



*Facing the storm with you*

# ***Agricultural* PRO**

P O L I C Y   B O O K L E T



# AGRICULTURAL PRO

## AGRICULTURE BUSINESS PROTECTION POLICY

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# AGRICULTURE INSURANCE POLICY

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

This policy is written in plain and easy to understand language. We encourage you to read it and consult with your Broker if you have any questions.

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

The Agriculture Insurance Policy has three sections.

## Section I – Home and Personal Property Coverage

## Section II – Agriculture and Personal Liability

## Section III – Agricultural Property Coverages

The Amounts of Insurance are shown on the Coverage Summary Page

## AGREEMENT

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We provide the insurance described in this policy, only if indicated on the Coverage Summary page, in return for payment of the premium and subject to the terms and conditions set out. All amounts of insurance, premiums and other amounts expressed are in Canadian currency.

The Coverage Summary page summarizes the coverages and amounts of insurance we have agreed to provide and the period for which they are provided.

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 liable.

## DEFINITIONS

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The following definitions apply to your Agriculture Insurance Policy:

**“You”** and **“Your”** and **“Insured”** means the person(s) named on the Coverage Summary Page and, while living the same household, his or her spouse, the relatives of either, and 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 under 21 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 principle 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.

**“We”, “us”, “our”** and **“the Insurer”** means The Portage la Prairie Mutual Insurance Company.

**“Dwelling”** means the building or, if you are a tenant, the portion of the building described on the Coverage Summary Page occupied by you as your principal residence.

**“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.

**“Premises”** and **“Farm Premises”** means the location(s) shown on the Coverage Summary Page. It also includes other farm or agricultural land owned, rented, or leased by the person(s) named as Insured on the Coverage Summary Page, or his or her spouse.

**“Residence Employee”** means a person employed by you to perform domestic or household duties in connection with the maintenance or use of the insured dwelling. This does not include persons while performing duties in connection with your business. “Business” includes farming operations.

**“Homeowner”** means an owner of a freehold dwelling.

**“Tenant”** means one who rents property from another for dwelling purposes.

**“Farming”** or **“Agriculture”** 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” or “Agriculture” also includes the operation of roadside stands and farm markets maintained principally for the sale of your own agricultural products.

**“Custom Farming”** means the use of your farm machinery or equipment for others away from your farm premises, for compensation. 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 any spraying for others.

**“Insured Peril”** means a cause of loss or damage as described and limited for which the policy provides coverage.

**“Coverage Summary Page”** includes any schedule of insured property which may form part of this policy.

**“Vacant”** refers to the circumstance where, regardless of the presence of furnishings: all occupants have moved out with no intention of returning and no new occupant has taken up residence; or in the case of a newly constructed house, no occupant has yet taken up residence.

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

**“Data Problem”** means:

- Erasure, destruction, corruption, misappropriation, misinterpretation of data;
- Error in creating, amending, entering, deleting or using data; or
- Inability to receive, transmit or use data.

**“Vermin”** wherever the word “vermin” is shown in this policy it shall mean:

- a. small common harmful or objectionable animals and insects (such as lice or fleas) that are difficult to control; and
- b. birds and mammals that prey on game; and
- c. animals that at a particular time and place compete (as for food) with humans or domestic animals.

The term vermin includes but is not limited to skunks, raccoons, squirrels, rats, bats, mice, ants, bed bugs, or moths.

**“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.

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

**"Amount of Insurance"** means the maximum amount we will pay for any one occurrence or incident no matter how many people covered by this policy are involved. Different amounts apply to different coverages and these amounts are shown on the Coverage Summary page.

**"Bodily Injury"** means bodily injury, sickness or disease or resulting in death.

**"Civil Authority"** means 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 within authority under a Federal, Provincial or Territorial legislation with respect to protection of persons and property in the event of an emergency.

**"Computer Software"** or **"Software"** means computer programs and/or instructions stored on electronic media, excluding video games of any kind.

**"Flood"** means waves, tides, tidal waves, tsunamis or the rising or, the breaking out or the overflow of any body of salt water, whether natural or man-made.

**"Insured Peril"** means a cause of loss or damage as described and limited for which the policy provides coverage.

**"Identity Fraud"** means the act of knowingly transferring or using, without lawful authority, your means of identity which constitutes a violation of federal law or a crime or offence under any applicable federal, provincial, territorial or local law.

**"Identity Fraud Occurrence"** means any act or series of acts of identity fraud committed by a person or group discovered during the current policy period.

**"Legal Liability"** means responsibility which courts recognize and enforce between persons who sue one another.

**"Media"** means any material on which data is electronically stored such as, but not limited to, magnetic tapes, diskettes, disk packs and cassettes.

**"Occurrence"** means a loss to insured property caused by one or more of the insured perils.

**"Overland Water"** means water that accumulates upon or submerges land which is usually dry resulting from:

1. The unusual and rapid accumulation or run off of surface waters from any source, including torrential rainfall.
2. The rising or, breaking out or the overflow of any body of fresh water.

**"Property Damage"** means damage to, or destruction of, or loss of use of property.

**See also – Additional Definitions Applicable to Section II**

# SECTION I – HOME AND PERSONAL

## PROPERTY COVERAGES

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### COVERAGES

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The amounts of insurance are shown on the Coverage Summary Page. These amounts include the cost of removing debris of the property insured by this form as the result of an Insured Peril.

In this section, coverage details are provided for:

Homeowners Essentials Broad Form .....	Form 1006
Tenants Package Broad Form .....	Form 1003
Homeowners Essentials Comprehensive Form.....	Form 1022
Homeowners Enhanced Comprehensive Form.....	Form 1027
Mobile Homeowners Comprehensive Form .....	Form 1125
Tenants Package Comprehensive Form .....	Form 1123
Fire & Extended Coverage .....	Form 0202
Seasonal Homeowner Comprehensive Form.....	Form 1010



# HOMEOWNERS ESSENTIALS BROAD FORM – FORM 1006

## ALL PERILS (BUILDING) & NAMED PERILS (CONTENTS)

### COVERAGE A – DWELLING BUILDING

**We insure:**

1. The dwelling and attached structures.
2. Permanently installed outdoor equipment on the premises, including fences within 75 meters (250 ft.) of the dwelling building, used principally for the service of the dwelling.
3. Outdoor swimming pool 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, other than private structures to be used in whole or in part for business or agricultural purposes. We insure against the peril of theft only when your dwelling is completed and occupied.

**Tear out:** If any walls, ceilings or other parts of insured buildings or structures must be torn apart before water damage from a plumbing, heating, air conditioning or sprinkler system or domestic appliance can be repaired, we will pay the cost of such repairs. The cost of tearing out and replacing property to repair damage related to outdoor swimming pools or public water mains is not insured.

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

### COVERAGE B – DETACHED PRIVATE STRUCTURES

We insure private structures or buildings 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 a fence, utility line or similar connection only, they are considered to be a detached structure.

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 residential, business or agricultural purposes whether occupied, unoccupied or vacant regardless of their current use unless otherwise endorsed in this form. We do not insure detached buildings or structures where the wall(s) or roof construction consists of tarp, polyethylene or similar covering.

### COVERAGE C – PERSONAL PROPERTY

**We insure:**

**1. Personal Property on Your Premises**

We insure the contents of your dwelling and other personal property you own, wear or use, while on your premises and 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. Personal Property Temporarily Away from Your Premises**

We insure your personal property which is usually kept throughout the year at your premises for up to 20% of the amount of insurance on your personal property or \$2,000, whichever is greater, while it is temporarily away from your premises anywhere in the world. If you wish, we will include uninsured personal property belonging to others while it is in your possession or belonging to a residence employee traveling for you.

Personal property kept at any other location you own, rent or occupy is not insured unless it is being kept at that or another location due to an insured loss.

Personal property stored in a warehouse is only insured against the peril of theft.

**3. Personal Property Damaged by 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 applies only to personal property kept in the dwelling.

**4. Moving Your Personal Property to Another Home**

We insure your personal property that is being moved from the premises shown in the Coverage Summary to another location within Canada which is to be occupied by you as your principal dwelling. The limit of insurance for Personal Property will be divided between the premises, in transit and at the new location on the basis of the percentage of the total value of the property at your premises, in transit and at the new location. This coverage applies only for a period of 30 days from the date you commenced removal or until your policy term ends, whichever occurs first.

**5. Personal Property Not Insured**

We do not insure loss or damage to motorized vehicles, trailers and aircraft or their equipment (except for motorized wheelchairs, watercraft, motorized lawn mowers, other gardening equipment, snow blowers or motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

### SPECIAL LIMITS OF INSURANCE

**Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence.**

1. **Animals:** Animals, birds and fish up to \$1,000 in all and only if they are kept as household pets.
2. **Boats:** Watercraft, their furnishings, equipment, accessories and motors up to \$1,000 in all.
3. **Business Property:** Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$2,000 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. Other Business property, including samples and goods held for sale, is not insured.
4. **Cannabis and its accessories:** Cannabis, including cannabis plants either for recreational or medicinal use, in all consumable forms and its accessories up to \$500 in all.
5. **Computer Software:** Computer software up to \$1,000 in all. We do not insure the cost of gathering or assembling information or data.
6. **Garden Equipment:** Motorized lawn mowers, other motorized garden equipment, garden tractors and their attachments, or snowblowers, up to \$5,000 in all.
7. **Memorabilia Collections:** Memorabilia collections including sports cards and comic books up to \$2,000 in all.
8. **Money/Bullion:** Money or bullion, gold other than goldware, silver other than silverware and platinum up to \$500 in all.

9. **Personal Property of a Student:** The Personal Property of a student, insured by the policy, up to \$2,500 while at a residence away from home if the student was there at any time during the 45 days before any loss.
  10. **Securities:** Securities (bonds, stocks etc.) up to \$2,000 in all
- The following special limits of insurance apply if the items described below are stolen:
11. **Jewellery/Furs:** Jewellery, watches, gems, fur garments and garments trimmed with fur, up to \$2,000 in all
  12. **Numismatic Property:** Numismatic Property (such as coin collections and metals) up to \$500 in all
  13. **Philatelic Property:** Manuscripts and philatelic property (such as stamp collections) up to \$500 in all

## COVERAGE D – ADDITIONAL LIVING EXPENSE

The amount of insurance for Coverage D is the total amount for any one or 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 unfit for occupancy, or you have to move out while repairs are being made, 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 structure rented or held for rental is unfit for occupancy.

If a civil authority prohibits access to your dwelling as a direct result of damage to neighboring premises by an Insured Peril under this form, we insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding two weeks.

We do not insure the cancellation of a lease or agreement.

## INSURED PERILS – COVERAGES A, B AND D

You are insured against all risks of direct physical loss or damage to the property described in Coverages A and B except:

### **We do not insure:**

1. lawns, driveways or items grown for commercial purposes;
2. trees, shrubs and plants except as shown under Additional Coverages;
3. loss or damage resulting from wear and tear, deterioration, defect or mechanical breakdown, rust or corrosion, extremes of temperature, condensation, wet or dry rot or mould, and contamination;
4. the cost of making good faulty material or workmanship;
5. settling, expansion, contraction, moving, bulging, buckling, cracking or the falling of ceiling or wall plaster except resultant damage to building glass;
6. loss or damage caused by birds, vermin (as defined herein), rodents, or insects, except loss or damage to building glass;
7. loss or damage caused by smoke caused by agricultural smudging or industrial operations;
8. loss or damage to satellite receivers greater than 36" in diameter, and their attachments caused by windstorm or hail, weight of ice, snow or sleet, or collapse;
9. loss or damage caused by flood, overland water, surface water, spray, ice or water-borne objects, all whether driven by wind or not, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
10. loss or damage caused by seepage or leakage of water. This includes, but is not limited to, water entering through sidewalks, driveways, foundations, walls, basement or other floors or through doors, windows or any other openings; however you will still be insured if the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
11. loss or damage to an outdoor swimming pool, outdoor hot tub or similar installation or equipment attached or a public watermain, caused by water escape, rupture or freezing;
12. loss or damage caused by or resulting from freezing, thawing, or pressure or weight of water, ice, snow or sleet, whether driven by wind or not, to any fence, patio, pavement, swimming pool or attached equipment, public water main, foundation, retaining wall, bulkhead, pier wharf or dock.

## 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:** This peril does not include water hammer.
3. **Smoke:** This peril means smoke due to a sudden, unusual or faulty operation of any heating or cooking unit in or on the premises.
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 snowslide, landslide or other earth movement.
5. **Impact by Aircraft, Spacecraft or Land Vehicle:** Animals are not insured under this peril.
6. **Riot or Civil Commotion.**
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 you;
  - c. caused by theft or attempted theft.
8. **Water Escape, Rupture, Freezing:** This peril means;
  - a. accidental discharge or overflow of water or steam from within a plumbing, heating, interior sprinkler or air conditioning system, domestic appliance, swimming pool or equipment attached and public watermains;
  - b. sudden or accidental bursting, tearing apart, cracking, burning or bulging due to pressure of water or steam, or lack of water or steam, in a plumbing, heating, interior sprinkler or air conditioning system or appliance for heating water;
  - c. freezing of any part of a plumbing, heating, sprinkler or air conditioning system or domestic appliance within a building heated during the usual heating season;
  - d. accidental discharge or overflow of water from a waterbed or aquarium.

This peril does not include damage:

- e. caused by continuous or repeated seepage or leakage;
  - f. caused by backing up or escape of water from a sewer;
  - g. caused by flood or overland water;
  - h. to an appliance caused by rust or corrosion;
  - i. occurring while the building is under construction or vacant even if we have given permission for construction or vacancy.
9. **Windstorm or Hail:** This peril does not include loss or damage to your personal property or improvements and betterments within a building caused by windstorm, hail or coincidental rain damage, unless the storm first creates an opening in the building. Any watercraft you own are insured up to \$1,000 if they were inside a fully enclosed building at the time of loss. Canoes and rowboats are insured while in the open. This peril does not include damage due to weight or pressure or melting of ice or snow, waves, floods 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 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:
- a. property in a vacation or home trailer which you own;
  - b. any watercraft, their furnishings, equipment or motors.
11. **Theft, Including Damage Caused by Attempted Theft:** This peril does not include loss or damage:
- a. which happens at any other premises which you own, rent or occupy, except while you are temporarily living there;
  - b. caused by any tenant, employee or member of the tenant's household if the part of the dwelling containing the property insured normally occupied by you is rented to others;
  - c. of animals, birds or fish.
12. **Weight of Ice, Snow or Sleet:** This peril means the weight of ice, snow or sleet which causes damage to property contained in the building.
13. **Collapse of a Building or any Part of a Building:** This peril does not include settling, cracking, shrinking, bulging, expansion or the falling of ceiling or wall plaster.
14. **Sudden and Accidental Damage From Artificially Generated Electrical Current:** This peril does not include loss to a tube, transistor or similar electronic components.
15. **Fuel Leakage:** This peril means the sudden and accidental escape of fuel from a permanently installed domestic fuel tank. (including any attached equipment, apparatus or piping).
16. **Glass Breakage:** This peril means breakage of glass which is part of a building or private structure on your premises including glass in storm windows and doors.

## LOSS OR DAMAGE NOT INSURED – COVERAGES A, B, C AND D

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### *We do not insure:*

1. buildings or structures used in whole or in part for any business or agricultural purpose unless declared on the Coverage Summary page;
2. property illegally imported, acquired, kept, stored or transported;
3. books of account and evidences of debt or title;
4. any property lawfully seized or confiscated unless such property is destroyed to prevent spread of fire;
5. losses or increased costs of repair due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
6. property at any fairground, exhibition or exposition for the purpose of exhibition.

### *We do not insure loss or damage:*

7. caused directly or indirectly from the cultivating, harvesting, processing, manufacturing, distribution or sale of any drug or narcotic or illegal substance; this includes any alterations to the premises to facilitate such activity. This exclusion applies regardless of the amount of substance or product, and with or without the knowledge of the Insured however, any dwelling or detached private structure with a total of four or less cannabis plants being grown legally for personal recreational use by the occupying insured or tenant, and this action is allowed by both Federal and Provincial law, those cannabis plants are not considered a drug, narcotic or illegal substance.
8. occurring after your dwelling has, to your knowledge, been vacant for more than 30 days;
9. caused by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
10. caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
11. 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;
12. to personal 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;
13. caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, sprinkler or air conditioning system or domestic appliance;
14. 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;
15. 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;
16. caused by rupture or bursting, backing up or escape of water from a sewer or drain, sump, septic tank, eaves trough or downspout, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
17. caused by accidental discharge or overflow of water or steam from within a plumbing, heating, sprinkler or air conditioning system, domestic appliance, swimming pools or equipment attached and public watermain occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
18. caused by sudden or accidental bursting, tearing apart, cracking, burning or bulging due to pressure of water or steam, or lack of water or steam, in a plumbing, heating, sprinkler or air conditioning system or appliance for heating water, occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
19. caused by freezing of a plumbing, heating, sprinkler or air conditioning system or domestic appliance unless it happens within a building heated during the usual heating season and you have not been away from your premises for more than four consecutive days; however you will still be insured if:
  - a. you had arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained; or
  - b. you had shut off the water supply and had drained all the pipes and appliances; or
  - c. you have a 24 hour a day monitored building temperature alarm installed and maintained. (Any disconnection of the alarm or cancellation of the monitoring service will void this provision)

If the loss or damage occurs while your building is under construction or vacant, you would not be insured, even if permission for construction or vacancy has been given by us;

20. caused by artificially generated electric current, including electric arcing, that disturbs any tubes, transistors or similar electronic components. If loss by fire results, we will pay only for the resulting loss or damage;
21. caused by snowslide, earthquake, landslide or any other earth movement. If any of these results in fire or explosion, we will pay only the resulting loss or damage.
22. caused by the entrance of water through any roof unless:
  - a. through an aperture concurrently and directly caused by a peril not otherwise excluded; or
  - b. due to the accumulation of ice or snow on the exterior of the roof or eaves trough.
23. caused by domestic animals and/or pets of any kind:
  - a. owned by you;
  - b. in your care, custody or control;
  - c. owned by or in the care, custody or control of anyone residing in your dwelling
24. caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government, government agency 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.

