deductible shown on the Coverage Summary Page in any one occurrence.

Co-Insurance Clause - With respect to property described, we are liable in the event of loss for no greater proportion thereof than the amount of insurance bears to 80% of the Actual Cash Value of the insured property at the time of loss. If “Replacement Cost Coverage” applies, we are liable for no greater proportion of the loss than the amount of insurance bears to 80% of the Replacement Cost of the insured property at the time of loss. This clause applies separately to each item for which an amount of insurance is shown.

This Clause is not applicable to “Appraised Value” coverage.

Extensions of Coverage

Additional Acquisition Clause - If the insured property is disposed of by the Insured during the term of this policy, we agree to hold covered similar property acquired in replacement thereof for a period not exceeding 30 days from the date of acquisition and to an amount not exceeding the limit of liability on the property disposed of or the invoice cost of the newly acquired property, whichever is less.

Emergency Towing – We will reimburse you for the reasonable cost of any commercial tow incurred as a result of any breakdown of the watercraft, including running out of fuel. Towing is defined as from the location of the breakdown until the watercraft is berthed at the home port or nearest repair or fuel facility, whichever is the lesser in distance. This extension is limited to a maximum payout of \$1,000 per occurrence. This is not an additional amount of insurance.

Extra Expenses – If your watercraft is damaged as a result of a loss covered by this policy, we will reimburse your reasonable out of pocket lodging and transportation expenses incurred as a result of the loss of use of your watercraft. This extension is limited to a maximum payout of \$1,000 per occurrence. This is not an additional amount of insurance.

Fire Department Charges – We will pay for your liability assumed by contract or agreement for fire department charges incurred when a fire department is called to save or protect the insured property from a loss which would be covered by this policy. This extension is limited to a maximum payout of \$1,000 per occurrence. This is not an additional amount of insurance.

Rental Expense - If the insured boat and/or motor are damaged as a result of a loss covered by this policy, we will reimburse the reasonable cost of renting a replacement boat and/or motor while yours is being repaired. The rental unit must be similar to the insured boat and / or motor. This extension is limited to a maximum payout of \$1,000 per occurrence. This is not an additional amount of insurance.

Salvage Charges – We will pay reasonable Salvage Charges, where necessary to retrieve an insured boat and/or motor that has been damaged as the result of a loss covered by this policy.

Any amount paid under this extension shall be deducted from the limit of insurance on the damaged boat and/or motor. This is not an additional amount of insurance.

Test Drive Extension - If you have a boat and/or motor insured by this policy and a boat and/or motor you are test driving is damaged as a result of a loss covered by this policy, we will reimburse the owner of the boat and/or motor for repairs on an Actual Cash Value basis. This extension is limited to a maximum payout of \$1,000 per occurrence, subject to the deductible applicable to this policy. This is not an additional amount of insurance.

BUILDER'S RISK BROAD FORM - FORM 2145

If the Coverage Summary Page indicates Form 2145 applies, we insure the building described on the Coverage Summary Page against all risks of direct physical loss or damage from any external cause to the terms and conditions below.

Property Insured

1. buildings, structures, foundations, piers or other supports, building materials and supplies, landlord's permanent fittings and fixtures to be attached thereto and form part thereof, fences, frescoes, plate glass, and machinery and equipment forming part of the building services:
 - a. owned by the insured;
 - b. owned by others, provided that the value of such property is included in the amount insured,all to enter into and form part of the completed project including expendable materials and supplies not otherwise excluded, necessary to complete the project described on the Coverage Summary Page;
2. temporary buildings, scaffolding, false work, forms, hoardings, excavation, site preparation, landscaping and similar work, provided that the value thereof is included in the amount insured and then only to the extent that replacement or restoration is made necessary to complete the project;
3. expenses incurred in the removal from the construction site of debris of the property insured, occasioned by loss, destruction or damage to such property and in respect of which insurance is provided by this Policy.

Limits of Liability

The liability of the Insurer(s) in any one loss, casualty or disaster shall be limited to the proportion of any loss or damage, including salvage charges and other expenses, which the sum insured under this Policy bears to the total amount of insurance.

Scope of Insurance

1. This insurance attaches, within the policy period, when the property becomes at the Insured's risk after being unloaded at and while on the construction site until:
 - a. thirty days after completion of the project; or
 - b. the termination or expiration of this insurance,whichever first occurs.

2. If a limit of liability is stated on the Coverage Summary Page, insurance is provided, subject to such limit, anywhere in Canada or the Continental United States excluding Alaska, only with respect to property to enter into and form part of the completed project, but excluding such property while in transit, or in any building used for manufacturing or processing.
3. If a limit of liability is stated on the Coverage Summary Page, insurance is provided, subject to such limit, from the commencement of loading at the original point of shipment anywhere in Canada or the Continental United States excluding Alaska, until the completion of unloading at the site of construction, except while in any building used for manufacturing or processing.
4. This Policy ceases to insure any part or section of the project on the commencement of use or occupancy thereof, unless such use or occupancy is for:
 - a. construction purposes;
 - b. office or habitational purposes; or
 - c. installing, testing or storing equipment or machinery.

Property Excluded

This Policy does not insure loss or damage to:

1. property
 - a. while waterborne; from the commencement of loading until completion of discharge except when on a ferry, railway car or transfer barge, all in connection with land transportation;
 - b. while insured under an Ocean Cargo Policy;
 - c. while aboard or being transported by any aircraft;
 - d. caused by falling through ice on lakes, rivers, or other bodies of water, or sinking in muskeg;
2. underground shafts or tunnels or property therein;
3. boilers and pressure vessels including all piping and apparatus attached thereto, caused
 - a. by the pressure of steam or water therein;
 - b. while undergoing any hydrostatic, pneumatic or gas pressure test;
 - c. by the use thereof;
4. contractor's tools and equipment including spare parts and accessories whether owned, loaned, hired or leased .

Perils Excluded

This Policy does not insure:

1. the cost of making good faulty or improper design or loss or damage caused directly or indirectly therefrom, provided however, to the extent not otherwise excluded under this Policy, resultant damage to the property insured caused by fire or explosion shall be insured;
2. loss or damage caused by electric or magnetic injury, disturbance or erasure of electronic recordings, except by lightning;

3. loss or damage caused directly or indirectly by earthquake, except:
 - a. ensuing damage which results from fire, explosion, smoke or leakage from fire protective equipment; or
 - b. while the property is in due course of transit, if a limit is provided on the Coverage Summary Page;
4. loss or damage caused directly or indirectly by "Flood", but this exclusion does not apply to loss or damage:
 - a. caused by escape of water from an elevated water tank maintained on the premises for firefighting purposes;
 - b. occurring while the property is in due course of transit, if a limit is provided on the Coverage Summary Page;
 - c. resulting from ensuing fire, explosion or smoke;
6. theft by an employee, officer or agent of the Insured or other party of interest, or any person to whom the property is entrusted (bailees for hire excepted);
7. 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 Policy;
8. any loss of use or occupancy however caused;
9. penalties or liquidated damages for non-completion of 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;
10. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Premium Adjustment

The premium stated in this Policy is provisional. Within thirty days after the termination or expiration of this insurance the Insured shall report to the Insurer(s) the actual completed contract price and the value of any property not included in such completed contract price and insured herein or in the absence of a contract price the Insured shall report the total completed value of the project. The actual premium shall be calculated from inception date of this Policy on the total value so reported at the rate shown in this Policy. If the premium so calculated exceeds the provisional premium the Insured shall pay to the Insurer(s) the amount of such excess. If such premium is less than the provisional premium the Insurer(s) shall refund to the Insured the amount of the difference.

Basis of Settlement

Any loss under this Policy shall be adjusted with the General Contractor or Owner named herein and any settlement shall be based on the cost of repairing, replacing or reinstating (whichever is the least) with material of like kind and quality and for like occupancy, on the same site without deduction for depreciation provided that:

1. liability shall in no event exceed the amount actually and necessarily expended for repairs, replacement or reinstatement; and
2. if repairs, replacement or reinstatement with material of like

kind and quality is restricted or prohibited by any by-law, regulation, ordinance or law, any increase in the cost of repairs, replacement or reinstatement due thereto shall not be insured by this Policy.

Verification of Values

The Insurer(s) or their duly appointed representative(s) shall be permitted at all reasonable times during the term of this Policy or within a year after termination or expiration to inspect the property insured and to examine the Insured's books, records and such policies as relate to any property insured hereunder. This inspection or examination shall not waive nor in any manner affect any of the terms or conditions of this Policy.

Definitions

"Leakage from fire protective equipment" means the leakage or discharge of water or other substance from within the equipment used for fire protection purposes for the premises herein described or for adjoining premises and loss or damage caused by the fall or breakage of such equipment;

"Fire protective equipment" means tanks, water mains, hydrants or valves and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes but does not include

1. branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
2. any water mains or appurtenances located outside of the described premises and forming a part of the public water distribution system;
3. any pond or reservoir in which the water is impounded by a dam.

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

BUILDING BYLAWS ENDORSEMENT - FORM 2125

If the Coverage Summary Page indicates that Form 2125 applies and if there is a loss insured by this policy, we will pay the additional cost of demolition, construction or repair which is required to comply with any law regulating demolition, repair or construction of buildings.

We will not pay:

1. more than the amount of insurance shown on the Coverage Summary Page in any one occurrence;
2. more than the minimum amount required to comply with the law;
3. the additional cost, unless your property is actually repaired, rebuilt or replaced on the same location.

This endorsement applies only to the Dwelling, Condominium Unit, Rental Dwelling and/or Detached Private Structure at the location specified on the Coverage Summary Page.

All other terms and conditions of the policy to which this

endorsement applies remain unchanged.

DAMAGE TO BUILDINGS BY BURGLARY OR ROBBERY RIDER - FORM 2140

If the Coverage Summary Page indicates Form 2140 applies, we agree to indemnify the Insured for all damage to the premises caused by **burglary or robbery** or attempt thereof, or by **vandalism or malicious mischief** committed on the same occasion, provided that the Insured is the owner thereof or is liable for such damage.

Loss or Damage Not Insured

We do not insure:

1. damage caused by fire or occurring during a fire in the premises;
2. damage to glass, or lettering or ornamentation thereon;
3. damage caused while the premises are "Vacant";
4. due to theft or attempted theft, vandalism, or malicious acts from that part of your premises which you rent to others, caused by any tenant, tenant's guests or employees, or members of their household;
5. due to theft, attempted theft, vandalism or malicious acts caused by you or anyone living in your household;
6. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Limits of Indemnity - The limit of the Insurer's liability for damage is limited to the actual cost of repair of such damage but not exceeding in any event the applicable limit(s) or amount(s) of insurance stated in the Coverage Summary Page. If more than one person or interest is named as the Insured, the Insurer's liability for such damage sustained by all such persons and interests combined shall be limited in the aggregate to the said specified limit(s) or amount(s).

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

EYE GLASSES AND/OR HEARING AID FLOATER - FORM 2050

If the Coverage Summary Page indicates Form 2050 applies, we insure the item(s) listed on the Coverage Summary Page against all risks of direct physical loss or damage from any external cause to the terms and conditions set out below.

Loss or Damage Not Insured

We do not insure:

1. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Limitation of Liability - In the event of loss or damage to insured property, the Insurer shall be liable, up to the limit stated in

the schedule, only for the cost of duplicating the original prescription, design or specifications. This insurance shall not cover costs incurred for re-examination or other professional services. Should it be impossible to duplicate the original prescription, design or specifications, adjustment will be made on the basis of the stated value with proper allowance for depreciation.

Additional Acquisition Clause - In the event the insured property is disposed of by the Insured during the term of this policy, the Insurer agrees to hold covered similar property acquired in replacement thereof for a period not exceeding 30 days from the date of acquisition and to an amount not exceeding the limit of liability on the property disposed of or the invoice cost of the newly acquired property, whichever is less.

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

Basis of Claim Payment - Any insured loss or damage will be settled on an Actual Cash Value basis.

FINE ARTS FLOATER - FORM 2040

If the Coverage Summary Page indicates Form 2040 applies, we insure your fine arts listed on the Coverage Summary Page against all risks of direct physical loss or damage from any external cause to the terms and conditions set out below.

We insure your Fine Arts as follows:

1. at the location(s) specified in the Coverage Summary Page;
2. while in transit between the locations specified;
3. at any other location in Canada or the Continental United States, except at fairgrounds or at national or international expositions, for not more than 10% of the total value of insurance under this coverage.

Replacement Articles - If, following payment of claim, you acquire any articles to replace those which were lost or damaged, you must tell us within 30 days of acquisition.

Newly Acquired Articles - If you acquire any additional fine arts, we will automatically insure the newly acquired property provided you tell us within 30 days of acquisition. Under this extension we will not pay more than 25% of the total amount of insurance provided by this coverage.

Loss or Damage Not Insured

We do not insure:

1. Breakage of glassware, statuary, marble, bric-a-brac, porcelain and other fragile articles unless caused by fire, earthquake, explosion, falling object striking the exterior of a building, "Flood", impact by aircraft, spacecraft or land vehicle, lightning, riot, smoke, vandalism or malicious acts, windstorm or hail, or by accident to land, water or air conveyances, or by theft or attempt thereat;
2. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Accidental Breakage Option

If the Coverage Summary Page shows breakage coverage applies, the exclusion 1. shall not be applicable.

Packing Warranty - It is warranted by the Insured that the Property insured hereunder will be packed and unpacked by competent packers.

Deductible - No deductible applies to this coverage unless stated on the Coverage Summary Page.

Basis of Claim Payment - Any insured loss or damage will be settled on an Actual Cash Value basis.

GLASS DEDUCTIBLE ENDORSEMENT - FORM 2105

If the Coverage Summary Page indicates Form 2105 applies, the amount of Deductible, as it applies to Glass Breakage insured under this policy is reduced to the amount shown on the Coverage Summary Page in any one occurrence.

HOME EQUIPMENT BREAKDOWN ENDORSEMENT – FORM 3000

As respects this Home Equipment Breakdown Endorsement, this endorsement changes coverage provided by the following:
Read the entire endorsement carefully to determine rights, duties and what is and is not covered.

“Equipment Breakdown” coverage is subject to a \$100,000 per Occurrence Limit of Liability.

“Equipment Breakdown” coverage is subject to a \$500 per Occurrence Deductible.

Section I – Property Coverages

Definitions

The following Definitions are added:

“Equipment Breakdown” as used herein means:

Physical loss or damage both originating within:

1. Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:
 - a. waste disposal piping;
 - b. any piping forming part of a fire protective system; and
 - c. any water piping other than:
 - i. boiler feed water piping between the feed pump and the boiler;
 - ii. boiler condensate return piping; or
 - iii. water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes
2. All mechanical, electrical, electronic or fiber optic equipment; and caused by, resulting from, or consisting of:
 - i. Mechanical breakdown;
 - ii. Electrical or electronic breakdown; or

- iii. Rupture, bursting, bulging, implosion, or steam explosion.

However, "**Equipment Breakdown**" will not mean:

Physical loss or damage caused by or resulting from any of the following; however if loss or damage not otherwise excluded results, then we will pay for such resulting damage:

All losses excluded in the Standard Form Packages – Form 991, Broad Form Packages – Form 992, Comprehensive Form Packages – Form 993, and

Loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freezing, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement and "Flood".

"**Green**" as used herein means products, materials, methods and processes certified by a "Green Authority" that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.

"**Green Authority**" as used herein means an authority on "Green" buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), "Green" Building Initiative Green Globes®, Energy Star Rating System or any other recognized "Green" rating system.

"**Motor Vehicle**" as used herein means any self-propelled land or amphibious vehicle.

The following is added to the "Specified Perils" definition:

"**Specified Perils**" also means "Equipment Breakdown".

Part 1 - STANDARD FORM - 991

Insured Perils

The following Insured Peril is added:

18 "Equipment Breakdown"

Additional Coverages

The following Additional Coverages are added as a part of and not in addition to the limit per loss:

Expediting Expense

We will pay for the expediting expense loss resulting from an "Equipment Breakdown" with respect to your damaged Personal Property. We will pay the reasonable extra cost to:

1. Make temporary repairs;
2. Expedite permanent repairs; and
3. Expedite permanent replacement.

Reasonable extra cost shall mean "the extra cost of temporary repair and of expediting the repair of such damaged equipment of the insured, including overtime and the extra cost of express or other rapid means of transportation". The most we will pay for loss or damage under this Additional Coverage is \$10,000.

Spoilage Coverage

We will pay for loss of perishable goods due to spoilage resulting from lack of power, light, heat, steam or refrigeration caused by an "Equipment Breakdown" to Personal Property covered by this

policy. The most we will pay for loss or damage under this Additional Coverage is \$10,000.

Pollutant Clean Up and Removal

We will pay for the pollutant clean up and removal for loss resulting from an "Equipment Breakdown". The most we will pay for the pollutant clean up and removal is \$10,000.

Off-Premises Coverage

We will pay for loss or damage to covered property resulting from a covered "Equipment Breakdown" while temporarily at a premises or location that is not a "residence premises". This coverage does not apply to any "Motor Vehicle". The most "we" will pay for loss or damage under this Additional Coverage is \$10,000.

Equipment Breakdown Conditions

The following Equipment Breakdown Conditions are added:

Loss Settlement

We will pay you the amount you spend to repair or replace your Covered Property damaged by an "Equipment Breakdown". Our payment will be the lesser of:

1. The cost at the time of the "Equipment Breakdown" to repair the damaged Covered Property;
2. The cost at the time of the "Equipment Breakdown" to replace the Covered Property with property of like kind, capacity, size and quality; or
3. The amount you actually spend that is necessary to repair or replace the damaged property.

As respects your Covered Property, if the cost of repairing or replacing only a part of the Covered Property is greater than:

1. The cost of repairing the Covered Property; or
2. The cost of replacing the entire Covered Property on the same site,

We will pay the lesser amount.

The repair parts or replacement Covered Property must be:

1. Of like kind, capacity, size and quality; and
2. Used for the same purpose.

"Equipment Breakdown" coverage does not extend beyond the "Residence Premises", except as provided under the Additional Coverage for Off-Premises Coverage section.

Green Environmental and Efficiency Improvements

If Covered Property requires repair or replacement due to an "Equipment Breakdown", we will pay:

1. The additional cost to repair or replace that property with equipment that is better for the environment, safer, or more efficient than the equipment being repaired or replaced.
2. The additional reasonable and necessary fees incurred by the Insured for an accredited professional certified by a "Green Authority" to participate in the repair or replacement of physically damaged Covered Property as "Green".
3. The additional reasonable and necessary cost incurred by the Insured for certification or recertification of the repaired or replaced Covered Property as "Green".
4. The additional reasonable and necessary cost incurred by the Insured for "Green" in the removal, disposal or recycling of damaged Covered Property.
5. The Loss of Use or Additional Living Expenses (if covered

by the underlying policy) during the additional time required for repair or replacement of Covered Property, consistent with "Green", in the coverages above.

However, we will not pay more than 150% of what the cost would have been to repair or replace such property with like kind and quality inclusive of fees, costs, and any loss of use loss incurred as stated above.

These Conditions will be part of, and not an addition to, the limit of liability per loss or any other sub-limits of this Policy.

HOME FOOD FREEZER & FOOD SPOILAGE FLOATER - FORM 2060

If the Coverage Summary Page indicates Form 2060 applies, we cover the following property of the Insured while on the premises.

1. The insured food freezer against all risks of direct physical loss or damage, except as hereinafter provided;
2. The insured frozen foods against spoilage caused by power failure, accidental disconnection or mechanical breakdown of the food freezer described on the Coverage Summary Page, except as hereinafter provided.

Loss or Damage Not Insured

We do not insure:

1. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions;
2. loss or damage to the insured freezer by:
 - a. Dampness of atmosphere, extremes of temperature, deterioration, contamination, vermin, insects, inherent vice or latent defect, rust or corrosion, mould, marring or scratching unless such loss or damage is caused directly by fire, windstorm, hail, lightning, explosion, riot or civil commotion, impact by aircraft, spacecraft or vehicles, vandalism or malicious mischief, theft or attempt thereat;
 - b. Mechanical breakdown;
 - c. Accidental disconnection.
3. loss or damage to insured frozen food caused by:
 - a. Improper or faulty wrapping, packing or handling;
 - b. Natural spoilage;

Deductible - No deductible applies to this coverage unless stated on the Coverage Summary Page.

Basis of Claim Payment - Any insured loss or damage will be settled on an Actual Cash Value basis.

IDENTITY THEFT ENDORSEMENT - FORM 2021

Insuring Agreement

If the Coverage Summary Page indicates that Form 2021 applies, coverage is extended to include reimbursement of costs you actually incur resulting from Identity Fraud as defined and limited herein.

Definitions

“You” and “your” in this wording have the same meaning as in the Definitions applicable to Section 1 of the policy to which this endorsement attaches.

“**Identity Fraud**” means the act or acts of knowingly transferring or using, without lawful consent or authority, your means of identity which constitutes a violation of any federal, provincial, territorial or municipal law.

“**Identity Fraud Occurrence**” means any act or series of acts of “Identity Fraud” by a person or group which results in an insured loss during the policy period.

All other definitions applicable to the policy to which this endorsement is attached are applicable.

Coverage

We insure, to a maximum of \$25,000 (or such other amount as may be shown on the Coverage Summary Page) in total during the term of this policy, the following reasonable costs and expenses incurred you as a result of an Identity Fraud Occurrence:

1. Reasonable costs associated with registered mail to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors.
2. Fees for the re-application of loans which had been declined as a result of incorrect or erroneous information;
3. The reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits for financial institutions, credit agencies, credit grantors or similar lenders.
4. The reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits for law enforcement agencies.
5. Long distance telephone expenses to discuss an actual Identity Fraud Occurrence to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors.
6. Earnings lost resulting from necessary time away from your employment for the purposes of completing affidavits and meeting with credit agencies, similar credit grantors, law enforcement departments, financial institutions, merchants and legal counsel, up to \$300 per day to a maximum amount of \$3000.
7. Reasonable costs, fees or expenses associated with the replacing of Canadian or Provincial Government issued documents as a result of an Identity Fraud Occurrence.
8. Reasonable legal fees incurred directly as a result of an Identity Fraud Occurrence, with prior notice to us for:
 - a. The removal of any criminal or civil judgments wrongly entered against you.
 - b. To challenge the information in your consumer credit report.
 - c. The defense of lawsuits brought against you by businesses or their collection agencies.
9. Reasonable costs of obtaining up to two credit reports after an

Identity Fraud Occurrence has been reported to us, for a period of up to 12 months from the date of the reporting of the occurrence, but not limited by the expiry date of the policy.

10. Fraudulent transfer or removal of funds from internet accessed bank accounts.

Loss or Damage Not Insured

We do not insure:

1. your fraudulent, dishonest, or criminal acts;
2. your own use of your identity or credit;
3. your commercial or business pursuits;
4. your intentional misuse of your identity or credit;
5. fraudulent, dishonest, criminal or intentional misuse of your identity by any resident of your household;

Nor do we insure the following:

6. Any losses covered under the Credit Card, Automated Teller Card, Forgery and Counterfeit Money coverage already available in the underlying policy;
7. Any losses covered by credit card insurance, bank insurance or other coverage available to you. This endorsement will be secondary with other insurance being primary. This endorsement will only apply once the other insurance available to you has been exhausted.

Deductible - No deductible applies to this coverage.

Additional Conditions

1. In addition to the requirements outlined on the policy to which this endorsement attaches, you are required to contact your local law enforcement agency of an Identity Fraud Occurrence.
2. You must comply with all terms and requirements stipulated with the issuance of any bank or credit card including secure storage of PINs (Personal Identification Numbers) and personal information.
3. All costs incurred which are submitted for payment under this endorsement must be directly and solely as a result of the fraudulent use of your credit or identity, and/or the process subsequently required to restore your credit history or to contact merchants, financial institutions, or similar credit grantors and credit agencies relating to the theft of your identity or to a fraud perpetrated against you;
4. If you do not comply with 2 above, you will not be entitled to any coverage under this endorsement, and if any of your costs do not directly and solely result from the use or process described in 3 above, you will not be entitled to reimbursement for them.

Except as otherwise provided in this endorsement, all limits, terms, conditions, provisions, definitions, statutory and additional conditions to which this form is attached apply.

MISCELLANEOUS PROPERTY FLOATER (NAMED PERILS / BURGLARY) - FORM 2065

If the Coverage Summary Page indicates Form 2065 applies, we insure the property described against direct loss or damage caused by the Insured Perils listed below:

1. **Fire, lightning or smoke;**
2. **Explosion**, except explosion originating in internal combustion engines;
3. **Windstorm or hail;**
4. **Collision** or overturning of a conveyance on which the insured property is being transported including collapse of bridges and culverts;
5. **Impact** by aircraft or motor vehicles other than motor vehicles owned or controlled by you or your employees;
6. **Riot, Vandalism or Malicious Acts;**
7. **Burglary.**

Loss or Damage Not Insured

We do not insure:

1. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions;
2. loss or damage caused by or resulting from delay, loss of market or loss of use;
3. loss or damage occasioned by breakage of glass or articles of a fragile nature, unless caused by fire, lightning, theft and or attempted theft, windstorm, "Flood", explosion, malicious acts, aircraft damage or collision, derailment or overturn of conveyance, unless endorsed hereon;
4. loss or damage occasioned by theft or pilferage of the insured property when left in automobiles or other conveyances unless such loss or damage be a direct result of violent forcible entry (of which there shall be visible evidence), from a fully enclosed body, the doors and windows of which shall have been securely locked, or from a compartment which shall have been securely locked. It is understood and agreed, however, that the foregoing shall not apply when the insured property is in the custody of a common carrier.