## ADDITIONAL COVERAGES

The following coverages are included under the Homeowners Essentials Broad Form 1006:

### SINGLE INCLUSIVE LIMIT

Subject to the conditions below, the Homeowners Essentials Broad Form package includes a Single Inclusive Coverage Limit under Section 1. This limit may be applied to any insured loss or damage to the property insured in this section of your policy, except for personal property under Coverage C which are subject to Special Limits of Insurance. The single amount of insurance is the sum of the amounts shown on the Coverage Summary page for; A: Dwelling Building, B: Detached Private Structures, C: Personal Property, and D: Additional Living Expense and is the maximum amount we will pay for insured loss or damage in any one occurrence, unless stated otherwise.

If the amount of coverage is inadequate to satisfy your loss for any of Coverages A, B, C, or D, you may apply the unused amounts of insurance remaining under these separate limits to make up for any shortfall under an exhausted one and until the total Single Limit amount of insurance has been exhausted.

Where a building insured under Coverage A: Dwelling Building is endorsed with Guaranteed Replacement cost and the amount payable for your dwelling exceeds the Coverage A limit shown on the Coverage Summary Page, this additional amount required to rebuild the building will not affect the remaining combined limit of Coverages B, C, and D. If Guaranteed Replacement Cost (Building) is not indicated on the Coverage Summary Page and a total loss has occurred, the Single Limit Amount will be the maximum amount of coverage to settle a claim for any loss covered in Section 1 for any of the affected Coverages A, B, C, or D.

### Conditions

1. This extension applies only to the building occupied by you as a principal residence.
2. You will maintain insurance on your building to 100% of its replacement cost based on your having presented an accurate description of your building at the time of application.
3. You will advise us within 30 days of any work performed on your building which increases the estimated replacement cost of your building by \$10,000 or more.
4. If any law, by-law or zoning regulation prohibits the repair or replacement of the damaged or destroyed building with similar materials or the replacement by a building of similar size, we will pay the Actual Cash Value of the damage up to the applicable amount of insurance stated on the Coverage Summary page.
5. You will repair, rebuild or replace the building on the same location, with building(s) of the same occupancy constructed with material of similar quality.

Otherwise the basis of claim payment in the policy will apply as if this coverage had not been in effect.

### CONVICTION REWARD

We will pay \$1,000 for information which leads to a conviction for arson, theft, robbery or burglary in connection with a fire loss to property insured by this policy. This coverage may increase the amount otherwise applicable. The \$1,000 limit will not be increased regardless of the number of people giving information.

No deductible applies to this coverage.

### CREDIT CARD, FUND TRANSFER CARD, FORGERY AND COUNTERFEIT MONEY

**We will pay up to \$1,000 for:**

1. your legal obligation to pay because of theft or unauthorized use of credit cards issued to you or registered in your name;
2. loss caused by theft of your fund transfer 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:**

- a) unless you have complied with all the conditions under which the cards have been issued;
- b) caused by the use of your cards by a resident of your household or by a person to whom cards have been entrusted.

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

No deductible applies to this coverage.

### DEBRIS REMOVAL

The single amount of insurance includes the cost of removing debris caused by loss or damage to property insured by this policy as a result of an Insured Peril. However, when the amount payable for loss or damage to property equals the single amount of insurance, we will pay up to an additional 5% of the single amount for debris removal expenses provided that the replacement of the building(s) takes place on the same site. If you must remove insured property from your premises to protect it from loss or damage, it is insured by this form 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.

### EMERGENCY ENTRY PROPERTY DAMAGE

We will pay up to \$2,000 to repair damage to your dwelling, when insured by us, if caused by the forcible entry into that dwelling by police, ambulance, fire department, or other persons, in order to save and preserve life. No deductible applies to this coverage.

This coverage is also included where applicable coverage is provided under Section III of this policy.

## EXHIBITION COVERAGE

We will pay up to \$2,000 in any one occurrence for direct physical loss or damage caused by an Insured Peril to Coverage C – Personal Property while at any fairground, exhibition or exposition for the purpose of exhibition or sale. This coverage does not increase the amount of insurance applying to the damaged property.

The Coverage C deductible applies.

## FARM OFFICE FURNISHINGS AND EQUIPMENT COVERAGE

You may apply up to \$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.

## FIRE DEPARTMENT CHARGES

We will pay up to \$5,000 or such other amount as may be specified on the Coverage Summary page for your liability for Fire Department charges incurred when a Fire Department is called to save or protect property insured by this policy from an insured peril.

No deductible applies to this coverage.

## FREEZER FOODS

We insure foodstuffs up to \$2,000 in all, but only while contained in a food freezer located within the dwelling or detached private structure and only for loss by spoilage caused by an outside power failure or mechanical or electrical breakdown of the freezer unit.

This coverage limit also includes loss or damage to the freezer itself resulting from spoilage of the foods contained within.

**We do not insure loss or damage caused by:**

1. improper or faulty wrapping, packing or handling;
2. inherent vice or natural spoilage;

## IDENTITY FRAUD EXPENSE ENDORSEMENT

Identity Fraud Expense coverage provides coverage against Identity Fraud Expenses you may incur as a result of the fraudulent use of your identity. This coverage is included in your policy as an Additional Coverage at no additional cost. This coverage reimburses you for expenses you incur while dealing with your identity fraud claim up to a 15,000 limit.

The above included limit is a maximum aggregate amount payable in any one insurance contract period regardless of the number of acts of identity fraud claims made or of the number of insureds affected.

Insuring Agreement

If you hold a policy that qualifies for the Identity Fraud Expense Endorsement, we agree that coverage is extended to include reimbursement of cost you actually incur resulting from Identity Fraud as defined and limited herein.

### Coverage

**We reimburse the following costs incurred directly and solely as a result of the fraudulent use of your identity:**

- telephone expenses for calls to businesses, law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the loan application fees for re-applying for loan(s) due to the rejection of the original application because the lender received incorrect credit information;
- the reasonable lawyer fees incurred, with prior notice to and approval by us, for:
- your defense against any suit(s) brought against you by businesses or their collection agencies.
- the removal of any criminal or civil judgments wrongly entered against you; or
- any challenge to the information in your consumer credit report.
- the reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits or similar documents for law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the costs for sending certified mail to law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- your loss of earnings by you as a result of time off from work to complete fraud affidavits, meet with law enforcement agencies, credit agencies, merchants, or legal counsel;
- 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.

### Conditions

**Notice:** The insured must report their Identity Theft to the police authorities immediately after his/her cognizance and the police authorities must open up an inquiry. The police report and the inquiry number must be provided to Portage Mutual.

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. Under no circumstances shall Portage Mutual Insurance be required to pay more than the maximum specified limits laid out in this endorsement. The insured is responsible for any excess costs of the lawyer retained by him/her and in such cases the insured is responsible to make an agreement directly with the lawyer and shall remain solely responsible for any costs exceeding the maximum amounts provided in this endorsement.

No deductible applies to this coverage.

### Loss or Damage Not Insured

**We do not insure:**

1. Any losses already covered under the “Credit Card, Forgery and Counterfeit Money” extension under your policy.
2. Any losses covered by credit card insurance, bank/credit union insurance or any other coverage provided to you. Other insurance will be considered primary and this endorsement will apply only after these other coverages or programs have been exhausted;
3. Any losses resulting from your non-compliance with the terms and rules to be adhered to with the issuance of any bank card or credit card including secure storage of PINS (Personal Identification Numbers) and personal information;

**Nor do we insure direct or indirect loss or damage, in whole or in part:**

4. caused by or arising out of your fraudulent, dishonest or criminal acts;
5. caused by or arising out of your business pursuits;

6. caused by or arising out of your own use of your identity;
7. caused by or arising out of your intentional misuse of your identity.

This coverage is subject to all other provisions, conditions, definitions, limitations and exclusions of your policy.

## **INFLATION ENDORSEMENT**

During the term of this policy, we will automatically increase the limit of insurance on your Dwelling Building in the following manner:

By an amount up to but not exceeding

- 1% – 3 months after the current effective date
- 2% – 5 months after the current effective date
- 3% – 7 months after the current effective date
- 4% – 9 months after the current effective date

We will also automatically increase the limit of insurance on your Detached Private Structure, Unscheduled Personal Property and Additional Living Expense by the same proportion. On renewal date we may elect to increase the limit of insurance shown on the Declaration Page in accordance with the latest published Statistics Canada Building Construction Index and adjust the premium. If at your request, we change the limit of insurance on your Dwelling Building shown on the Declaration page, we will apply the Inflation Protection on the changed limit of insurance from the date the change is made.

## **MASTER KEY/LOCK REPAIR AND REPLACEMENT**

We will pay up to \$1,000 to replace or rekey, at our option, the locks on the insured premises if your keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft.

No deductible applies to this coverage.

## **OUTDOOR TREES, SHRUBS AND PLANTS**

You may apply up to 5% in all of the amount of insurance on your dwelling to trees, shrubs and plants on your premises. We will not pay more than \$250 for any one tree, shrub or plant including debris removal expenses. We insure these items against loss caused by fire, lightning, explosion, impact by aircraft or land vehicle, riot, vandalism and malicious acts as described under Insured Perils.

### ***We do not insure:***

- a) Lawns;
- b) Cannabis
- c) items grown for commercial purposes;
- d) items located on undeveloped portions of your premises or more than 75 meters (250 feet) from the dwelling.

## **REMOVAL OF PROPERTY**

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.

This coverage is also included where applicable coverage is provided under Section III of this policy.

## **SWIMMING POOLS DAMAGED BY WEIGHT OF ICE/SNOW/SLEET**

We will pay up to \$5,000 (per occurrence) if your swimming pool is damaged by the weight of ice, snow or sleet whether driven by wind or not.

## **BASIS OF CLAIM PAYMENT**

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### **WHEN COVERAGE APPLIES**

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.

### **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(s) in any one occurrence.

If your claim involves personal property on which the special limits of insurance apply, the limitations apply to the losses exceeding the deductible amount.

### **INSURANCE UNDER MORE THAN ONE POLICY**

If you have insurance on specifically described property your 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 rateable proportion of the loss or claim.

### **SUBROGATION**

We will be entitled to assume all your rights of recovery against others and may bring action in your name to enforce these rights when we make payment or assume liability under this policy. Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

### **DWELLING BUILDING AND DETACHED STRUCTURES**

If you repair or replace the damaged or destroyed building on the same location with a building of the same occupancy constructed of materials of similar quality within a reasonable time after the damage, you may choose as the basis of loss settlement either (A) or (B) below; otherwise, settlement will be as in (B).

- (A) 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.
- (B) The Actual Cash Value of the damage at the date of the occurrence.

In determining the cost of repairs or replacement under (A) or the amount payable under (B) above, we will not pay or include the increased cost of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services.

### **PERSONAL PROPERTY**

We will pay the Actual Cash Value of the damage up to the applicable amount of insurance.

**ACTUAL CASH VALUE**

The 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.

**SPECIAL LIMITS ON PERSONAL PROPERTY**

Special limits of insurance apply to specific classes of Personal Property. These Special Limits may be expressed separately on individual coverages provided in this form or on other policies. These Special Limits are not cumulative and only one per specified class of personal property will be applied to each loss occurrence.

**OBSOLESCENCE**

We will not pay for increased costs that result when you cannot repair or replace your property because material or parts are unavailable, obsolete or outmoded. We will pay only the cost that would have been required if material or parts were available. We will pay on the basis of the last known cost of materials or parts.

**LOSS TO A PAIR OR SET**

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

**LOSS TO PARTS**

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

# TENANTS PACKAGE BROAD FORM – FORM 1003

## NAMED PERILS CONTENTS

### COVERAGE C – PERSONAL PROPERTY

#### *We insure:*

#### 1. **Personal Property on Your Premises**

We insure the contents of your unit and other personal property you own, wear or use, while on your premises (including in an on-site storage locker), and 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. **Personal Property Temporarily Away from Your Premises**

We insure your personal property which is usually kept throughout the year at your premises for up to 20% of the amount of insurance on your personal property or \$2,000, whichever is greater, while it is temporarily away from your premises anywhere in the world. If you wish, we will include uninsured personal property belonging to others while it is in your possession or belonging to a residence employee traveling for you.

Personal property kept at any other location you own, rent or occupy is not insured unless it is being kept at that or another location due to an insured loss.

Personal property stored in a warehouse is only insured against the peril of theft.

#### 3. **Personal Property Damaged by Change of Temperature**

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

#### 4. **Moving Your Personal Property to Another Home**

We insure your personal property that is being moved from the premises shown in the Coverage Summary to another location within Canada which is to be occupied by you as your principal dwelling. The limit of insurance for Personal Property will be divided between the premises, in transit and at the new location on the basis of the percentage of the total value of the property at your premises, in transit and at the new location. This coverage applies only for a period of 30 days from the date you commenced removal or until your policy term ends, whichever occurs first.

#### 5. **Personal Property Not Insured**

We do not insure loss or damage to motorized vehicles, trailers and aircraft or their equipment (except for motorized wheelchairs, watercraft, motorized lawn mowers, other gardening equipment, snow blowers or motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

### SPECIAL LIMITS OF INSURANCE

Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence.

1. **Animals:** Animals, birds and fish up to \$1,000 in all and only if they are kept as household pets.
2. **Boats:** Watercraft, their furnishings, equipment, accessories and motors up to \$1,000 in all.
3. **Business Property:** Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$2,000 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. Other Business property, including samples and goods held for sale, is not insured.
4. **Cannabis and its accessories:** Cannabis, including cannabis plants either for recreational or medicinal use, in all consumable forms and its accessories up to \$500 in all.
5. **Computer Software:** Computer software up to \$1,000 in all. We do not insure the cost of gathering or assembling information or data.
6. **Garden Equipment:** Motorized lawn mowers, other motorized garden equipment, garden tractors and their attachments, or snowblowers, up to \$5,000 in all.
7. **Memorabilia Collections:** Memorabilia collections including sports cards and comic books up to \$2,000 in all
8. **Money/Bullion:** Money or bullion, gold other than goldware, silver other than silverware and platinum up to \$300 in all
9. **Personal Property of a Student:** The Personal Property of a student, insured by the policy, up to \$2,500 while at a residence away from home if the student was there at any time during the 45 days before any loss.
10. **Securities:** Securities (bonds, stocks etc.) up to \$2,000 in all

The following special limits of insurance apply if the items described below are stolen:

11. **Jewellery/Furs:** Jewellery, watches, gems, fur garments and garments trimmed with fur, up to \$2,000 in all
12. **Numismatic Property:** Numismatic Property (such as coin collections and metals) up to \$500 in all
13. **Philatelic Property:** Manuscripts and philatelic property (such as stamp collections) up to \$500 in all

### COVERAGE D – ADDITIONAL LIVING EXPENSE

The amount of insurance for Coverage D is the total amount for any one or 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 rented dwelling or unit unfit for occupancy, or you have to move out while repairs are being made, 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 rented dwelling or unit 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 rented dwelling, detached private structures or unit 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 rented dwelling, detached private structures or unit rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the rented dwelling, detached private structure or unit rented or held for rental is unfit for occupancy.

If a civil authority prohibits access to your rented dwelling or unit as a direct result of damage to neighboring premises by an Insured Peril under this form, we insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding two weeks.

We do not insure the cancellation of a lease or agreement.



## 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:** This peril does not include water hammer.
3. **Smoke:** This peril means smoke due to a sudden, unusual or faulty operation of any heating or cooking unit in or on the premises.
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 snowslide, landslide or other earth movement.
5. **Impact by Aircraft, Spacecraft or Land Vehicle:** Animals are not insured under this peril.
6. **Riot or Civil Commotion.**
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 you;
  - c. caused by theft or attempted theft.
8. **Water Escape, Rupture, Freezing:** This peril means:
  - a. accidental discharge or overflow of water or steam from within a plumbing, heating, interior sprinkler or air conditioning system, domestic appliance, swimming pool or equipment attached and public watermains;
  - b. sudden or accidental bursting, tearing apart, cracking, burning or bulging due to pressure of water or steam, or lack of water or steam, in a plumbing, heating, interior sprinkler or air conditioning system or appliance for heating water;
  - c. freezing of any part of a plumbing, heating, sprinkler or air conditioning system or domestic appliance within a building heated during the usual heating season;
  - d. accidental discharge or overflow of water from a waterbed or aquarium.

This peril does not include damage:

  - e. caused by continuous or repeated seepage or leakage;
  - f. caused by backing up or escape of water from a sewer;
  - g. caused by flood or overland water;
  - h. to an appliance caused by rust or corrosion;
  - i. occurring while the building is under construction or vacant even if we have given permission for construction or vacancy.
9. **Windstorm or Hail:** This peril does not include loss or damage to your personal property or improvements and betterments within a building caused by windstorm, hail or coincidental rain damage, unless the storm first creates an opening in the building. Any watercraft you own are insured up to \$1,000 if they were inside a fully enclosed building at the time of loss. Canoes and rowboats are insured while in the open. This peril does not include damage due to weight or pressure or melting of ice or snow, waves, floods 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 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:

  - a. property in a vacation or home trailer which you own;
  - b. any watercraft, their furnishings, equipment or motors.
11. **Theft, Including Damage Caused by Attempted Theft:** This peril does not include loss or damage:
  - a. which happens at any other premises which you own, rent or occupy, except while you are temporarily living there;
  - b. caused by any tenant, employee or member of the tenant's household if the part of the dwelling containing the property insured normally occupied by you is rented to others;
  - c. of animals, birds or fish.
12. **Weight of Ice, Snow or Sleet:** This peril means the weight of ice, snow or sleet which causes damage to property contained in the building.
13. **Collapse of a Building or any Part of a Building:** This peril does not include settling, cracking, shrinking, bulging, expansion or the falling of ceiling or wall plaster.
14. **Sudden and Accidental Damage From Artificially Generated Electrical Current:** This peril does not include loss to a tube, transistor or similar electronic components.
15. **Fuel Leakage:** This peril means the sudden and accidental escape of fuel from a permanently installed domestic fuel tank. (including any attached equipment, apparatus or piping).
16. **Glass Breakage:** This peril means breakage of glass which is part of your improvements on your premises including glass in storm windows and doors.

## LOSS OR DAMAGE NOT INSURED

### ***We do not insure:***

1. property illegally imported, acquired, kept, stored or transported;
2. books of account and evidences of debt or title;
3. any property lawfully seized or confiscated unless such property is destroyed to prevent spread of fire;
4. losses or increased costs of repair due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
5. property at any fairground, exhibition or exposition for the purpose of exhibition.

### ***We do not insure loss or damage:***

6. caused directly or indirectly from the cultivating, harvesting, processing, manufacturing, distribution or sale of any drug or narcotic or illegal substance; this includes any alterations to the premises to facilitate such activity. This exclusion applies regardless of the amount of substance or product, and with or without the knowledge of the Insured however, any dwelling or detached private structure with a total of four or less cannabis plants being grown legally for personal recreational use by the occupying insured or tenant, and this action is allowed by both Federal and Provincial law, those cannabis plants are not considered a drug, narcotic or illegal substance.
7. occurring after your dwelling has, to your knowledge, been vacant for more than 30 days;
8. caused by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
9. caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
10. 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;
11. to personal 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;
12. caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, sprinkler or air conditioning system or domestic appliance;

13. 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;
14. 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;
15. caused by rupture or bursting, backing up or escape of water from a sewer or drain, sump, septic tank, eaves trough or downspout, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
16. caused by accidental discharge or overflow of water or steam from within a plumbing, heating, sprinkler or air conditioning system, domestic appliance, swimming pools or equipment attached and public watermain occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
17. caused by sudden or accidental bursting, tearing apart, cracking, burning or bulging due to pressure of water or steam, or lack of water or steam, in a plumbing, heating, sprinkler or air conditioning system or appliance for heating water, occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
18. caused by freezing of a plumbing, heating, sprinkler or air conditioning system or domestic appliance unless it happens within a building heated during the usual heating season and you have not been away from your premises for more than four consecutive days; however you will still be insured if:
  - a. you had arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained; or
  - b. you had shut off the water supply and had drained all the pipes and appliances; or
  - c. you have a 24 hour a day monitored building temperature alarm installed and maintained. (Any disconnection of the alarm or cancellation of the monitoring service will void this provision)

If the loss or damage occurs while your building is under construction or vacant, you would not be insured, even if permission for construction or vacancy has been given by us;
19. caused by artificially generated electric current, including electric arcing, that disturbs any tubes, transistors or similar electronic components. If loss by fire results, we will pay only for the resulting loss or damage;
20. caused by snowslide, earthquake, landslide or any other earth movement. If any of these results in fire or explosion, we will pay only the resulting loss or damage.
21. caused by the entrance of water through any roof unless:
  - a. through an aperture concurrently and directly caused by a peril not otherwise excluded; or
  - b. due to the accumulation of ice or snow on the exterior of the roof or eaves trough.
22. caused by domestic animals and/or pets of any kind:
  - a. owned by you;
  - b. in your care, custody or control;
  - c. owned by or in the care, custody or control of anyone residing in your dwelling
23. caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government, government agency 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.

## **ADDITIONAL COVERAGES**

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The following coverages are included under the Tenants Package Broad Form 1003:

### **CONVICTION REWARD**

We will pay \$1,000 for information which leads to a conviction for arson, theft, robbery or burglary in connection with a fire loss to property insured by this policy. This coverage may increase the amount otherwise applicable. The \$1,000 limit will not be increased regardless of the number of people giving information.

No deductible applies to this coverage.

### **CREDIT CARD, FUND TRANSFER CARD, FORGERY AND COUNTERFEIT MONEY**

***We will pay up to \$1,000 for:***

1. your legal obligation to pay because of theft or unauthorized use of credit cards issued to you or registered in your name;
2. loss caused by theft of your fund transfer 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:***

- a) unless you have complied with all the conditions under which the cards have been issued;
- b) caused by the use of your cards by a resident of your household or by a person to whom cards have been entrusted.

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**

If you are a tenant, you may apply up to \$500 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.

### **EXHIBITION COVERAGE**

We will pay up to \$2,000 in any one occurrence for direct physical loss or damage caused by an Insured Peril to Coverage C – Personal Property while at any fairground, exhibition or exposition for the purpose of exhibition or sale. This coverage does not increase the amount of insurance applying to the damaged property.

The Coverage C deductible applies.

### **FARM OFFICE FURNISHINGS AND EQUIPMENT COVERAGE**

You may apply up to \$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.

## FIRE DEPARTMENT CHARGES

We will pay up to \$5,000 or such other amount as may be specified on the Coverage Summary page for your liability for Fire Department charges incurred when a Fire Department is called to save or protect property insured by this policy from an insured peril.

No deductible applies to this coverage.

## FREEZER FOODS

We insure foodstuffs up to \$2,000 in all, but only while contained in a food freezer located within the dwelling or detached private structure and only for loss by spoilage caused by an outside power failure or mechanical or electrical breakdown of the freezer unit.

This coverage limit also includes loss or damage to the freezer itself resulting from spoilage of the foods contained within.

### ***We do not insure loss or damage caused by:***

1. improper or faulty wrapping, packing or handling;
2. inherent or natural spoilage;

## IDENTITY FRAUD EXPENSE ENDORSEMENT

Identity Fraud Expense coverage provides coverage against Identity Fraud Expenses you may incur as a result of the fraudulent use of your identity. This coverage is included in your policy as an Additional Coverage at no additional cost. This coverage reimburses you for expenses you incur while dealing with your identity fraud claim up to a 15,000 limit.

The above included limit is a maximum aggregate amount payable in any one insurance contract period regardless of the number of acts of identity fraud claims made or of the number of insureds affected.

Insuring Agreement

If you hold a policy that qualifies for the Identity Fraud Expense Endorsement, we agree that coverage is extended to include reimbursement of cost you actually incur resulting from Identity Fraud as defined and limited herein.

### **Coverage**

#### ***We reimburse the following costs incurred directly and solely as a result of the fraudulent use of your identity:***

- telephone expenses for calls to businesses, law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the loan application fees for re-applying for loan(s) due to the rejection of the original application because the lender received incorrect credit information;
- the reasonable lawyer fees incurred, with prior notice to and approval by us, for:
- your defense against any suit(s) brought against you by businesses or their collection agencies.
- the removal of any criminal or civil judgments wrongly entered against you; or
- any challenge to the information in your consumer credit report.
- the reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits or similar documents for law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the costs for sending certified mail to law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- your loss of earnings by you as a result of time off from work to complete fraud affidavits, meet with law enforcement agencies, credit agencies, merchants, or legal counsel;
- 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.

### **Conditions**

**Notice:** The insured must report their Identity Theft to the police authorities immediately after his/her cognizance and the police authorities must open up an inquiry. The police report and the inquiry number must be provided to Portage Mutual.

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. Under no circumstances shall Portage Mutual Insurance be required to pay more than the maximum specified limits laid out in this endorsement. The insured is responsible for any excess costs of the lawyer retained by him/her and in such cases the insured is responsible to make an agreement directly with the lawyer and shall remain solely responsible for any costs exceeding the maximum amounts provided in this endorsement.

No deductible applies to this coverage.

### **Loss or Damage Not Insured**

#### ***We do not insure:***

1. Any losses already covered under the "Credit Card, Forgery and Counterfeit Money" extension under your policy.
2. Any losses covered by credit card insurance, bank/credit union insurance or any other coverage provided to you. Other insurance will be considered primary and this endorsement will apply only after these other coverages or programs have been exhausted;
3. Any losses resulting from your non-compliance with the terms and rules to be adhered to with the issuance of any bank card or credit card including secure storage of PINs (Personal Identification Numbers) and personal information;

#### ***Nor do we insure direct or indirect loss or damage, in whole or in part:***

4. caused by or arising out of your fraudulent, dishonest or criminal acts;
5. caused by or arising out of your business pursuits;
6. caused by or arising out of your own use of your identity;
7. caused by or arising out of your intentional misuse of your identity.

This coverage is subject to all other provisions, conditions, definitions, limitations and exclusions of your policy.

## MASTER KEY/LOCK REPAIR AND REPLACEMENT

We will pay up to \$1,000 to replace or rekey, at our option, the locks on the insured premises if your keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft.

No deductible applies to this coverage.

## **REMOVAL OF PROPERTY**

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.

This coverage is also included where applicable coverage is provided under Section III of this policy.

### **Tenants Improvements and Betterments**

If you are a tenant we also insure improvements and betterments made by you or acquired at your expense, including:

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

If you are a tenant, payment under this coverage reduces the Coverage C amount of insurance by the sum paid.

## **BASIS OF CLAIM PAYMENT**

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### **WHEN COVERAGE APPLIES**

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.

### **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(s) in any one occurrence.

If your claim involves personal property on which the special limits of insurance apply, the limitations apply to the losses exceeding the deductible amount.

### **INSURANCE UNDER MORE THAN ONE POLICY**

If you have insurance on specifically described property your 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 rateable proportion of the loss or claim.

### **SUBROGATION**

We will be entitled to assume all your rights of recovery against others and may bring action in your name to enforce these rights when we make payment or assume liability under this policy. Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

### **PERSONAL PROPERTY**

We will pay the Actual Cash Value of the damage up to the applicable amount of insurance.

### **ACTUAL CASH VALUE**

The 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.

### **SPECIAL LIMITS ON PERSONAL PROPERTY**

Special limits of insurance apply to specific classes of Personal Property. These Special Limits may be expressed separately on individual coverages provided in this form or on other policies. These Special Limits are not cumulative and only one per specified class of personal property will be applied to each loss occurrence.

### **IMPROVEMENTS AND BETTERMENTS**

If you are a tenant, and within a reasonable time after damage, you replace or repair loss or damage to your improvements or betterments with materials of similar quality, we will pay 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.

### **OBSOLESCENCE**

We will not pay for increased costs that result when you cannot repair or replace your property because material or parts are unavailable, obsolete or outmoded. We will pay only the cost that would have been required if material or parts were available. We will pay on the basis of the last known cost of materials or parts.

### **LOSS TO A PAIR OR SET**

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

### **LOSS TO PARTS**

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

# HOMEOWNERS ESSENTIALS COMPREHENSIVE FORM – FORM 1022

## ALL PERILS (BUILDING & CONTENTS)

### COVERAGE A – DWELLING BUILDING

**We insure:**

1. The dwelling and attached structures.
2. Permanently installed outdoor equipment on the premises, including fences within 75 meters (250 ft.) of the dwelling building, used principally for the service of the dwelling.
3. Outdoor swimming pool 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, other than private structures to be used in whole or in part for business or agricultural purposes. We insure against the peril of theft only when your dwelling is completed and occupied.

**Tear out:** If any walls, ceilings or other parts of insured buildings or structures must be torn apart before water damage from a plumbing, heating, air conditioning or sprinkler system or domestic appliance can be repaired, we will pay the cost of such repairs. The cost of tearing out and replacing property to repair damage related to outdoor swimming pools or public water mains is not insured.

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

### COVERAGE B – DETACHED PRIVATE STRUCTURES

We insure private structures or buildings 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 a fence, utility line or similar connection only, they are considered to be a detached structure.

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 residential, business or agricultural purposes whether occupied, unoccupied or vacant regardless of their current use unless otherwise endorsed in this form. We do not insure detached buildings or structures where the wall(s) or roof construction consists of tarp, polyethylene or similar covering.

### COVERAGE C – PERSONAL PROPERTY

**We insure:**

**1. Personal Property on Your Premises**

We insure the contents of your dwelling and other personal property you own, wear or use, while on your premises and 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. Personal Property Temporarily Away from Your Premises**

We insure your personal property which is usually kept throughout the year at your premises while it is temporarily away from your premises anywhere in the world. However, personal property kept at any other location you own, rent or occupy is not insured. If you wish, we will include uninsured personal property belonging to others while it is in your possession or belonging to a residence employee traveling for you.

Personal property kept at any other location you own, rent or occupy is not insured unless it is being kept at that or another location due to an insured loss.

Personal property stored in a warehouse is only insured for thirty (30) days unless the loss or damage is caused by theft. To extend cover in storage for a further period we must be notified in writing and endorse your policy as required.

**3. Personal Property Damaged by 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 applies only to personal property kept in the dwelling.

**4. Moving Your Personal Property to Another Home**

We insure your personal property that is being moved from the premises shown in the Coverage Summary to another location within Canada which is to be occupied by you as your principal dwelling. The limit of insurance for Personal Property will be divided between the premises, in transit and at the new location on the basis of the percentage of the total value of the property at your premises, in transit and at the new location. This coverage applies only for a period of 30 days from the date you commenced removal or until your policy term ends, whichever occurs first.

**5. Personal Property Not Insured**

We do not insure loss or damage to motorized vehicles, trailers and aircraft or their equipment (except for motorized wheelchairs, watercraft, motorized lawn mowers, other gardening equipment, snow blowers or motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

### SPECIAL LIMITS OF INSURANCE

Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence.

1. **Animals:** Animals, birds and fish up to \$1,000 in all and only if they are kept as household pets.
2. **Boats:** Watercraft, their furnishings, equipment, accessories and motors up to \$1,000 in all.
3. **Business Property:** Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$2,000 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. Other Business property, including samples and goods held for sale, is not insured.
4. **Cannabis and its accessories:** Cannabis, including cannabis plants either for recreational or medicinal use, in all consumable forms and its accessories up to \$500 in all.
5. **Computer Software:** Computer software up to \$1,000 in all. We do not insure the cost of gathering or assembling information or data.
6. **Garden Equipment:** Motorized lawn mowers, other motorized garden equipment, garden tractors and their attachments, or snowblowers, up to \$5,000 in all.
7. **Memorabilia Collections:** Memorabilia collections including sports cards and comic books up to \$2,000 in all.

8. **Money/Bullion:** Money or bullion, gold other than goldware, silver other than silverware and platinum up to \$500 in all
9. **Personal Property of a Student:** The Personal Property of a student, insured by the policy, up to \$2,500 while at a residence away from home if the student was there at any time during the 45 days before any loss.
10. **Securities:** Securities (bonds, stocks etc.) up to \$2,000 in all

The following special limits of insurance do not apply to any claim caused by a Specified Peril:

11. **Jewellery/Furs:** Jewellery, watches, gems, fur garments and garments trimmed with fur, up to \$2,000 in all
12. **Numismatic Property:** Numismatic Property (such as coin collections and metals) up to \$500 in all
13. **Philatelic Property:** Manuscripts and philatelic property (such as stamp collections) up to \$500 in all

## SPECIFIED PERILS

Subject to the exclusions and conditions in this policy, Specified Perils means:

1. fire;
2. lightning;
3. explosion;
4. smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises;
5. falling object which strikes the exterior of the building;
6. impact by aircraft or land vehicle;
7. riot;
8. vandalism or malicious acts, not including loss or damage caused by theft or attempted theft;
9. freezing of any part of a plumbing, heating, interior sprinkler or air conditioning system or domestic appliance;
10. rupture of a heating, plumbing, interior sprinkler or air conditioning system or escape of water from such a system, or from a swimming pool or equipment attached, or from a public watermain;
11. windstorm or hail;
12. transportation meaning 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, but does not include loss or damage to property in a vacation or home trailer which you own;
13. weight of ice, snow or sleet;
14. collapse of a building or any part of a building;
15. sudden and accidental damage from artificially generated electrical current.