Property Not Insured

We do not insure:

1. Property whilst waterborne, except that while the property insured is being transported on any regular ferry or is in or on railway cars or transfers in connection therewith, this Policy insures against direct physical loss or damage to the property insured caused by the Stranding, Sinking, Burning, or Collision of the vessel, including General Average and Salvage Charges;
2. Tires, tubes or rubber tracks unless the loss or damage is caused by fire or theft or is coincident with other loss or damage insured by this Policy;
3. Currency, money, notes, stamps, securities, passports,

- railroad or other tickets, evidence of debt or title;
4. Furs, garments trimmed with fur, jewels, jewellery, watches, pearls, precious and semi-precious stones, gold, silver, platinum and other precious metals and alloys;
 5. Any camera or equipment designed for aerial photography, while in or on any aircraft, unless endorsed hereon;
 6. Property at locations which to the knowledge of the insured, are vacant, unoccupied or shut down for more than thirty (30) consecutive days.

Co-Insurance Clause - This Insurer shall not be liable for a greater proportion of any loss or damage to the property described herein than the sum insured bears to 100% of the Actual Cash Value of said property at the time such loss shall happen. If the insurance under the Policy be divided into two or more items, the foregoing shall apply to each item separately.

Territorial Limits - This Policy insures only within Canada and the Continental United States of America.

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

Basis of Claim Payment - Any insured loss or damage will be settled on an Actual Cash Value basis.

MISCELLANEOUS PROPERTY FLOATER (NAMED PERILS / THEFT) - FORM 2070

If the Coverage Summary Page indicates Form 2070 applies, all the coverages from Form 2065 apply, except peril 7, "Burglary", is deleted and replaced with the following:

7. Theft.

All other terms and conditions of Form 2065 are applicable to this coverage.

MISCELLANEOUS PROPERTY FLOATER (ALL RISK) - FORM 2071

Insured Perils

If the Coverage Summary Page indicates Form 2071 applies, we insure the property described against all risks of direct physical loss or damage from any external cause subject to the exclusions and conditions listed below:

Territorial Limits - This Rider covers only within Canada and the Continental United States of America.

Loss or Damage Not Insured

We do not insure:

1. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions;
2. loss or damage caused by or resulting from delay, loss of

- market or loss of use;
3. loss or damage caused by short circuit or other electrical injury or disturbance, exclusive of lightning to electrical appliances, devices or other electrically operated property or wiring unless fire or explosion ensues and then for the loss or damage by fire or explosion only;
 4. loss or damage occasioned by breakage of glass or articles of a fragile nature, unless caused by fire, lightning, theft or attempted theft, windstorm, "Flood", explosion, malicious acts, aircraft damage or collision, derailment or overturn of conveyance, unless endorsed hereon;
 5. loss or damage occasioned by theft or pilferage of the insured property when left in automobiles or other conveyances unless such loss or damage be a direct result of violent forcible entry (of which there shall be visible evidence), from a fully enclosed body, the doors and windows of which shall have been securely locked, or from a compartment which shall have been securely locked. It is understood and agreed, however, that the foregoing shall not apply when the insured property is in the custody of a common carrier.

Property Not Insured

We do not insure:

1. Tires, tubes or rubber tracks unless the loss or damage is caused by fire or theft or is coincident with other loss or damage insured by this Policy;
2. Currency, money, notes, stamps, securities, passports, railroad or other tickets, evidence of debt or title;
3. Furs, garments trimmed with fur, jewels, jewellery, watches, pearls, precious and semi-precious stones, gold, silver, platinum and other precious metals and alloys;
4. Any camera or equipment designed for Aerial Photography, while in or on any aircraft, unless endorsed hereon;
5. Property at locations which to the knowledge of the insured, are vacant, unoccupied or shut down for more than thirty (30) consecutive days.

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

Co-Insurance Clause - This Insurer shall not be liable for a greater proportion of any loss or damage to the property described herein than the sum insured bears to 100% of the Actual Cash Value of said property at the time such loss shall happen. If the insurance under the Policy be divided into two or more items, the foregoing shall apply to each item separately.

MISCELLANEOUS PROPERTY OTHER THAN BUILDINGS (FIRE ONLY) - FORM 2075

If the Coverage Summary Page indicates Form 2075 applies, we insure the property listed on the Coverage Summary Page against direct physical loss or damage caused by the perils of **Fire**,

Lightning or Explosion of natural, coal or manufactured gas.

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

Basis of Claim Payment - Any insured loss or damage will be settled on an Actual Cash Value basis.

Loss or Damage Not Insured

We do not insure:

1. loss or damage as stated in the “**Loss or Damage Not Insured**” section of the General Conditions.

MOTORIZED VEHICLE FLOATER - FORM 2055

If the Coverage Summary Page indicates Form 2055 applies, we insure your motorized vehicle listed on the Coverage Summary Page against all risks of direct physical loss or damage from any external clause subject to the terms and conditions set out below.

Territorial Limits - This insurance covers only within Canada and the Continental United States.

Loss or Damage Not Insured

We do not insure:

1. loss or damage caused by or resulting from any repairing, adjusting, servicing or maintenance operation, unless fire or explosion ensues and then only for the loss or damage by such ensuing fire or explosion;
2. loss or damage as stated in the “**Loss or Damage Not Insured**” section of the General Conditions.

Limitation of Use - This insurance shall be null and void if the insured property:

1. is rented, or
2. is licensed or is subject to motor vehicle registration; or
3. is operated in any official race or speed test.

Additional Acquisition Clause - In the event the insured property is disposed of by the Insured during the term of this policy, the Insurer agrees to hold covered similar property acquired in replacement thereof for a period not exceeding 30 days from the date of acquisition and to an amount not exceeding the limit of liability on the property disposed of or the invoice cost of the newly acquired property, whichever is less.

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

Basis of Claim Payment - Any insured loss or damage will be settled on an Actual Cash Value basis.

NO SOLID FUEL HEAT WARRANTY - FORM 2130

If the Coverage Summary Page indicates that Form 2130 applies, it is herewith warranted that there is no Solid Fuel Heat in the Dwelling or Detached Private Structure (unless otherwise indicated on the Coverage Summary Page). Any loss or damage caused by or resulting from a Solid Fuel Heating Appliance in the Dwelling or Detached Private Structure is excluded by this policy (unless otherwise indicated on the Coverage Summary Page). A fireplace designed primarily for aesthetic or recreational use is not considered solid fuel heat for the purpose of this clause.

PERSONAL ARTICLES FLOATER - FORM 2025

If the Coverage Summary Page indicates Form 2025 applies, we insure your Personal Articles listed on the Coverage Summary Page against all risks of direct physical loss or damage from any external cause to the terms and conditions below.

The Insurer may elect to repair any damaged articles or replace any lost or damaged article with another of like quality and value.

Territorial Limits - This Rider covers while in all situations except as herein provided, but only while the Insured's principal residence is maintained within Manitoba or Saskatchewan.

Loss or Damage Not Insured

We do not insure:

1. Loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Stamp and Coin Collection Valuation Clause - Except with respect to any single article specifically itemized herein, the liability of the Insurer for any stamp or coin collection shall not exceed the proportion that the amount of insurance provided on such collection bears to its cash market value at the time of loss, provided that in no event shall the Insurer be liable for more than \$250 on any single article of such collection.

"Single article" as used herein shall mean any one stamp, coin or other individual article or pair, strip, block, series, sheet, cover, frame, card or the like.

Musical Instruments/Photography Equipment - In regard to Musical Instruments/Photography Equipment it is warranted that the Insured is not and will not be engaged in using for remuneration any musical instrument or item of photography equipment insured hereunder during the term of this Policy unless indicated on the Coverage Summary Page.

Additional Acquisitions - When an item is insured by this Rider, additional articles falling within the same class acquired by the Insured as owner during the policy period shall be covered automatically by this Rider for 30 days from date of acquisition. At the end of the 30 day period, this Rider shall cease to cover such additional articles UNLESS the Insured has reported and insured them with the Insurer and paid the premium thereon from date of acquisition at pro-rata of the policy rate.

In no event shall the liability of the Insurer under this clause exceed the actual cash value of the property, nor more than \$5,000

whichever is the less. "Insured" in this paragraph means the named Insured or, if of the same household, his or her spouse or his, her or their unmarried children.

Deductible - No deductible applies to this coverage unless stated on the Coverage Summary Page.

Basis of Claim Payment - Any insured loss or damage will be settled on an Actual Cash Value basis.

PERSONAL COMPUTER FLOATER - FORM 2035

If the Coverage Summary Page indicates Form 2035 applies, we insure your Personal Computer System listed on the Coverage Summary Page against all risks of direct physical loss or damage from any external cause to the terms and conditions set out below.

Definitions

"Personal Computer System" means Equipment, Media and Software.

"Equipment" means the central processing unit and auxiliary equipment including, but not limited to terminals, keyboards, printers, disk and tape drives, cassette tape recorders and word processing equipment.

"Media" means materials on which data is electronically recorded such as, but not limited to, magnetic tapes, diskettes, disk packs and cassettes.

"Software" means programs or instructions stored on media.

Loss or Damage Not Insured

We do not insure:

1. the cost of gathering or assembling information or data;
2. property rented to others;
3. loss or damage caused by or resulting from electric or magnetic injury, disturbance, or erasure of electronic recordings except by lightning;
4. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Basis of Claim Payment

1. We will pay up to the amount shown for each item in the Schedule of Articles Insured. Claims for loss or damage will be settled on the basis of Replacement Cost provided that:
 - a. the property at the time of loss was useable for its original purpose; and
 - b. you have repaired or replaced the property promptly.
2. Otherwise the basis of claim settlement will be the Actual Cash Value at the date of the occurrence.

"Replacement Cost" means the cost, at the time of loss, of repairs or replacement (whichever is lower), with new property of similar kind and quality, without deduction for depreciation.

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

Special Conditions - Replacement Articles - If, following payment of a claim, you acquire any articles to replace those which were lost or damaged, you must tell us within 30 days.

Newly Acquired Articles - If you acquire any additional equipment, media or software, we will automatically insure these under this endorsement provided you notify us within 30 days. We will not pay more than \$5,000 under this extension for equipment nor more than \$1,000 for media or software.

All the statutory and additional conditions of the policy also apply to this endorsement.

RENT OR RENTAL VALUE FORM - FORM 2110

If the Coverage Summary Page indicates Form 2110 applies, we insure your loss of Rental Income as follows:

Limit of Insurance - The limit of insurance stated in the Coverage Summary Page is the limit on the rent and rental value of the building(s) and its additions and extensions communicating and in contact therewith but only while occupied, constructed and situated as described in the Coverage Summary Page.

Co-Insurance Clause - It is part of the consideration of this Rider, and the basis upon which the rate of premium is fixed, that the Insured shall maintain insurance concurrent in form with this insurance to the extent of at least the percentage shown in the Coverage Summary Page of the annual "gross rent and rental value" herein defined of the building(s) described in the Coverage Summary Page and that failing to do so, the Insured shall be a co-insurer to the extent of an amount sufficient to make the aggregate insurance equal to the percentage shown in the Coverage Summary Page of the annual "gross rent and rental value" of the building(s) described in the Coverage Summary Page and, in that capacity, shall bear his, her or their proportion of any loss that may occur.

Measure of Recovery - The measure of recovery in the event of loss hereunder shall be the reduction in "gross rent and rental value" directly resulting from being unoccupied solely and directly due to destruction or damage by the perils insured against to the building(s) described in the Coverage Summary Page, less charges and expenses which do not necessarily continue during the period the building(s) is so unoccupied, for not exceeding such length of time as would be required with the exercise of due diligence and dispatch to rebuild, repair or replace such part of the building(s) described in the Coverage Summary Page as has been destroyed or damaged, commencing with the date of such destruction or damage and limited to a period of twelve consecutive calendar months from the date of such destruction or damage, but not exceeding the actual loss sustained by the Insured resulting from the building(s) being unoccupied.

Gross rent and rental value - For the purposes of this insurance, "Gross Rent and Rental Value" is defined as the sum of:

1. the actual total annual gross rent or rental value of the occupied portion or portions of the building(s);
2. the estimated annual rental value of the unoccupied portion or portions of the building(s); and

3. a fair rental value of the portion, if any, of the building(s) occupied by the Insured.

Interruption by Civil Authority - This Rider is extended to include the actual loss as covered hereunder during the period of time, not exceeding two weeks, while access to the described premises is prohibited by order of civil authority but only when such order is given as a direct result of damage to neighbouring premises by a peril insured against.

Additional Exclusions - This Insurer shall not be liable for:

1. any increase of loss due to interference at the described premises by strikers or other persons, with rebuilding, repairing or replacing the property;
2. loss due to the suspension, lapse or cancellation of any lease or license or contract which may affect the Insured's rent or rental value after the period following any loss during which indemnity is payable;
3. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

RESIDENCE GLASS ENDORSEMENT - FORM 2100

If the Coverage Summary Page indicates Form 2100 applies, the insurance provided on the Dwelling Building(s) insured under this policy is herewith extended to include direct loss or damage caused by glass breakage, meaning loss to glass constituting a part of the building(s) insured. The insurance provided by this Endorsement includes:

1. All storm windows and storm doors belonging to the premises whether installed or not;
2. Resulting damage to frames immediately encasing and contiguous to the insured glass;
3. Temporary installations necessitated by unavoidable delays in replacing any damaged glass insured hereunder;
4. Removing and replacing obstructions to the replacement of any damaged glass insured hereunder.

Losses Excluded - We shall not be liable hereunder for loss or damage:

1. occurring while a building in which the insured glass is located is under construction or "Vacant" irrespective of any permission elsewhere on the policy;
2. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

SEWER BACK-UP / WATER DAMAGE - FORM 2080

If the Coverage Summary Page indicates that Form 2080 applies, you are insured against direct loss or damage to your property

caused by water and/or sewage entering your dwelling as a result of the accidental backing up or escape of water and/or sewage from a sewer, sump pit or septic tank.

We do not insure loss or damage:

1. occurring where the sump pit is located outside the foundation or basement walls of the dwelling;
2. caused by water below the surface of the ground, including water which exerts pressure on or flows, seeps or leaks through sidewalks, driveways, foundations, walls, basement or other floors or through doors, windows or any other openings;
3. caused by surface water, tidal waves, rain or overflow of streams or other bodies of water;
4. caused directly or indirectly by "Flood" which contributes concurrently with or in any other sequence to damage;

Nor do we insure loss or damage caused by the backing up or escape of water and/or sewage if the loss occurs:

- a. less than 72 hours before "Flood" reaches your "Premises";
 - b. while "Flood" is present on your "Premises"; or
 - c. up to 72 hours after "Flood" leaves your "Premises".
5. occurring while the dwelling is under construction or "Vacant", even if we have given permission for construction or vacancy elsewhere in this policy;
 6. as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

This coverage extends to students, as defined and limited in the definition of "you", "your" and "insured".

This coverage also extends to include Additional Living Expenses, as defined and limited under Coverage D – Additional Living Expenses elsewhere in this booklet in the event of an insured Sewer Back-up loss. This is not an additional amount of insurance.

Coverage under this endorsement is subject to the deductible and all other terms and conditions of the form it is extended from.

SINGLE INCLUSIVE LIMITS ENDORSEMENT - FORM 2015

If the Coverage Summary Page indicates Form 2015 applies, and the amount of insurance stated on the Coverage Summary Page for any of **SECTION 1** Coverages A, B, C or D is inadequate to satisfy your loss, you may apply the unused amounts of insurance remaining under Coverages A, B, C or D until the total amounts of insurance under these coverages become exhausted.

If the Guaranteed Rebuilding Cost Endorsement – Form 2175 also applies, the Coverage A limit shown on the Coverage Summary Page is subtracted from the Single Limit and any loss on Coverage B, C or D will be paid up to the remaining portion of the Single Limit.

All other terms and conditions remain unchanged.

SPORTS EQUIPMENT FLOATER - FORM 2045

If the Coverage Summary Page indicates Form 2045 applies, we insure your Sports Equipment listed on the Coverage Summary Page against all risks of direct physical loss or damage from any external cause to the terms and conditions set out below.

We also insure your other clothing while contained in a locker or clubhouse building when you are engaged in a sporting activity for which an amount of insurance is indicated on the Coverage Summary Page.

Territorial Limits - This Rider covers only within Canada and the Continental United States of America.

Loss or Damage Not Insured

We do not insure:

1. property rented to others or held for sale;
2. watercraft of any kind and/or their equipment;
3. furs, watches and jewellery;
4. midget automobiles meaning land motor vehicles of the type commonly referred to as a "Midget Automobile", "Kart", "Go-Kart", "Speedmobile", motorized snow vehicle, or by a comparable name, whether commercially built or otherwise;
5. accidental breakage while in use;
6. golf balls, except for the perils of fire and burglary;
7. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Accidental Breakage Option

If the Coverage Summary Page shows breakage coverage applies, exclusion (e) shall not be applicable.

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

Basis of Claim Payment - Any insured loss or damage will be settled on an Actual Cash Value basis.

UNDERGROUND SERVICE LINE ENDORSEMENT – FORM 2131

If the Coverage Summary Page indicates that Form 2131 applies, you are insured against direct physical damage to "Underground Service Lines" caused by "Service Line Failure" as defined and limited below.

Limit of Insurance – The most we will pay for loss, damage or expense under this endorsement arising from any "One Underground Service Lined Failure" is the amount shown on the Coverage Summary Page.

Extensions – The insurance provided by this Endorsement includes the following extensions, all within the Limit of Insurance:

1. Excavation Costs

With respect to an "underground service line" that is damaged

as a result of an “underground service line failure”, we will pay the necessary and reasonable excavation costs required to repair or replace the damaged “underground service line”.

2. Loss of Use

If a covered loss under the endorsement makes your “Dwelling” uninhabitable, coverage is extended to (1) Additional Living Expense and (2) Fair Rental Value under Coverage D – Additional Living Expenses.

3. Expediting Expenses

With respect to your “underground service line” that is damaged as the result of a “service line failure” we will pay the reasonable extra cost to:

- a. Make temporary repairs; and
- b. Expedite permanent repairs or permanent replacement.

4. Outdoor Property

We will pay for your outdoor property, including but not limited to trees, shrubs, plants, lawns, walkways and driveways that are damaged as a result of a “service line failure”.

5. Environmental, Safety and Efficiency Improvements

If an “underground service line” requires replacement due to a “service line failure”, we will pay your additional cost to replace with materials that are better for the environment, safer or more efficient than the materials being replaced. However, we will not pay more than 150% of what the cost would have been to replace with like, kind and quality.

We will only pay under these Extensions if there is a covered “Underground Service Line Failure”.

Deductible – We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

Definitions – For the purposes of this endorsement only, the following definitions are added:

“**Earth Movement**” means:

1. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
2. Landslide, mudslide or mudflow;
3. Subsidence or sinkhole collapse;
4. Tsunami or volcanic action; or
5. Any other naturally occurring earth movement including earth sinking, rising.

“**One Underground Service Line Failure**” means if an initial “underground service line failure causes other “underground service line failures”, all will be considered one underground service line failure.

“**Underground Service Line**” means underground piping and wiring, including permanent connections, valves or attached devices as described below.

1. Underground Service Line must be one of the following:
 - a. Water piping that connects from the “Dwelling” or other “Detached Private Structure” (excluding Farm Buildings)

- to a:
 - i. Public water supply system;
 - ii. Private well system;
 - iii. Cistern or retention pond; or
 - iv. Heating system that is located in a "Detached Private Structure", other than the "Dwelling";
 - b. Steam piping that connects from the "Dwelling" or "Detached Private Structure" to a heating system that is located outside the "Dwelling" or "Detached Private Structure";
 - c. Ground loop piping that connects to a heat pump or geothermal heating system (excluding the heat pump or geothermal system itself);
 - d. Sewer piping that connects from the "Dwelling" or "Detached Private Structure" to a:
 - i. Public sewer system; or
 - ii. Private septic system (excluding the septic system itself)
 - e. Drain piping that drains water away from the "Dwelling" or "Detached Private Structure";
 - f. Power lines or electrical wiring; or
 - g. Communication or data transmission wiring, including but not limited to telephone, cable, internet or fiber optic wiring.
2. Underground Service Line must be:
 - i. Located on the "Premises"; and
 - ii. Owned by "you" or "you" must be legally liable for its repair or replacement.
 3. Underground Service Line does not include:
 - i. That part of piping or wiring that runs through or under a body of water, including but not limited to a swimming pool, pond or lake;
 - ii. That part of piping or wiring that runs through or under the "Dwelling" or "Detached Private Structure";
 - iii. Piping that is connected to outdoor property, including but not limited to sprinklers, irrigation systems, swimming pools, hot tubs and decorative ponds;
 - iv. Piping or wiring that is not connected and ready for use;
 - v. Piping or wiring that is connected to any building other than a "Dwelling" or "Detached Private Structure".

"Underground Service Line Failure" means a leak, break or tear, rupture, collapse or arcing of an "underground service line". Underground Service Line Failure does not include blockage from any cause (including tree roots), freezing, low pressure of an "underground service line" or any other failure that is not a leak, break, tear, rupture, collapse or arcing.

Loss or Damage Not Insured:

1. We will not pay for loss or damage to:
 - a. Septic systems including leach fields, septic tanks, pumps, motors or piping that runs from the septic tank to

- the leach fields;
 - b. Water wells, including pumps or motors;
 - c. Heating and cooling systems, including heat pumps and geo-thermal systems;
 - d. "underground service lines" connected to any Farm Building;
 - e. "Underground service lines" connected to any outdoor hot water heating system;
 - f. Irrigation or sprinkler systems;
 - g. An "underground service line" that is damaged while it is being installed, dismantled or repaired. However, this exclusion shall not apply of a covered "underground service line failure" necessitated such installation, dismantling or repair; or
 - h. Clean up or removal of pollutants, hazardous waste or sewage.
2. We will not pay for loss or damage caused by or resulting from any of the following causes of loss:
- a. "Specified Perils"
 - b. Freezing;
 - c. "Flood", surface waters, all whether driven by wind or not; or the backing up or escape of water from a sewer, sump or septic tank; or
 - d. "Earth Movement"
3. Loss or damage as stated in the "**loss or damage not insured**" section of the General Conditions (unless otherwise indicated in this endorsement).

Special Conditions

For the purposes of this endorsement only, the following exclusions in your policy do not apply:

- 1. Wear and tear, gradual deterioration, marring, deterioration or hidden decay;
- 2. Rust or other corrosion;
- 3. Mechanical breakdown, latent defect or inherent vice;
- 4. Weight of equipment, animals or people; or
- 5. Artificially generated electrical current

Basis of Claim Payment

The amount we will pay for damaged covered property will be in the least of:

- 1. The limit of insurance that applies to this endorsement;
- 2. The cost to repair the damaged property;
- 3. The cost to replace the damaged property on the same "Premises"; or
- 4. The necessary amount actually spent to repair or replace the damaged property.

Except as described in environmental, safety and efficiency improvements above, we are not responsible for the extra cost of replacing damaged property with property of a better kind of quality or of a different size or capacity.

In determining the cost of repairs or replacement, we will not pay or

include the increased cost to alter or relocate "underground service lines", unless such alteration or relocation is required by law or ordinance.

Except as provided in this endorsement, all terms, conditions and provisions of the policy to which this endorsement is attached shall have full force and effect.

VACANCY PERMIT (A) - FORM 2115

If the Coverage Summary Page indicates Form 2115 applies, coverage is amended as follows:

In consideration of the additional premium charged, if any, permission is hereby granted for the building or buildings described on the Coverage Summary Page to be "Vacant" or unoccupied for the period of time indicated on the Coverage Summary Page.

It being a further condition to the granting of this permit that the doors and windows shall be securely locked, and that all rubbish shall be removed from within and about said buildings and premises, and that the building shall be under the supervision and care of some competent person during the term of vacancy, otherwise this policy is null and void. It is understood and agreed that this permission shall not modify or affect any limitations as to vacancy or non-occupancy elsewhere in this policy. Optional Loss Settlement Clause is not applicable to "Vacant" buildings.

VACANCY PERMIT (B) - FORM 2120

If the Coverage Summary Page indicates Form 2120 applies, the amount of payment shall not exceed two-thirds of the amount we would otherwise have paid, had the property not been "Vacant".

All other terms and conditions of Vacancy Permit A also apply to Vacancy Permit B. Optional Loss Settlement Clause is not applicable to "Vacant" buildings.

FARM COVERAGES

FARM OUTBUILDINGS AND/OR CONTENTS

If the Coverage Summary Page indicates that one of the following forms applies, we provide the insurance described below in return for payment of the premium.

FARM BUILDING AND/OR CONTENTS – FORM 995F (FIRE AND LIGHTNING – ACTUAL CASH VALUE)

FARM BUILDING AND/OR CONTENTS – FORM 995E (FIRE AND EXTENDED COVERAGE – ACTUAL CASH VALUE)

FARM BUILDING – FORM 995R (FIRE AND EXTENDED COVERAGE - INCL. OPTIONAL LOSS

SETTLEMENT CLAUSE)

FARM BUILDING – FORM 995A (ALL RISK - INCL. OPTIONAL LOSS SETTLEMENT CLAUSE)

Additional Definition applicable to this section only:

“**Vacant**” as it pertains to a Farm Outbuilding insured under this section of the policy means any farm outbuilding where the occupancy/operations of the building, as described on the Coverage Summary Page, have ceased or been reduced to the point of less than 25% of the operating capacity of the building, regardless of the presence of equipment. This does not apply to temporary depopulation due to disease control or temporary unoccupancy due to normal operating cycles.

A. Property Insured

We insure:

1. Outbuildings – The buildings and structures described on the Coverage Summary Page for which an amount of insurance is shown, including:
 - a. permanently attached fixtures, equipment (including portable equipment on the premises pertinent to the outbuilding) and
 - b. materials and supplies on the premises intended for use in construction, alteration or repair of the building or structure and which are to enter into and form part of the building or structure.
2. Contents - Contents of a building or structure described on the Coverage Summary Page for which an amount of insurance is shown, while contained in the building or structure. This insurance applies only to property you own and which is usual and incidental to your agriculture operations, but you may apply up to 10% of the amount of insurance or \$5,000., whichever is less, to uninsured contents owned by others and for which you are responsible.

You may also apply 10% of the amount of insurance to cover contents while temporarily removed from your farm premises for repair or seasonal storage.
3. Other property specifically described on the Coverage Summary Page, for which an amount of insurance is shown.

B. Insured Perils

Building and/or Contents - (Fire & Lightning) - Form 995F

If the Coverage Summary Page indicates Form 995F applies, you are insured against direct loss or damage caused by:

1. **Fire or Lightning**. (excluding lightning damage to electrical devices or appliances) or **Explosion** of natural, coal or manufactured gas.

Building and/or Contents - (Fire & Extended Coverage) - Form 995E, or

Building (Fire & Extended Coverage - incl. Optional Loss Settlement Clause) - Form 995R

If the Coverage Summary Page indicates Form 995E or 995R applies, you are insured against direct loss or damage caused by Peril 1. stated above and by the following Extended Coverage Perils:

2. **Explosion.** The term "Explosion" does not include electric arcing, water hammer or rupture of any vessel or conduit due to water pressure therein;
3. **Lightning.** Lightning loss or damage to electrical appliances or devices;
4. **Smoke.** The term "Smoke" means smoke due to a sudden, unusual and faulty operation of any stationary furnace. There is no liability hereunder for any cumulative damage or depreciation;
5. **Impact by Aircraft or Land Vehicles:** There shall be no liability under this Peril for loss or damage to animals;
6. **Riot;**
7. **Vandalism or Malicious Acts:** There shall be no liability under this Peril in respect to loss or damage:
 - a. occurring while a building insured is "Vacant" irrespective of any permission elsewhere in this Policy;
 - b. occurring while a building insured or containing property insured is in course of construction irrespective of any permission elsewhere in this Policy;
 - c. to glass constituting part of a building;
 - d. to property insured directly or indirectly caused by theft or attempt thereat;
 - e. caused by the Insured's spouse or any member of the same household.
8. **Windstorm and Hail:** There shall in no event be any liability hereunder in respect to loss or damage:
 - a. to an outdoor radio or television antenna or its appurtenances and to roof signs;
 - b. to windmills; wooden silos; threshed grain or to farm produce, hay, straw or silage in the open; livestock or poultry;
 - c. to corrals or fencing anywhere on the premises, unless provided for elsewhere in the policy;
 - d. to trees, lawns, plants and shrubs;
 - e. directly or indirectly caused by snow-load or ice load, water, waterborne objects, ice, waves, tidal waves, land subsidence or landslide;
 - f. to insured property contained in a building unless the damage occurs concurrently with and results immediately from an aperture in the building caused by windstorm or hail. Damage caused by snow-load is excluded;
9. **Falling Object:** The term "Falling Object" means an object striking the exterior of a building, but there shall be no liability under this Peril in respect to loss or damage caused to glass constituting part of a building unless such damage is coincidental with other damage to the building.

Building - (All Risk - incl. Optional Loss Settlement Clause) – Form 995A

If the Coverage Summary Page indicates Form 995A applies, you are insured against all risks of direct physical loss or damage except the following:

Property Excluded

This policy does not insure loss of or damage to:

1. sewers, drains or water mains located beyond the outside bearing walls or foundations of the property insured, outside communication towers, antennae and equipment attached thereto, street clocks, exterior signs, exterior glass or vitrolite and lettering or ornamentation thereon, but this exclusion does not apply to loss caused by fire, lightning, explosion, smoke, leakage from fire protective equipment, windstorm or hail, strike, riot, vandalism or malicious acts, impact by aircraft, spacecraft or land vehicle;
2. any building which is to the knowledge of the Insured "Vacant", unoccupied or shut down for more than thirty days;

Perils Excluded

We do not insure against loss or damage caused directly or indirectly by:

1. snow slide, landslide, earthquake, subsidence or other earth movement, except for ensuing loss or damage which results from fire, explosion, smoke or leakage from fire protective equipment;
2. "flood", including waves, tides, tidal waves, and the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made, but this exclusion does not apply to ensuing loss or damage which results from fire, explosion, smoke or leakage from fire protection equipment or from a water main;
3. 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 caused by a peril not otherwise excluded;
4. the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings (including but not limited to soffits and gable vents), unless through an aperture concurrently caused by a Peril not otherwise excluded;
5. 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;
6. explosion (except with respect to explosion of natural, coal or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the Insured, unless fire ensues and then only for the loss or damage caused by such ensuing fire:
 - a. the portion containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing

- steam or water under steam pressure;
- b. piping and apparatus of parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
- c. other vessels and apparatus and pipes connected therewith, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 Kilopascals (15 pounds per square inch) above atmospheric pressure, but this exclusion does not apply to loss or damage resulting from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimeters (24 inches) or less used for the heating and storage of hot water for domestic use;
- d. moving or rotating machinery or parts thereof;
- e. any vessels and apparatus and pipes connected therewith while undergoing pressure test, but this exclusion does not apply to other property insured hereunder that has been damaged by such explosion;
- f. gas turbines;
- 7. settling, expansion, contraction, moving, shifting or cracking, unless concurrently caused by a Peril not otherwise excluded;
- 8. 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, smoke, windstorm, hail, explosion, strike, riot, impact by aircraft, spacecraft or land vehicle, leakage from fire protective equipment, rupture of pipes or breakage of apparatus not excluded under paragraph 6. e. hereof, vandalism or malicious acts, theft or attempt thereat.

C. Loss or Damage Not Insured - Applicable to Forms 995F, 995E, 995R and 995A

We do not insure:

1. Loss or damage as stated in the “**loss or damage not insured**” section of the General Conditions.

D. Special Limits of Insurance

Average Distribution Clause

If you have a single amount of insurance on more than one building, or the contents of more than one building, the amount of insurance in either case will be divided in proportions that the value of each building or the contents of each building bears to the total value of all buildings or the contents of all buildings at the time of loss.

Co-Insurance Clause

We will not pay for a greater proportion than the applicable amount of insurance, at the time of loss, bears to:

- 80% of the Actual Cash Value if insured under Forms 995F or 995E;
- 90% of the Replacement Cost if insured under Form 995R; or
- 90% of the Replacement Cost if insured under Form 995A.

If two or more items are insured, the clause will apply separately to

each item.

Vacant Farm Outbuildings

This Insurer shall not be liable for more than fifty percent (50%) of the amount we would otherwise have paid (had the property not been vacant at the time of loss or damage) on any farm outbuilding(s) damaged or destroyed while the said building(s) are vacant for more than 30 consecutive days. Optional Loss Settlement Clause is not applicable to vacant buildings.

E. Extensions of Coverage - Applicable to Forms 995F, 995E, 995R and 995A

Corrals and Farm Fencing

We will pay up to \$2,500 for corrals and farm fencing on your farm premises listed on the Coverage Summary Page for damage caused by the perils insured by Form 995E (in addition to the limits of insurance indicated on the Coverage Summary Page).

Debris Removal

We will pay the reasonable expense incurred by you in the removal of debris of insured property as a result of an Insured Peril. This coverage does not increase the amount of insurance applying to the damaged property if the outbuilding is insured under Form 995F, 995E or 995R, however if the outbuilding is insured under Form 995A, we will pay up to an additional 5% of the limit of insurance if the amount payable for the outbuilding exceeds the limit of insurance.

Exterior Wiring Systems

We will pay up to \$5,000 for loss or damage to exterior wiring systems consisting of poles, wires, transformers, switches and lighting on the insured premises, caused by a Specified Peril (in addition to the limits of insurance indicated on the Coverage Summary Page).

Fire Department Charges

We will pay up to \$3,000 or such other amount as may be specified on the Coverage Summary Page for your liability for fire department charges incurred when the fire department is called to save or protect insured property from an Insured Peril. No deductible applies to this coverage.

New or Newly Acquired Buildings

We will pay up to an additional amount of \$100,000 to cover new or newly acquired building(s) or additions to existing building(s) which are to be used in your farming operation. Form 995R applies to this extension.

This coverage shall cease when any of the following first occurs:

1. 30 days from the date construction begins;
2. additional limits of insurance are reported to the company;
3. this policy expires.

Additional premium for such new coverage shall be due and payable for values so reported, calculated from the date construction begins.

Pollution Damage - Insured Premises

If a sudden and unintentional event occurs during the policy term

resulting in "pollution" damage or contamination of property of the insured premises, which is required to be reported to any provincial authority, we will pay up to \$5,000, in any one policy term, subject to the policy deductible, for costs to remove and restore property of the insured premises.

Property Removed

If you must remove insured property from your premises to protect it from loss or damage, it is insured by this policy for 30 days or until your policy term ends - whichever occurs first. The amount of insurance will be divided in the proportions that the value of the property removed bears to the value of all property at the time of loss.

ADDITIONAL FARM EXPENSE ENDORSEMENT - FORM 2240

If the Coverage Summary Page indicates that Form 2240 applies, we provide the insurance described below.

Additional Farm Expense

We insure Additional Farm Expenses incurred by you which are made necessary to continue normal farming operations, which result from insured loss or damage to Outbuildings, Livestock or Machinery which are insured by this policy.

Coverage under this form applies only for the period of time necessarily required, with due diligence and dispatch, to repair or replace the lost or damaged property, but shall not exceed 60 days from date of loss.

The amount of insurance provided under this Form is 2% of the total amount of insurance on Outbuildings, Livestock and Machinery on this policy, but not less than \$1,000 in aggregate.

This endorsement does not cover any Co-Insurance or other shortfall in any coverage limits on this policy.

No deductible applies to this coverage unless stated on the Coverage Summary Page.

FARM EQUIPMENT BREAKDOWN ENDORSEMENT – FORM 2600

This endorsement changes the policy – **Please read this carefully.** As respects this Equipment Breakdown Endorsement, this endorsement changes coverage provided by the following:

Farm Insurance Policy – Insurance Agreement

"We" cover direct physical loss to covered property that is caused by an "equipment breakdown". The Equipment Breakdown Coverage Limit shown on the Coverage Summary Page is the most "we" pay for any one loss, regardless of the number of "equipment breakdowns".

If the policy to which this endorsement is attached provides business income coverage such as Farm Earnings, Extra Expense, or Farm Rents, the "equipment breakdown" coverage provided by this endorsement is extended to apply to such business income coverage. The coverage provided by this endorsement for business

income is subject to the policy "limit" for the applicable business income coverage.

Section I Property Coverages

Definitions

The following definitions are added:

"Equipment Breakdown" as used herein means:

1. Physical loss or damage originating within:
 - a. Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:
 - i. waste disposal piping;
 - ii. any piping forming part of a fire protective system; and
 - iii. any water piping other than:
 - boiler feed water piping between the feed pump and the boiler;
 - boiler condensate return piping; or
 - water piping forming part of a refrigerating or air-conditioning system used for cooling, humidifying, or space heating purposes.
 - b. All mechanical, electrical, electronic or fiber optic equipment; and
 - i. Caused by, resulting from, or consisting of:
 - Mechanical breakdown;
 - Electrical or electronic breakdown; or
 - Rupture, bursting, bulging, implosion, or steam explosion.

"Equipment Breakdown" does not mean physical loss or damage caused by or resulting from any of the following:

1. wear and tear;
2. rust or other corrosion, decay, deterioration, hidden or latent defect, mold or any other quality in property that causes it to damage or destroy itself;
3. smog;
4. settling, cracking, shrinking, or expansion;
5. nesting or infestation, or discharge or release of waste products or secretions, by birds, rodents, or other animals;
6. any accident, loss, damage, cost, claim, or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any computer system including any hardware, programs, or software;
7. scratching and marring;
8. loss, damage, cost, or expense directly caused by, contributed to by, resulting from, or arising out of the following causes of loss: fire; lightning; combustion explosion; windstorm; hail; weight of snow, ice or sleet; freezing; falling objects; smoke; aircraft or vehicles; riot or civil commotion; vandalism or malicious mischief; theft; sinkhole collapse; volcanic eruption; leakage from fire extinguishing equipment;

water; water damage; earth movement; and flood.

"Green" means products, materials, methods, and processes certified by a "green authority" that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions, or otherwise minimize environmental impact.

"Green authority" means an authority on "green" buildings, products, materials, methods, or processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), Green Building Initiative Green Globes®, Energy Star Rating System, or any other recognized "green" rating system.

"Production machinery" means any machine which processes, forms, shapes, or transports raw materials, materials in process, waste materials, or finished products.

Farm Property – Outbuildings and/or contents

BUILDING and/or CONTENTS - Form 995F (Fire and Lightning – Actual Cash Value)

BUILDING and/or CONTENTS - Form 995E (Fire and Extended Coverage – Actual Cash Value)

BUILDING - Form 995R (Fire and Extended Coverage - incl. Optional Loss Settlement Clause)

BUILDING - Form 995A (All Risk - incl. Optional Loss Settlement Clause)

Insured Perils

The following Insured Perils is added:

"Equipment Breakdown"

Perils Excluded

The following Perils Excluded are deleted:

1. 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;
2. explosion (except with respect to explosion of natural, coal or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the Insured, unless fire ensues and then only for the loss or damage caused by such ensuing fire:
 - a. the portion containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
 - b. piping and apparatus of parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
 - c. other vessels and apparatus and pipes connected therewith, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 Kilopascals (15 pounds per square inch) above atmospheric pressure, but this exclusion does not apply to loss or damage resulting from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimeters (24 inches) or less used for the heating and storage of hot water for domestic use;

- d. moving or rotating machinery or parts thereof;
- e. any vessels and apparatus and pipes connected therewith while undergoing pressure test, but this exclusion does not apply to other property insured hereunder that has been damaged by such explosion;
- f. gas turbines;
- g. settling, expansion, contraction, moving, shifting or cracking, unless concurrently caused by a Peril not otherwise excluded;

Additional Coverages

The following Additional Coverages are added as a part of and not in addition to the limit per loss:

Pollutant Clean Up and Removal for “Equipment Breakdown”

“We” will pay for the Pollutant Clean Up and Removal for loss resulting from an “Equipment Breakdown”. The most “we” will pay for the Pollutant Clean Up and Removal is \$250,000 unless another limit is provided by the Deductible and Limits Exceptions Schedule to which this endorsement can be attached. In that case, the limit provided by the Deductible and Limits Exceptions Schedule will apply.

Expediting Expenses

“We” will pay for the expediting expense loss resulting from an “**Equipment Breakdown**” with respect to your Covered Property. “We” will pay the reasonable extra cost to:

1. Make temporary repairs;
2. Expedite permanent repairs; and
3. Expedite permanent replacement.

Reasonable extra cost shall mean “the extra cost of temporary repair and of expediting the repair of such damaged equipment of the insured, including overtime and the extra cost of express or other rapid means of transportation.”

Spoilage Coverage

“We” will pay for loss of perishable goods due to spoilage resulting from lack of power, light, heat, steam or refrigeration caused by “Equipment Breakdown” to types of property covered by this policy, that are:

1. located on or within 1,000 feet of your described premises, and
2. owned by “you”, the building owner at your described premises, or by a public utility.

However, “we” will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freeze, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage, earth movement and flood.

The most “we” will pay for loss or damage under this coverage is \$250,000 unless another limit is provided by the Deductible and

Limits Exceptions Schedule to which this endorsement can be attached. In that case, the limit provided by the Deductible and Limits Exceptions Schedule will apply.

Refrigerant Contamination

We will pay the loss from contamination by refrigerant used in refrigerating, cooling, or humidity control equipment at the described premises as a result of an "Equipment Breakdown".

The most we will pay for loss or damage under this Additional Coverage is \$250,000 unless another limit is provided by the Deductible and Limits Exceptions Schedule to which this endorsement can be attached. In that case, the limit provided by the Deductible and Limits Exceptions Schedule will apply.

CFC Refrigerants

We will pay for the additional cost to repair or replace Covered Property because of the use or presence of a refrigerant containing CFC (chlorofluorocarbon) substances.

Additional costs mean those in excess of what would have been required to repair or replace Covered Property, had no CFC refrigerant been involved.

We pay no more than the least of the following:

1. The cost to repair the damaged property and replace any lost CFC refrigerant;
2. The cost to repair the damaged property, retrofit the system to accept a non-CFC refrigerant, and charge the system with a non-CFC refrigerant; or
3. The cost to replace the system with one using a non-CFC refrigerant.

Computer Equipment

We will pay for loss or damage to your computers caused by an "Equipment Breakdown".

Service Interruption

Any insurance provided for Business Income or Extra Expense is extended to apply to your loss, damage or expense caused by an "Equipment Breakdown" to equipment that is:

1. located on or with 1,000 feet of your described premises; and
2. owned by a utility, landlord or other supplier, with whom you have a contract to supply you with any of the following services:
3. electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission.

The equipment must meet the definition of "Equipment Breakdown" except that it is not Covered Property.

Livestock

For purposes of this Equipment Breakdown Enhancement Endorsement "we" will pay for the Livestock loss resulting from an "Equipment Breakdown". The most "we" will pay for Livestock is \$100,000 for direct loss or consequential loss including suffocation. Regardless of the number of claims, this limit is the most "we" will pay for the total of all loss or damage arising out of all occurrences of an "Equipment Breakdown" which take place in a 12-month

period (starting with the beginning of the present annual policy period).

Poultry

For purposes of this Equipment Breakdown Enhancement Endorsement "we" will pay for the Poultry loss resulting from an "**Equipment Breakdown**". The most "we" will pay for Poultry is \$100,000 for direct loss or consequential loss including suffocation. Regardless of the number of claims, this limit is the most "we" will pay for the total of all loss or damage arising out of all occurrences of an "Equipment Breakdown" which take place in a 12-month period (starting with the beginning of the present annual policy period).

Drying Out Coverage

If the presence of water, as a result of an "**Equipment Breakdown**", requires the drying out of electrical Covered Property, we will pay for the direct expenses of such drying out.

Equipment Breakdown Conditions

The following Equipment Breakdown Conditions are added:

Environmental, Safety, and Efficiency Improvements

If covered property requires replacement due to an "equipment breakdown", "we" pay "your" additional cost to replace with equipment that is better for the environment, safer, or more efficient than the equipment being replaced.

However, "we" do not pay more than 125% of what the cost would have been to repair or replace with like kind and quality.

This condition does not increase any of the applicable "limits". This condition does not apply to any property which is covered on an Actual Cash Value basis.

Green Environmental and Efficiency Improvements

1. With respect to covered property that requires repair or replacement due to an "equipment breakdown", "we" will pay:
 - a. The lesser of the reasonable and necessary additional cost incurred by the "insured" to repair or to replace physically damaged property with property of like kind and quality which qualifies as "green". Like kind and quality includes similar size and capacity.
 - b. The additional reasonable and necessary fees incurred by the "insured" for an accredited professional certified by a "green authority" to participate in the repair or replacement of physically damaged property as "green".
 - c. The additional reasonable and necessary cost incurred by the "insured" for certification or recertification of the repaired or replaced property as "green".
 - d. The additional reasonable and necessary cost incurred by the "insured" for "green" in the removal, disposal, or recycling of damaged property.
 - e. With respect to Additional Living Costs and Loss of Rent and, if provided by the policy to which this endorsement is attached, business income coverage, loss during the additional time required for repair or replacement of covered property, consistent with "green", in the coverages above.

With respect to property covered under Farm Property – Outbuildings and / or contents, "we" will not pay more than 125%, up to a maximum additional "limit" of \$100,000, of what the cost would have been to repair or replace with equipment of like kind and quality inclusive of fees, costs, and any business interruption loss incurred as stated above.

With respect to property covered under Homeowners and Tenants, "we" will not pay more than a maximum additional limit of \$3,000 of what the cost would have been to repair or replace with equipment of like kind and quality inclusive of fees, costs, and any loss of use loss incurred as stated above.

These Conditions will be a part of, and not an addition to, the limit of liability per loss or any other sub-limits of liability of this Policy.

2. However, the coverage provided under the Green Environmental and Efficiency Improvements Condition does not apply to any of the following:
 - a. Stock, raw materials, finished goods, "production machinery", merchandise, electronic data processing equipment not used in the functional support of the real property, process water, molds and dies, property in the open, property of others for which the "insured" is legally liable, or personal property of others.
 - b. Any loss covered under any other section of this policy.
 - c. Any cost incurred due to any law or ordinance with which the "insured" was legally obligated to comply prior to the time of the "equipment breakdown".

Mobile Agricultural Machinery and Equipment

"Mobile agricultural machinery and equipment" is excluded. For the purposes of this "Equipment Breakdown" coverage "mobile agricultural machinery and equipment" shall be defined as any land motor vehicle designed for use on or off public roads including but not limited to tractors, combines, loaders, bulldozers, and all-terrain vehicles, including implements and attachments for use with these including but not limited to plows, cutting heads, discs, sprayers, manure agitators or spreaders and bag filling apparatus.

However, global positioning or computerized equipment or monitoring devices mounted on or attached to this equipment whether factory installed or not is not excluded.

EXCEPT AS OTHERWISE PROVIDED IN THIS FORM, ALL TERMS, CONDITIONS AND PROVISIONS OF THE POLICY TO WHICH THIS FORM IS ATTACHED SHALL HAVE FULL FORCE AND EFFECT.

CONSEQUENTIAL LOSS EXTENSION (BROAD) – FORM 2216

If the Coverage Summary Page indicates Form 2216 applies, we provide the following coverage in addition to the coverage provided on Form 2215:

We insure loss or damage to produce insured hereunder, while contained in refrigeration units within building(s), due to change of temperature as a result of physical damage to building(s) or

equipment therein, caused by a peril insured against, or due to mechanical breakdown of the refrigeration unit or electrical power interruption.

All other terms and conditions of Form 2215 also apply to Form 2216.

CONSEQUENTIAL LOSS EXTENSION (BASIC) – FORM 2217

If the Coverage Summary Page indicates Form 2217 applies, we provide the following coverage in addition to the coverage provided on Form 2215:

We insure loss or damage to produce insured hereunder, while contained in refrigeration units within building(s), due to change of temperature as a result of physical damage to building(s) or equipment therein, caused by a peril insured against on the building or equipment coverage. All other terms and conditions of Form 2215 also apply to Form 2217.

ENHANCED FARM COVERAGE ENDORSEMENT – FORM 2241

If the Coverage Summary Page indicates that Enhanced Farm Coverage Endorsement – Form 2241 applies, we provide the following itemized coverage:

Additional Coverage and Extensions:

Insurance	Amount
1 Blanket By-Laws Coverage	\$20,000
2 Computer Coverage	\$5,000
3 Corrals and Farm Fencing Coverage	\$5,000
4 Cost of Preparing Proof of Loss	\$1,000
5 Cost of Restoring Farm Operation Records	\$5,000
6 Cross Liability Coverage	Included
7 Debris Removal	5%
8 Exhibition Coverage	\$5,000
9 Extra Expense	\$10,000
10 Farm Office Furnishings and Equipment	\$5,000
11 Farm Sign Coverage	\$3,000
12 Farm Tools and Parts Coverage	\$2,000
13 Farm Water System Coverage	\$5,000
14 Fire Department Charges	\$10,000
15 Fuel and Fuel Tank Coverage	\$3,000
16 Good Neighbor Coverage	\$10,000
17 Newly Acquired or Newly Constructed Farm Property	
Newly Acquired or Constructed Farm Buildings	\$250,000
Newly Acquired or Leased Farm Machinery and Equipment	\$150,000
Newly Acquired Livestock - Per Animal	\$5,000
Newly Acquired Livestock - Per Occurrence	\$10,000

Insurance	Amount
18 Pollutant Clean Up and Removal Expense	\$10,000
19 Private Power and Light Poles	\$5,000
20 Property in the Custody of a Common Carrier	\$15,000
21 Seed, Chemicals and Fertilizer	\$10,000
22 Stacked Hay, Straw & Feed	\$5,000
23 Standing Crop Coverage	
Grain & Seed	\$5,000
Hay & Straw	\$1,000
24 Valuable Papers	\$5,000
25 Veterinarian Supply Coverage	\$5,000

1. **Blanket By-Laws Coverage**

The following is hereby added under Part 4-Optional Coverages:

Blanket By-Laws Coverage (Additional Coverage under Farm Property – Farm Outbuildings and/or Contents

- a. Coverage: We will pay for the following:
 - i. Coverage A – Loss of the Undamaged Portion of a Building Coverage
If an Insured Peril causes loss or damage to an insured building at the described premises, we will pay for loss to the undamaged portion of the building caused by the enforcement of any by-law that:
 - Requires the demolition of parts of the same building not damaged by an Insured Peril;
 - Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
 - Is in force at the time of loss.
 - ii. Coverage B – Demolition Cost Coverage
If an Insured Peril causes loss or damage to an insured building at the described premises, we will pay the cost to demolish and clear the site of undamaged parts of the building caused by the enforcement of any building, zoning or land use by-law.
 - iii. Coverage C – Increased Cost of Construction Coverage
If an Insured Peril causes loss or damage to an insured building at the described premises, we will pay for the increased cost to repair, rebuild or construct the building caused by the enforcement of any building, zoning or land use by-law. If the building is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by a zoning or land use by-law.
We will not pay for the increased cost of construction if the building is not repaired or replaced.
- b. We will not pay under this Additional Coverage for the cost associated with the enforcement of any by-law which requires any Insured or others to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”.
- c. The most we will pay under this Coverage is \$20,000. This amount is in addition to the Amounts of Insurance.

No deductible applies to this coverage.

2. Computer Coverage

We will pay up to \$5,000 in any one occurrence for direct physical loss of or damage to computer equipment (hardware and software) used in the farming operation caused by a peril insured under Form 2035. This coverage does not increase the amount of insurance applying to the damaged property.

3. Corrals and Farm Fencing Coverage

Coverage for the following is hereby added under Part 4 – Optional Coverages:

Corrals and Fencing Coverage:

We will pay up to \$5,000. in any one occurrence as an additional amount of Insurance for direct physical loss of or damage to corrals and/or fences on your farm premises caused by Form 995E (Fire & Extended Coverage).

Subject to a \$500. deductible.