## COVERAGE D – ADDITIONAL LIVING EXPENSE

The amount of insurance for Coverage D is the total amount for any one or 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 unfit for occupancy, or you have to move out while repairs are being made, 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 structure rented or held for rental is unfit for occupancy.

If a civil authority prohibits access to your dwelling as a direct result of damage to neighboring premises by an Insured Peril under this form, we insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding two weeks.

We do not insure the cancellation of a lease or agreement.

## INSURED PERILS

You are insured against all risks of direct physical loss or damage subject to the exclusions and conditions in this form.

### **We do not insure:**

1. buildings or structures used in whole or in part for any business or agricultural purpose unless declared on the Coverage Summary page;
2. sporting equipment where loss or damage is due to its use;
3. contact lenses unless the loss or damage is caused by a Specified Peril, accident to a land vehicle, watercraft or aircraft, theft or attempted theft;
4. animals, birds, or fish unless loss or damage is caused by a Specified Peril other than impact by aircraft or land vehicle;
5. property at any fairground, exhibition or exposition for the purpose of exhibition;
6. any property illegally acquired, kept, imported, stored or transported;
7. books of account and evidences of debt or title;
8. any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
9. losses or increased costs of repair due to operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
10. marring or scratching of any property or breakage of eyeglasses, glassware, statuary, marbles, bric-a-brac, chinaware, porcelains or any other fragile or brittle articles unless caused by a Specified Peril, accident to a land vehicle, watercraft or aircraft, or theft or attempted theft;
11. loss or damage resulting from wear and tear, deterioration, defect or mechanical breakdown, rust or corrosion, extremes of temperature, condensation, wet or dry rot or mould, and contamination;
12. the cost of making good faulty material or workmanship;
13. settling, expansion, contraction, moving, bulging, buckling, cracking or the falling of ceiling or wall plaster except resulting damage to building glass;
14. lawns, driveways or items grown for commercial purposes;
15. outdoor trees, shrubs and plants except as shown under Additional Coverages;

### **We do not insure loss or damage:**

16. caused directly or indirectly from the cultivating, harvesting, processing, manufacturing, distribution or sale of any drug or narcotic or illegal substance; this includes any alterations to the premises to facilitate such activity. This exclusion applies regardless of the amount of substance or product, and with or without the knowledge

of the Insured however, any dwelling or detached private structure with a total of four or less cannabis plants being grown legally for personal recreational use by the occupying insured or tenant, and this action is allowed by both Federal and Provincial law, those cannabis plants are not considered a drug, narcotic or illegal substance.

17. occurring after your dwelling has, to your knowledge, been vacant for more than 30 days;
  18. caused by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
  19. caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
  20. 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;
  21. to personal property undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
  22. caused by artificially generated electric current, including electric arcing, that disturbs any tubes, transistors or similar electronic components. If loss by fire results, we will pay only for the resulting loss or damage;
  23. caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, sprinkler or air conditioning system or domestic appliance;
  24. caused by birds, vermin (as defined herein), rodents or insects, except resulting damage to building glass;
  25. caused by smoke caused by agricultural smudging or industrial operations;
  26. caused by snowslide, 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;
  27. 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 occupied;
  28. caused by theft or attempted theft by any tenant, members of a tenant's household or employees of the tenant. "Tenant" includes any person who has your permission to occupy your dwelling or any part of it;
  29. to satellite receivers greater than 36" in diameter, and their attachments caused by windstorm or hail, weight of ice, snow or sleet, or collapse;
  30. 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;
  31. caused by flood, overland water, surface water, spray, ice or water-borne objects, all whether driven by wind or not, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
  32. caused by rupture or bursting, backing up or escape of water from a sewer or drain, sump, septic tank, eaves trough or downspout, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
  33. caused by seepage or leakage of water. This includes, but is not limited to, water entering through sidewalks, driveways, foundations, walls, basement or other floors or through doors, windows or any other opening; however you will still be insured if the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
  34. caused by accidental discharge or overflow of water or steam from within a plumbing, heating, sprinkler or air conditioning system, domestic appliance, waterbed, aquarium, swimming pools or equipment attached and public watermains occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
  35. caused by sudden or accidental bursting, tearing apart, cracking, burning or bulging due to pressure of water or steam, or lack of water or steam, in a plumbing, heating, sprinkler or air conditioning system or appliance for heating water, occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
  36. to an outdoor swimming pool, outdoor hot tub or similar installation or equipment attached or a public watermain, caused by water escape, rupture or freezing;
  37. caused by freezing of a plumbing, heating, sprinkler or air conditioning system or domestic appliance unless it happens within a building heated during the usual heating season and you have not been away from your premises for more than four consecutive days; however you will still be insured if:
    - a. you had arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained; or
    - b. you had shut off the water supply and had drained all the pipes and appliances; or
    - c. you have a 24 hour a day monitored building temperature alarm installed and maintained. (Any disconnection of the alarm or cancellation of the monitoring service will void this provision)
- If the loss or damage occurs while your building is under construction or vacant, you would not be insured, even if permission for construction or vacancy has been given by us;
38. caused by or resulting from freezing, thawing, or pressure or weight of water, ice, snow or sleet, whether driven by wind or not, to any fence, patio, pavement, swimming pool or attached equipment, public water main, foundation, retaining wall, bulkhead, pier, wharf or dock.
  39. caused by the entrance of water through any roof unless:
    - a. through an aperture concurrently and directly caused by a peril not otherwise excluded; or
    - b. due to the accumulation of ice or snow on the exterior of the roof or eaves trough.
  40. caused by domestic animals and/or pets of any kind:
    - a. owned by you;
    - b. in your care, custody or control;
    - c. owned by or in the care, custody or control of anyone residing in your dwelling
  41. caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government, government agency 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.

## ADDITIONAL COVERAGES

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The following coverages are included under the Homeowners Essentials Comprehensive Form 1022:

### SINGLE INCLUSIVE LIMIT

Subject to the conditions below, the Homeowners Essentials Comprehensive Form package includes a Single Inclusive Coverage Limit under Section 1. This limit may be applied to any insured loss or damage to the property insured in this section of your policy, except for personal property under Coverage C which are subject to Special Limits of Insurance. The single amount of insurance is the sum of the amounts shown on the Coverage Summary page for; A: Dwelling Building, B: Detached Private Structures, C: Personal Property, and D: Additional Living Expense and is the maximum amount we will pay for insured loss or damage in any one occurrence, unless stated otherwise.

If the amount of coverage is inadequate to satisfy your loss for any of Coverages A, B, C, or D, you may apply the unused amounts of insurance remaining under these separate limits to make up for any shortfall under an exhausted one and until the total Single Limit amount of insurance has been exhausted.

Where a building insured under Coverage A: Dwelling Building is endorsed with Guaranteed Replacement cost and the amount payable for your dwelling exceeds the Coverage A limit shown on the Coverage Summary Page, this additional amount required to rebuild the building will not affect the remaining combined limit of Coverages B, C, and D. If Guaranteed Replacement Cost(Building) is not indicated on the Coverage Summary Page and a total loss has occurred, the Single Limit Amount will be the maximum amount of coverage to settle a claim for any loss covered in Section 1 for any of the affected Coverages A, B, C, or D.

## Conditions

1. This extension applies only to the building occupied by you as a principal residence.
2. You will maintain insurance on your building to 100% of its replacement cost based on your having presented an accurate description of your building at the time of application.
3. You will advise us within 30 days of any work performed on your building which increases the estimated replacement cost of your building by \$10,000 or more.
4. If any law, by-law or zoning regulation prohibits the repair or replacement of the damaged or destroyed building with similar materials or the replacement by a building of similar size, we will pay the Actual Cash Value of the damage up to the applicable amount of insurance stated on the Coverage Summary page.
5. You will repair, rebuild or replace the building on the same location, with building(s) of the same occupancy constructed with material of similar quality.

Otherwise the basis of claim payment in the policy will apply as if this coverage had not been in effect.

## CONVICTION REWARD

We will pay \$1,000 for information which leads to a conviction for arson, theft, robbery or burglary in connection with a fire loss to property insured by this policy. This coverage may increase the amount otherwise applicable. The \$1,000 limit will not be increased regardless of the number of people giving information.

No deductible applies to this coverage.

## CREDIT CARD, FUND TRANSFER CARD, FORGERY AND COUNTERFEIT MONEY

### *We will pay up to \$1,000 for:*

1. your legal obligation to pay because of theft or unauthorized use of credit cards issued to you or registered in your name;
2. loss caused by theft of your fund transfer 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:*

- a) unless you have complied with all the conditions under which the cards have been issued;
- b) caused by the use of your cards by a resident of your household or by a person to whom cards have been entrusted.

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

No deductible applies to this coverage.

## DEBRIS REMOVAL

The single amount of insurance includes the cost of removing debris caused by loss or damage to property insured by this policy as a result of an Insured Peril. However, when the amount payable for loss or damage to property equals the single amount of insurance, we will pay up to an additional 5% of the single amount for debris removal expenses provided that the replacement of the building(s) takes place on the same site. If you must remove insured property from your premises to protect it from loss or damage, it is insured by this form 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.

## EMERGENCY ENTRY PROPERTY DAMAGE

We will pay up to \$2,000 to repair damage to your dwelling, when insured by us, if caused by the forcible entry into that dwelling by police, ambulance, fire department, or other persons, in order to save and preserve life. No deductible applies to this coverage.

This coverage is also included where applicable coverage is provided under Section III of this policy.

## EXHIBITION COVERAGE

We will pay up to \$2,000 in any one occurrence for direct physical loss or damage caused by an Insured Peril to Coverage C – Personal Property while at any fairground, exhibition or exposition for the purpose of exhibition or sale. This coverage does not increase the amount of insurance applying to the damaged property.

The Coverage C deductible applies.

## FARM OFFICE FURNISHINGS AND EQUIPMENT COVERAGE

You may apply up to \$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.

## FIRE DEPARTMENT CHARGES

We will pay up to \$5,000 or such other amount as may be specified on the Coverage Summary page for your liability for Fire Department charges incurred when a Fire Department is called to save or protect property insured by this policy from an insured peril.

No deductible applies to this coverage.

## FREEZER FOODS

We insure foodstuffs up to \$2,000 in all, but only while contained in a food freezer located within the dwelling or detached private structure and only for loss by spoilage caused by an outside power failure or mechanical or electrical breakdown of the freezer unit.

This coverage limit also includes loss or damage to the freezer itself resulting from spoilage of the foods contained within.

### *We do not insure loss or damage caused by:*

1. improper or faulty wrapping, packing or handling;
2. inherent or natural spoilage;

## IDENTITY FRAUD EXPENSE ENDORSEMENT

Identity Fraud Expense coverage provides coverage against Identity Fraud Expenses you may incur as a result of the fraudulent use of your identity. This coverage is included in your policy as an Additional Coverage at no additional cost. This coverage reimburses you for expenses you incur while dealing with your identity fraud claim up to a 15,000 limit.

The above included limit is a maximum aggregate amount payable in any one insurance contract period regardless of the number of acts of identity fraud claims made or of the number of insureds affected.



## Insuring Agreement

If you hold a policy that qualifies for the Identity Fraud Expense Endorsement, we agree that coverage is extended to include reimbursement of cost you actually incur resulting from Identity Fraud as defined and limited herein.

### Coverage

**We reimburse the following costs incurred directly and solely as a result of the fraudulent use of your identity:**

- telephone expenses for calls to businesses, law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the loan application fees for re-applying for loan(s) due to the rejection of the original application because the lender received incorrect credit information;
- the reasonable lawyer fees incurred, with prior notice to and approval by us, for:
- your defense against any suit(s) brought against you by businesses or their collection agencies.
- the removal of any criminal or civil judgments wrongly entered against you; or
- any challenge to the information in your consumer credit report.
- the reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits or similar documents for law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the costs for sending certified mail to law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- your loss of earnings by you as a result of time off from work to complete fraud affidavits, meet with law enforcement agencies, credit agencies, merchants, or legal counsel;
- 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.

### Conditions

**Notice:** The insured must report their Identity Theft to the police authorities immediately after his/her cognizance and the police authorities must open up an inquiry. The police report and the inquiry number must be provided to Portage Mutual.

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. Under no circumstances shall Portage Mutual Insurance be required to pay more than the maximum specified limits laid out in this endorsement.

The insured is responsible for any excess costs of the lawyer retained by him/her and in such cases the insured is responsible to make an agreement directly with the lawyer and shall remain solely responsible for any costs exceeding the maximum amounts provided in this endorsement.

No deductible applies to this coverage.

## LOSS OR DAMAGE NOT INSURED

**We do not insure:**

1. Any losses already covered under the "Credit Card, Forgery and Counterfeit Money" extension under your policy.
2. Any losses covered by credit card insurance, bank/credit union insurance or any other coverage provided to you. Other insurance will be considered primary and this endorsement will apply only after these other coverages or programs have been exhausted;
3. Any losses resulting from your non-compliance with the terms and rules to be adhered to with the issuance of any bank card or credit card including secure storage of PINS(Personal Identification Numbers) and personal information;

**Nor do we insure direct or indirect loss or damage, in whole or in part:**

4. caused by or arising out of your fraudulent, dishonest or criminal acts;
5. caused by or arising out of your business pursuits;
6. caused by or arising out of your own use of your identity;
7. caused by or arising out of your intentional misuse of your identity.

This coverage is subject to all other provisions, conditions, definitions, limitations and exclusions of your policy.

## INFLATION ENDORSEMENT

During the term of this policy, we will automatically increase the limit of insurance on your Dwelling Building in the following manner:

By an amount up to but not exceeding

- 1% – 3 months after the current effective date
- 2% – 5 months after the current effective date
- 3% – 7 months after the current effective date
- 4% – 9 months after the current effective date

We will also automatically increase the limit of insurance on your Detached Private Structure, Unscheduled Personal Property and Additional Living Expense by the same proportion. On renewal date we may elect to increase the limit of insurance shown on the Declaration Page in accordance with the latest published Statistics Canada Building Construction Index and adjust the premium. If at your request, we change the limit of insurance on your Dwelling Building shown on the Declaration page, we will apply the Inflation Protection on the changed limit of insurance from the date the change is made.

## MASTER KEY/LOCK REPAIR AND REPLACEMENT

We will pay up to \$1,000 to replace or rekey, at our option, the locks on the insured premises if your keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft.

No deductible applies to this coverage.

## OUTDOOR TREES, SHRUBS AND PLANTS

You may apply up to 5% in all of the amount of insurance on your dwelling to trees, shrubs and plants on your premises. We will not pay more than \$250 for any one tree, shrub or plant including debris removal expenses.

We insure these items against loss caused by fire, lightning, explosion, impact by aircraft or land vehicle, riot, vandalism and malicious acts as described under Insured Perils.

**We do not insure:**

- a) Lawns;
- b) Cannabis;

- c) items grown for commercial purposes;
- d) items located on undeveloped portions of your premises or more than 75 meters (250 feet) from the dwelling.

## **REMOVAL OF PROPERTY**

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.

This coverage is also included where applicable coverage is provided under Section III of this policy.

## **SWIMMING POOLS DAMAGED BY WEIGHT OF ICE/SNOW/SLEET**

We will pay up to \$5,000 (per occurrence) if your swimming pool is damaged by the weight of ice, snow or sleet whether driven by wind or not

## **BASIS OF CLAIM PAYMENT**

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### **WHEN COVERAGE APPLIES**

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.

### **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(s) in any one occurrence.

If your claim involves personal property on which the special limits of insurance apply, the limitations apply to the losses exceeding the deductible amount.

### **INSURANCE UNDER MORE THAN ONE POLICY**

If you have insurance on specifically described property your 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 rateable proportion of the loss or claim.

### **SUBROGATION**

We will be entitled to assume all your rights of recovery against others and may bring action in your name to enforce these rights when we make payment or assume liability under this policy. Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

### **DWELLING BUILDING AND DETACHED STRUCTURES**

If you repair or replace the damaged or destroyed building on the same location with a building of the same occupancy constructed of materials of similar quality within a reasonable time after the damage, you may choose as the basis of loss settlement either (A) or (B) below; otherwise, settlement will be as in (B).

- (A) 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.
- (B) The Actual Cash Value of the damage at the date of the occurrence.

In determining the cost of repairs or replacement under (A) or the amount payable under (B) above, we will not pay or include the increased cost of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services.

### **PERSONAL PROPERTY**

We will pay the Actual Cash Value of the damage up to the applicable amount of insurance.

### **ACTUAL CASH VALUE**

The 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.

### **SPECIAL LIMITS ON PERSONAL PROPERTY**

Special limits of insurance apply to specific classes of Personal Property. These Special Limits may be expressed separately on individual coverages provided in this form or on other policies. These Special Limits are not cumulative and only one per specified class of personal property will be applied to each loss occurrence.

### **OBSOLESCENCE**

We will not pay for increased costs that result when you cannot repair or replace your property because material or parts are unavailable, obsolete or outmoded. We will pay only the cost that would have been required if material or parts were available. We will pay on the basis of the last known cost of materials or parts.