4. Cost of Preparing Proof of Loss

Coverage for the following is hereby added under Part 4 – Optional Coverages:

Cost of Preparing Proof of Loss:

We will pay up to \$1000. for the cost of reasonable professional expenses incurred by you in preparing the proof of your loss or any other exhibits required by this policy. This amount is in addition to the Amounts of Insurance.

No deductible applies to this coverage.

5. Cost of Restoring Farm Operations Records (Including Auditor Fees):

Coverage for the following is hereby added under Part 4 – Optional Coverages:

Cost of Restoring Farm Operations Records (Including Auditor Fees):

We will pay up to \$5,000. in any one occurrence to cover your cost to research, replace or restore the lost information on farm operations records damaged by an Insured Peril. This is an additional amount of Insurance.

No deductible applies to this coverage.

6. Cross Liability Coverage

Under Section II Farm Liability Coverage the following coverage is hereby added:

Separation of Insured – Cross Liability

Without increasing the amount of insurance shown on the Coverage Summary Page, the insurance under Coverage E & Coverage F applies separately to each Insured against whom claim is made or suit is brought. However, this does not apply where a claim is made or a suit is brought against a person insured by this policy by his or her spouse or any of the following if living in the same household as the insured person at the time of the occurrence of the “bodily injury” or “property damage” in respect of which the claim is being made or the suit is being brought:

- a. Relatives of either the insured person or his or her “spouse”, or
- b. Any person under the age of 21 in their care.

The inclusion of more than one insured under this form shall not in

any way affect the rights of such Insured either as respects any claim, demand, suit or judgment made or recovered by or in favour of any other Insured. This form shall protect each Insured scheduled to be covered by this endorsement in the same manner and to the same extent as though a separate policy had been issued to each, but nothing herein shall operate to increase the Insurer's liability as set forth elsewhere in this form beyond the amounts for which the Insurer would have been liable if only one person or interest had been named as Insured.

7. Debris Removal

Coverage for the following is hereby added under Part 4-Optional Coverages:

Debris Removal:

We will pay the reasonable expense incurred by you in the removal of debris of insured property as a result of an Insured Peril. If the amount payable for the loss, including the expense for removal of debris, is greater than the amount of Insurance on the insured property, an additional 5% of that amount will be available to cover debris removal expense.

No deductible applies to this coverage.

8. Exhibition Coverage

Additional Coverages in Section I Property Coverages are amended by inserting the following at the end thereof;

Exhibition Coverage:

We will pay up to \$5000. in any one occurrence for direct physical loss of or damage to Agricultural Property while at any fairground, exhibition or exposition for the purpose of exhibition or sale, caused by an Insured Peril. This coverage does not increase the amount of insurance applying to the damaged property.

Subject to a \$500. deductible.

9. Extra Expense Coverage

The following is hereby added under Part 4 – Optional Coverages:

Extra Expense:

We will pay up to \$10,000. as an additional amount of insurance for the actual and necessary expenses you incur to resume normal farming operations interrupted as the result of direct physical loss of or damage to insured property by an Insured Peril.

Coverage for such extra expense is not limited by the expiration of this policy. We will not pay extra expense you incur after the period required for repair, rebuilding or replacement of insured property.

Any extra expense related to short term rental of mobile farm machinery shall be limited per day to 10% of the limit of coverage for this extension.

No deductible applies to this coverage.

10. Farm Office Furnishing and Equipment Coverage

Additional Coverages in Section 1 – Property Coverages are amended by inserting the following at the end thereof:

Farm Office Furnishings and Equipment Coverage:

You may apply \$5,000. of the amount of insurance on Coverage C-Personal Property for direct physical loss of or damage to "farm office furnishings and equipment" located on the "Premises" caused by an Insured Peril. "Farm office furnishings and equipment means: office furniture, fixtures, equipment, machines and supplies. This is not an additional amount of insurance.

Subject to a \$500. deductible.

11. Farm Sign Coverage

The following is hereby added under Part 4 – Optional Coverages:

Farm Sign Coverage:

We will pay up to \$3,000. in any one occurrence as an additional amount of insurance for direct physical loss of or damage to Farm Signs caused by an Insured Peril under Form 995A.

Subject to a \$500. deductible.

12. Farm Tools and Parts Coverage

The following is hereby added under Part 4 – Optional Coverages:

Farm Tools and Parts Coverage:

We will pay up to \$2,000. in any one occurrence as an additional amount of insurance for direct physical loss of or damage to Farm Tools and Parts caused by an Insured Peril under Form 2165.

Subject to a \$500. deductible.

13. Farm Water System Coverage

The following is hereby added under Part 4 – Optional Coverages:

Farm Water System Coverage:

We will pay up to \$5,000. in any one occurrence as an additional amount of insurance for direct physical loss of or damage to a water pump, pressure system and pump house used in whole or in part for farming purposes, caused by an Insured Peril under Form 995A.

Subject to a \$500. deductible.

14. Fire Department Charges

We will pay up to \$10,000 or such other amount as may be specified on the Coverage Summary Page for your liability for fire department charges incurred when the fire department is called to save or protect insured property from an Insured Peril.

No deductible applies to this coverage.

15. Fuel and Fuel Tank Coverage

The following is hereby added under Part 4 – Optional Coverages:

Fuel and Fuel Tank Coverage:

We will pay up to \$3,000. in any one occurrence as an additional amount of insurance for direct physical loss or damage to fuel tanks, fuel tank stands, and liquefied petroleum or manufactured gas stored on the premises, caused by an Insured Peril. This applies as an additional amount of insurance for direct physical loss of or damage caused by an Insured Peril under Form 2065.

Subject to a \$500. deductible.

16. Good Neighbor Coverage

Coverage for the following is added under Part 4 – Optional Coverages:

Good Neighbor Coverage:

We will pay up to \$10,000. in any one occurrence as an additional amount of insurance for direct physical loss or damage to Agricultural Property owned in whole by others, while in the Insured's care, custody and control, caused by an Insured Peril. If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss or damage in excess of the amount due to that other insurance.

Subject to a \$500. deductible.

17. Newly Acquired or Newly Constructed Farm

Property

Coverage for the following is added under Part 4 – Optional Coverages:

a. **Newly Acquired or Newly Constructed Farm Buildings:**

You may extend the insurance that applies to Agricultural Buildings to apply to:

- i. Your new buildings while being built; and
- ii. Buildings you acquire during the policy term at locations other than the specified premises which are intended for similar use as the building(s) described on the Coverage Summary Page.

The most we will pay for loss or damage under this Extension is \$250,000. This is not an additional amount of insurance.

b. **Newly Acquired or Leased Farm Machinery and Equipment:** You may extend the insurance that applies under Form 2165 to farm machinery and equipment you acquire during the policy term or for which you are legally liable. Individually scheduled tools, other machinery, spare parts and tools are excluded.

The most we will pay this extension is \$150,000. This is not an additional amount of insurance.

c. **Newly Acquired livestock:** You may extend the insurance that applies under Form 2150 (or 2155) to similar livestock that you acquire during the policy term.

The most we will pay under this extension is \$10,000 and not more than \$5,000 for any one animal.

This is not an additional amount of insurance.

Insurance under this extension will end when any one of the following first occurs:

- a. The policy expires;
- b. 30 days expire after you acquire or begin to construct the property; or
- c. You report the values to us.

You agree to keep an accurate record of the date of the commencement of construction, acquisition and description and value of each item so covered and to pay pro-rata additional premium thereon.

Subject to a \$500. deductible.

18. **Pollutant Clean Up and Removal Expense**

Coverage for the following is added under Part 4 – Optional Coverages:

Pollutant Clean Up and Removal Expense:

We will pay your expense to extract “pollutants” from land or water at the “premises” if the discharge, dispersals, seepage, migration, release or escape of the “pollutants” is caused by or results from an Insured Peril that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the loss by Insured Peril occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of “pollutants”. But we will pay for testing which is performed in the course of extracting the “pollutants” from land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses

arising out of losses caused by Insured Perils occurring during each separate 12 month period of this policy. This amount is in addition to the Amounts of Insurance.

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

Subject to a \$500. deductible.

19. Private Power and Light Poles

The following is hereby added under Part 4 – Optional Coverages:

Private Power and Light Poles:

We will pay up to \$5,000. in any one occurrence as an additional amount of insurance for direct physical loss of or damage to private power and light poles, outside wiring and attachments. Attachments include switchboxes, fuse boxes and other electrical equipment mounted on poles you own at the premises. This applies as an additional coverage to property insured under Farm Outbuildings and Contents per Form 995E and Extended Coverages.

The \$5000. limit applies in excess of any applicable deductible.

20. Property in the Custody of a Common or Contract Carrier

The following is hereby added under Part 4 – Optional Coverages:

Property in the Custody of a Common or Contract Carrier:

You may extend the insurance that applies to Feed, Grain, Chemicals, Fertilizer, Produce, Livestock, Stored Grain, Straw and Feed to provide coverage while in custody of a common or contract carrier, for up to a total of \$15,000.

This is not an additional amount of insurance.

21. Seed, Chemicals and Fertilizer

The following is hereby added under Part 4 – Optional Coverages:

Seed, Chemicals and Fertilizer:

We will pay up to \$10,000 in any one occurrence as an additional amount of Insurance for direct physical loss or damage to certified seed, chemicals and fertilizer, caused by an Insured Peril under Form 2070.

Subject to a \$500. deductible.

22. Stacked Hay, Straw & Feed

The following is hereby added under Part 4 – Optional Coverages:

Stacked Hay, Straw & Feed

We will pay up to \$5,000 in any one occurrence as an additional amount of insurance for direct physical loss or damage to your stacked or baled hay, straw, silage or feed, commercial feed supplements, concentrates and processed grains, all for animal consumption, while located anywhere on property owned, leased or rented to the insured (including tarps and/or silage bags, on or attached to the Hay, Straw, Silage and Feed) caused by an Insured Peril under Form 2235.

Subject to a \$500. Deductible.

23. Standing Crop Coverage

Coverage for the following is added under Part 4 – Optional Coverages:

Standing Crop Coverage:

We will pay up to \$5,000. in any one occurrence as an additional

amount of insurance for direct physical loss by fire to standing or swathed grains and seed crops and up to \$1,000. in any one occurrence for direct physical loss by fire under Form 2235 to Hay, Straw and Feed. If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss or damage in excess of the amount due for that other insurance. Subject to a \$500. deductible.

24. Valuable Papers

The following is hereby added under Part 4 – Optional Coverages:

We will pay up to \$5,000 in any one occurrence as an additional amount of insurance for your Valuable Papers, (as defined hereunder) pertaining to your agricultural operation while located on the insured premises, against all risks of direct physical loss or damage from any external cause subject to the terms and conditions set out below.

ADDITIONAL AGREEMENT OF COMPANY

Such insurance as is afforded by this coverage shall apply:

- a. While the said insured property is being conveyed outside the Insured's premises and while temporarily within other premises, except for storage, provided the Insurer's liability for loss or damage shall not exceed ten percent (10%) of the sum insured, and
- b. While the insured property is being removed to and while at a place of safety because of imminent danger of loss or damage and while being returned from such place provided the Insured gives written notice to the Insurer or such removal within ten days thereafter.

SPECIAL DEFINITIONS AND EXCLUSIONS

DEFINITIONS

Valuable Papers means documents of a professional nature such as written, printed, or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, files, contracts usual to the profession of the Insured, but does not mean money or securities.

EXCLUSIONS

This policy does not insure:

- a. Property which cannot be replaced with other property of like kind and quality;
- b. Property utilized as samples, or for sale or for delivery after sale;
- c. Electrical or magnetic injury, disturbances or erasure of electronic recordings, except by lightning;
- d. Data processing media failure or breakdown or malfunction of the data processing equipment and component parts while the media is being run through the system, unless fire or explosion ensues and then only for the loss, damage or expense caused by such ensuing fire or explosion;
- e. Any data processing media prepared more than 24 hours before the loss which has not been duplicated and stored away from the insured premises, but this exclusion shall not apply to such property which cannot be duplicated because it is protected by copyright;
- f. Loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Subject to a \$500 Deductible.

25. Veterinarian Supply Coverage

Coverage for the following is added under Part 4 – Optional Coverages:

Veterinarian Supply Coverage:

We will pay up to \$5,000 in any one occurrence as an additional amount of Insurance for direct physical loss of or damage to veterinarian supplies (excluding semen and semen tanks) kept for use in your farming operations while on the "premises", caused by an Insured Peril, under Form 2070. Consequential Loss is included. Subject to a \$500 deductible.

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

EXTRA EXPENSE - FORM 2224

If the Coverage Summary Page indicates Form 2224 applies, we insure the necessary Extra Expense incurred by you in order to continue as nearly as practicable the normal conduct of your business following damage to or destruction occurring during the term of this Policy, of your barn, or attached equipment or livestock/poultry as described on the Coverage Summary Page by the perils insured against.

We shall be liable for the Extra Expense so incurred, for not exceeding such length of time, herein referred to as the "period of restoration", commencing with the date of loss and not limited by the date of expiration of this Policy, as shall be required with the exercise of due diligence and dispatch to repair, rebuild, or replace such part of your barn, or attached equipment or livestock/poultry as may be destroyed or damaged.

ADDITIONAL AGREEMENT OF COMPANY

Interruption by Civil Authority: This coverage is extended to include the actual loss as covered hereunder during the period of time, not exceeding two weeks, while access to the described premises is prohibited by order of civil authority but only when such order is given as a direct result of damage to neighbouring premises by a peril insured against by this policy.

SPECIAL DEFINITIONS, EXCLUSIONS AND PROVISIONS:

DEFINITIONS

"**Extra Expense**" wherever used in this form is defined as the excess (if any) of the total cost during the period of restoration for the purpose of continuing your business over and above the total cost that would normally have been incurred to conduct the business during the same period had no loss occurred; the cost in each case to include expense of using other property or facilities of other concerns or other similar necessary emergency expenses. In no event, however, shall we be liable under this Coverage for loss of income nor for Extra Expense in excess of that necessary to continue as nearly as practicable the normal conduct of your business, nor for the cost of repairing or replacing any of the described property that has been damaged or destroyed by the perils insured against, except cost in excess of the normal cost of such repairs or replacement necessarily incurred for the purpose of

reducing the total amount of Extra Expense; liability for such excess cost, however, shall not exceed the amount by which the total Extra Expense otherwise payable under this Policy is reduced. We shall also be liable for Extra Expense incurred in obtaining property for temporary use during the period of restoration necessarily required for the conduct of your business; any salvage value of such property remaining after resumption of normal operations shall be taken into consideration in the adjustment of any loss hereunder;

"NORMAL" means the condition that would have existed had no loss occurred;

"MONTH" means thirty (30) consecutive days.

EXCLUSIONS

We shall not be liable for:

1. loss due to fines or damages for breach of contract for late or non-completion of orders, or for any penalties of whatever nature;
2. loss due to the suspension, lapse or cancellation of any lease or license, contract or order;
3. the cost of compiling books of account, abstracts, drawings, card index systems or other records including film, tape, disc, drum, cell or other magnetic recording or storage media for electronic data processing;
4. any increase of loss due to interference at the described premises by strikers or other persons, with rebuilding, repairing or replacing the property, or with the resumption or continuation of business;
5. loss or damage as stated in the **"Loss or Damage Not Insured"** section of the General Conditions.

Provision

As soon as practicable after any loss, you shall resume complete or partial business operations of the property described on the Coverage Summary Page and, insofar as practicable, reduce or dispense with such extra expenses as are being incurred.

Deductible

We are responsible only for the amount by which the loss or damage caused by an Insured Peril exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

All other terms and conditions of this policy remain unchanged.

FARM EARNINGS (BASIC) – FORM 2219

If the Coverage Summary Page indicates that Form 2219 applies, we provide the insurance described below.

DESCRIPTION OF COVERAGE

We insure your loss of Farm Earnings you incur, directly resulting from the interruption of your business due to an insured loss to your **barn or attached equipment** which occurs while this Form is in effect. We will pay only for the loss of Farm Earnings you incur during the period of restoration.

LOSSES EXCLUDED

All exclusions in Forms 995F, 995E, 995R, 995A, as well as the following exclusions apply to Form 2219:

We do not insure:

1. the cost of repairing or replacing damaged or destroyed property;
2. any increase of loss due to interference at your premises by strikers or other persons with rebuilding, repairing or replacing damaged or destroyed property, or with the resumption or continuation of your business;
3. loss due to fines or damages for breach of contract for late or non-completion of orders, or for any penalties of any nature;
4. loss due to suspension, lapse or cancellation of any lease, license, contract or order. However, if the suspension, lapse or cancellation results directly from the interruption of your business by an insured loss, we will insure any resulting loss of earnings, but only during the period of restoration;
5. the cost of compiling books of account, abstracts, drawings, card index systems or other records including film, tape, drum, cell or other magnetic recording or storage media for electronic data processing;
6. any other consequential or remote loss;
7. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Basis of Loss Payment

When a Farm Earnings loss occurs, the following will be considered in determining the loss settlement:

1. **Farm Earnings:** Your amount of Farm Earnings loss will be determined taking into consideration:
 - a. the net income of your business before the insured loss occurred;
 - b. the expenses you necessarily incur for the purpose of reducing any loss under this Form (except expense incurred to extinguish a fire) but not exceeding the amount by which the loss is thereby reduced.
 - c. the probable net income if no insured loss had occurred;
 - d. the operating expenses necessary to resume operations to the same extent that existed just before the insured loss, and
 - e. other sources of information on your business such as your financial records, bills, invoices and similar documents.
2. **Your Responsibility for Resuming Operations:** You shall reduce your loss by resuming operations on your premises or elsewhere, using damaged or undamaged property.

We will reduce the amount of your Farm Earnings loss to the extent you could have resumed operations in whole or part by using damaged or undamaged property at your premises or elsewhere.

If you do not resume operations, or do not resume operations as quickly as possible, we will pay based on the length of time it would have taken to resume operations as quickly as

possible.

3. **Limitation:** Electronic Data Processing Media and Records: When an insured loss of Farm Earnings results from damage to or destruction of electronic data processing media or records, we will pay for such loss of Farm Earnings only for a period of 30 consecutive days or the length of time it should reasonably take to repair, rebuild or replace other property damaged or destroyed by the same occurrence, whichever is the lesser period of time.
4. **Limit of Insurance:** If the Coverage Summary Page indicates "NO CO-INSURANCE" applies, we will not pay more than 25% of the Amount of Insurance applicable to this Form in any 30 consecutive calendar days.
If the Coverage Summary Page indicates "CO-INSURANCE" applies, we will not pay for a greater proportion of the loss than the amount of insurance applicable to this Form bears to the Co-Insurance percentage shown on the Coverage Summary Page of the Farm Earnings that would have been earned (had no loss occurred) during the twelve months immediately following the date of damage to or destruction of the insured property (or other time period if shown on the Coverage Summary Page).
In all, we will not pay more than the actual loss sustained, or the Amount of Insurance applicable to this Form for loss of Farm Earnings arising from any one occurrence.
5. **Deductible:** No deductible applies to this coverage unless indicated on the Coverage Summary Page.

DEFINITIONS - As used in this Form:

"**Business**" or "**Operations**" means your agricultural operations at the location(s) shown on the Coverage Summary Page.

"**Farm earnings**" means Revenue (adjusted for opening and closing stocks and work in progress) less Variable Operating Expenses.

"**revenue**" means the money paid or payable to you for goods sold and delivered and for services rendered in the course of the business at the premises, after allowing for returns and discounts.

"**variable operating expense**" means those expenses which are directly linked to activity and so maintain a consistent ratio to sales whatever the level of trading.

"**period of restoration**" means the period, beginning with the date on which the "insured loss" occurs, which would reasonably be required to repair, rebuild or replace the damaged or destroyed property, to a maximum of 12 months (or other time period if shown on the Coverage Summary Page), not limited by the expiry date of this policy.

The "period of restoration" does not include any additional time needed because of any law or ordinance regulating the zoning, demolition, repair or construction of buildings or their related services.

EXTENSION OF COVERAGE

Professional Fees

We will pay the reasonable fees to professionals whom you may hire to produce and certify particulars or details of your business required by you to arrive at the loss payable. The amount payable

under this clause will not exceed \$2,000.00 (or other amount shown on the Declaration Page for professional fees).

FARM EARNINGS (BROAD) – FORM 2220

If the Coverage Summary Page indicates that Form 2220 applies, we provide the insurance described below.

DESCRIPTION OF COVERAGE

We insure your loss of Farm Earnings you incur, directly resulting from the interruption of your business due to an insured loss to your **barn or attached equipment or livestock/poultry** which occurs while this Form is in effect. We will pay only for the loss of Farm Earnings you incur during the period of restoration.

LOSSES EXCLUDED

We do not insure:

1. the cost of repairing or replacing damaged or destroyed property;
2. any increase of loss due to interference at your premises by strikers or other persons with rebuilding, repairing or replacing damaged or destroyed property, or with the resumption or continuation of your business;
3. loss due to fines or damages for breach of contract for late or non-completion of orders, or for any penalties of any nature;
4. loss due to suspension, lapse or cancellation of any lease, license, contract or order. However, if the suspension, lapse or cancellation results directly from the interruption of your business by an insured loss, we will insure any resulting loss of earnings, but only during the period of restoration;
5. the cost of compiling books of account, abstracts, drawings, card index systems or other records including film, tape, drum, cell or other magnetic recording or storage media for electronic data processing;
6. any other consequential or remote loss;
7. loss or damage as stated in the “**Loss or Damage Not Insured**” section of the General Conditions.

All exclusions in Forms 995F, 995E, 995R, 995A, 2150, or 2155 as well as the following exclusions apply to Form 2220:

BASIS OF LOSS SETTLEMENT

When a Farm Earnings loss occurs, the following will be considered in determining the loss settlement:

1. **Farm Earnings:** Your amount of Farm Earnings loss will be determined taking into consideration:
 - a. the net income of your business before the insured loss occurred;
 - b. the expenses you necessarily incur for the purpose of reducing any loss under this Form (except expense incurred to extinguish a fire) but not exceeding the amount by which the loss is thereby reduced.
 - c. the probable net income if no insured loss had occurred;

- d. the operating expenses necessary to resume operations to the same extent that existed just before the insured loss, and
 - e. other sources of information on your business such as your financial records, bills, invoices and similar documents.
2. **Your Responsibility for Resuming Operations:** You shall reduce your loss by resuming operations on your premises or elsewhere, using damaged or undamaged property.
- We will reduce the amount of your Farm Earnings loss to the extent you could have resumed operations in whole or part by using damaged or undamaged property at your premises or elsewhere.
- If you do not resume operations, or do not resume operations as quickly as possible, we will pay based on the length of time it would have taken to resume operations as quickly as possible.
3. **Limitation** -Electronic Data Processing Media and Records: When an insured loss of Farm Earnings results from damage to or destruction of electronic data processing media or records, we will pay for such loss of Farm Earnings only for a period of 30 consecutive days or the length of time it should reasonably take to repair, rebuild or replace other property damaged or destroyed by the same occurrence, whichever is the lesser period of time.
4. **Limit of Insurance:** If the Coverage Summary Page indicates "NO CO-INSURANCE" applies, we will not pay more than 25% of the Amount of Insurance applicable to this Form in any 30 consecutive calendar days.
- If the Coverage Summary Page indicates "CO-INSURANCE" applies, we will not pay for a greater proportion of the loss than the amount of insurance applicable to this Form bears to the Co-Insurance percentage shown on the Coverage Summary Page of the Farm Earnings that would have been earned (had no loss occurred) during the twelve months immediately following the date of damage to or destruction of the insured property (or other time period if shown on the Coverage Summary Page).
- In all, we will not pay more than the actual loss sustained, or the Amount of Insurance applicable to this Form for loss of Farm Earnings arising from any one occurrence.
5. **Deductible:** No deductible applies to this coverage unless indicated on the Coverage Summary Page.

DEFINITIONS - As used in this Form:

"**Business**" or "**Operations**" means your agricultural operations at the location(s) shown on the Coverage Summary Page.

"**farm earnings**" means Revenue (adjusted for opening and closing stocks and work in progress) less Variable Operating Expenses.

"**revenue**" means the money paid or payable to you for goods sold and delivered and for services rendered in the course of the business at the premises, after allowing for returns and discounts.

"**variable operating expense**" means those expenses which are

directly linked to activity and so maintain a consistent ratio to sales whatever the level of trading.

“**period of restoration**” means the period, beginning with the date on which the “insured loss” occurs, which would reasonably be required to repair, rebuild or replace the damaged or destroyed property, to a maximum of 12 months (or other time period if shown on the Coverage Summary Page), not limited by the expiry date of this policy.

The “period of restoration” does not include any additional time needed because of any law or ordinance regulating the zoning, demolition, repair or construction of buildings or their related services.

EXTENSION OF COVERAGE

Professional Fees

We will pay the reasonable fees to professionals whom you may hire to produce and certify particulars or details of your business required by you to arrive at the loss payable. The amount payable under this clause will not exceed \$5,000.00 (or other amount shown on the Declaration Page for professional fees).

FARM EARNINGS (PROFITS EXTENSION) - FORM 2221

If the Coverage Summary Page indicates that Form 2221 applies, we provide the following extension of coverage to the Farm Earnings Insurance - Form 2220:

The amount recoverable shall be the least of:

1. The limit of liability shown for Farm Earnings Insurance on the Coverage Summary Page or;
2. The actual loss sustained, not to exceed 365 consecutive days.

Coverage commences from the date of an insured loss and continues until the Farm Earnings are restored to normal.

“**Normal**” is defined as the condition which would have existed had no loss occurred.

All other terms and conditions of Form 2220 also apply to Form 2221.

FARM EARNINGS – ACTUAL LOSS SUSTAINED – FORM 2222

1 INDEMNITY AGREEMENT

This Form insures against loss directly resulting from necessary interruption of “Business” or “Operations” caused by destruction or damage by the perils insured against to building(s), structure(s), fixed machinery, equipment or stock on the described premises.

2 MEASURE OF RECOVERY

This insurance is limited to the Actual Loss Sustained, calculated as loss of “Gross Profit” due to ‘a’ Reduction in

Turnover and 'b' Increase in Cost of Working and the amount payable shall be:

- a In Respect of Reduction in Turnover: The sum produced by applying the "Rate of Gross Profit" to the amount by which the "Turnover" during the "Indemnity Period" shall, in consequence of the destruction or damage by a peril insured against, fall short of the "Standard Turnover";
- b In Respect of Increase in Cost of Working: The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in "Turnover" which but for that expenditure would have taken place during the "Indemnity Period" in consequence of the destruction or damage by a peril insured against, but not exceeding the sum produced by applying the "Rate of Gross Profit" to the amount of the reduction thereby avoided,

less any sum saved during the "Indemnity Period" in respect of such of the "Insured Standing Charges" as may cease or be reduced in consequence of the destruction or damage by the perils insured against.

3 ORDINARY PAYROLL

The Insured's entire "Ordinary Payroll" is insured for a period of time not in excess of 90 consecutive days immediately following the date of loss, which may continue during total or partial suspension of business, insuring only to the extent necessary to resume the "Normal" "Business" of the Insured with the same quality of service which existed immediately preceding the destruction or damage by the perils insured against, and which would have been earned had no destruction or damage by perils insured against occurred.

This item does not insure any portion of salaries described under "Insured Standing Charges", nor does it apply if the employee(s) is engaged in any work, on or related to any of your other operations.

4 EXTENSION OF COVERAGE

Professional Fees

We will pay the reasonable fees to professionals whom you may hire to produce and certify particulars or details of your "business" or "operations" required by you to arrive at the loss payable. The amount payable under this clause will not exceed \$5,000.00 (or other amount shown on the Coverage Summary Page for professional fees).

Off-Premise Power

Coverage is extended, subject to all the terms and conditions of this policy, for a limit of \$10,000, or the limit shown on the Coverage Summary Page, for any one occurrence resulting from necessary interruption of "business" or "operations" caused by destruction or damage to:

- a Off-premises public utility plants, transformers or switching stations, substations, transformers, pumping stations, or;
- b Off-premises poles, towers, and transmission or distribution lines.

5 DEDUCTIBLE

No deductible applies to this coverage unless indicated on the Coverage Summary Page.

6 DEFINITIONS

Wherever used in this Form:

- a **“Business” or “Operations”** means your agricultural operations at the location(s) shown on the Coverage Summary Page.
- b **“Gross Profit”** means the sum produced by adding to the “Net Profit” the amount of the “Insured Standing Charges” or if there is no “Net Profit” the amount of the “Insured Standing Charges” less such a proportion of any net trading loss as the amount of the “Insured Standing Charges” bears to all standing charges of the business.
- c **“Indemnity Period”** means the period beginning with the occurrence of peril insured against and ending no later than 12 months thereafter (or other time period if shown on the Coverage Summary Page) during which the results of the business shall be affected in consequence of the destruction or damage by a peril insured against.
- d **“Net Profit”** means the net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the “Business” or “Operations” of the Insured at the premises after due provision has been made for all Standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.
- e **“Normal”** means the condition which would have existed had no loss occurred.
- f **“Ordinary Payroll”** means the entire payroll expense for all employees as designated by you whose service could not be dispensed with should the business be interfered with or interrupted. Salaries of key personnel should be included under basic coverage and are thus not considered in this definition.
- g **“Turnover”** means the money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the “Business” or “Operations” at the premises.

“Rate of Gross Profit” – The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the destruction or damage by a peril insured against.

“Annual Turnover” – The Turnover during the twelve months immediately before the date of the destruction or damage by a peril insured against.

“Standard Turnover” – The Turnover during the period in the twelve months immediately before the date of the destruction or damage by a peril insured against which corresponds with the Indemnity Period;

To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the

destruction or damage by a peril insured against or which would have affected the business had the destruction or damage by a peril insured against not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the destruction or damage by a peril insured against would have been obtained during the relative period after the destruction or damage by a peril insured against.

7 INSURED STANDING CHARGES

All standing charges, other than those listed below, are insured unless otherwise specified on the Coverage Summary Page:

The following shall in no event be deemed to be standing charges:

- a Depreciation of Stock;
- b Bad Debts;
- c Wages and salaries other than salaries to permanent staff and wages to foreman and important employees whose services would not be dispensed with should the business be interfered with or interrupted.

8 PROVISIONS

- a If during the "Indemnity Period" goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the "Turnover" during the "Indemnity Period".
- b If any "Standing Charges" of the business be not insured by this policy then in computing the amount recoverable hereunder as increase in cost of working, that proportion only of the additional expenditure shall be brought into account which the sum of the "Net Profit" and the "Insured Standing Charges" bears to the sum of the "Net Profit" and all "Standing Charges".
- c This Insurer shall not be liable for any loss due to fines or damages for breach of contract for late or non-completion of orders, or for any penalties of whatever nature.
- d This Insurer shall be liable for the actual loss sustained as covered hereunder during the period of time, not exceeding two weeks, while access to the described premises is prohibited by order of civil authority but only when such order is given as direct result of damage to neighboring premises by a peril insured against.
- e In case of loss or damage by a peril insured against, the insurance provided by this Form extends to insure any increase of loss resulting from, or contributed to by, the operation of any by-law, ordinance or law which regulates zoning or the demolition, repair or construction of damaged buildings or structures, but shall in no way operate to extend the "Indemnity Period".
- f On the happening of any destruction or damage by a peril insured against of which a claim is or may be made under this Form, the Insured shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimize or check any

interruption of or interference with the "Business" or "Operations" or to avoid or diminish the loss.

- g No term or condition of this policy shall be deemed to be waived by this Insurer in whole or in part unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by the Insurer. Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of this Form by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or the investigation or adjustment of any claim under this Policy.
- h This coverage does not extend to cover the cost of rental of mobile farm equipment, regardless of cause or situation.

9 MEDIA LIMITATION

If media for, or programming records pertaining to, electronic data processing or electronically controlled equipment including data thereon be destroyed or damaged by a peril insured against then the "Indemnity Period" in respect thereof shall not extend beyond:

- a thirty (30) consecutive days after the occurrence of such destruction or damage; or
- b the date upon which liability ceases under this insurance for loss arising from other property destroyed or damaged by the same occurrence; whichever shall be the later.

Except as otherwise provided in this Form, all terms, conditions and provisions of the policy to which this Form is attached shall have full force and effect.

FARM MACHINERY AND EQUIPMENT FLOATER – FORM 2160 (OR 2165)

If the Coverage Summary Page indicates Form 2160 (or 2165) applies, you are insured as described below:

1. Property Insured

- a. **Scheduled Cover** - We insure the Farm Machinery described on the Coverage Summary Page for which an amount of insurance and premium are shown, excluding repair parts. You may apply up to 10% of the total limit of insurance under this section to property of others used in your farming operations and for which you are legally liable.
- b. **Blanket Cover** - If the Coverage Summary Page indicates an amount of insurance and premium for "Blanket Cover", we insure mobile farm implements usual to a farming operation, including all equipment therefore attached or otherwise, excluding repair parts. This insurance applies to property you own or property of others used in your farming operations and for which you are legally liable.

- c. **Tools, Equipment and Repair Supplies** - If the Coverage Summary Page indicates an amount of insurance and premium for these items, we insure tools, portable equipment and repair supplies, (including lawn and garden equipment), owned by you which are usual to your farming operation.

2. **Property Not Insured**

- a. Automobiles, motor trucks, motorcycles, midget automobiles, all terrain three or four wheel vehicles, snowmobiles, watercraft, aircraft, "Unmanned Air Vehicles", or any other vehicles which are licensed or are subject to motor vehicle registration, including equipment or appurtenances of any of the foregoing;
- b. Property used away from the insured premises for logging, forestry, brush cutting, land clearing or sawmill operations;
- c. Harness, saddlery, feed, hay, grain or crops of any nature;
- d. Tools, equipment and repair supplies unless indicated on the Coverage Summary Page;
- e. Grain dryers or irrigation equipment unless specifically scheduled on the policy;
- f. Property engaged in custom farming or while in transit in connection with custom farming, unless permission for custom farming is stated on the Coverage Summary Page;
- g. Property used commercially for any purpose other than your farming operation, unless permission for such use is stated on the Coverage Summary Page;
- h. Brooders, barn cleaners, boilers, bulk feed tanks or bins, bulk milk tanks, pasteurizers or any permanent fixtures attached to or within a building;
- i. Windchargers, windmills or their towers, outdoor radio or television equipment or wiring; private power and light poles.

3. **Insured Perils**

Fire Coverage - Form 2160 - If the Coverage Summary Page specifies Form 2160 applies, you are insured against loss or damage caused by Fire, Lightning, or Explosion of natural, coal or manufactured gas.

Broad Coverage - Form 2165 - If the Coverage Summary Page specifies Form 2165 applies, you are insured against all risks of direct physical loss or damage, except as follows:

Loss or Damage Not Insured

We do not insure loss or damage:

- a. Caused by or arising from mechanical or electrical breakdown or failure, adjusting or failure to adjust, improper set-up or failure to set-up, repairing, servicing, fueling or maintenance operations unless fire or explosion ensues and then only for the resulting loss or damage caused by such ensuing fire or explosion;

- b. To tires, tubes or rubber tracks unless the loss or damage is caused by fire, windstorm, theft or is coincident with other loss or damage insured by this Rider;
- c. Caused by clogging, compacting, plugging or piling up of material(s) intended to be ingested into a combine, baler or forage harvest equipment;

The exclusions on the General Conditions apply to Forms 2160 and 2165.

4. Territorial Limits

We insure the described property while on your premises and while temporarily away from your premises anywhere in Canada or the Continental United States.

5. Co-Insurance Clause

We shall be liable in the event of loss for no greater proportion thereof than the amount herein insured bears to 80% of the Actual Cash Value of the property insured hereunder at the time such loss shall happen. If this Rider covers two or more items, this condition applies to each item separately.

We agree to waive this clause if the amount of loss in any one occurrence does not exceed \$5,000 or 2% of the limit of insurance, whichever is greater.

6. Optional Extensions

At the option of the Insured the following extension may be held to apply.

Newly Acquired Machinery & Equipment:

Twenty five percent (25%) of the total amount of insurance on specifically scheduled farm machinery and equipment may be extended to apply to additional farm machinery and equipment which has been acquired subsequent to the effective date and during the term of the policy and for which the insured is legally liable. It is agreed that the Insured shall report such additions within thirty (30) days from the date acquired and to pay premiums thereon from the date acquired at pro-rata of the coverage rate. The Insurer shall not be liable under this extension if such additions are not reported within the said thirty days.

7. Deductible

- a. With respect to any claim arising out of internal damage caused by ingestion of foreign object(s) such as stones, stumps, roots and the like, to insured combines, balers or forage harvest equipment, the deductible for each occurrence shall be as shown on the Coverage Summary Page.
- b. With respect to claims arising out of damage(s) caused by any other of the perils insured against under this Rider, the deductible for each occurrence shall be as shown on the Coverage Summary Page.

8. Replacement Cost / Limited Depreciation Clause:

If the Coverage Summary Page indicates that this Clause applies, we agree to pay as follows:

- a. **Replacement Cost** - We will pay on the basis of "Replacement Cost" (up to the limit of insurance) provided that:
 - i. you are the original purchaser/lessee of the property,

- exclusive of the selling dealer;
- ii. the loss or damage occurs within 36 months of the date on which the property was delivered to you;
- iii. you repair or replace the property within a reasonable period of time after the loss.

Otherwise, we will pay the loss on the basis of the Actual Cash Value of the damaged or destroyed property at the time of loss.

Subsections (i) and (ii) do not apply to any loss of Tools, Equipment or Repair Supplies.

“Replacement Cost” means the cost, at the time of loss, of repair or replacement (whichever is less) with new property of similar kind and quality, without deduction for depreciation.

- b. **Limited Depreciation** - If the property does not qualify for “Replacement Cost” coverage as defined above, we agree to pay for the cost of repair without deduction for depreciation, with respect to repair costs only, however we will not pay more than the Actual Cash Value of the property.

Loss or damage caused by ingestion of foreign objects into combines, balers or forage harvest equipment shall be settled on an Actual Cash Value basis in all situations.

Co-Insurance Clause (Applicable to section 8 only)

We shall be liable in the event of loss for no greater proportion thereof than the amount herein insured bears to 80% of the combined:

1. Replacement cost of eligible property as defined in 8. a. above, and
2. Actual Cash Value of all other property insured hereunder at the time such loss shall occur.

If this Rider covers two or more items, this condition applies to each item separately.

Definitions

“**Custom Farming**” means the use of your farm machinery or equipment for others away from your farm premises for a charge under any agreement(s) or contract(s) where your annual receipts equal or exceed \$10,000. Occasional farm work you do for others in return for their work for you will not be considered Custom Farming.

“**Limited Custom Use**” means the use of your farm machinery or equipment for others away from your farm premises for a charge up to a maximum of 50% of the actual time usage of the machinery or equipment.

HAY, STRAW, SILAGE AND FEED - FORM 2235

If the Coverage Summary Page indicates that Form 2235 applies, we provide the insurance described below.

Property Insured

We insure your stacked or baled hay, straw, silage or feed, commercial feed supplements, concentrates and processed grains, all for animal consumption, while located anywhere on property owned, leased or rented to the insured (including tarps and/or silage

bags, on or attached to the Hay, Straw, Silage and Feed).

Perils Insured

You are insured against direct loss or damage caused by **Fire, Lightning or Explosion** of natural, coal or manufactured gas.

Loss or Damage Not Insured

We do not insure:

1. loss or damage as stated in the **'Loss or Damage Not Insured'** section of the General Conditions;
2. flax straw bales unless indicated on the Coverage Summary Page.

Co-Insurance Clause

We will not pay for a greater proportion of any loss than the applicable amount of insurance bears to 80% of the Actual Cash Value of all insured property at the time of loss.

Deductible

We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

Basis of Claim Payment

Any insured loss or damage will be settled on an Actual Cash Value basis.

LAND AND WATER POLLUTION CLEAN UP ENDORSEMENT – FORM 2242

If the Coverage Summary Page indicates that Form 2242 applies, we will indemnify the Insured for expenses incurred to “clean up” “pollutants” from land or water at the “premises” provided the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of “pollutants”:

1. Is occasioned by loss or damage to property insured at the “premises” for which insurance is afforded under the form to which this endorsement is attached;
2. Is sudden, unexpected and unintended from the standpoint of the Insured; and
3. First occurs during the policy period.

Limit of Insurance – The maximum amount of insurance under this endorsement during any one policy period shall not exceed in the aggregate, the amount of insurance specified on the “Coverage Summary Page” for this endorsement.

No Automatic Reinstatement – Notwithstanding the Reinstatement Clause in the policy to which this endorsement is attached, following a loss under this endorsement the amount of insurance specified on the “Coverage Summary Page” for this endorsement will be reduced by the amount payable.

Additional Exclusions:

The Insurer shall not be liable for:

1. Expenses for “clean-up” away from or beyond the “premises” resulting from any spill, discharge, emission, dispersal,

seepage, leakage, migration, release or escape of "pollutants", even if the "pollutants" emanated from the "premises";

2. Expenses for "clean-up" of any spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of "pollutants" that began before the effective date of this endorsement;
3. Fines, penalties, punitive or exemplary damages;
4. Expenses incurred for the "clean-up" of "pollutants" at or from any premises, site or location which is or was at any time used by or for any Insured or others for the handling, storage, processing or treatment of waste.

Additional Policy Conditions

1. Reporting Period

It is a condition precedent to recovery under this endorsement that all expenses insured by this endorsement must be incurred and reported to the Insurer within 180 days of the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of "pollutants" for which "clean-up" expenses are being claimed.

2. Other Insurance

The insurance afforded by this endorsement shall apply as excess over any other valid and collectible insurance available to the Insured or any other interested party.

Definitions

Whenever used in this form:

"Coverage Summary Page" means the Coverage Summary Page applicable to this form.

"Clean Up" means the removal, containment, treatment, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to the aforementioned process.

"Premises" means the entire area within the property lines and areas under adjoining sidewalks and driveways at the locations described on the "Coverage Summary Page".

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

LIVESTOCK/POULTRY FLOATER – FORM 2150

If the Coverage Summary Page indicates Form 2150 applies, we insure the livestock/poultry described on the Coverage Summary Page against direct loss or damage caused by the Insured Perils listed below and subject to the terms and conditions listed below.

Basis of Settlement

The Insurer shall be liable for an amount, on any one animal / bird not exceeding whichever is the least of:

1. the actual market value of the animal/bird at the time of loss;
2. the interest of the Insured in the animal/bird;

3. that proportion of any loss which the Limit of Insurance for the applicable item on the class and type of animals/birds involved bears to 80% of the Actual Market Value of all the animals/birds of that class and type, owned or kept by the Insured but in no event to exceed the sum of \$5,000.00 per animal, or \$20.00 per bird, unless a higher limit is shown on the Coverage Summary Page. This clause will be waived if the amount of loss in any one occurrence does not exceed \$5,000. In the case of scheduled livestock/poultry, if more than one item is scheduled, this clause will apply separately to each item for which an amount of insurance is shown.

Minimum Livestock Clause

If the Coverage Summary Page indicates that this clause applies, it is herewith understood and agreed that the deductible shown for Livestock is amended to read that coverage will only be afforded if two or more head are claimed during any single occurrence by an Insured Peril. The amount of insurance payable shall not be reduced by the minimum requirement of two head.

Territorial Limits

This Rider insures livestock/poultry on your premises or temporarily away from your premises anywhere in Canada or the Continental United States but excluding while at any stockyards, on the grounds of any racetrack, or while in transit by common carrier or while in any aircraft.

Insured Perils

This Rider insures against:

Death or destruction directly resulting from or made necessary by:

1. Fire, lightning or explosion: The term "Explosion" does not include electric arcing, water hammer or rupture of any vessel or conduit due to water or steam pressure therein;
2. Windstorm, cyclone, tornado and/or hurricane;
3. Hail;
4. Earthquake;
5. Artificial electricity;
6. Flood, meaning the rising of natural bodies of water;
7. Collision or derailment or overturn of a vehicle on which the insured property is being transported;
8. Impact by vehicles other than those belonging to or under the control of the Insured or any of his employees or members of his family or household;
9. Collapse of any building, bridge, culvert, any falling structure or tree or part thereof;
10. Impact by aircraft and objects falling therefrom;
11. Riot, riot attending a strike and civil commotion;
12. Accidental shooting except by the Insured or employees of the Insured;
13. Stranding, sinking, burning or collision of vessels, including General Average and Salvage Charges incurred;
14. Drowning, breaking or falling through ice or stranding in mud;
15. Smoke, meaning sudden and accidental damage from smoke;
16. Attack by wild animals or dogs except by those owned by the

- Insured, employees of the Insured, or other persons residing on the premise. (Sheep are not insured under this Peril);
17. Mutilation by a person or persons other than the Insured, employees of the Insured or other persons residing on the premises;
 18. Entrapment - means the accidental and involuntary ensnaring or restraint of an animal which results in its death or makes its destruction necessary. This peril does not include loss(i) due to splitting (ii) due to animal birth (iii) due to choking on objects, food or medicine, bloat, or suffocation of an animal in its own fluids (iv) of animals in transit or while being loaded or unloaded (v) of animals being handled or forcibly restrained for care, treatment, or for the purpose of being bred (vi) caused by huddling, piling, smothering, freezing or stampeding (vii) caused by casting, meaning the inability of an animal to stand to its feet after having been down;
 19. Vandalism or malicious mischief;
 20. Theft or burglary but excluding escape, mysterious disappearance or other unaccountable shortage.

This Policy Does Not Cover Loss or Damage

1. caused by delay or loss of market or market value;
2. caused by the seizure, confiscation or destruction of any animal by order of any Government or public authority;
3. due to the parting with title or possession of any property by the Insured, or others if induced to do so by any fraudulent scheme or false pretense;
4. caused by or resulting from freezing or exposure of livestock not confined within a building, except as provided by Peril 18. Entrapment;
5. caused by death resulting from or contributed to by any sickness or disease, whether resulting from an Insured Peril or not;
6. caused by death or destruction of any animal which occurs more than 15 days after the occurrence of an Insured Peril;
7. with respect to livestock confined within a building, by freezing or temperature change unless as the direct result of a peril insured against;
8. by blizzard or by rain or snow or sleet whether or not driven by wind, unless the livestock is contained in a building(s) which building(s) shall first have sustained an actual damage to the roof or walls by the direct force of the wind at the time of loss and then the Insurer shall be liable only for the death of livestock contained therein directly and immediately caused by rain or snow or sleet entering the building(s) through openings in the roof or walls made by direct action of the wind (windows, unless fastened securely on two sides, plastic, fabric, wire or paper materials shall not constitute either roof or walls in any interpretation);
9. to any livestock/poultry that have become non-functional for the purpose for which the animal(s) is kept;
10. loss or damage as stated in the "loss or damage not insured" section of the General Conditions.

Additional Coverage

Dead Stock Removal – We will pay the cost of removing dead stock of the property insured under this form as a result of any insured peril. When the value of the livestock/poultry and the cost of the dead stock removal exceed the limit of insurance, an additional 5% of the limit of insurance on livestock/poultry shown on the Coverage Summary Page will be available to cover dead stock removal expenses.

This coverage, however, does not insure against 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”.

Further, this coverage does not insure against direct or indirect loss, damage, 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”.

Impending Peril – In the event that insured livestock/poultry is threatened by a peril that would be covered by this policy, and there is a likelihood of loss or injury to the livestock/poultry insured by this policy from that impending peril, we agree to pay all reasonable expenses incurred by you to move the livestock/poultry away from the impending peril to a safe location, and their subsequent return. You may apply up to \$10,000 of the limit of insurance on livestock/poultry for this extension. You must receive approval from us prior to moving the livestock/poultry for this coverage to be applicable.

Livestock Medicines – Up to 5% of the limit of insurance on Livestock shown on the Coverage Summary Page may be applied to medication for livestock while stored on your premises if it is damaged or destroyed by any of the Insured Perils under this coverage.

Newly Acquired Livestock – If you acquire any additional livestock similar to those insured by this policy, we will automatically insure these under the coverage shown on the Coverage Summary Page if you notify us within 14 days. We will pay a maximum of 25% of the total amount of insurance on livestock shown on the Coverage Summary Page subject to a limit of \$5,000 per animal, or the purchase price, whichever is lesser.

Non-Owned Livestock – We will include uninsured livestock of others, to a maximum of \$5,000 in all, while on your farm premises, however we do not insure livestock which you are boarding for a fee.

Professional Fees – We agree to pay for reasonable fees due to veterinarians whom you employ to confirm the cause of death of an insured animal. This is an additional amount of insurance.

Special Limits of Liability

Payment under this coverage shall include any accrued subsidies (where applicable) but limited to payment in excess of government compensation.

Payment is limited under Peril (12) Accidental shooting and Peril (16) Attack by wild animals or dogs to payment in excess of government compensation.

Definitions

"Earthquake": each loss by earthquake shall constitute a single claim hereunder provided if more than one earthquake shock shall occur within a period of seventy-two (72) hours, during the term of this policy, such earthquake shall be deemed to be a single earthquake within the meaning thereof. The Insurer shall not be liable for any loss of damage caused by any earthquake shock occurring before the effective date and time of this policy, nor for any loss or damage occurring after the expiration date and time of this policy.

Special Conditions

Where loss is claimed to be due to lightning, suffocation, entrapment, hardware ingestion or physical injury, the Insured shall immediately call a veterinarian to attempt to establish the cause of death, and the Insurer shall pay all reasonable expenses so incurred.

Deductible

No deductible applies to this coverage unless indicated on the Coverage Summary Page.

LIVESTOCK/POULTRY FLOATER (BROAD FORM) – FORM 2155

If the Coverage Summary Page indicates Broad Form 2155 applies, the following perils are insured in addition to the perils insured under Form 2150:

Death or destruction directly resulting from or made necessary by:

1. Electrical power interruption, or as a result of mechanical breakdown of fans, blowers or other equipment designed to control air circulation;
2. Huddling, piling, smothering or freezing as an immediate and direct consequence of one or more of the Insured Perils;
3. Suffocation as a direct result of poisonous pit gases;
4. Hardware Ingestion;
5. Physical Injury – where a fracture of a bone(s) occurs accidentally causing incapacitation of the animal, which leads to death or necessitates humane destruction. (Horses are not insured under this peril).

Deductible

We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds \$500, or the amount of the deductible shown on the Coverage Summary Page, whichever is higher, in any one occurrence.

All other terms and conditions of Form 2150 are applicable to this coverage.

LOSS OF USE – FARM MACHINERY EXTENSION – FORM 2200

If the Coverage Summary Page indicates that Form 2200 applies, we provide the insurance described below.

We agree to pay for expenses incurred by you for rental of mobile

agricultural machinery similar in size and capacity to an item insured by Form 2160 or 2165, which has become inoperative because of loss or damage exceeding the deductible amount and caused by an Insured Peril.

Our payment shall be limited per day to 10% of the amount shown on the Coverage Summary Page for "Loss of Use".

Payment shall end on the date of completion of repairs or replacement of the lost or damaged property or on the date that we make or tender settlement for such loss, whichever is first.

Deductible

No deductible applies to this coverage unless indicated on the Coverage Summary Page.

All the terms and conditions of Forms 2160 or 2165 also apply to this coverage.

MILK FLOATER - FORM 2225

If the Coverage Summary Page indicates Form 2225 applies, we provide the insurance described below.

Property Insured

We insure raw milk while in milk tanks on your premises.

Insured Perils

You are insured against all risks of direct physical loss or damage.

Loss or Damage Not Insured

We do not insure:

1. loss due to souring, change of flavor, contamination, change of temperature or spoilage of any kind, unless such loss is a direct consequence of:
 - a. fire, lightning, explosion, vandalism or malicious acts, or
 - b. interruption of electrical power;
2. loss or damage as stated in the "Loss or Damage Not Insured" section of the General Conditions.