### **LOSS TO A PAIR OR SET**

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

### **LOSS TO PARTS**

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

# HOMEOWNERS ENHANCED COMPREHENSIVE FORM – FORM 1027

## ALL PERILS (BUILDING & CONTENTS)

### COVERAGE A – DWELLING BUILDING

**We insure:**

1. The dwelling and attached structures.
2. Permanently installed outdoor equipment on the premises, including fences within 75 meters (250 ft.) of the dwelling building, used principally for the service of the dwelling.
3. Outdoor swimming pool 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, other than private structures to be used in whole or in part for business or agricultural purposes. We insure against the peril of theft only when your dwelling is completed and occupied.

**Tear out:** If any walls, ceilings or other parts of insured buildings or structures must be torn apart before water damage from a plumbing, heating, air conditioning or sprinkler system or domestic appliance can be repaired, we will pay the cost of such repairs. The cost of tearing out and replacing property to repair damage related to outdoor swimming pools or public water mains is not insured.

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

### COVERAGE B – DETACHED PRIVATE STRUCTURES

We insure private structures or buildings 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 a fence, utility line or similar connection only, they are considered to be a detached structure.

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 residential, business or agricultural purposes whether occupied, unoccupied or vacant regardless of their current use unless otherwise endorsed in this form. We do not insure detached buildings or structures where the wall(s) or roof construction consists of tarp, polyethylene or similar covering.

### COVERAGE C – PERSONAL PROPERTY

**We insure:**

**1. Personal Property on Your Premises**

We insure the contents of your dwelling and other personal property you own, wear or use, while on your premises and 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. Personal Property Temporarily Away from Your Premises**

We insure your personal property which is usually kept throughout the year at your premises while it is temporarily away from your premises anywhere in the world. However, personal property kept at any other location you own, rent or occupy is not insured. If you wish, we will include uninsured personal property belonging to others while it is in your possession or belonging to a residence employee traveling for you.

Personal property kept at any other location you own, rent or occupy is not insured unless it is being kept at that or another location due to an insured loss.

Personal property stored in a warehouse is only insured for thirty (30) days unless the loss or damage is caused by theft. To extend cover in storage for a further period we must be notified in writing and endorse your policy as required.

**3. Personal Property Damaged by 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 applies only to personal property kept in the dwelling.

**4. Moving Your Personal Property to Another Home**

We insure your personal property that is being moved from the premises shown in the Coverage Summary to another location within Canada which is to be occupied by you as your principal dwelling. The limit of insurance for Personal Property will be divided between the premises, in transit and at the new location on the basis of the percentage of the total value of the property at your premises, in transit and at the new location. This coverage applies only for a period of 30 days from the date you commenced removal or until your policy term ends, whichever occurs first.

**5. Personal Property Not Insured**

We do not insure loss or damage to motorized vehicles, trailers and aircraft or their equipment (except for motorized wheelchairs, watercraft, motorized lawn mowers, other gardening equipment, snow blowers or motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

### SPECIAL LIMITS OF INSURANCE

Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence.

1. **Animals:** Animals, birds and fish up to \$5,000 in all and only if they are kept as household pets.
2. **Auto Parts:** Auto parts & accessories up to \$2,500 in all.
3. **Boats:** Watercraft, their furnishings, equipment, accessories and motors up to \$5,000 in all.
4. **Business Property:** Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$5,000 in all. This applies to all items whether used in whole or in part for business, professional or occupational purposes. Other Business property, including samples and goods held for sale, is not insured.
5. **Cannabis and its accessories:** Cannabis, including cannabis plants either for recreational or medicinal use, in all consumable forms and its accessories up to \$500 in all.
5. **Cemetery Property/Headstones:** We will pay up to \$5,000 for loss or damage to grave markers and mausoleums that mark the grave of a spouse, child, parent or grandparent of an Insured, caused by a Specified Peril.
6. **Computer Software:** Computer software up to \$10,000 in all. We do not insure the cost of gathering or assembling information or data.

7. **Garden Equipment:** Motorized lawn mowers, other motorized garden equipment, garden tractors and their attachments, or snowblowers, up to \$15,000 in all.
8. **Memorabilia Collections:** Memorabilia collections including sports cards and comic books up to \$6,000 in all.
9. **Money/Bullion:** Money or bullion, gold other than goldware, silver other than silverware and platinum up to \$1,000 in all.
10. **Motorized Golf Carts:** Motorized Golf Carts, contents limit.
11. **Motorized Wheelchairs:** Motorized wheelchairs, contents limit.
12. **Personal Property of a Student:** The Personal Property of a student, insured by the policy, up to \$20,000 while at a residence away from home if the student was there at any time during the 45 days before any loss.
13. **Securities:** Securities (bonds, stocks etc.) up to \$10,000 in all.

The following special limits of insurance do not apply to any claim caused by a Specified Peril:

14. **Jewellery/Furs:** Jewellery, watches, gems, fur garments and garments trimmed with fur, up to \$10,000 in all
15. **Numismatic Property:** Numismatic Property (such as coin collections and metals) up to \$5,000 in all
16. **Philatelic Property:** Manuscripts and philatelic property (such as stamp collections) up to \$5,000 in all

## SPECIFIED PERILS

Subject to the exclusions and conditions in this policy, Specified Perils means:

1. fire;
2. lightning;
3. explosion;
4. smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises;
5. falling object which strikes the exterior of the building;
6. impact by aircraft or land vehicle;
7. riot;
8. vandalism or malicious acts, not including loss or damage caused by theft or attempted theft;
9. freezing of any part of a plumbing, heating, interior sprinkler or air conditioning system or domestic appliance;
10. rupture of a heating, plumbing, interior sprinkler or air conditioning system or escape of water from such a system, or from a swimming pool or equipment attached, or from a public watermain;
11. windstorm or hail;
12. transportation meaning 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, but does not include loss or damage to property in a vacation or home trailer which you own;
13. weight of ice, snow or sleet;
14. collapse of a building or any part of a building;
15. sudden and accidental damage from artificially generated electrical current.

## COVERAGE D – ADDITIONAL LIVING EXPENSE

The amount of insurance for Coverage D is the total amount for any one or 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 unfit for occupancy, or you have to move out while repairs are being made, 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 structure rented or held for rental is unfit for occupancy.

If a civil authority prohibits access to your dwelling as a direct result of damage to neighboring premises by an Insured Peril under this form, we insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding two weeks.

We do not insure the cancellation of a lease or agreement.

## INSURED PERILS

You are insured against all risks of direct physical loss or damage subject to the exclusions and conditions in this form.

### ***We do not insure:***

1. buildings or structures used in whole or in part for any business or agricultural purpose unless declared on the Coverage Summary page;
2. sporting equipment where loss or damage is due to its use;
3. contact lenses unless the loss or damage is caused by a Specified Peril, accident to a land vehicle, watercraft or aircraft, theft or attempted theft;
4. animals, birds, or fish unless loss or damage is caused by a Specified Peril other than impact by aircraft or land vehicle;
5. property at any fairground, exhibition or exposition for the purpose of exhibition;
6. any property illegally acquired, kept, imported, stored or transported;
7. books of account and evidences of debt or title;
8. any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
9. losses or increased costs of repair due to operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
10. marring or scratching of any property or breakage of eyeglasses, glassware, statuary, marbles, bric-a-brac, chinaware, porcelains or any other fragile or brittle articles unless caused by a Specified Peril, accident to a land vehicle, watercraft or aircraft, or theft or attempted theft;
11. loss or damage resulting from wear and tear, deterioration, defect or mechanical breakdown, rust or corrosion, extremes of temperature, condensation, wet or dry rot or mould, and contamination;
12. the cost of making good faulty material or workmanship;
13. settling, expansion, contraction, moving, bulging, buckling, cracking or the falling of ceiling or wall plaster except resulting damage to building glass;
14. lawns, driveways or items grown for commercial purposes;

15. outdoor trees, shrubs and plants except as shown under Additional Coverages;

**We do not insure loss or damage:**

16. caused directly or indirectly from the cultivating, harvesting, processing, manufacturing, distribution or sale of any drug or narcotic or illegal substance; this includes any alterations to the premises to facilitate such activity. This exclusion applies regardless of the amount of substance or product, and with or without the knowledge of the Insured however, any dwelling or detached private structure with a total of four or less cannabis plants being grown legally for personal recreational use by the occupying insured or tenant, and this action is allowed by both Federal and Provincial law, those cannabis plants are not considered a drug, narcotic or illegal substance.
17. occurring after your dwelling has, to your knowledge, been vacant for more than 30 days;
18. caused by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
19. caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
20. resulting from any intentional or criminal act or failure to act by:
- any person insured by this policy; or
  - any other person at the direction of any person insured by this policy;
21. to personal property undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
22. caused by artificially generated electric current, including electric arcing, that disturbs any tubes, transistors or similar electronic components. If loss by fire results, we will pay only for the resulting loss or damage;
23. caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, sprinkler or air conditioning system or domestic appliance;
24. caused by birds, vermin (as defined herein), rodents or insects, except resulting damage to building glass;
25. caused by smoke caused by agricultural smudging or industrial operations;
26. caused by snowslide, 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;
27. 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 occupied;
28. caused by theft or attempted theft by any tenant, members of a tenant's household or employees of the tenant. "Tenant" includes any person who has your permission to occupy your dwelling or any part of it;
29. to satellite receivers greater than 36" in diameter, and their attachments caused by windstorm or hail, weight of ice, snow or sleet, or collapse;
30. 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;
31. caused by flood, overland water, surface water, spray, ice or water-borne objects, all whether driven by wind or not, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
32. caused by rupture or bursting, backing up or escape of water from a sewer or drain, sump, septic tank, eaves trough or downspout, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
33. 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 watermain, swimming pool or equipment attached;
34. caused by accidental discharge or overflow of water or steam from within a plumbing, heating, sprinkler or air conditioning system, domestic appliance, waterbed, aquarium, swimming pools or equipment attached and public watermain occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
35. caused by sudden or accidental bursting, tearing apart, cracking, burning or bulging due to pressure of water or steam, or lack of water or steam, in a plumbing, heating, sprinkler or air conditioning system or appliance for heating water, occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
36. to an outdoor swimming pool, outdoor hot tub or similar installation or equipment attached or a public watermain, caused by water escape, rupture or freezing;
37. caused by freezing of a plumbing, heating, sprinkler or air conditioning system or domestic appliance unless it happens within a building heated during the usual heating season and you have not been away from your premises for more than four consecutive days; however you will still be insured if:
- you had arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained; or
  - you had shut off the water supply and had drained all the pipes and appliances; or
  - you have a 24 hour a day monitored building temperature alarm installed and maintained. (Any disconnection of the alarm or cancellation of the monitoring service will void this provision)
- If the loss or damage occurs while your building is under construction or vacant, you would not be insured, even if permission for construction or vacancy has been given by us;
38. caused by or resulting from freezing, thawing, or pressure or weight of water, ice, snow or sleet, whether driven by wind or not, to any fence, patio, pavement, swimming pool or attached equipment, public water main, foundation, retaining wall, bulkhead, pier, wharf or dock.
39. caused by the entrance of water through any roof unless:
- through an aperture concurrently and directly caused by a peril not otherwise excluded; or
  - due to the accumulation of ice or snow on the exterior of the roof or eaves trough.
40. caused by domestic animals and/or pets of any kind:
- owned by you;
  - in your care, custody or control;
  - owned by or in the care, custody or control of anyone residing in your dwelling
41. caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government, government agency 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.

## **ADDITIONAL COVERAGES**

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The following coverages are included under the Homeowners Enhanced Comprehensive Form 1027:

### **SINGLE INCLUSIVE LIMIT**

The Homeowners Enhanced Comprehensive Form package includes a Single Inclusive Coverage Limit under Section 1. This limit may be applied to any insured loss or damage to the property insured in this section of your policy, except for personal property under Coverage C which are subject to Special Limits of Insurance. The single amount of insurance is the sum of the amounts shown on the Coverage Summary page for; A: Dwelling Building, B: Detached Private Structures, C: Personal Property, and D: Additional Living Expense and is the maximum amount we will pay for insured loss or damage in any one occurrence, unless stated otherwise.

If the amount of coverage is inadequate to satisfy your loss for any of Coverages A, B, C, or D, you may apply the unused amounts of insurance remaining under these separate limits to make up for any shortfall under an exhausted one and until the total Single Limit amount of insurance has been exhausted.

Where a building insured under Coverage A: Dwelling Building is endorsed with Guaranteed Replacement cost and the amount payable for your dwelling exceeds the Coverage A limit shown on the Coverage Summary Page, this additional amount required to rebuild the building will not affect the remaining combined limit of Coverages B, C, and D. If Guaranteed Replacement Cost(Building) is not indicated on the Coverage Summary Page and a total loss has occurred, the Single Limit Amount will be the maximum amount of coverage to settle a claim for any loss covered in Section 1 for any of the affected Coverages A, B, C, or D.

## **BUILDING BYLAWS EXTENSION – FORM 0126**

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:***

- a) more than \$30,000 on any one claim or the amount of insurance shown on the Coverage Summary page;
- b) more than the minimum amount required to comply with any law;
- c) the additional cost, unless your property is actually repaired, rebuilt or replaced on the same location.

This endorsement applies only to Coverage A: Dwelling Building and B: Detached Private Structures at the location specified in the Coverage Summary.

All other terms and conditions of the policy to which this endorsement applies remain unchanged.

## **CONVICTION REWARD**

We will pay \$5,000 for information which leads to a conviction for arson, theft, robbery or burglary in connection with a fire loss to property insured by this policy. This coverage may increase the amount otherwise applicable. The \$5,000 limit will not be increased regardless of the number of people giving information.

No deductible applies to this coverage.

## **CREDIT CARD, FUND TRANSFER CARD, FORGERY AND COUNTERFEIT MONEY**

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

1. your legal obligation to pay because of theft or unauthorized use of credit cards issued to you or registered in your name;
2. loss caused by theft of your fund transfer 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:***

- a) unless you have complied with all the conditions under which the cards have been issued;
- b) caused by the use of your cards by a resident of your household or by a person to whom cards have been entrusted.

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

No deductible applies to this coverage.

## **DEBRIS REMOVAL**

The single amount of insurance includes the cost of removing debris caused by loss or damage to property insured by this policy as a result of an Insured Peril. However, when the amount payable for loss or damage to property equals the single amount of insurance, we will pay up to an additional 5% of the single amount for debris removal expenses provided that the replacement of the building(s) takes place on the same site. If you must remove insured property from your premises to protect it from loss or damage, it is insured by this form 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.

## **EMERGENCY ENTRY PROPERTY DAMAGE**

We will pay up to \$2,000 to repair damage to your dwelling, when insured by us, if caused by the forcible entry into that dwelling by police, ambulance, fire department, or other persons, in order to save and preserve life. No deductible applies to this coverage.

This coverage is also included where applicable coverage is provided under Section III of this policy.

## **EXHIBITION COVERAGE**

We will pay up to \$2,000 in any one occurrence for direct physical loss or damage caused by an Insured Peril to Coverage C – Personal Property while at any fairground, exhibition or exposition for the purpose of exhibition or sale. This coverage does not increase the amount of insurance applying to the damaged property.

The Coverage C deductible applies.

## **FARM OFFICE FURNISHINGS AND EQUIPMENT COVERAGE**

You may apply up to \$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.

## **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 a Fire Department is called to save or protect property insured by this policy from an insured peril.

No deductible applies to this coverage.

## **FREEZER FOODS**

We insure foodstuffs up to the Contents Limit in all, but only while contained in a food freezer located within the dwelling or detached private structure and only for loss by spoilage caused by an outside power failure or mechanical or electrical breakdown of the freezer unit.

This coverage limit also includes loss or damage to the freezer itself resulting from spoilage of the foods contained within.

### ***We do not insure loss or damage caused by:***

1. improper or faulty wrapping, packing or handling;
2. inherent or natural spoilage;

## IDENTITY FRAUD EXPENSE ENDORSEMENT

Identity Fraud Expense coverage provides coverage against Identity Fraud Expenses you may incur as a result of the fraudulent use of your identity. This coverage is included in your policy as an Additional Coverage at no additional cost. This coverage reimburses you for expenses you incur while dealing with your identity fraud claim up to a 25,000 limit.

The above included limit is a maximum aggregate amount payable in any one insurance contract period regardless of the number of acts of identity fraud claims made or of the number of insureds affected.

### Insuring Agreement

If you hold a policy that qualifies for the Identity Fraud Expense Endorsement, we agree that coverage is extended to include reimbursement of cost you actually incur resulting from Identity Fraud as defined and limited herein.

### Coverage

**We reimburse the following costs incurred directly and solely as a result of the fraudulent use of your identity:**

- telephone expenses for calls to businesses, law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the loan application fees for re-applying for loan(s) due to the rejection of the original application because the lender received incorrect credit information;
- the reasonable lawyer fees incurred, with prior notice to and approval by us, for:
- your defense against any suit(s) brought against you by businesses or their collection agencies.
- the removal of any criminal or civil judgments wrongly entered against you; or
- any challenge to the information in your consumer credit report.
- the reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits or similar documents for law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the costs for sending certified mail to law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- your loss of earnings by you as a result of time off from work to complete fraud affidavits, meet with law enforcement agencies, credit agencies, merchants, or legal counsel;
- 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.

### Conditions

**Notice:** The insured must report their Identity Theft to the police authorities immediately after his/her cognizance and the police authorities must open up an inquiry. The police report and the inquiry number must be provided to Portage Mutual.

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. Under no circumstances shall Portage Mutual Insurance be required to pay more than the maximum specified limits laid out in this endorsement. The insured is responsible for any excess costs of the lawyer retained by him/her and in such cases the insured is responsible to make an agreement directly with the lawyer and shall remain solely responsible for any costs exceeding the maximum amounts provided in this endorsement.

No deductible applies to this coverage.

### Loss or Damage Not Insured

**We do not insure:**

1. Any losses already covered under the "Credit Card, Forgery and Counterfeit Money" extension under your policy.
2. Any losses covered by credit card insurance, bank/credit union insurance or any other coverage provided to you. Other insurance will be considered primary and this endorsement will apply only after these other coverages or programs have been exhausted;
3. Any losses resulting from your non-compliance with the terms and rules to be adhered to with the issuance of any bank card or credit card including secure storage of PINs (Personal Identification Numbers) and personal information;

**Nor do we insure direct or indirect loss or damage, in whole or in part:**

4. caused by or arising out of your fraudulent, dishonest or criminal acts;
5. caused by or arising out of your business pursuits;
6. caused by or arising out of your own use of your identity;
7. caused by or arising out of your intentional misuse of your identity.

This coverage is subject to all other provisions, conditions, definitions, limitations and exclusions of your policy.

## INFLATION ENDORSEMENT

During the term of this policy, we will automatically increase the limit of insurance on your Dwelling Building in the following manner:

By an amount up to but not exceeding

1% – 3 months after the current effective date

2% – 5 months after the current effective date

3% – 7 months after the current effective date

4% – 9 months after the current effective date

We will also automatically increase the limit of insurance on your Detached Private Structure, Unscheduled Personal Property and Additional Living Expense by the same proportion.

On renewal date we may elect to increase the limit of insurance shown on the Declaration Page in accordance with the latest published Statistics Canada Building Construction Index and adjust the premium.

If at your request, we change the limit of insurance on your Dwelling Building shown on the Declaration page, we will apply the Inflation Protection on the changed limit of insurance from the date the change is made.

## MASS EVACUATION ENDORSEMENT ADDITIONAL LIVING EXPENSE – FORM 0127

We will pay any necessary and reasonable increase in living expense incurred by you while access to your principal residence dwelling is prohibited by order of civil authority, but only when such order is given for mass evacuation as a direct result of a sudden or accidental event within Canada or the United States of America. You are insured for a period not exceeding 30 days from the date of the order of evacuation. You are not insured for any claim arising from evacuation resulting from:

- a) flood, meaning waves, tidal waves and the rising of, the breaking out, or overflow of, any body of water, whether natural or man-made;

- b) earthquake;
- c) war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution insurrection or military power;
- d) nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material.

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

All other terms and conditions of the policy to which this coverage applies remain unchanged.

### **MASTER KEY/LOCK REPAIR AND REPLACEMENT**

We will pay up to \$1,000 to replace or rekey, at our option, the locks on the insured premises if your keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft.

No deductible applies to this coverage.

### **OUTDOOR TREES, SHRUBS AND PLANTS**

You may apply up to 5% in all of the amount of insurance on your dwelling to trees, shrubs and plants on your premises. We will not pay more than \$1,000 for any one tree, shrub or plant including debris removal expenses. We insure these items against loss caused by fire, lightning, explosion, impact by aircraft or land vehicle, riot, vandalism and malicious acts as described under Insured Perils.

#### ***We do not insure:***

- 1. Lawns;
- 2. Cannabis;
- 3. items grown for commercial purposes;
- 4. items located on undeveloped portions of your premises or more than 75 meters (250 feet) from the dwelling.

### **REMOVAL OF PROPERTY**

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.

This coverage is also included where applicable coverage is provided under Section III of this policy.

### **SWIMMING POOLS DAMAGED BY WEIGHT OF ICE/SNOW/SLEET**

We will pay up to \$5,000 (per occurrence) if your swimming pool is damaged by the weight of ice, snow or sleet whether driven by wind or not

## **BASIS OF CLAIM PAYMENT**

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### **WHEN COVERAGE APPLIES**

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.

### **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(s) in any one occurrence.

If your claim involves personal property on which the special limits of insurance apply, the limitations apply to the losses exceeding the deductible amount.

### **INSURANCE UNDER MORE THAN ONE POLICY**

If you have insurance on specifically described property your 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 rateable proportion of the loss or claim.

### **SUBROGATION**

We will be entitled to assume all your rights of recovery against others and may bring action in your name to enforce these rights when we make payment or assume liability under this policy. Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

### **DWELLING BUILDING AND DETACHED STRUCTURES**

If you repair or replace the damaged or destroyed building on the same location with a building of the same occupancy constructed of materials of similar quality within a reasonable time after the damage, you may choose as the basis of loss settlement either (A) or (B) below; otherwise, settlement will be as in (B).

- (A) 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.
- (B) The Actual Cash Value of the damage at the date of the occurrence.

In determining the cost of repairs or replacement under (A) or the amount payable under (B) above, we will not pay or include the increased cost of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services.

### **PERSONAL PROPERTY**

We will pay the Actual Cash Value of the damage up to the applicable amount of insurance.

### **ACTUAL CASH VALUE**

The 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.

### **SPECIAL LIMITS ON PERSONAL PROPERTY**

Special limits of insurance apply to specific classes of Personal Property. These Special Limits may be expressed separately on individual coverages provided in this form or on other policies. These Special Limits are not cumulative and only one per specified class of personal property will be applied to each loss occurrence.



**OBSOLESCENCE**

We will not pay for increased costs that result when you cannot repair or replace your property because material or parts are unavailable, obsolete or outmoded. We will pay only the cost that would have been required if material or parts were available. We will pay on the basis of the last known cost of materials or parts.

**LOSS TO A PAIR OR SET**

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

**LOSS TO PARTS**

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

# MOBILE HOMEOWNERS COMPREHENSIVE FORM – FORM 1125

## ALL PERILS (BUILDING & CONTENTS)

### COVERAGE A – DWELLING BUILDING

**We insure:**

1. The dwelling and attached structures.
2. Permanently installed outdoor equipment on the premises, including fences within 75 meters (250 ft.) of the dwelling building, used principally for the service of the dwelling.
3. Outdoor swimming pool 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, other than private structures to be used in whole or in part for business or agricultural purposes. We insure against the peril of theft only when your dwelling is completed and occupied.

**Tear out:** If any walls, ceilings or other parts of insured buildings or structures must be torn apart before water damage from a plumbing, heating, air conditioning or sprinkler system or domestic appliance can be repaired, we will pay the cost of such repairs. The cost of tearing out and replacing property to repair damage related to outdoor swimming pools or public water mains is not insured.

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

**Mobile Home:** The basis of settlement for mobile homes will be the Actual Cash Value of the damage at the date of occurrence. Also, coverage will only apply at the location specified in the Coverage Summary page, and will not apply while the Mobile Home is being moved, or is at a location not specified.

### COVERAGE B – DETACHED PRIVATE STRUCTURES

We insure private structures or buildings 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 a fence, utility line or similar connection only, they are considered to be a detached structure.

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 residential, business or agricultural purposes whether occupied, unoccupied or vacant regardless of their current use unless otherwise endorsed in this form. We do not insure detached buildings or structures where the wall(s) or roof construction consists of tarp, polyethylene or similar covering.

### COVERAGE C – PERSONAL PROPERTY

**We insure:**

**1. Personal Property on Your Premises**

We insure the contents of your dwelling and other personal property you own, wear or use, while on your premises and 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. Personal Property Temporarily Away from Your Premises**

We insure your personal property which is usually kept throughout the year at your premises while it is temporarily away from your premises anywhere in the world. However, personal property kept at any other location you own, rent or occupy is not insured. If you wish, we will include uninsured personal property belonging to others while it is in your possession or belonging to a residence employee traveling for you.

Personal property kept at any other location you own, rent or occupy is not insured unless it is being kept at that or another location due to an insured loss.

Personal property stored in a warehouse is only insured for thirty (30) days unless the loss or damage is caused by theft. To extend cover in storage for a further period we must be notified in writing and endorse your policy as required.

**3. Personal Property Damaged by 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 applies only to personal property kept in the dwelling.

**4. Moving Your Personal Property to Another Home**

We insure your personal property that is being moved from the premises shown in the Coverage Summary to another location within Canada which is to be occupied by you as your principal dwelling. The limit of insurance for Personal Property will be divided between the premises, in transit and at the new location on the basis of the percentage of the total value of the property at your premises, in transit and at the new location. This coverage applies only for a period of 30 days from the date you commenced removal or until your policy term ends, whichever occurs first.

**5. Personal Property Not Insured**

We do not insure loss or damage to motorized vehicles, trailers and aircraft or their equipment (except for motorized wheelchairs, watercraft, motorized lawn mowers, other gardening equipment, snow blowers or motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

### SPECIAL LIMITS OF INSURANCE

Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence.

1. **Animals:** Animals, birds and fish up to \$1,000 in all and only if they are kept as household pets.
2. **Boats:** Watercraft, their furnishings, equipment, accessories and motors up to \$1,000 in all.
3. **Business Property:** Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$2,000 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. Other Business property, including samples and goods held for sale, is not insured.
4. **Computer Software:** Computer software up to \$1,000 in all. We do not insure the cost of gathering or assembling information or data.
5. **Cannabis and its accessories:** Cannabis, including cannabis plants either for recreational or medicinal use, in all consumable forms and its accessories up to \$500 in all.

6. **Garden Equipment:** Motorized lawn mowers, other motorized garden equipment, garden tractors and their attachments, or snowblowers, up to \$5,000 in all.
7. **Memorabilia Collections:** Memorabilia collections including sports cards and comic books up to \$2,000 in all
8. **Money/Bullion:** Money or bullion, gold other than goldware, silver other than silverware and platinum up to \$300 in all
9. **Personal Property of a Student:** The Personal Property of a student, insured by the policy, up to \$2,500 while at a residence away from home if the student was there at any time during the 45 days before any loss.
10. **Securities:** Securities (bonds, stocks etc.) up to \$2,000 in all

The following special limits of insurance do not apply to any claim caused by a Specified Peril:

11. **Jewellery/Furs:** Jewellery, watches, gems, fur garments and garments trimmed with fur, up to \$2,000 in all
12. **Numismatic Property:** Numismatic Property (such as coin collections and metals) up to \$500 in all
13. **Philatelic Property:** Manuscripts and philatelic property (such as stamp collections) up to \$500 in all

## SPECIFIED PERILS

Subject to the exclusions and conditions in this policy, Specified Perils means:

1. fire;
2. lightning;
3. explosion;
4. smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises;
5. falling object which strikes the exterior of the building;
6. impact by aircraft or land vehicle;
7. riot;
8. vandalism or malicious acts, not including loss or damage caused by theft or attempted theft;
9. freezing of any part of a plumbing, heating, interior sprinkler or air conditioning system or domestic appliance;
10. rupture of a heating, plumbing, interior sprinkler or air conditioning system or escape of water from such a system, or from a swimming pool or equipment attached, or from a public watermain;
11. windstorm or hail;
12. transportation meaning 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, but does not include loss or damage to property in a vacation or home trailer which you own;
13. weight of ice, snow or sleet;
14. collapse of a building or any part of a building;
15. sudden and accidental damage from artificially generated electrical current.

## COVERAGE D – ADDITIONAL LIVING EXPENSE

The amount of insurance for Coverage D is the total amount for any one or 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 unfit for occupancy, or you have to move out while repairs are being made, 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 structure rented or held for rental is unfit for occupancy.

If a civil authority prohibits access to your dwelling as a direct result of damage to neighboring premises by an Insured Peril under this form, we insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding two weeks.

We do not insure the cancellation of a lease or agreement.

## INSURED PERILS

You are insured against all risks of direct physical loss or damage subject to the exclusions and conditions in this form.

### *We do not insure:*

1. buildings or structures used in whole or in part for any business or agricultural purpose unless declared on the Coverage Summary page;
2. sporting equipment where loss or damage is due to its use;
3. contact lenses unless the loss or damage is caused by a Specified Peril, accident to a land vehicle, watercraft or aircraft, theft or attempted theft;
4. animals, birds, or fish unless loss or damage is caused by a Specified Peril other than impact by aircraft or land vehicle;
5. property at any fairground, exhibition or exposition for the purpose of exhibition;
6. any property illegally acquired, kept, imported, stored or transported;
7. books of account and evidences of debt or title;
8. any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
9. losses or increased costs of repair due to operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
10. marring or scratching of any property or breakage of eyeglasses, glassware, statuary, marbles, bric-a-brac, chinaware, porcelains or any other fragile or brittle articles unless caused by a Specified Peril, accident to a land vehicle, watercraft or aircraft, or theft or attempted theft;
11. any dent damage to the outer metal cover of any mobile home, caused by windstorm and/or hail, unless the metal cover is punctured (pierced to make an opening in the metal roofing or metal siding);
12. 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;
13. loss due to conversion, embezzlement or secretion by any person in possession of the mobile home;
14. loss or damage resulting from wear and tear, deterioration, defect or mechanical breakdown, rust or corrosion, extremes of temperature, condensation, wet or dry rot or mould, and contamination;
15. the cost of making good faulty material or workmanship;

16. settling, expansion, contraction, moving, bulging, buckling, cracking or the falling of ceiling or wall plaster except resulting damage to building glass;
17. lawns, driveways or items grown for commercial purposes;
18. outdoor trees, shrubs and plants except as shown under Additional Coverages;

**We do not insure loss or damage:**

19. caused directly or indirectly from the cultivating, harvesting, processing, manufacturing, distribution or sale of any drug or narcotic or illegal substance; this includes any alterations to the premises to facilitate such activity. This exclusion applies regardless of the amount of substance or product, and with or without the knowledge of the Insured however, any dwelling or detached private structure with a total of four or less cannabis plants being grown legally for personal recreational use by the occupying insured or tenant, and this action is allowed by both Federal and Provincial law, those cannabis plants are not considered a drug, narcotic or illegal substance.
20. occurring after your dwelling has, to your knowledge, been vacant for more than 30 days;
21. caused by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
22. caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
23. 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;
24. to personal property undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
25. caused by artificially generated electric current, including electric arcing, that disturbs any tubes, transistors or similar electronic components. If loss by fire results, we will pay only for the resulting loss or damage;
26. caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, sprinkler or air conditioning system or domestic appliance;
27. caused by birds, vermin (as defined herein), rodents or insects, except resulting damage to building glass;
28. caused by smoke caused by agricultural smudging or industrial operations;
29. caused by snowslide, 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;
30. 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 occupied;
31. caused by theft or attempted theft by any tenant, members of a tenant's household or employees of the tenant. "Tenant" includes any person who has your permission to occupy your dwelling or any part of it;
32. to satellite receivers greater than 36" in diameter, and their attachments caused by windstorm or hail, weight of ice, snow or sleet, or collapse;
33. 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;
34. caused by flood, overland water, surface water, spray, ice or water-borne objects, all whether driven by wind or not, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
35. caused by rupture or bursting, backing up or escape of water from a sewer or drain, sump, septic tank, eaves trough or downspout, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
36. caused by seepage or leakage of water. This includes, but is not limited to, water entering through sidewalks, driveways, foundations, walls, basement or other floors or through doors, windows or any other opening; however you will still be insured if the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
37. caused by accidental discharge or overflow of water or steam from within a plumbing, heating, sprinkler or air conditioning system, domestic appliance, waterbed, aquarium, swimming pools or equipment attached and public watermain occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
38. caused by sudden or accidental bursting, tearing apart, cracking, burning or bulging due to pressure of water or steam, or lack of water or steam, in a plumbing, heating, sprinkler or air conditioning system or appliance for heating water, occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
39. to an outdoor swimming pool, outdoor hot tub or similar installation or equipment attached or a public watermain, caused by water escape, rupture or freezing;
40. caused by freezing of a plumbing, heating, sprinkler or air conditioning system or domestic appliance unless it happens within a building heated during the usual heating season and you have not been away from your premises for more than four consecutive days; however you will still be insured if:
  - a. you had arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained; or
  - b. you had shut off the water supply and had drained all the pipes and appliances; or
  - c. you have a 24 hour a day monitored building temperature alarm installed and maintained. (Any disconnection of the alarm or cancellation of the monitoring service will void this provision)

If the loss or damage occurs while your building is under construction or vacant, you would not be insured, even if permission for construction or vacancy has been given by us;

41. caused by or resulting from freezing, thawing, or pressure or weight of water, ice, snow or sleet, whether driven by wind or not, to any fence, patio, pavement, swimming pool or attached equipment, public water main, foundation, retaining wall, bulkhead, pier, wharf or dock.
42. caused by the entrance of water through any roof unless:
  - a. through an aperture concurrently and directly caused by a peril not otherwise excluded; or
  - b. due to the accumulation of ice or snow on the exterior of the roof or eaves trough.
43. caused by domestic animals and/or pets of any kind:
  - a. owned by you;
  - b. in your care, custody or control;
  - c. owned by or in the care, custody or control of anyone residing in your dwelling
44. caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government, government agency 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.