Deductible

We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

Basis of Claim Payment - Any insured loss or damage will be settled on an Actual Cash Value basis.

PRODUCE FLOATER – FORM 2215

If the Coverage Summary Page indicates that Form 2215 applies, we provide the insurance described below.

Property Covered

On "produce" while contained in a building, bin or enclosure as described on the Coverage Summary Page, situated on such farm property owned, leased or rented by the insured or while in transit therefrom to marketing points.

Perils Insured

This Policy insures against direct loss or damage caused by:

1. Fire and Lightning;
2. Smoke. This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.
3. Windstorm or Hail, but only while the property insured is contained in a fully enclosed building, or while the insured property is being transported in the fully enclosed body of a vehicle;
4. Explosion;
5. Collision or overturning of a conveyance on which the insured property is being transported including collapse of bridges or culverts;
6. Impact by aircraft or motor vehicles other than motor vehicles owned or controlled by you or your employees;
7. Theft from within a fully enclosed building following forcible entry of which there shall be visible marks at the place of such entry. No evidence of forcible entry is required if the theft occurred from the principal farm location;
8. Vandalism or Malicious Acts.

Loss or Damage Not Insured

We do not insure loss or damage:

1. Caused by or resulting from delay, loss of market or loss or use;
2. Caused by freezing, unless an opening in the wall or roof is made by wind or hail;
3. As stated in the "Loss or Damage Not Insured" section of the General Conditions.

Territorial Limits

This Rider insures only within the territorial limits of Canada and the Continental United States of America.

Co-Insurance Clause

We will not pay for a greater proportion of any loss than the applicable amount of insurance bears to 80% of the Actual Cash Value of all insured property at the time of loss.

Basis of Determining Loss

When a loss of produce occurs, the following will be considered in determining the value of the loss:

1. When the produce is the subject of a grower contract, your loss will be calculated based upon the contract price but only to the extent that, as a direct result of the loss, you are unable to fulfill your obligations to deliver under the grower contract;
2. When the produce is to be sold to a produce Marketing Board, your loss will be based upon the Marketing Board price but only to the extent that, as a direct result of the loss, you are unable to make delivery under your available quota;
3. In all other cases, the produce shall be valued on the basis of the cost of replacement of produce of similar grade and

quality on the day of the loss.

Definitions - As used in this form

“**Contract price**” means the price that would be paid under a grower contract for produce of like quality or standard on the date of the loss, excluding any premium or bonus for early delivery, less dockage, transportation costs and any other unincurred expenses.

“**Grower contract**” means a contract in writing for the future delivery of produce at a predetermined price;

“**Marketing Board price**” means the price for delivery of produce of like quality or standard on the day of the loss payable by the applicable Marketing Board at Winnipeg, less all discounts and unincurred expenses to which said produce would have been subject had no loss occurred;

“**Produce**” means agricultural products of the soil, including, but not limited to fruits and vegetables.

Deductible

We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

SEMEN AND SEMEN TANKS - FORM 2230

If the Coverage Summary Page indicates that Form 2230 applies, we provide the insurance described below.

Property Insured

We insure your semen tank(s) and semen held in tank(s) while at your premises or at any Artificial Insemination Station on your behalf, and while in transit to and from your premises and the Artificial Insemination Station. Separate amounts of insurance apply to the semen and the tank, as shown on the Coverage Summary Page.

If you have more than one semen tank, the amount of insurance on tanks will be divided in the proportion that the value of each tank bears to the value of all tanks, and the amount of insurance on semen will be divided in the proportion that the value of semen in each tank bears to the total value of semen in all tanks.

Insured Perils

You are insured against all risks of direct physical loss or damage, except the following:

Loss Or Damage Not Insured

We do not insure:

1. any loss arising from the failure of the semen to fertilize;
2. wear, gradual deterioration or mechanical breakdown of the semen tank;
3. loss or damage caused by neglect in failing to maintain proper nitrogen charge;
4. loss or damage as stated in the “Loss or Damage Not Insured” section of the General Conditions.

Territorial Limits

Insurance under this Rider applies only while the insured property is within the territorial limits of Canada.

Deductible

We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

Basis of Claim Payment - Any insured loss or damage will be settled on an Actual Cash Value basis.

THRESHED GRAIN (BASIC) – FORM 2205

If the Coverage Summary Page indicates that Form 2205 applies, we provide the insurance described below.

Property Insured

On all Grain while contained in any building, bin or enclosure or piled in the open on such farm property owned, leased or rented by the Insured or while in transit therefrom to marketing points.

Definitions

“Grain” means whole threshed grain, seed, peas, lentils and beans.

Perils Insured

This Rider insures against direct loss or damage resulting from:

1. Fire and Lightning.
2. Collision or overturn of the vehicle on which the insured property is being transported except collision with those owned and operated by the Insured.

Loss or damage not insured

We do not insure:

1. loss or damage to grain while stored in Private Grain Elevators or Grain Cleaning Plants unless permission is endorsed hereon and an additional premium charged;
2. loss or damage to grain caused by overheating unless fire ensues;
3. loss or damage as stated in the “loss or damage not insured” section of the General Conditions.

Territorial Limits

This Rider insures only within the territorial limits of Canada and the Continental United States of America, but excluding while in transit by common carrier.

Special Conditions

Minimum Premium - The premium indicated is the premium to be retained by the Insurer regardless of the term of insurance in force.

Average Distribution Clause - Grain is subject to the Average Distribution Clause and the Insurer shall not be liable for any greater proportion thereof than the amount hereby bears to the Actual Cash Value in all locations at the time of the loss.

Deductible - No deductible applies to this coverage unless stated on the Coverage Summary Page.

Basis of Claim Payment - Any insured loss or damage will be settled on a Market Value basis, meaning the publicly quoted price of the grain. If the product claimed has been sold on the futures market, settlement will be based on the contract price.

Extension of Coverage

You may apply up to \$10,000 of the amount of insurance on Threshed Grain to cover standing or cut (unharvested) "Grain", but only for the peril of Fire. No deductible applies to this extension unless indicated on the Coverage Summary Page.

THRESHED GRAIN FLOATER – FORM 2210

If the Coverage Summary Page indicates Form 2210 applies, the following perils are insured in addition to the perils insured on Form 2205.

1. Windstorm, Cyclone, Tornado and Hail, but only while the property insured is contained in a fully enclosed building at a location described above, or while the insured property is being transported in the fully, enclosed body of a vehicle.
2. Explosion.
3. Theft from within a fully enclosed building following forcible entry of which there shall be visible marks at the place of such entry. No evidence of forcible entry is required if the theft occurred from the principal farm location.

All other terms and conditions of Form 2205 are applicable to this coverage.

VACANT SPECIALIZED BARN PERMIT – FORM 2121

If the Coverage Summary Page indicates Form 2121 applies, coverage is amended as follows:

In consideration of the additional premium charged (if any), permission is hereby granted for the building or buildings described on the Coverage Summary Page to be "Vacant" as defined for the period of time indicated; or for the balance of the policy term if no time period is indicated.

It being a further consideration to the granting of this permit that the doors and windows shall be secured, that all rubbish shall be removed from within and about the building and premises, and that the area immediately surrounding the building be kept clear of debris and mowed regularly. It is also a condition of this permit that the building be under the supervision and care of a competent person, and be checked weekly during the term of vacancy. If these conditions are not adhered to, coverage on the building is null and void.

It is further understood and agreed that this permission shall not modify or affect any limitations anywhere else within the policy. Any insured loss or damage to the described building or buildings will be adjusted on an "Actual Cash Value" basis.

This Clause supersedes any Vacancy provision provided for anywhere else in the policy. Except as otherwise provided in this

form, all other terms, conditions and provisions of the policy to which this form is attached shall have full force and effect.

VALUABLE PAPERS ENDORSEMENT-FORM 2223

If the Coverage Summary Page indicates Form 1223 applies, we insure your Valuable Papers, (as defined hereunder) pertaining to your barn, or attached equipment or livestock/poultry operation while located on the insured premises, against all risks of direct physical loss or damage from any external cause subject to the terms and conditions set out below.

ADDITIONAL AGREEMENT OF COMPANY

Such insurance as is afforded by this coverage shall apply:

1. While the said insured property is being conveyed outside the Insured's premises and while temporarily within other premises, except for storage, provided the Insurer's liability for loss or damage shall not exceed ten percent (10%) of the sum insured, and
2. While the insured property is being removed to and while at a place of safety because of imminent danger of loss or damage and while being returned from such place provided the Insured gives written notice to the Insurer or such removal within ten days thereafter.

SPECIAL DEFINITIONS AND EXCLUSIONS

DEFINITIONS

"**Valuable Papers**" means documents of a professional nature such as written, printed, or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, files, contracts usual to the profession of the Insured, but does not mean money or securities.

EXCLUSIONS

This policy does not insure:

1. property which cannot be replaced with other property of like kind and quality;
2. property utilized as samples, or for sale or for delivery after sale;
3. electrical or magnetic injury, disturbances or erasure of electronic recordings, except by lightning;
4. data processing media failure or breakdown or malfunction of the data processing equipment and component parts while the media is being run through the system, unless fire or explosion ensues and then only for the loss, damage or expense caused by such ensuing fire or explosion;
5. any data processing media prepared more than 24 hours before the loss which has not been duplicated and stored away from the insured premises, but this exclusion shall not apply to such property which cannot be duplicated because it is protected by copyright.
6. loss or damage as stated in the "**Loss or Damage Not Insured**" section of the General Conditions.

Deductible

We are responsible only for the amount by which the loss or damage caused by an Insured Peril exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

All other terms and conditions of this policy remain unchanged.

BASIS OF CLAIM PAYMENT (APPLICABLE TO SECTION I - PROPERTY COVERAGES)

We will pay for insured loss or damage up to your financial interest in the property, but not exceeding the applicable amount(s) of insurance for any loss or damage arising out of one occurrence.

The basis of claim payment in all cases shall be Actual Cash Value (as defined below) unless otherwise specifically indicated.

It is understood between the Insurer and Insured that if compensation becomes payable before the entire policy premium has been paid, the portion of the premium remaining unpaid shall be deducted from the amount of the compensation payable.

If you qualify for a tax credit as the result of a claim payment, the claim payment will be reduced by an amount equal to the tax credit.

Actual Cash Value means the cost at the time of loss to repair or replace your "dwelling" or "personal property" less depreciation. In determining depreciation, we will consider, but are not limited to the age, condition, resale value, obsolescence, and normal life expectancy of the property at the time of the loss.

Deductible - We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

If your claim involves personal property on which the Special Limits of Insurance apply, the limitations apply to losses exceeding the deductible amount.

If your claim involves property at more than one location, separate deductibles will apply at each location.

Deductible Waiver - Applies only to: Standard Form Packages – 991; Broad Form Packages – 992; and Comprehensive Form Packages – 993 - The deductible shown on the Coverage Summary Page will be waived **on fire claims only** if the insured value of the claim is greater than \$25,000, or 5 times the deductible for the applicable coverage (whichever is greater), unless otherwise indicated on the Coverage Summary Page.

Limited Roof Coverage – Any direct loss or damage to the roof surfacing of the Dwelling and/or Detached Private Structure caused by Windstorm or Hail will be settled on an Actual Cash Value (depreciated) basis if any of the following conditions apply:

1. The Coverage Summary Page indicates Limited Roof Coverage applies or;
2. The asphalt and/or fiberglass roof surfacing is older than 25 years, or;
3. The cedar and/or metal roof surfacing is older than 40 years.

Obsolescence Clause - We will not pay for increased costs that result when you cannot repair or replace your “dwelling” or “personal property” because materials or parts are unavailable, obsolete, or outmoded. We will pay on the basis of building materials, craftsmanship, methods of construction and parts currently available and accepted as “standard”.

Optional Loss Settlement Clause (Dwelling Building and Detached Private Structures) If you repair or replace the damaged or destroyed building on the same location with a building of the same occupancy constructed with materials of similar quality within a reasonable time after the damage, you may choose as the basis of loss settlement either 1 or 2 below; otherwise, settlement will be as in 2:

1. The cost of repairs or replacement (whichever is less) without deduction for depreciation, in which case we will pay in the proportion that the applicable amount of insurance bears to 80% of the replacement cost of the damaged building at the date of damage, but not exceeding the actual cost incurred. This means that if the amount of insurance is less than 80% of the replacement cost of your building, you will have to pay part of the loss.
2. The Actual Cash Value of the damage at the date of the occurrence.

Option (1) is only applicable to Mobile Homes and Seasonal Dwellings on the premises if indicated on the Coverage Summary Page. Otherwise, settlement will be on an Actual Cash Value basis.

Option (1) is only applicable to Farm Outbuildings if the Coverage Summary Page indicates that Form 995R or 995A apply. Otherwise, settlement will be on an Actual Cash Value basis.

Option (1) is not applicable to buildings and/or structures insured under Sec. B. Detached Private Structures of a Homeowners Package if the building or structure is designed for business or farming purposes whether occupied, unoccupied or “Vacant”, unless indicated on the Coverage Summary Page.

Reinstatement - Any loss or damage shall not reduce the amounts of insurance provided by this policy (unless otherwise stated elsewhere), however the premium for the coverage claimed will be deemed fully earned for the balance of the policy term if the limit of insurance for that coverage has been exhausted.

Swimming Pool Liners - The basis of settlement for swimming pool liners will be Actual Cash Value in all situations.

Unit Improvements and Betterments (applicable to Tenants Packages) - If within a reasonable time after damage, you replace or repair loss or damage to your unit improvements or betterments with materials of similar quality, we will pay for the actual cost of repairs or replacement (whichever is less) without deduction for depreciation.

If loss or damage is not replaced or repaired within a reasonable time, we will pay the Actual Cash Value of the loss or damage at the

date of the occurrence.

ACTUAL CASH VALUE ENDORSEMENT - FORM 2170

If the Coverage Summary Page indicates Form 2170 applies to specified buildings or portions thereof, coverage is amended as follows:

It is herewith understood and agreed that any reference to Replacement Cost or Optional Loss Settlement Clause coverage in the Basis of Claim Payment section of this policy is herewith deleted and it is further understood and agreed that any loss caused by a peril insured by this policy will be settled on an Actual Cash Value basis.

DEFERRED LOSS SETTLEMENT CLAUSE - FORM 2191

If the Coverage Summary Page indicates Form 2191 applies, the following additional conditions also apply to any claim settlement:

1. The Company's liability under said policy in respect of any building damaged by fire or lightning shall be one-half of the loss otherwise payable, regardless if coverage is subject to Actual Cash Value or Optional Loss Settlement Clause.
2. Notwithstanding the above limitation, the Company will pay to the Insured the remaining one-half of such loss with interest thereon at the rate of 6% per annum from the 60th day after completion of proofs of loss if and when within nine months of the date of damage the Insured furnishes evidence that he has expended in repairing or rebuilding, on or within 200 feet of its site, the damaged building, a sum not less than the total sum payable by the Company under clauses 1 and 2 hereof.
3. In case the Insured does not repair or rebuild in accordance with the provisions of clause 2 hereof, the Company shall have no liability in respect of loss beyond that set out in clause 1 hereof; but the Insured shall be entitled to a refund of one-half of the premium paid in respect of the said buildings on written request therefor.
4. In the event of there being other insurance covering any building included in this policy, the Insurer shall not be liable for more than its ratable proportion of the loss, which shall be payable to the Insured at the times and subject to the same terms and conditions as hereinbefore set out.

DENT CLAUSE – FORM 2195

If the Coverage Summary Page indicates Form 2195 applies to specified buildings, coverage is amended as follows:

It is herewith understood and agreed that there is no coverage for damage to the metal roof and/or siding of the building(s) caused by hail, whether wind driven or not, unless such cover is punctured thereby.

GUARANTEED REBUILDING COST ENDORSEMENT - FORM 2175

If "Guaranteed Rebuilding Cost Endorsement" is stated on the Coverage Summary Page and the loss or damage to your dwelling exceeds the limit of insurance for Coverage A, we will pay the full cost of repair or replacement of the dwelling, subject to the following conditions.

Guaranteed Rebuilding Cost coverage will only apply if all the following conditions are met:

1. the dwelling was insured to 100% of the estimated Rebuilding Cost, as determined by a home evaluation guide acceptable to us, as of the inception date of the policy or as of a subsequent renewal if required by us;
2. the limit of insurance on Coverage A – Dwelling is not reduced during the policy term below the amount determined by the home evaluation guide;
3. you notify us, within 90 days, of any additions, extensions or other improvements to the principal dwelling which would increase the Rebuilding Cost by 5% or more;
4. the dwelling is replaced on the same site and on a permanent foundation;
5. the dwelling is not "Vacant" at the time of loss;
6. the dwelling is owner occupied at the time of loss;
7. the dwelling will be owner occupied after reconstruction;
8. you have complied with the other Replacement Cost Basis conditions in the Basis of Claim Payment section of the wording.

We will not pay for increased costs that result when you cannot repair or replace your property because materials or parts are unavailable, obsolete, or outmoded. We will pay on the basis of building materials, craftsmanship and methods of construction currently available and accepted as "standard".

The limits of insurance on Coverage B - Detached Private Structures, Coverage C - Personal Property and Coverage D - Additional Living Expenses are not affected by the Guaranteed Rebuilding Cost coverage and remain unchanged.

Building By-Laws Extension

We will pay up to an additional 10% of the Limit of Insurance on the Dwelling if you incur additional expenses in repairing or rebuilding the Dwelling to comply with current Building Codes or By-Laws.

Mortgage Rate Guarantee

1. Coverage is extended to include any increase in mortgage cost, on a monthly basis (including legal fees), required as a result of a total loss to insured Dwelling where the mortgagor at the time of the loss closes the existing mortgage, requiring a new mortgage at a higher, competitive rate of interest.
2. Coverage is for the difference between the mortgage rate of interest in effect at the time of the loss and the new mortgage based on the outstanding mortgage balance at the time of the loss. This amount is payable monthly.
3. This coverage does not apply if the Dwelling is not rebuilt.

4. This coverage will continue for:
 - a. the duration of the existing mortgage period in effect at the time of the loss, until its expiry;
 - b. the Insured relinquishes title or interest in the "Building"(s); or
 - c. sixty (60) consecutive months, Whichever occurs first.

Coverage will cease immediately upon termination of the insurance policy to which this extension applies.

All other policy limitations and conditions remain in effect.

INFLATION GUARD ENDORSEMENT - FORM 2185

If the Coverage Summary Page indicates Form 2185 applies, we will automatically increase, during the term of this policy, the amounts of insurance applicable to insured Dwellings, Detached Private Structures, Personal Property and Additional Living Expenses by an amount up to but not exceeding:

1% - 3 months after the current effective date to date of loss

2% - 6 months after the current effective date to date of loss

3% - 9 months after the current effective date to date of loss

If the limit of insurance is changed at the request of the Insured during the policy period, the effective date of such endorsement is deemed to coincide with the effective date of such change.

This endorsement is not applicable if the dwelling is "Vacant" at the time of loss.

REPLACEMENT COST ON CONTENTS ENDORSEMENT - FORM 2180

If the Coverage Summary Page indicates that Replacement Cost on Contents Form 2180 is included, we agree to pay any loss under Coverage C - Personal Property - on the basis of Replacement Cost provided that:

1. the property at the time of loss was usable for its original purpose;
2. you have repaired or replaced the property promptly.

Otherwise, the basis of claim payment will apply as if this coverage had not been in effect.

"Replacement Cost" means the cost, at the time of loss, of repair or replacement (whichever is lower) with new property of similar kind and quality, without deduction for depreciation.

Replacement Cost coverage does not apply to:

1. Property that has not been maintained in good or workable condition;
2. Property no longer in use for its originally intended purpose;
3. Antiques, fine arts, paintings, statuary and similar articles which, by their inherent value, cannot be replaced with a similar article;
4. Articles whose age or history contribute substantially to their value including, but not limited to memorabilia, souvenirs, and

collector's items.

We will not be liability for any loss under this insurance unless and until actual repair or replacement is completed.

You may elect not to replace some of the destroyed or stolen property. Settlement for the property not replaced will be on an Actual Cash Value basis. If, at a later date, you decide to replace any destroyed or stolen property, you are permitted to make an additional claim under this insurance but only if you present the claim within 180 days after the date of loss.

SECTION II - FARM LIABILITY COVERAGE – FORM 2300

DEFINITIONS (Applicable to Section II)

“**You**” and “**your**” in this section have the same meaning as in Section I. In addition, the following persons are insured:

1. any person or organization legally liable for damages caused by a watercraft or animal owned by you, and to which the insurance under this section applies. This does not include anyone using or having custody of the watercraft or animal in the course of any business or without your permission;
2. a residence employee while performing duties in connection with the ownership, use or operation of motorized vehicles and trailers for which coverage is provided in this section;
3. your legal representative having temporary custody of the insured premises, if you die while insured by this form, for legal liability arising out of the insured premises;
4. any person who is insured by this form at the time of your death and who continues residing on the insured premises;
5. if you are a partnership or joint venture, your partners and your members and their spouses, but only with respect to the conduct of your agriculture operations. No person or organization is insured with respect to the conduct of any current or past partnership or joint venture who is not shown as a Named Insured on the Coverage Summary Page;
6. if you are an organization other than a partnership or joint venture:
 - a. any executive officer, director or shareholder of the organization whose principal residence is on the farm premises described on the Coverage Summary Page and, while living in the same household, his or her spouse, the relatives of either or any person under 21 in their care. Spouse means:
 - i. either of two persons who are married to each other, or;
 - either of two persons who are living together in a conjugal relationship outside marriage and have so lived together continuously for a period of 2 years or, if they are the natural or adoptive parents of a child, for a period of 1 year.

- any other executive officer, director or shareholder of the organization while acting within the scope of his or her duties as such with respect to the conduct of your farming operations;
7. any person or organization named on the Coverage Summary Page as an “additional Insured”.

“**Bodily Injury**” means bodily injury, sickness or disease or resulting death.

“**Business**” means any activity or pursuit undertaken for financial gain including a trade, profession or occupation, but does not include farming or agricultural activity.

“**Custom Farming**” means the use of your farm machinery or equipment for others away from your farm premises for a charge under any agreement(s) or contract(s) where your annual receipts equal or exceed \$10,000. Occasional farm work you do for others in return for their work for you will not be considered “Custom Farming”. “Custom Farming” does not include crop spraying operations for others.

“**Farming**” means the ownership, maintenance or use of premises and machinery for the production of crops or the raising or care of livestock, including all necessary related operations. Farming also includes the operation of roadside stands and farm markets maintained principally for the sale of your own farm products.

“**Farm Employee**” means a person employed by you to perform duties principally connected with your agricultural activities outside of your dwelling.

“**Insured Premises**” means:

1. residential or agricultural premises at the location(s) shown on the Coverage Summary Page;
2. other agricultural land in Canada owned, rented or leased by the person(s) named as the Insured on the Coverage Summary Page, or his or her spouse, and used for agricultural purposes;
3. individual or family cemetery plots or burial vaults;
4. vacant land in Canada you own or rent, excluding agricultural land;
5. land where an independent contractor is building a one or two family residence to be occupied by you;
6. premises you are using or where you are temporarily residing if you do not own such premises; but “Insured Premises” does not include any business property, meaning property on which a business is conducted as long as you are not the lessee or tenant of the premises under any agreement which is longer than 90 consecutive days;
7. premises in Canada to be occupied by you as your principal residence from the date you acquire ownership or take possession but not beyond the earliest of:
 - a. 60 consecutive days;
 - b. The date the policy expires or is terminated;
 - c. The date upon which specific liability insurance is arranged for such premises.

“**Jet Propulsion Personal Watercraft**” means jet ski, or other motorized water device, designed as a self-propelled unit used on

water. They can be designed to carry the operator only or the operator and one or more passengers.

“Model Aircraft” in this Section has the same meaning as in Section 1.

“Occurrence” means an accident, including continuous or repeated exposure to substantially the same general harmful conditions which result in “bodily injury” or “property damage” neither expected nor intended.

“Passenger” means anyone other than the operator, who is in, on, getting onto or alighting from an All-Terrain Vehicle or Jet Propulsion Personal Watercraft.

“Pollutant” means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapors, soot, fumes, acids, alkalis, chemicals, waste, as well as animal or human bodily fluids. Waste includes materials to be recycled, reconditioned or reclaimed. “Pollutant” in this Section has the same meaning as in Section 1.

“Processed” for the purpose of this coverage, includes, but is not limited to one or more mechanical or chemical procedures on farm produce in order to change or preserve it.

“Products Hazard” means the consumption, handling or use of goods or products manufactured, sold, handled or distributed by you if the consumption, handling or use occurs away from your premises after you have relinquished possession of the goods or products.

“Property Damage” means physical injury to, or destruction of tangible property, including resulting loss of use of this property.

“Recreational Vehicle” means any motorized land vehicle, including a motorized snow vehicle, designed for recreational use off public roads and not subject to motor vehicle registration.

“Residence Employee” means a person employed by you, other than a Farm Employee, to perform exclusively household or domestic duties in connection with the maintenance or use of your farm dwelling. This does not include, if living in your household, your spouse, whether common law or otherwise, the relatives of either of you or anyone under 21 in your care.

“Unmanned Air Vehicle” in this Section has the same meaning as in Section 1.

Declarations

Unless stated on the Coverage Summary Page it is understood and agreed:

1. you own no Residence Premises other than the Principal Residence maintained by you;
2. you own no watercraft:
 - a. equipped with an outboard motor rated more than 25 hp (19kW) or
 - b. equipped with an inboard or inboard/outboard motor rated more than 50 hp (38kW) or
 - c. of any other type over 26 feet (8m) in overall length;
3. you do not engage in custom farming;
4. no business or occupational pursuits are conducted on the premises other than farming or agricultural activity;
5. you have no permanent residence employees.

Coverages E, F and G

This insurance applies only to accidents or occurrences which take place during the term of this policy.

The amounts of insurance are shown on the Coverage Summary Page.