## ADDITIONAL COVERAGES

The following coverages are included under the Mobile Homeowners Comprehensive Form 1125:

### CONVICTION REWARD

We will pay \$1,000 for information which leads to a conviction for arson, theft, robbery or burglary in connection with a fire loss to property insured by this policy. This coverage may increase the amount otherwise applicable. The \$1,000 limit will not be increased regardless of the number of people giving information.

No deductible applies to this coverage.

Credit Card, Fund Transfer Card, Forgery and Counterfeit Money

**We will pay up to \$1,000 for:**

1. your legal obligation to pay because of theft or unauthorized use of credit cards issued to you or registered in your name;
2. loss caused by theft of your fund transfer 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:**

- a) unless you have complied with all the conditions under which the cards have been issued;
- b) caused by the use of your cards by a resident of your household or by a person to whom cards have been entrusted.

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

No deductible applies to this coverage.

## **DEBRIS REMOVAL**

The amount of insurance under Coverage A includes the cost of removing debris caused by loss or damage to property insured by this policy as a result of an Insured Peril. However, when the amount payable for loss or damage to property equals Coverage A, we will pay up to an additional 5% of the amount for debris removal expenses provided that the replacement of the building(s) takes place on the same site. If you must remove insured property from your premises to protect it from loss or damage, it is insured by this form 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.

## **EMERGENCY ENTRY PROPERTY DAMAGE**

We will pay up to \$2,000 to repair damage to your dwelling, when insured by us, if caused by the forcible entry into that dwelling by police, ambulance, fire department, or other persons, in order to save and preserve life. No deductible applies to this coverage.

This coverage is also included where applicable coverage is provided under Section III of this policy.

## **EMERGENCY REMOVAL EXPENSE**

If the dwelling is a mobile home and is endangered by an insured peril, this policy will reimburse the insured for all reasonable expenses incurred for the removal of the building to avoid or reduce damage, subject to a limit of 5% of the amount insured under Coverage A. This extension of coverage will not be subject to any Deductible Clause and shall not increase the amount of insurance on the insured dwelling (mobile home).

## **EXHIBITION COVERAGE**

We will pay up to \$2,000 in any one occurrence for direct physical loss or damage caused by an Insured Peril to Coverage C – Personal Property while at any fairground, exhibition or exposition for the purpose of exhibition or sale. This coverage does not increase the amount of insurance applying to the damaged property.

The Coverage C deductible applies.

## **FARM OFFICE FURNISHINGS AND EQUIPMENT COVERAGE**

You may apply up to \$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.

## **FIRE DEPARTMENT CHARGES**

We will pay up to \$5,000 or such other amount as may be specified on the Coverage Summary page for your liability for Fire Department charges incurred when a Fire Department is called to save or protect property insured by this policy from an insured peril.

No deductible applies to this coverage.

## **FREEZER FOODS**

We insure foodstuffs up to \$2,000 in all, but only while contained in a food freezer located within the dwelling or detached private structure and only for loss by spoilage caused by an outside power failure or mechanical or electrical breakdown of the freezer unit.

This coverage limit also includes loss or damage to the freezer itself resulting from spoilage of the foods contained within.

**We do not insure loss or damage caused by:**

1. improper or faulty wrapping, packing or handling;
2. inherent or natural spoilage;

## **IDENTITY FRAUD EXPENSE ENDORSEMENT**

Identity Fraud Expense coverage provides coverage against Identity Fraud Expenses you may incur as a result of the fraudulent use of your identity. This coverage is included in your policy as an Additional Coverage at no additional cost. This coverage reimburses you for expenses you incur while dealing with your identity fraud claim up to a 15,000 limit.

The above included limit is a maximum aggregate amount payable in any one insurance contract period regardless of the number of acts of identity fraud claims made or of the number of insureds affected.

### **Insuring Agreement**

If you hold a policy that qualifies for the Identity Fraud Expense Endorsement, we agree that coverage is extended to include reimbursement of cost you actually incur resulting from Identity Fraud as defined and limited herein.

### **Coverage**

**We reimburse the following costs incurred directly and solely as a result of the fraudulent use of your identity:**

- telephone expenses for calls to businesses, law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the loan application fees for re-applying for loan(s) due to the rejection of the original application because the lender received incorrect credit information;
- the reasonable lawyer fees incurred, with prior notice to and approval by us, for:
- your defense against any suit(s) brought against you by businesses or their collection agencies.

- the removal of any criminal or civil judgments wrongly entered against you; or
- any challenge to the information in your consumer credit report.
- the reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits or similar documents for law enforcement agencies; financial institutions or similar credit grantors, and credit agencies;
- the costs for sending certified mail to law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- your loss of earnings by you as a result of time off from work to complete fraud affidavits, meet with law enforcement agencies, credit agencies, merchants, or legal counsel;
- 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.

### Conditions

**Notice:** The insured must report their Identity Theft to the police authorities immediately after his/her cognizance and the police authorities must open up an inquiry. The police report and the inquiry number must be provided to Portage Mutual.

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. Under no circumstances shall Portage Mutual Insurance be required to pay more than the maximum specified limits laid out in this endorsement. The insured is responsible for any excess costs of the lawyer retained by him/her and in such cases the insured is responsible to make an agreement directly with the lawyer and shall remain solely responsible for any costs exceeding the maximum amounts provided in this endorsement.

No deductible applies to this coverage.

### Loss or Damage Not Insured

#### *We do not insure:*

1. Any losses already covered under the "Credit Card, Forgery and Counterfeit Money" extension under your policy.
2. Any losses covered by credit card insurance, bank/credit union insurance or any other coverage provided to you. Other insurance will be considered primary and this endorsement will apply only after these other coverages or programs have been exhausted;
3. Any losses resulting from your non-compliance with the terms and rules to be adhered to with the issuance of any bank card or credit card including secure storage of PINS (Personal Identification Numbers) and personal information;

#### *Nor do we insure direct or indirect loss or damage, in whole or in part:*

4. caused by or arising out of your fraudulent, dishonest or criminal acts;
5. caused by or arising out of your business pursuits;
6. caused by or arising out of your own use of your identity;
7. caused by or arising out of your intentional misuse of your identity.

This coverage is subject to all other provisions, conditions, definitions, limitations and exclusions of your policy.

### MASTER KEY/LOCK REPAIR AND REPLACEMENT

We will pay up to \$1,000 to replace or rekey, at our option, the locks on the insured premises if your keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft.

No deductible applies to this coverage.

### OUTDOOR TREES, SHRUBS AND PLANTS

You may apply up to 5% in all of the amount of insurance on your dwelling to trees, shrubs and plants on your premises. We will not pay more than \$250 for any one tree, shrub or plant including debris removal expenses. We insure these items against loss caused by fire, lightning, explosion, impact by aircraft or land vehicle, riot, vandalism and malicious acts as described under Insured Perils.

#### *We do not insure:*

1. Lawns;
2. Cannabis;
3. items grown for commercial purposes;
4. items located on undeveloped portions of your premises or more than 75 meters (250 feet) from the dwelling.

### REMOVAL OF PROPERTY

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.

This coverage is also included where applicable coverage is provided under Section III of this policy.

### SWIMMING POOLS DAMAGED BY WEIGHT OF ICE/SNOW/SLEET

We will pay up to \$5,000 (per occurrence) if your swimming pool is damaged by the weight of ice, snow or sleet whether driven by wind or not

## BASIS OF CLAIM PAYMENT

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### WHEN COVERAGE APPLIES

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.

### 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(s) in any one occurrence.

If your claim involves personal property on which the special limits of insurance apply, the limitations apply to the losses exceeding the deductible amount.

## **INSURANCE UNDER MORE THAN ONE POLICY**

If you have insurance on specifically described property your 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 rateable proportion of the loss or claim.

## **SUBROGATION**

We will be entitled to assume all your rights of recovery against others and may bring action in your name to enforce these rights when we make payment or assume liability under this policy. Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

## **MOBILE HOME**

The basis of settlement for mobile homes will be the Actual Cash Value of the damage at the date of occurrence. Also, coverage will only apply at the location specified in the Coverage Summary page, and will not apply while the Mobile Home is being moved, or is at a location not specified.

## **DETACHED STRUCTURES**

If you repair or replace the damaged or destroyed building on the same location with a building of the same occupancy constructed of materials of similar quality within a reasonable time after the damage, you may choose as the basis of loss settlement either (A) or (B) below; otherwise, settlement will be as in (B).

- (A) 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.
- (B) The Actual Cash Value of the damage at the date of the occurrence.

In determining the cost of repairs or replacement under (A) or the amount payable under (B) above, we will not pay or include the increased cost of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services.

## **PERSONAL PROPERTY**

We will pay the Actual Cash Value of the damage up to the applicable amount of insurance.

## **ACTUAL CASH VALUE**

The 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.

## **SPECIAL LIMITS ON PERSONAL PROPERTY**

Special limits of insurance apply to specific classes of Personal Property. These Special Limits may be expressed separately on individual coverages provided in this form or on other policies. These Special Limits are not cumulative and only one per specified class of personal property will be applied to each loss occurrence.

## **OBSOLESCENCE**

We will not pay for increased costs that result when you cannot repair or replace your property because material or parts are unavailable, obsolete or outmoded. We will pay only the cost that would have been required if material or parts were available. We will pay on the basis of the last known cost of materials or parts.

## **LOSS TO A PAIR OR SET**

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

## **LOSS TO PARTS**

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

# TENANTS PACKAGE COMPREHENSIVE FORM – FORM 1123

## ALL PERILS (CONTENTS)

### COVERAGE C – PERSONAL PROPERTY

#### *We insure:*

#### 1. Personal Property on Your Premises

We insure the contents of your unit and other personal property you own, wear or use, while on your premises (including on-site storage locker), and 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. Personal Property Temporarily Away from Your Premises

We insure your personal property which is usually kept throughout the year at your premises while it is temporarily away from your premises anywhere in the world. However, personal property kept at any other location you own, rent or occupy is not insured. If you wish, we will include uninsured personal property belonging to others while it is in your possession or belonging to a residence employee traveling for you.

Personal property kept at any other location you own, rent or occupy is not insured unless it is being kept at that or another location due to an insured loss.

Personal property stored in a warehouse is only insured for thirty (30) days unless the loss or damage is caused by theft. To extend cover in storage for a further period we must be notified in writing and endorse your policy as required.

#### 3. Personal Property Damaged by Change of Temperature

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

#### 4. Moving Your Personal Property to Another Home

We insure your personal property that is being moved from the premises shown in the Coverage Summary to another location within Canada which is to be occupied by you as your principal dwelling. The limit of insurance for Personal Property will be divided between the premises, in transit and at the new location on the basis of the percentage of the total value of the property at your premises, in transit and at the new location. This coverage applies only for a period of 30 days from the date you commenced removal or until your policy term ends, whichever occurs first.

#### 5. Personal Property Not Insured

We do not insure loss or damage to motorized vehicles, trailers and aircraft or their equipment (except for motorized wheelchairs, watercraft, motorized lawn mowers, other gardening equipment, snow blowers or motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

### SPECIAL LIMITS OF INSURANCE

Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence.

1. **Animals:** Animals, birds and fish up to \$1,000 in all and only if they are kept as household pets.
2. **Boats:** Watercraft, their furnishings, equipment, accessories and motors up to \$1,000 in all.
3. **Business Property:** Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$2,000 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. Other Business property, including samples and goods held for sale, is not insured.
4. **Cannabis and its accessories:** Cannabis, including cannabis plants either for recreational or medicinal use, in all consumable forms and its accessories up to \$500 in all.
4. **Computer Software:** Computer software up to \$1,000 in all. We do not insure the cost of gathering or assembling information or data.
5. **Garden Equipment:** Motorized lawn mowers, other motorized garden equipment, garden tractors and their attachments, or snowblowers, up to \$5,000 in all.
6. **Memorabilia Collections:** Memorabilia collections including sports cards and comic books up to \$2,000 in all
7. **Money/Bullion:** Money or bullion, gold other than goldware, silver other than silverware and platinum up to \$300 in all
8. **Personal Property of a Student:** The Personal Property of a student, insured by the policy, up to \$2,500 while at a residence away from home if the student was there at any time during the 45 days before any loss.
9. **Securities:** Securities (bonds, stocks etc.) up to \$2,000 in all

The following special limits of insurance do not apply to any claim caused by a Specified Peril:

10. **Jewellery/Furs:** Jewellery, watches, gems, fur garments and garments trimmed with fur, up to \$2,000 in all
11. **Numismatic Property:** Numismatic Property (such as coin collections and metals) up to \$500 in all
12. **Philatelic Property:** Manuscripts and philatelic property (such as stamp collections) up to \$500 in all

### SPECIFIED PERILS

Subject to the exclusions and conditions in this policy, Specified Perils means:

1. fire;
2. lightning;
3. explosion;
4. smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises;
5. falling object which strikes the exterior of the building;
6. impact by aircraft or land vehicle;
7. riot;
8. vandalism or malicious acts, not including loss or damage caused by theft or attempted theft;
9. freezing of any part of a plumbing, heating, interior sprinkler or air conditioning system or domestic appliance;
10. rupture of a heating, plumbing, interior sprinkler or air conditioning system or escape of water from such a system, or from a swimming pool or equipment attached, or from a public watermain;
11. windstorm or hail;
12. transportation meaning 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, but does not include loss or damage to property in a vacation or home trailer which you own;



13. weight of ice, snow or sleet;
14. collapse of a building or any part of a building;
15. sudden and accidental damage from artificially generated electrical current.

Coverage D – Additional Living Expense

The amount of insurance for Coverage D is the total amount for any one or 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 rented dwelling or unit unfit for occupancy, or you have to move out while repairs are being made, 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 rented dwelling or unit 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 rented dwelling, detached private structures or unit 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 rented dwelling, detached private structures or unit rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the rented dwelling, detached private structure or unit rented or held for rental is unfit for occupancy.

If a civil authority prohibits access to your rented dwelling or unit as a direct result of damage to neighboring premises by an Insured Peril under this form, we insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding two weeks.

We do not insure the cancellation of a lease or agreement.

**INSURED PERILS**

You are insured against all risks of direct physical loss or damage subject to the exclusions and conditions in this form.

***We do not insure:***

1. sporting equipment where 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, theft or attempted theft;
3. animals, birds, or fish unless loss or damage is caused by a Specified Peril other than impact by aircraft or land vehicle;
4. property at any fairground, exhibition or exposition for the purpose of exhibition;
5. any property illegally acquired, kept, imported, stored or transported;
6. books of account and evidences of debt or title;
7. any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
8. marring or scratching of any property or breakage of eyeglasses, glassware, statuary, marbles, bric-a-brac, chinaware, porcelains or any other fragile or brittle articles unless caused by a Specified Peril, accident to a land vehicle, watercraft or aircraft, or theft or attempted theft;
9. loss or damage resulting from wear and tear, deterioration, defect or mechanical breakdown, rust or corrosion, extremes of temperature, condensation, wet or dry rot or mould, and contamination;
10. the cost of making good faulty material or workmanship;
11. settling, expansion, contraction, moving, bulging, buckling, cracking or the falling of ceiling or wall plaster except resulting damage to building glass;
12. lawns, driveways or items grown for commercial purposes;

***We do not insure loss or damage:***

13. caused directly or indirectly from the cultivating, harvesting, processing, manufacturing, distribution or sale of any drug or narcotic or illegal substance; this includes any alterations to the premises to facilitate such activity. This exclusion applies regardless of the amount of substance or product, and with or without the knowledge of the Insured however, any dwelling or detached private structure with a total of four or less cannabis plants being grown legally for personal recreational use by the occupying insured or tenant, and this action is allowed by both Federal and Provincial law, those cannabis plants are not considered a drug, narcotic or illegal substance.
14. occurring after your dwelling has, to your knowledge, been vacant for more than 30 days;
15. caused by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
16. caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
17. 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;
18. to personal property undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
19. caused by artificially generated electric current, including electric arcing, that disturbs any tubes, transistors or similar electronic components. If loss by fire results, we will pay only for the resulting loss or damage;
20. caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, sprinkler or air conditioning system or domestic appliance;
21. caused by birds, vermin (as defined herein), rodents or insects, except resulting damage to building glass;
22. caused by smoke caused by agricultural smudging or industrial operations;
23. caused by snowslide, 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;
24. 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 occupied;
25. caused by theft or attempted theft by any tenant, members of a tenant's household or employees of the tenant. "Tenant" includes any person who has your permission to occupy your dwelling or any part of it;
26. to satellite receivers greater than 36" in diameter, and their attachments caused by windstorm or hail, weight of ice, snow or sleet, or collapse;
27. 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;
28. caused by flood, overland water, surface water, spray, ice or water-borne objects, all whether driven by wind or not, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
29. caused by rupture or bursting, backing up or escape of water from a sewer or drain, sump, septic tank, eaves trough or downspout, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
30. caused by seepage or leakage of water. This includes, but is not limited to, water entering through sidewalks, driveways, foundations, walls, basement or other floors or through doors, windows or any other opening; however you will still be insured if the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
31. caused by accidental discharge or overflow of water or steam from within a plumbing, heating, sprinkler or air conditioning system, domestic appliance, waterbed, aquarium, swimming pools or equipment attached and public watermains occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;

32. caused by sudden or accidental bursting, tearing apart, cracking, burning or bulging due to pressure of water or steam, or lack of water or steam, in a plumbing, heating, sprinkler or air conditioning system or appliance for heating water, occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
33. to an outdoor swimming pool, outdoor hot tub or similar installation or equipment attached or a public watermain, caused by water escape, rupture or freezing;
34. caused by freezing of a plumbing, heating, sprinkler or air conditioning system or domestic appliance unless it happens within a building heated during the usual heating season and you have not been away from your premises for more than four consecutive days; however you will still be insured if:
  - a. you had arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained; or
  - b. you had shut off the water supply and had drained all the pipes and appliances; or
  - c. you have a 24 hour a day monitored building temperature alarm installed and maintained. (Any disconnection of the alarm or cancellation of the monitoring service will void this provision)

If the loss or damage occurs while your building is under construction or vacant, you would not be insured, even if permission for construction or vacancy has been given by us;
35. caused by or resulting from freezing, thawing, or pressure or weight of water, ice, snow or sleet, whether driven by wind or not, to any fence, patio, pavement, swimming pool or attached equipment, public water main, foundation, retaining wall, bulkhead, pier, wharf or dock.
36. caused by the entrance of water through any roof unless:
  - a. through an aperture concurrently and directly caused by a peril not otherwise excluded; or
  - b. due to the accumulation of ice or snow on the exterior of the roof or eaves trough.
37. caused by domestic animals and/or pets of any kind:
  - a. owned by you;
  - b. in your care, custody or control;
  - c. owned by or in the care, custody or control of anyone residing in your dwelling
38. caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government, government agency 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.