COVERAGE E - LEGAL LIABILITY

We pay all sums which you become legally obligated to pay as compensatory damages because of unintentional bodily injury or property damage to which this insurance applies.

We will not pay for punitive or exemplary damages, meaning that part of an award by a court which is in excess of compensatory damages and is stated or intended to be a punishment to you.

The amount of insurance shown on the Coverage Summary Page is the maximum amount we will pay, under one or more Sections of Coverage E, for all compensatory damages in any one occurrence, regardless of the number of:

1. persons injured;
2. claims made or actions brought; or
3. persons or organizations making claims or bringing actions.

With respect to damages arising out of the "Products Hazard", the amount of insurance is also the maximum amount we will pay for all occurrences during any 12 month period commencing with the effective date of this policy and the effective date of each subsequent renewal. If the policy is extended for an additional period of less than 12 months, the additional period will be considered part of the last preceding period for the purposes of determining the amount of insurance.

Legal liability coverage for sudden and accidental discharge, dispersal, release or escape of "pollutants" as described and limited in the Comprehensive Farm Liability section of this policy is limited to a maximum payout of \$2,000,000 in any one policy term or the amount shown on the Coverage Summary Page for Coverage E, whichever is less, regardless of the number of occurrences.

All Bodily Injury and/or Property Damage arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one occurrence.

In the case of "Products Hazard" all damages arising out of one crop or one prepared or acquired lot of goods or products manufactured, sold, handled or distributed by you shall be considered as arising out of one occurrence.

Property Damage Deductible:

If the Coverage Summary Page indicates an amount for Property Damage Deductible, such amount shown shall be deducted from each and every claim for Property Damage to which this insurance applies.

Subject to all Exclusions and Conditions of this policy, you are insured for "bodily injury" or "property damage" claims made against you arising from:

1. **Personal Liability:** legal liability for bodily injury or property damage arising out of your personal activities anywhere in the world, if you are an individual. However, you are not insured

for Personal Liability if you do not reside on the premises described on the Coverage Summary Page. This exclusion does not apply to unnamed students and family members as outlined in the Definition of "You" in Section I – Property Coverages.

2. **Premises Liability:** legal liability for bodily injury or property damage arising out of your ownership, use or occupancy of the insured premises.
3. **Agricultural Operations Liability:** legal liability for bodily injury or property damage arising out of your agriculture operations.
4. **Tenants Legal Liability:** legal liability for property damage to premises, or their contents, which you are using, renting or have in your custody or control provided such property damage is caused by the Insured Perils of this particular policy as described and limited in Section I.

You are not insured for property damage to buildings or structures, including their contents, on the farm premises, other than a residence building you do not own and which you occupy solely for residential purposes.

You are not insured for liability you have assumed by contract unless your legal liability would have applied even if no contract had been in force.

5. **Contractual Liability:** bodily injury or property damage for which you are obligated to pay compensatory damages because, prior to the occurrence for which the claim is made, you assumed liability of others in a written contract or agreement pertaining to the insured premises.

You are not insured for liability assumed in any contract or agreement:

- a. where you assume liability for the sole negligence of the other party or parties to the contract or agreement; or
- b. in connection with any business or business use of the premises.

6. **Employers Liability:** legal liability for bodily injury to:
 - a. residence employees, and
 - b. farm employees arising out of and in the course of their employment by you if the annual payroll for all farm employees does not exceed \$10,000. If the annual payroll exceeds \$10,000, this coverage applies only if the Coverage Summary Page indicates that Employers Liability is included.

You are not insured for claims made against you resulting from the ownership, use or operation of any aircraft or air cushion vehicle while being operated or maintained by your employee.

You are not insured for any liability imposed upon or assumed by you under any workers' compensation statute, or assumed by you under any contract or agreement with an employee.

You are not insured for claims made against you for bodily injury to a person employed by you in violation of any law relating to age.

7. **Watercraft Liability:** legal liability for bodily injury or property damage arising out of:

Watercraft you own: the ownership, maintenance, use or operation of watercraft equipped with an outboard motor or motors of not more than 19kW (25 HP) in total when used with or on a single watercraft. You are also insured if your watercraft has an inboard or inboard-outboard motor of not more than 38kW (50 HP) or for any other type of watercraft not more than 8 meters (26 feet) in length.

If you own any motor(s) or watercraft larger than those stated above, you are insured only if they are shown on the Coverage Summary Page. If they are acquired after the effective date of this policy, you will be insured automatically for a period of 30 days only from the date of their acquisition.

Jet Propulsion Watercraft Extension

If the Coverage Summary Page indicates that this Extension applies, you are insured as follows:

The limit of insurance for this extension is the maximum amount we will pay in any one accident or occurrence.

Exclusions applicable to Jet Propulsion Watercraft Extension:

You are not insured for claims arising from bodily injury or property damage:

- a. when the personal watercraft is being operated or controlled by anyone under the age of 16 years;
- b. to passengers when the seating capacity, as established by the manufacturer, has been exceeded;
- c. resulting from carrying passengers for a fee;
- d. when the personal watercraft is being used in a race, speed
- e. test or any illicit or prohibited trade or transportation;
- f. when the personal watercraft is rented or leased to others;
- g. when the personal watercraft is being used or operated in an area where the operation of a jet propelled personal watercraft is restricted or prohibited. This includes designated areas within a lake or at any park.

when a personal watercraft is not operated in accordance with Canada Shipping Act regulations governing age and horsepower restrictions and operator competency requirements.

Watercraft you do not own: you are insured against claims arising out of your use or operation of watercraft which you do not own, provided:

- a. the watercraft is being used or operated with the owner's consent;
- b. the watercraft is not owned by anyone included in the definition of "you" or "your" in Section II of this form.

You are not insured for damage to the watercraft itself.

Watercraft Uses We Do Not Insure

We do not insure claims made against you arising from the use or operation of any watercraft (including Jet Propulsion Personal Watercraft if a liability extension is shown on the Coverage Summary Page), whether owned by you or not, while it is:

- a. being used for carrying passengers for compensation;
- b. being used in any race or speed test;
- c. rented to others;
- d. being operated or controlled by you while you are under the influence of intoxicating liquor or drugs to such an

extent as to be for the time being incapable of the proper operation or control of the watercraft;

- e. being operated or controlled by you while your alcohol-blood ratio exceeds 50 milligrams of alcohol in 100 milliliters of blood.
- f. not being operated in accordance with Canada Shipping Act regulations governing age and horsepower restrictions and operator competency requirements;

8. **Motorized Vehicle Liability:** legal liability for bodily injury or property damage arising out of:

Vehicles You Own: the ownership, maintenance, use or operation of the following motorized vehicles provided they are not subject to motor vehicle registration or used for compensation or hire:

- a. Self-propelled wheelchairs;
- b. lawn mowers, snow blowers, farm or garden tractors, trailers or farm implements if these are used or operated mainly on the insured premises;
- c. all terrain or recreational vehicles while on your farm premises but not while being used in any organized race or contest;
- d. motorized golf carts:
 - i. while in use on your "premises" or at a golf course;
 - ii. while in use on private property such as campgrounds or recreational parks, mobile home communities, retirement communities and gated communities where:
 - the community by-laws permit the use of golf carts, and
 - the roadways within that community are privately maintained and controlled;
 - iii. while in use on any municipal roadways when permitted by municipal law.
 - iv. You are not insured for "bodily injury" or "property damage" when the golf cart is:
 - used on any public roads or highways unless permitted by municipal law;
 - used for the purposes of carrying passengers for compensation;
 - operated by any person under the influence of alcohol or any illegal substance;
- e. toys or hobby items such as "Model Aircraft", or children's battery powered vehicles using no more than a 12 volt battery or that can attain speeds of no more than 8 kph (5 mph);
- f. any other motorized vehicles while on the insured premises and which are not subject to motor vehicle registration because they are used exclusively on the insured premises or kept in dead storage on the insured premises.

You are not insured against claims arising out of your use or operation of any "Unmanned Air Vehicle", unless otherwise indicated on the Coverage Summary Page.

All-Terrain Vehicle Liability Extension- Saskatchewan only

If you own an All-Terrain Vehicle, you are insured only if a liability extension is shown on the Coverage Summary Page. The limit of insurance indicated on the Coverage Summary Page for this extension is the maximum amount we will pay in any one accident or occurrence.

“**All-Terrain Vehicle**” means a self-propelled vehicle that:

- a. designed primarily for the movement of people or goods on unprepared surfaces; and
- b. has wheels in contact with the ground;

and includes:

- c. restricted use motorcycle;
- d. a mini-bike; and
- e. an all-terrain cycle;

but does not include:

- f. a golf cart;
- g. a snowmobile as defined in The Snowmobile Act;
- h. an agricultural implement or special mobile machine as defined in The Highway Traffic Act; or
- i. any vehicle that is required to be registered pursuant to The Highway Traffic Act.

Exclusions applicable to All Terrain Vehicle Liability Extension:

You are not insured for claims arising from bodily injury or property damage while the All-Terrain Vehicle is:

- a. being operated in a manner contrary to the provisions of the All-Terrain Vehicles Act (Sask.)
- b. being operated or controlled by you while you are under the influence of intoxicating liquor or drugs to such an extent as to be for the time being incapable of proper operation or control of the All-Terrain Vehicle;
- c. being operated or controlled by you while your alcohol-blood ratio exceeds 80 milligrams of alcohol in 100 milliliters of blood;
- d. carrying passengers for a fee;
- e. being used in a race or speed test;
- f. rented or leased by you to others;
- g. being used for any illicit or prohibited trade or transportation;

Vehicles You Do Not Own: Your use or operation of any self-propelled land vehicle or amphibious vehicle which you do not own, provided that:

- a. the vehicle is not subject to motor vehicle registration and is designed primarily for use off public roads;
- b. you are not using it for business or organized racing. You are not insured for property damage to the vehicle itself;
- c. the vehicle is being used or operated with the owner's consent
- d. the vehicle is not owned by anyone included in the definition of “you” or “your” in Section II of this form.

You are not insured for damage to the vehicle itself.

You are not insured against claims arising out of your use or operation of any “Unmanned Air Vehicle”, unless otherwise indicated on the Coverage Summary Page.

Attached Machinery: the functional use or operation for your farming purposes of machinery or apparatus mounted on or

attached to a motorized vehicle, while at the site of the use or operation of such machinery or apparatus. This insurance does not apply, either as primary or excess coverage, to bodily injury or property damage with respect to which any motor vehicle liability insurance is in effect or required by law to be in effect.

9. **Trailer Liability:** legal liability for bodily injury or property damage arising out of your ownership, maintenance, use or operation of any utility, boat, camp or home trailer or its equipment, provided that such trailer is not being towed by, attached to or carried on a motorized vehicle.
10. **Business and Business Property Liability:** legal liability for bodily injury or property damage arising out of:
your work for someone else as a sales representative, collector, messenger or clerk, provided that the claim does not involve injury to a fellow employee;
 - a. your work for someone else as a sales representative, collector, messenger, clerk or teacher, provided the claim does not involve physical disciplinary action to a student or injury to a fellow employee;
 - b. the occasional rental of your residence to others; rental to others of a one or two family dwelling usually occupied in part by you as a residence, provided no family unit includes more than 2 roomers or boarders;
 - c. the rental of space in your residence to others for incidental office, school or studio occupancy;
 - d. the rental to others, or holding for rent, of not more than three car spaces or stalls in garages or stables;
 - e. activities during the course of your trade, profession or occupation which are ordinarily considered to be non-business pursuits;
 - f. the temporary or part time business pursuits of an insured person under the age of 21 years.

You are insured for claims made against you arising from the following business pursuits, only if the properties or operations are declared on the Coverage Summary Page:

- a. the rental of residential buildings containing not more than six dwelling units;
- b. the use of part of your residence by you for incidental office, school, day care or studio occupancy.

DEFENSE, SETTLEMENT, SUPPLEMENTARY PAYMENTS

We will defend you against any suit which makes claims against you for which you are insured under Coverage E and which alleges bodily injury or property damage and seeks compensatory damages, even if groundless, false or fraudulent. We reserve the right to investigate, negotiate and settle any claim or suit if we decide this is appropriate.

In addition to the amount of insurance under Coverage E, we will pay:

1. all expenses which we incur;
2. all costs charged against you in any suit insured under Coverage E;
3. any interest accruing after judgment on that part of the judgment which is within the amount of insurance of Coverage

- E;
4. premiums for appeal bonds required in any insured law suit involving you and bonds to release any property that is being held as security, up to the amount of insurance, but we are not obligated to apply for or provide these bonds;
 5. expenses which you have incurred for emergency medical or surgical treatment to others following an accident or occurrence insured by this form;
 6. reasonable expenses, including up to \$50 a day for your actual loss of wages or salary up to a maximum of \$250 in any one claim or suit, which you incur at our request.

COVERAGE F - VOLUNTARY MEDICAL PAYMENTS

We will pay reasonable medical expenses, incurred within one year of the date of the accident, if you unintentionally injure another person or if they are accidentally injured on your premises even though you are not legally liable. Medical expenses include surgical, dental, hospital, nursing, ambulance service and funeral expenses.

The amount of insurance shown on the Coverage Summary Page is the maximum amount we will pay for each person in respect of one accident.

We will not pay expenses covered by any medical, dental, surgical, or hospitalization plan or law, or under any other insurance contract.

We will not pay your medical expenses or those of persons residing with you, other than employees.

We will not pay the medical expenses of any person covered by any workers' compensation, disability benefits, unemployment compensation or any similar law.

We will not pay the medical expenses of any person engaged in work for you or on your behalf. This exclusion does not apply to your employees, or to other persons on your premises in a neighbourly exchange of labour for which you are not obligated to pay any monetary compensation, either expressed or implied.

We will not pay the medical expenses for bodily injury excluded under Coverage E.

If requested by us, you shall arrange for the injured person to:

1. give us, as soon as possible, written proof of claim, under oath if required;
2. submit to physical examination at our expense by doctors we select as often as we may reasonably require;
3. authorize us to obtain medical and other records.

Proofs and authorizations may be given by someone acting on behalf of the injured person.

COVERAGE G - VOLUNTARY PROPERTY DAMAGE

We will pay for unintentional direct damage you cause to property even though you are not legally liable. You may also use this coverage to reimburse others for direct property damage caused

intentionally by anyone included in the definition of "You" or "Your" in Section II of this form, 12 years of age or under.

You are not insured for claims:

1. resulting from ownership, use or operation of any motorized vehicle, farm machinery or equipment, aircraft, trailer or watercraft;
2. for property you or your tenants own or rent;
3. which are insured under any other section of this policy;
4. caused by the loss of use, disappearance or theft of property;
5. arising out of your business or any business use of your premises.

Basis of Payment

We will pay whichever is the least of the following:

1. the actual cash value of the property at the time of loss;
2. what it would cost to repair or replace the property with materials of similar quality at the time of loss;
3. the amount shown on the Coverage Summary Page.

We pay for the loss in money or may repair or replace the property, and may settle any claim for loss of property either with you or the owner of the property. We may take over any salvage if we wish.

Within 60 days after the loss, you must submit to us (under oath if required) a **PROOF OF LOSS FORM** containing the following information;

1. the amount, place, time and cause of loss;
2. the interest of all persons in the property affected;
3. the actual cash value of the property at the time of loss.

If necessary, you must help us verify the damage.

EXCLUSIONS (Coverages E, F and G)

You are not insured for claims made or actions brought against you for:

1. bodily injury or property damage arising out of the ownership, maintenance, use, operation or entrustment to others of any motor vehicle, trailer, amphibious vehicle, aircushion vehicle or watercraft, except those for which coverage is provided in this form.
2. the use or operation of all-terrain vehicles which are not being operated in accordance with The Off Road Vehicles Act (Manitoba) or The All-Terrain Vehicles Act (Saskatchewan).
3. property damage to:
 - a. property you own;
 - b. property you use, occupy, lease or in your care, custody or control. This exclusion does not apply to Tenants' Legal Liability;
 - c. property you sell, give away or abandon;
 - d. personal property or fixtures as a result of work done on them by you or anyone on your behalf.
4. bodily injury to you or to any person residing in your household other than a residence employee;
5. bodily injury, if you are an organization, to any executive officer, partner, director or shareholder of the organization or

- the spouse or relative of any of them, if such person resides on the farm premises;
6. bodily injury or property damage due to war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
 7. bodily injury or property damage which is also insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of Insurers regardless of exhaustion of such policy amounts or its termination;
 8. bodily injury or property damage arising out of your business or any business use of the insured premises except as specified on the Coverage Summary Page;
 9. bodily injury or property damage arising out of the rendering of or failure to render any professional service;
 10. bodily injury or property damage caused by an intentional or criminal act or failure to act by:
 - a. any person insured by this policy; or
 - b. any other person at the direction of any person insured by this policy;
 11. bodily injury or property damage which arises out of the transmission of or the failure to take steps to prevent the transmission of communicable or sexually transmitted disease by any person insured by this policy;
 12. bodily injury or property damage arising out of the ownership, maintenance, use or operation or entrustment to others of any aircraft. This exclusion does not apply to Employers Liability;
 13. the ownership, use or operation of any "Model Aircraft", unless used in full accordance with current Transport Canada regulations and guidelines;
 14. the use or operation of any "Unmanned Air Vehicle", unless otherwise indicated on the Coverage Summary Page;
 15. bodily injury or property damage arising out of the ownership, existence, maintenance, use or operation by you or on your behalf, of any premises for the purpose of an airport or aircraft landing strip;
 16. bodily injury or property damage arising or resulting from any substance released or discharged from any aircraft;
 17. "Custom Farming" operations performed for others for charge under any agreement or contract unless stated on the Coverage Summary Page. Crop spraying for others is excluded in all cases;
 18. property damage to products manufactured, sold, handled or distributed by you arising out of such products or any part of the products;
 19. property damage to work performed by you or on your behalf arising out of such work or any part of the work;
 20. bodily injury or property damage arising out of the "products hazard", but this exclusion does not apply to farm products other than:
 - a. farm products used for reproduction including seed, semen, breeding stock and embryos;
 - b. blended, processed or treated feed or produce;
 - c. manufactured products including fertilizers, herbicides,

pesticides or other chemicals.

21. sickness, disease or death of animals arising from your feedlot operations, if any;
22.
 - a. bodily injury or property damage arising out of the discharge, dispersal, release or escape of pollutants, into or upon land, the atmosphere or any water of any description no matter where located or how contained, or into any watercourse, drainage or sewage system, but this exclusion does not apply if such discharge, dispersal or release or escape is sudden or accidental. The words "sudden or accidental" mean an unexpected and unintentional discharge, dispersal, release or escape which is detected by any person within 120 hours after the commencement of the discharge, dispersal, release or escape;
 - b. the cost of removing, nullifying, containing, treating, detoxifying, neutralizing or cleaning up pollutants, except such cost as may be incurred as part of claims not excluded under 22 a. above.

"Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This exclusion (22) does not apply to smoke or fumes from a "hostile fire" meaning a fire which becomes uncontrollable or breaks out from where it was intended to be.

This exclusion (22) does not apply to accidental chemical drift from spraying operations on your own crops, other than by means of an aircraft, which results in damage to growing crops or other vegetation on neighbouring land belonging to others, provided you could not reasonably have expected such drift to occur. Crop spraying for others is excluded in all cases.

Notwithstanding the Reinstatement Clause elsewhere in this policy, following a loss under this section, the amount of insurance indicated on the Coverage Summary Page will be reduced by the amount payable.

Where the total of all compensatory damages due to bodily injury, property damage and all clean-up costs exceed the amount of insurance indicated on the Coverage Summary Page, the proceeds of this coverage shall be applied in the following order of priority:

- a. clean-up costs;
 - b. bodily injury;
 - c. property damage.
23. property damage you cause while you are unlawfully on the premises of others, or any obligation to share compensatory damages with or repay someone else who must pay compensatory damages for property damage arising out of acts committed by you or such other person while unlawfully on the premises of others;
 24. liability you have assumed under contract or agreement except those for which coverage is provided under "Contractual Liability" in this section of the policy. This exclusion does not apply to bodily injury or property damage for which you would have been legally liable in the absence of the contract or agreement;

25. bodily injury to any employee if the bodily injury arises out of and in the course of his or her employment by you, except as provided for under "Employers Liability" in this section of the policy;
26. bodily injury or property damage arising from premises you own, rent, use or occupy, other than the insured premises, but this exclusion does not apply to the grazing of your livestock on other premises;
27. bodily injury or property damage arising out of the ownership, use or operation of any draft or saddle animal or attached conveyance while being used for any purpose for which you are paid, including riding instruction, renting of horses to others, trail rides and wagon and sleigh rides unless indicated on the Coverage Summary Page;
28. the use of your premises for rodeos, draft or saddle animal races, gymkhana events or similar equestrian activities;
29. bodily injury or property damage caused by an animal you own or for which you are responsible which has been declared under any law, by-law or municipal ordinance to be a dangerous animal;
30. claims made or actions brought against you for bodily injury or property damage arising out of:
 - a. sexual, physical, psychological or emotional abuse, assault, molestation or harassment, including corporal punishment by, at the direction of, or with the knowledge of any person insured by this policy; or
 - b. failure of any person insured by this policy to take steps to prevent sexual, physical, psychological or emotional abuse, assault, molestation or harassment or corporal punishment.
31. the erasure, destruction, corruption, misappropriation or misinterpretation of "data";
32. erroneously creating, amending, entering, deleting or using "data";
33. the distribution or display of "data" by means of an Internet website, the internet, an intranet, extranet, or similar device or system designed or intended for electronic communication of "data";
34. bodily injury or property damage arising out of: the actual, alleged, or threatened discharge, dispersal, release or escape of pollutants from an outdoor hot water heating unit(s). This policy also excludes the cost of removing, nullifying, containing, treating, detoxifying, neutralizing or cleaning up of the pollutant.
35. bodily injury or property damage arising out of any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses, damage, cost or expenses directly or indirectly caused by, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity. This exclusion applies regardless of any other cause that contributes concurrently or in any sequence to the loss, damages, cost or expense.

OPTIONAL LIABILITY COVERAGES

The following endorsements are subject to all the terms, exclusions and conditions applicable to Section II of this policy and the provisions of these endorsements.

CONSTRUCTION LIABILITY ENDORSEMENT - FORM 2190

If the Coverage Summary Page indicates Form 2190 applies, Section II Liability is extended to include Construction Liability as follows:

It is hereby understood and agreed that, in consideration of the premium shown on the Coverage Summary Page and subject to the Additional Conditions, Limitations and Exclusions herein, Farm Liability – Form 2300 to which this rider is attached is extended under Coverage E to include liability arising from the construction of a building as described on the Coverage Summary Page at the premises named herein or from the ownership, maintenance or use of the said premises held for the sole purpose of proceeding with such construction.

Subrogation

In the event of any payment under this Rider, the Insurer shall be subrogated to all the Insured's rights of recovery therefore against any person or organization and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Insured shall do nothing after loss to prejudice such rights.

Coverage Period

The coverage period is until construction is completed, or until the policy expires (whichever occurs first).

Additional Exclusions

This Rider excludes insurance against liability arising out of:

The Consumption, handling or use of goods or products manufactured, sold, handled or distributed by the Insured if such consumption, handling or use occurs away from the premises of the Insured after the Insured has relinquished possession of the goods or products.

Blasting or the collapse of or structural injury to any building or structure due to excavation, moving, shoring, underpinning, raising or removal of any structural supports of any building.

Except where inconsistent therewith, all other terms and conditions remain unchanged.

VOLUNTARY COMPENSATION FOR EMPLOYEES ENDORSEMENT - FORM 2310

If the Coverage Summary Page indicates a weekly indemnity amount and a premium for Voluntary Compensation, we offer to pay the benefits described below if your employee is injured or dies accidentally while working for you, even though you are not legally liable. This insurance applies only to accidents which occur during

the term of this policy.

If you employee does not accept these benefits or sues you, we may withdraw our offer, but this will not affect your legal liability insurance provided by Coverage E.

An employee who accepts these benefits must sign a release giving up any right to sue you. We have the right to recover from anyone, other than you, who is responsible for the employee's injury or death.

An insured employee will, if requested:

1. submit to physical examination at our expense by doctors we select as often as we may reasonably require;
2. authorize us to obtain medical and other records.

In case of death, we can require an autopsy before we make payment.

We will not pay benefits:

1. unless your employee was actually performing duties for you when the accident happened;
2. for any hernia injury;
3. for death or injury caused by war, invasion, act of a foreign enemy, civil war, rebellion, revolution, insurrection or military power.

Additional Definitions

As used in this coverage, "**Employee**" means your residence or farm employee and any person claiming or acting on his behalf.

"**Weekly Indemnity**" means two-thirds of your employee's weekly wage at the time of the accident, but not exceeding the Weekly Indemnity shown on the Coverage Summary Page.

Schedule of Benefits

Loss of Life

If your employee dies from injuries received in the accident within the following 26 weeks, we will pay:

1. to those wholly dependent upon him, a total of 100 times the Weekly Indemnity in addition to any benefit for Temporary Total Disability paid up to the date of death;
2. actual funeral expenses up to \$500.

Temporary Total Disability

If your employee temporarily becomes totally disabled from injuries received in the accident within the following 14 days and cannot work at any job, we will pay Weekly Indemnity up to 26 weeks while such disability continues. We will not pay for the first 7 days unless the disability lasts for six weeks or more.

Permanent Total Disability

If your employee becomes permanently and totally disabled from injuries received in the accident within the following 26 weeks and cannot work at any job, we will pay Weekly Indemnity for 100 weeks in addition to the benefits provided under Temporary Total Disability.

Injury Benefits

If, as a result of an accident, your employee suffers the loss of, or permanent loss of use of any of the following within 26 weeks of the

accident, we will pay weekly indemnity for the number of weeks shown. These benefits will be paid in addition to Temporary Total Disability Benefits but no others and for not more than 100 times the weekly indemnity.

	Loss of or Permanent Loss of Use of:	No. of Weeks
1	Arm	
	- at or above elbow	100
	<i>or</i>	
	- below elbow	80
	<i>or</i>	
2	Hand at wrist	80
	<i>or</i>	
3	*Thumb	
	- at or above the second phalangeal joint	25
	<i>or</i>	
	- below the second phalangeal joint, involving a portion of the second phalange	18
	*Index Finger	
	- at or above the second phalangeal joint	25
	- at or above the third phalangeal joint	18
	- below the third phalangeal joint, involving a portion of the third phalange	12
	*Any Other Finger	
	- at or above the second phalangeal joint	15
	<i>or</i>	
	- at or above the third phalangeal joint	8
	<i>or</i>	
	- below the third phalangeal joint, involving a portion of the third phalange	5
4	Leg	
	- at or above knee	100
	<i>or</i>	
	- below knee	75
	<i>or</i>	
5	Foot at ankle	75
	<i>or</i>	
6	**Great Toe	
	- at or above the second phalangeal joint	15
	<i>or</i>	
	- below the second phalangeal joint, involving a portion of the second phalange	8
	**Any Other Toe	
	- at or above the second phalangeal joint	10
	<i>or</i>	
	- at or above the third phalangeal joint	5
	<i>or</i>	
	- below the third phalangeal joint, involving a portion of the third phalange	3
7	One Eye	50
	<i>or</i>	
	Both Eyes	100
8	Hearing of One Ear	25
	<i>or</i>	
	Hearing of Both Ears	100

NOTE:

For a combination of two or more of the items marked *, we will not pay more than 80 times the weekly indemnity.

For a combination of two or more of the items marked **, we will not pay more than 35 times the weekly indemnity.

Medical Expenses

If, as a result of the accident, your employee incurs medical expenses including surgical, dental, hospital, nursing and ambulance expenses within the following 26 weeks, we will pay up to a maximum of \$1,000. in addition to all other benefits.

We will pay the cost of supplying or renewing artificial limbs or braces, made necessary by the accident, for up to 52 weeks after the accident, subject to a maximum of \$5,000.

We will not pay expenses covered by any medical, dental, surgical, or hospitalization plan or law, or under any other insurance contract.

We will not pay your medical expenses or those of persons residing with you, other than residence or farm employees.

We will not pay medical expenses of any person covered by any workers' compensation statute.

**FIRE LEGAL LIABILITY ENDORSEMENT - FORM
2320****Insuring Agreement**

If the Coverage Summary Page indicates an amount of insurance and premium for this coverage, we will pay all sums which you become legally liable to pay as compensatory damages because of property damage to buildings or structures on the Farm Premises which you do not own and which you are renting, using, occupying or have in your care, custody or control, if the property damage is caused by accident and arises out of Fire, Explosion or Smoke caused by a sudden, unusual and faulty operation of any heating unit.

The amount of insurance shown on the Coverage Summary Page is the maximum amount we will pay for any one accident regardless of the number of:

1. persons insured;
2. claims made or actions brought; or
3. persons or organizations making claims or bringing actions.

Defense, Settlement, Supplementary Payments

The provisions for Defense, Settlement, and Supplementary Payments as set out under Coverage E are applicable to this endorsement.

Exclusions - Loss or Damage Not Insured

You are not insured for claims made or actions brought against you:

1. arising out of property damage caused intentionally by you or at your direction;
2. if the property damage arises out of extraordinary alterations, additions, or repairs;
3. for liability you have assumed under any contract or

agreement unless you would have been liable even if no contract or agreement had been in force.

CROSS LIABILITY ENDORSEMENT - FORM 2330

If the Coverage Summary Page indicates that Cross Liability is included, and also specifies the named insureds to whom the endorsement applies, coverage per the following extension is included. The insured person or interest to whom this endorsement applies must be scheduled separately, as the endorsement shall in no circumstance apply to the "Insured" as defined elsewhere by this form.

The inclusion of more than one insured under this form shall not in any way affect the rights of such Insured either as respects any claim, demand, suit or judgment made or recovered by or in favour of any other Insured. This form shall protect each Insured scheduled to be covered by this endorsement in the same manner and to the same extent as though a separate policy had been issued to each, but nothing herein shall operate to increase the Insurer's liability as set forth elsewhere in this form beyond the amounts for which the Insurer would have been liable if only one person or interest had been named as Insured.

NON-OWNED LIVESTOCK LIABILITY ENDORSEMENT-FORM 2340

If the Coverage Summary Page indicates that Form 2340 applies, we agree to amend Farm Liability Coverage – Form 2300 to include: We agree, subject to the limit of insurance indicated on the Coverage Summary Page for this endorsement, to pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay as compensatory damages because of the Insured's legal liability for physical injury causing death, or making total destruction necessary during the policy period to livestock/poultry not owned by the Insured which is in the care, custody and control of the insured.

Exclusions

This insurance does not apply to:

1. consequential or indirect loss or damage;
2. death, destruction or injury caused by any veterinary work done by the Insured or by others at the direction of the Insured;
3. any loss for which the Insured or any of his employees are convicted by civil authorities of any offence relating to willful neglect or inhumane treatment of animals;
4. any fines or penalties;
5. any failure by the Insured to meet any obligation with respect to training of animals, or failure to cause animals to gain weight or increase in value in any way;
6. any livestock or other property owned or rented by any Insured or anyone regularly residing at the insured premises;
7. any liability assumed by the Insured under contract, except

liability which would attach in the absence of such contract.

Provision

Where the destruction of an animal or animals is made necessary, and the Insured is legally liable therefore, this coverage will only provide indemnity if a licensed veterinarian certifies the need for destruction in advance.

All other terms and conditions of Form 2300 also apply to this endorsement.

**APIARY PRODUCTS HAZARD LIABILITY
ENDORSEMENT – FORM 2345**

If the Coverage Summary Page indicates that Form 2345 applies, Farm Liability Coverage – Form 2300 is extended as follows:

We agree, subject to the limit of insurance indicated on the Coverage Summary Page under Coverage E of Form 2300, to pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay as compensatory damages because of the Insured's legal liability arising out of the "products hazard" relating to honey that has been "processed" in any manner.

Exclusions:

This insurance does not apply to:

1. Out of Canada sales.

Definitions

"**Processed**" for the purpose of this coverage, includes, but is not limited to a series of mechanical or chemical procedures on farm produce in order to change or preserve it.

This liability extension overrides any limitation of the "products hazard" as outlined in Farm Liability Coverage – Form 2300 Exclusion 17, only with regards to Apiary operations.

All other terms and conditions of Form 2300 also apply to this endorsement.

**DESIGNATED ACTIVITY, SERVICE OR WORK
EXCLUSION - FORM 2355**

This endorsement modifies insurance provided under the Farm Liability Coverage – Form 2300 wording to which it is attached.

This insurance does not apply to "bodily injury" or "property damage":

1. Arising out of any activity shown on the Coverage Summary Page that you engage in, organize or sponsor;
2. Due to the rendering or failure to render any service shown on the Coverage Summary Page;
3. Arising out of "your work" shown on the Coverage Summary Page.

CONDITIONS (APPLICABLE TO ALL SECTION II COVERAGES)

Notice of Accident or Occurrence

When an accident or occurrence takes place, you must promptly give us notice (in writing if required). The notice must include:

1. your name and policy number;
2. the time, place and circumstances of the accident;
3. the names and addresses of witnesses and potential claimants.

Co-operation

You are required to:

1. help us obtain witnesses, information and evidence about the accident and co-operate with us in any legal action if we ask you;
2. immediately send us everything received in writing concerning the claim including legal documents.

Unauthorized Settlements - Coverage E and Forms 2320, 2340 and 2345

You shall not, except at your cost, voluntarily make any payment, assume any obligations or incur expenses, other than first aid expenses necessary at the time of the accident.

Action Against Us - Coverage E and Forms 2320, 2340 and 2345

You shall not bring action against us until you have fully complied with all the terms of this policy, nor until the amount of your obligation to pay has been finally determined, either by judgment against you or by an agreement which has our consent.

Payment of Claim - Coverages F and G

Payment by us under either of these coverages is not an admission of liability by you or us.

Action Against Us - Coverages F and G

You shall not bring action against us until you have fully complied with all the terms of this policy, nor until 60 days after the required Proof of Loss Form has been filed with us.

Insurance Under More Than One Policy

If other insurance applies to a loss or claim, or would have applied if this policy did not exist, this insurance will be considered excess insurance and will not pay any loss or claim until the amount of such other insurance is used up.

POLICY CONDITIONS

With respect to Section II - Liability Coverage that may form a part of this policy, the Insurer and Insured hereby agree that Statutory Conditions 1, 3, 4, 5 and 14 only apply. Otherwise, the Insurer and Insured hereby agree that all of the Conditions set forth under the titles Statutory Conditions and General Conditions apply as Policy Conditions, with respect to all of the perils insured by this policy except as these Conditions may be modified or supplemented by the Forms or Endorsements forming part of this policy.

GENERAL CONDITIONS

Loss or Damage Not Insured

We do not insure:

1. loss or damage occurring after the building has been "Vacant" for more than 30 consecutive days (unoccupancy, as is normal to a seasonal dwelling, does not constitute vacancy), unless provided for elsewhere in this policy. Coverage for the perils of "Water Escape, Rupture and Freezing", Escape of Fuel Oil and/or "Vandalism or Malicious Acts" is excluded immediately upon vacancy. To further clarify, occupants are deemed to have moved out (and the property is considered vacant) when they cease to occupy the premises as their usual residence, even in circumstances where they temporarily return thereafter to clean the premises, remove personal property, care for the property, inspect the property or use the property on a casual or intermittent basis;
2. loss or damage caused by a domesticated animal you own or which is in your care (this exclusion is applicable to Section I – Property only);
3. loss or damage caused by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
4. loss or damage caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
5. buildings and/or structures, and/or their contents used in whole or in part or designed for business or farming purposes whether occupied, unoccupied or "Vacant", unless indicated on the Coverage Summary Page;
6. losses or increased costs of repair or reconstruction due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services (unless provided for elsewhere in this policy);
7. loss or damage resulting from any intentional or criminal act or failure to act by:
 - a. any person insured by this policy; or
 - b. any other person at the direction of any person insured by this policy;
8. any buildings and/or structures, and any contents, where any building and/or structures, and or contents are used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution or sale of marijuana or any product derived from, or containing, marijuana or any other substance falling within the Schedules of the Controlled Drugs and Substances Act, whether or not the insured is aware of such use of the property and/or whether or not such use of the property causes, in any way, in whole or in part, any loss or damage. This includes any alteration of the premises to facilitate such illegal activity;
9. loss or damage to any building and/or property undergoing any process, including a process involving the application of heat, or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;

10. loss of or damage to any property illegally imported, acquired, kept, stored or transported;
11. loss or damage to books of accounts and/or evidence of debt or title;
12. loss or damage to any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
13. wear and tear, deterioration, defect or mechanical breakdown, marring or scratching, rust or corrosion, extremes of temperature, freezing (unless provided for elsewhere in this policy), dampness of atmosphere, condensation, wet or dry rot, fungi, mold, spores, decomposition, contamination or "pollution" (unless provided for elsewhere in this policy);
14. loss or damage to buildings and/or contents caused by continuous or repeated seepage or leakage of water;
15. loss or damage to automobiles, motor trucks, motorcycles, midget automobiles, all-terrain vehicles (with three or more wheels), snowmobiles, watercraft, aircraft or any other vehicles which are licensed or are subject to motor vehicle registration, including equipment or appurtenances of any of the foregoing (unless indicated on the Coverage Summary Page);
16. loss, damage or expense caused by or resulting from 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).
17. loss or damage directly or indirectly caused by or resulting from neglect, meaning neglect by you to use all reasonable means to save and preserve the building and/or personal property at and after the time of a loss, or when the building and/or personal property is endangered by an Insured Peril;
18. loss or damage caused by birds, bats or other vermin (including but not limited to skunks and raccoons), rodents (including but not limited to squirrels, rats and mice) or insects (including but not limited to moths, ants and bed bugs), except damage to building glass if glass breakage is provided by this policy;
19. loss or damage caused by smoke from agricultural smudging or industrial operations;
20. the cost of making good:
 - a. faulty or improper material;
 - b. faulty or improper workmanship;
 - c. faulty or improper design.
21. loss or damage caused directly by failure of any:
 - a. data, or;
 - b. loss or damage caused directly or indirectly by data problem. However, if loss or damage caused by data problem results in the occurrence of further loss or damage to property insured that is directly caused by fire, explosion, smoke, leakage from fire protective equipment, water damage, this exclusion shall not apply to such

resulting loss or damage;

22. loss or damage to outdoor hot water heating unit(s) on the premises, including the structure or enclosure housing the unit(s), attached piping, radiators, all other associated equipment, the heat transfer medium (liquid), and any personal property or contents in the structure or enclosure. It is further understood and agreed that any loss or damage resulting from or caused by escape of the heat transfer medium (liquid) is excluded by this policy;
23. loss or damage to wind powered electrical generators including all related equipment and structures with a rated power generating capacity exceeding 1KW (unless otherwise indicated on the Coverage Summary Page);
24. loss or damage caused directly or indirectly, in whole or in part, by any Terrorism or by any activity or decision of a government or other entity to prevent, respond to or terminate Terrorism regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage which results directly from fire or explosion.

Other Conditions

Canadian Currency - All amounts of insurance, premiums or other amounts stated in this policy are in Canadian Currency.

Insurance Under More Than One Policy - If you have insurance on specifically described property, our policy will be considered excess insurance and we will not pay any loss or claim until the amount of such other insurance is used up. In all other cases, our policy will pay its ratable proportion of the loss or claim.

Liberalization Clause - If we adopt any revision which would broaden coverage under this policy without any additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

Loss to a Pair or Set -

Pair: If there is loss to one item of an identical pair by an Insured Peril, we will pay for the pair. The undamaged item becomes our property.

Set: For items that are part of a set of two or more pieces, we may only pay for those particular items which were lost or damaged by an Insured Peril.

Loss to Parts - In case of a loss to any part of the insured property, consisting of several parts when complete, we shall pay for the value of the part lost or damaged.

No Benefit to Bailee - No person or organization having custody of the property and to be paid for services shall benefit from this insurance.

Notice to Authorities - Where loss is claimed to be due to theft, burglary, robbery, malicious acts or disappearance the Insured shall give immediate notice thereof to the police or other authorities having jurisdiction.

Permission - You are permitted to make alterations, additions or repairs.

Subrogation - The Insurer upon making any payment or assuming liability therefore under this Policy shall be subrogated to all rights of recovery of the Insured against any person, and may bring action in the name of the Insured to enforce such rights.

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.

If you are a condominium unit owner or live in a Life Lease unit, we agree to waive our rights to any claims against the Condominium or Life Lease Corporation, its Directors, Property Managers, agents and employees, except for arson, fraud and vehicle impact. We shall not consider independent contractors as being agents or employees of the Condominium or Life Lease Corporation, its Directors, Property Managers or of the unit owners.

Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

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.

STATUTORY CONDITIONS

Section 1 - Applicable to Manitoba

Misrepresentation (1) - If any person applying for insurance falsely describes the property to the prejudice of the Insurer, or misrepresents or fraudulently omits to communicate any circumstance which is material to be made known to the Insurer in order to enable it to judge of the risk to be undertaken, the contract shall be void as to any property in relation to which the misrepresentation or omission is material.

Property of Others (2) - Unless otherwise specifically stated in the contract, the Insurer is not liable for loss or damage to property owned by any person other than the Insured, unless the interest of the Insured therein is stated in the contract.

Change of Interest (3) - The Insurer shall be liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act or change of title by succession, by operation of law, or by death.

Material Change (4) - Any change material to the risk and within the control and knowledge of the Insured shall avoid the contract as to the part affected thereby, unless the change is promptly notified in writing to the Insurer or its local agent; and the Insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the Insured in writing that, if he desires the contract to continue in force, he must, within fifteen days of the receipt of the notice, pay to the Insurer an additional premium; and in default of such payment the contract shall no longer be in force and the Insurer shall return the unearned portion, if any, of the premium paid.

Termination of Contract (5) – (A) This contract may be terminated;

1. by the Insurer giving to the Insured fifteen days' notice of termination by registered mail, or five days written notice of termination personally delivered;
2. by the Insured at any time on request.

(B) Where this contract is terminated by the Insurer,

1. the Insurer shall refund the excess of premium actually paid by the Insured over the pro rata premium for the expired time, but in no event, shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and
2. the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.

(C) Where this contract is terminated by the Insured, the Insurer shall refund, as soon as practicable, the excess of premium actually paid by the Insured over the short rate premium for the expired time, but, in no event, shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.

(D) The refund may be made by money, postal or express company money order, or by cheque payable at par.

(E) The fifteen days mentioned in clause (1) of sub-section (A) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

Requirements After Loss (6) - Upon the occurrences of any loss or damage to the insured property, the Insured shall, if such loss or damage is covered by the contract, in addition to observing the requirements of Conditions 9, 10 and 11.

1. forthwith give notice thereof in writing to the Insurer;
2. deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration:
 - a. giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, Actual Cash Value and particulars of amount of loss claimed;
 - b. stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes;
 - c. stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the Insured;
 - d. showing the amount of other insurances and the names of other insurers;
 - e. showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property;
 - f. showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract;
 - g. showing the place where the property insured, was at the time of loss;
3. if required, give a complete inventory of undamaged property and showing in detail quantities, cost, Actual Cash Value;
4. if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.

The evidence furnished under clauses (1c) and (1d) of this condition shall not be considered proofs of loss within the meaning of Conditions 12 and 13.

Fraud (7) - Any fraud or willfully false statement in a statutory declaration in relation to any of the above particulars shall vitiate the claim of the person making the declaration.

Who May Give Notice and Proof (8) - Notice of loss may be given, and proof of loss may be made, by the agent of the Insured named in the contract in case of absence or inability of the Insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the Insured refuses to do so, by a person to whom any part of the insurance money is payable.

Salvage (9) - (A) The Insured, in the event of any loss or damage to any property insured under this contract, shall take all reasonable steps to prevent further damage to any such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.

(B) The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the Insured and required under

sub-paragraph (A) of this condition according to the respective interests of the parties.

Entry, Control, Abandonment (10) - After any loss or damage to insured property, the Insurer shall have an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the Insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the Insurer shall not be entitled to the control or possession of the insured property, and without the consent of the Insurer there can be no abandonment to it of insured property.

Appraisal (11) - In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under The Insurance Act before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independent of all other questions. There shall be no right to an appraisal until a specified demand thereafter is made in writing and until after proof of loss has been delivered.

When Loss Payable (12) - The loss shall be payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

Replacement (13) - a) The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss; b) In that event the Insurer shall commence to so repair, rebuild, or replace the property within forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

Action (14) - Every action or proceeding against the Insurer for the recovery of a claim under or by virtue of this contract is absolutely barred unless commenced within two years(*) next after the loss or damage occurs.

*In those jurisdictions where statute prescribes another period for right of action, every action or proceeding against the Insurer shall be commenced within such prescribed period and not afterwards.

Notice (15) - Any written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the province. Written notice may be given to the Insured named in this contract by letter personally delivered to him, or by registered mail addressed to him at his latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.

Section 2 - Applicable to Saskatchewan and Ontario

Misrepresentation (1) – If any person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance which is material to be made known to the insurer in order to enable it to judge of the risk to be undertaken, the contract shall be void as to any property in relation to which the misrepresentation or omission is material.

Property of Others (2) – Unless otherwise specifically stated in the contract, the insurer is not liable for loss or damage to property owned by any person other than the insured, unless the interest of the insured therein is stated in the contract.

Change of Interest (3) – The insurer shall be liable for loss or damage occurring after an authorized assignment pursuant to the Bankruptcy and Insolvency Act (Canada) or change of title by succession, by operation of law, or by death.

Material Change (4) – Any change material to the risk and within the control and knowledge of the insured shall avoid the contract as to the part affected thereby, unless the change is promptly notified in writing to the insurer or its local agent; and the insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the insured in writing that, if he desires the contract to continue in force, he must, within 15 days of the receipt of the notice, pay to the insurer an additional premium; and in default of such payment the contract shall no

longer be in force and the insurer shall return the unearned portion, if any, of the premium paid.

Termination of Contract (5) – A) This contract may be terminated:

1. by the insurer giving to the insured 15 days' notice of termination by registered mail or five days' written notice of termination personally delivered;
2. by the insured at any time on request.

B) Where the contract is terminated by the insurer:

1. The insurer shall refund the excess of premium actually paid by the insured over the pro rata premium for the expired time, but in no event, shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and
2. The refund shall accompany the notice unless the premium is subject to adjustment or termination as to amount, in which case the refund shall be made as soon as practicable.

C) Where this contract is terminated by the insured, the insurer shall refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.

D) The refund may be made by money, postal or express company money order, or by cheque payable at par.

The 15 days mentioned in clause (1) in sub-condition (A) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

Requirement After Loss (6) – Upon the occurrence of any loss of or damage to the insured property, the insured shall, if such loss or damage is covered by the contract, in addition to observing the requirements of Conditions 9, 10 and 11:

1. Forthwith give notice thereof in writing to the insurer;
2. deliver as soon as practicable to the insurer a proof of loss verified by statutory declaration;
 - a. Giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed;
 - b. stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes;
 - c. Stating that the loss did not occur through any willful act or neglect or the procurement, means and connivance of the insured;
 - d. Showing the amount of other insurances and the names of other insurers;
 - e. Showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property;
 - f. Showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract;
 - g. Showing the place where the property insured was at the time of loss;
3. If required, give a complete inventory of undamaged property and showing in detail quantities, cost actual cash value;
4. If required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.

The evidence furnished under clauses (3) and (4) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

Fraud (7) – Any fraud or willfully false statement in a statutory declaration in relation to any of the above particulars shall vitiate the claim of the person making the declaration.

Who May Give Notice and Proof (8) – Notice of loss may be given, and proof of loss may be made, by the agent of the insured named in the contract in case of absence or inability of the insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like

case, or if the insured refuses to do so, by a person to whom any part of the insurance money is payable.

Salvage (9) – a) The insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to any such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.

b) The insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the insured and required under sub-paragraph a of this condition according to the respective interests of the parties.

Entry, Control, Abandonment (10) – After any loss or damage to insured property, the insurer shall have an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and after the insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the insurer shall not be entitled to the control or possession of the insured property, and without the consent of the insurer there can be no abandonment to it of insured property.

Appraisal (11) – In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under The Insurance Act before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.

When Loss Payable (12) – The loss shall be payable within 60 days after completion of the proof of loss, unless the contract provides for a shorter period.

Replacement (13) – a) The insurer, instead of making payment, may repair, rebuild or replace the property damaged or lost, giving written notice of its intention so to do within 30 days after receipt of the proofs of loss.

b) In that event the insurer shall commence to so repair, rebuild, or replace the property within 45 days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

Action (14) – Every action or proceeding against the insurer for the recovery of a claim under or by virtue of this contract is absolutely barred unless commenced within one year next after the loss or damage occurs.

(NOTE: Repealed in Saskatchewan – 2004, c.L-16.1, 8.76)

Notice (15) – Any written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the province; and written notice may be given to the insured named in the contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the insurer; and in this condition, the expression “registered” means registered in or outside Canada.

This policy is subject to the terms and conditions set forth herein together with such other terms and conditions as may be endorsed hereon or added hereto. No term or condition of this policy shall be deemed to be waived in whole or in part by the Insurer unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by the Insurer.

This policy has been signed by Red River Mutual, but is not valid unless countersigned by an authorized agent/broker of the Insurer.



Board Chair
RRM 08/15 (v2)



President / CEO

If the Coverage Summary Page indicates that the Standard Mortgage Clause applies, the following forms part of this policy:

STANDARD MORTGAGE CLAUSE

(Approved by the Insurance Bureau of Canada)

It is hereby provided and agreed that:

1. **Breach of Conditions by Mortgagor Owner or Occupant** – This insurance and every documented renewal thereof – as to the interest of the mortgagee only – is and shall be in force notwithstanding any act, neglect, omission or misrepresentation attributable to the mortgagor, owner or occupant of the property insured, including transfer of interest, any vacancy or non-occupancy, or the occupation of the property for purposes more hazardous than specified in the description of the risk;

Provided always that the Mortgagee shall notify forthwith the Insurer (if known) of any vacancy or non-occupancy extending beyond thirty (30) consecutive days, or of any transfer of interest or increased hazard that shall come to his knowledge; and that every increase of hazard (not permitted by this policy) shall be paid for by the Mortgagee – on reasonable demand – from the date such hazard existed, according to the established scale of rates for the acceptance of such increased hazard, during the continuance of this insurance.

2. **Rights of Subrogation** – Whenever the Insurer pays the Mortgagee any loss award under this policy and claims that – as to the Mortgagor or Owner – no liability therefore existed, it shall be legally subrogated to all rights of the Mortgagee against the Insured; but any subrogation shall be limited to the amount of such loss payment and shall be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer; or the Insurer may at its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and shall thereupon receive a full assignment and transfer of the mortgage together with all securities held as collateral to the mortgage debt.
3. **Other Insurance** – If there be other valid and collectible insurance upon the property with loss payable to the Mortgagee – at law or in equity – then any amount payable thereunder shall be taken into account in determining the amount payable to the Mortgagee.
4. **Who May Give Proof of Loss** – In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.
5. **Termination** – The term of this mortgage clause coincides with the term of the policy;

Provided always that the Insurer reserves the right to cancel the policy as provided by Statutory provision but agrees that the Insurer will neither terminate nor alter the policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory provision.

6. **Foreclosure** – Should title or ownership to said property become vested in the Mortgagee and/or assigns as owner or purchaser under foreclosure or otherwise, this insurance shall continue until expiry or cancellation for the benefit of the said Mortgagee and/or assigns.

Subject to the terms of this mortgage clause (and these shall supersede any policy provisions in conflict therewith but only as to the interest of the mortgagee), loss under this policy is made payable to the Mortgagee.