## **ADDITIONAL COVERAGES**

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The following coverages are included under the Tenants Package Comprehensive Form 1123:

### **CONVICTION REWARD**

We will pay \$1,000 for information which leads to a conviction for arson, theft, robbery or burglary in connection with a fire loss to property insured by this policy. This coverage may increase the amount otherwise applicable. The \$1,000 limit will not be increased regardless of the number of people giving information.

No deductible applies to this coverage.

### **CREDIT CARD, FUND TRANSFER CARD, FORGERY AND COUNTERFEIT MONEY**

*We will pay up to \$1,000 for:*

1. your legal obligation to pay because of theft or unauthorized use of credit cards issued to you or registered in your name;
2. loss caused by theft of your fund transfer 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:*

- a) unless you have complied with all the conditions under which the cards have been issued;
- b) caused by the use of your cards by a resident of your household or by a person to whom cards have been entrusted.

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**

If you are a tenant, you may apply up to \$500 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.

### **EMERGENCY REMOVAL EXPENSE**

If the dwelling is a mobile home and is endangered by an insured peril, this policy will reimburse the insured for all reasonable expenses incurred for the removal of the building to avoid or reduce damage, subject to a limit of 5% of the amount insured under Coverage A. This extension of coverage will not be subject to any Deductible Clause and shall not increase the amount of insurance on the insured dwelling (mobile home).

### **EXHIBITION COVERAGE**

We will pay up to \$2,000 in any one occurrence for direct physical loss or damage caused by an Insured Peril to Coverage C – Personal Property while at any fairground, exhibition or exposition for the purpose of exhibition or sale. This coverage does not increase the amount of insurance applying to the damaged property.

The Coverage C deductible applies.

### **FARM OFFICE FURNISHINGS AND EQUIPMENT COVERAGE**

You may apply up to \$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.

### **FIRE DEPARTMENT CHARGES**

We will pay up to \$5,000 or such other amount as may be specified on the Coverage Summary page for your liability for Fire Department charges incurred when a Fire Department is called to save or protect property insured by this policy from an insured peril.

No deductible applies to this coverage.

## **FREEZER FOODS**

We insure foodstuffs up to \$2,000 in all, but only while contained in a food freezer located within the dwelling or detached private structure and only for loss by spoilage caused by an outside power failure or mechanical or electrical breakdown of the freezer unit.

This coverage limit also includes loss or damage to the freezer itself resulting from spoilage of the foods contained within.

### ***We do not insure loss or damage caused by:***

1. improper or faulty wrapping, packing or handling;
2. inherent or natural spoilage;

## **IDENTITY FRAUD EXPENSE ENDORSEMENT**

Identity Fraud Expense coverage provides coverage against Identity Fraud Expenses you may incur as a result of the fraudulent use of your identity. This coverage is included in your policy as an Additional Coverage at no additional cost. This coverage reimburses you for expenses you incur while dealing with your identity fraud claim up to a 15,000 limit.

The above included limit is a maximum aggregate amount payable in any one insurance contract period regardless of the number of acts of identity fraud claims made or of the number of insureds affected.

### **Insuring Agreement**

If you hold a policy that qualifies for the Identity Fraud Expense Endorsement, we agree that coverage is extended to include reimbursement of cost you actually incur resulting from Identity Fraud as defined and limited herein.

### **Coverage**

#### ***We reimburse the following costs incurred directly and solely as a result of the fraudulent use of your identity:***

- telephone expenses for calls to businesses, law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the loan application fees for re-applying for loan(s) due to the rejection of the original application because the lender received incorrect credit information;
- the reasonable lawyer fees incurred, with prior notice to and approval by us, for:
- your defense against any suit(s) brought against you by businesses or their collection agencies.
- the removal of any criminal or civil judgments wrongly entered against you; or
- any challenge to the information in your consumer credit report.
- the reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits or similar documents for law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- the costs for sending certified mail to law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- your loss of earnings by you as a result of time off from work to complete fraud affidavits, meet with law enforcement agencies, credit agencies, merchants, or legal counsel;
- 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.

### **Conditions**

**Notice:** The insured must report their Identity Theft to the police authorities immediately after his/her cognizance and the police authorities must open up an inquiry. The police report and the inquiry number must be provided to Portage Mutual.

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. Under no circumstances shall Portage Mutual Insurance be required to pay more than the maximum specified limits laid out in this endorsement. The insured is responsible for any excess costs of the lawyer retained by him/her and in such cases the insured is responsible to make an agreement directly with the lawyer and shall remain solely responsible for any costs exceeding the maximum amounts provided in this endorsement.

No deductible applies to this coverage.

### **Loss or Damage Not Insured**

#### ***We do not insure:***

1. Any losses already covered under the "Credit Card, Forgery and Counterfeit Money" extension under your policy.
2. Any losses covered by credit card insurance, bank/credit union insurance or any other coverage provided to you. Other insurance will be considered primary and this endorsement will apply only after these other coverages or programs have been exhausted;
3. Any losses resulting from your non-compliance with the terms and rules to be adhered to with the issuance of any bank card or credit card including secure storage of PINS (Personal Identification Numbers) and personal information;

#### ***Nor do we insure direct or indirect loss or damage, in whole or in part:***

4. caused by or arising out of your fraudulent, dishonest or criminal acts;
5. caused by or arising out of your business pursuits;
6. caused by or arising out of your own use of your identity;
7. caused by or arising out of your intentional misuse of your identity.

This coverage is subject to all other provisions, conditions, definitions, limitations and exclusions of your policy.

## **MASTER KEY/LOCK REPAIR AND REPLACEMENT**

We will pay up to \$1,000 to replace or rekey, at our option, the locks on the insured premises if your keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft.

No deductible applies to this coverage.

## **REMOVAL OF PROPERTY**

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.

This coverage is also included where applicable coverage is provided under Section III of this policy.

## TENANTS IMPROVEMENTS AND BETTERMENTS

If you are a tenant we also insure improvements and betterments made by you or acquired at your expense, including:

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

If you are a tenant, payment under this coverage reduces the Coverage C amount of insurance by the sum paid.

## BASIS OF CLAIM PAYMENT

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### WHEN COVERAGE APPLIES

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.

### 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(s) in any one occurrence.

If your claim involves personal property on which the special limits of insurance apply, the limitations apply to the losses exceeding the deductible amount.

### INSURANCE UNDER MORE THAN ONE POLICY

If you have insurance on specifically described property your 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 rateable proportion of the loss or claim.

### SUBROGATION

We will be entitled to assume all your rights of recovery against others and may bring action in your name to enforce these rights when we make payment or assume liability under this policy. Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

### PERSONAL PROPERTY

We will pay the Actual Cash Value of the damage up to the applicable amount of insurance.

### ACTUAL CASH VALUE

The 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.

### SPECIAL LIMITS ON PERSONAL PROPERTY

Special limits of insurance apply to specific classes of Personal Property. These Special Limits may be expressed separately on individual coverages provided in this form or on other policies. These Special Limits are not cumulative and only one per specified class of personal property will be applied to each loss occurrence.

### IMPROVEMENTS AND BETTERMENTS

If you are a tenant, and within a reasonable time after damage, you replace or repair loss or damage to your improvements or betterments with materials of similar quality, we will pay 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.

### OBSOLESCENCE

We will not pay for increased costs that result when you cannot repair or replace your property because material or parts are unavailable, obsolete or outmoded. We will pay only the cost that would have been required if material or parts were available. We will pay on the basis of the last known cost of materials or parts.

### LOSS TO A PAIR OR SET

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

### LOSS TO PARTS

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

# FIRE AND EXTENDED COVERAGE – FORM 0202

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## NAMED PERILS (BUILDING AND CONTENTS)

*The following described coverages are applicable to Fire and Extended Coverage on:*

- Basic Residential and / or Contents
- Seasonal Residence / Contents; and

## COVERAGES

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**Amounts of Insurance:** The amounts of insurance are shown on the Coverage Summary page. Amounts of insurance are scheduled separately for building, outbuildings and contents and are shown accordingly on your Coverage Summary page.

**Debris Removal:** The amount of insurance shown on the Coverage Summary page for Building coverage includes the cost of removing debris caused by loss or damage to property insured by this policy as a result of an Insured Peril. If you must remove insured property from your premises to protect it from loss or damage, it is insured by this form 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.

**Fire Department Charges:** If there is an agreement with a fire department outside the municipality where your premises are located, we will reimburse you for up to \$1,000 (without deductible) if that fire department charges for attending your premises because of an insured peril.

## DWELLING BUILDING

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*We insure:*

- 1 The dwelling and attached structures.
- 2 Permanently installed outdoor equipment on the premises, including fences within 75 meters (250 ft.) of the dwelling building, used principally for the service of the dwelling.
- 3 Outdoor swimming pool 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.

## OPTIONAL COVERAGE EXTENSIONS – DWELLING BUILDING

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*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 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:** We insure private structures or buildings 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 a fence, utility line or similar connection only, they are considered to be a detached structure. 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 residential, business or agricultural purposes whether occupied, unoccupied or vacant regardless of their current use unless otherwise endorsed in this form. We do not insure detached buildings or structures where the wall(s) or roof construction consists of tarp, polyethylene or similar covering.

*The following extension does not apply to a seasonal residence:*

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, 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 structure rented or held for rental is unfit for occupancy.

## PERSONAL PROPERTY

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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, trailers and aircraft or the equipment of either (except for motorized wheelchairs, watercraft, motorized lawn mowers, other gardening equipment or snow blowers or motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

## OPTIONAL COVERAGE EXTENSIONS – PERSONAL PROPERTY

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*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. 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.

*The following extensions of coverage do not apply to the Personal Property of a Seasonal Dwelling:*

2. Personal property away from premises – your personal property which is usually kept throughout the year at your premises, excluding watercraft, while temporarily removed from the premises anywhere in Canada or in the Continental United States of America. We do not insure personal property kept at any other location you own, rent or occupy, nor do we insure personal property stored in a warehouse.
3. Additional Living Expense – 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 your dwelling or, if you permanently relocate, the reasonable time required for your household to settle elsewhere.

If a civil authority prohibits access to your dwelling as a direct result of damage to neighboring premises by an Insured Peril under this form, we insure any resulting Additional Living Expense for a period not exceeding two weeks.

We do not insure the cancellation of a lease or agreement.

## SPECIAL LIMITS OF INSURANCE

Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence.

1. **Animals:** Animals, birds and fish up to \$1,000 in all and only if they are kept as household pets.
2. **Boats:** Watercraft, their furnishings, equipment, accessories and motors up to \$1,000 in all;
3. **Business Property:** Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$2,000 in all, but only while on your premises. This applies to all items whether used in whole or in part for business, professional or occupational purposes. Other business property, including samples and goods held for sale, is not insured;
4. **Computer Software:** Computer Software up to \$1,000 in all. We do not insure the cost of gathering or assembling information or data;
5. **Garden Equipment:** Motorized lawn mowers, other motorized gardening equipment or snow blowers, up to \$5,000 in all.

## INSURED PERILS

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

1. **Fire or Lightning.**
2. **Explosion:** This peril does not include water hammer.
3. **Smoke:** This peril means smoke due to a sudden, unusual or faulty operation of any heating or cooking unit in or on the premises, but not smoke from fireplaces.
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 snowslide, landslide or other earth movement.
5. **Impact by Aircraft, Spacecraft or Land Vehicle:** Animals are not insured under this peril.
6. **Riot.**
7. **Water Escape, Rupture, Freezing:** This peril means;
  - a. accidental discharge or overflow of water or steam from within a plumbing, heating, interior sprinkler or air conditioning system, domestic appliance, swimming pool or equipment attached and public watermains;
  - b. sudden or accidental bursting, tearing apart, cracking, burning or bulging due to pressure of water or steam, or lack of water or steam, in a plumbing, heating, interior sprinkler or air conditioning system or appliance for heating water;
  - c. freezing of any part of a plumbing, heating, sprinkler or air conditioning system or domestic appliance within a building heated during the usual heating season.This peril does not include damage:
  - d. caused by continuous or repeated seepage or leakage;
  - e. caused by backing up or escape of water from a sewer;
  - f. caused by flood or overland water;
  - g. to the system or appliance caused by rust or corrosion;
  - h. to public watermains, outdoor swimming pools, outdoor hot tubs or similar installations or equipment attached;
  - i. occurring while the building is under construction or vacant even if we have given permission for construction or vacancy.
  - j. caused by freezing which occurs during the usual heating season and you have been away from your premises for more than four consecutive days. However, if you had arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained or if you had shut off the water supply and had drained all the pipes and appliances you would still be insured.A plumbing system under this peril does not include sewers, sumps, septic tanks, eaves troughs and downspouts.

We will repair or replace any part of the building that must be removed or torn apart before any insured damage can be repaired, except damage related to an outdoor swimming pool or equipment attached, or public watermains.
8. **Windstorm or Hail:** This peril does not include loss or damage to the interior of a building or your personal property within a building caused by windstorm, hail or coincidental rain damage, unless the storm first creates an opening in the building. Any watercraft you own are insured up to \$1,000 if they were inside a fully enclosed building at the time of loss. Canoes and rowboats are insured while in the open.

This peril does not include:

  - a. damage to fences;
  - b. damage to outdoor radio and TV antennae (including Satellite receivers) and their attachments;
  - c. damage due to weight or pressure or melting of ice or snow, waves, floods whether driven by wind or not;
  - d. any dent damage to the outer metal cover of any mobile home, caused by windstorm and/or hail, unless the metal cover is punctured (pierced to make an opening in the metal roofing or siding).
9. **Vandalism or Malicious Acts:** Does not apply to any Seasonal Dwelling or Contents.

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 you, any tenant, employee or member of the tenant's household;
  - c. caused by theft or attempted theft;
  - d. to glass which forms part of a building.

## LOSS OR DAMAGE NOT INSURED

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We do not insure:

- 1) caused directly or indirectly from the cultivating, harvesting, processing, manufacturing, distribution or sale of any drug or narcotic or illegal substance; this includes any alterations to the premises to facilitate such activity. This exclusion applies regardless of the amount of substance or product, and with or without the knowledge of the Insured however, any dwelling or detached private structure with a total of four or less cannabis plants being grown legally for personal recreational use by the occupying insured or tenant, and this action is allowed by both Federal and Provincial law, those cannabis plants are not considered a drug, narcotic or illegal substance.
- 2) loss or damage occurring after your dwelling has, to your knowledge, been vacant for more than 30 days;
- 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 or structures used in whole or part for business or agricultural purposes unless shown on the Coverage Summary page;
- 6) losses or increased costs of repair due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
- 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) loss or damage to personal 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;
- 9) loss of or damage to any property illegally acquired, imported, kept, stored or transported;
- 10) loss of or damage to books of account and evidences of debt or title;
- 11) loss of or damage to any property lawfully seized or confiscated unless such property is destroyed to prevent spread of fire;
- 12) money, bullion and securities, except as insured in the Optional Burglary and Robbery Extension;
- 13) lawns, driveways and outdoor trees, shrubs and plants;
- 14) loss or damage caused by snowslide, 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.
- 15) caused by domestic animals and/or pets of any kind:
  - a) owned by you;
  - b) in your care, custody or control;
  - c) owned by or in the care, custody or control of anyone residing in your dwelling
- 16) caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government, government agency 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.

## SEASONAL RESIDENCE EXTENSIONS

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### VANDALISM OR MALICIOUS ACTS – FORM 0079

If the Coverage Summary page indicates that Vandalism and Malicious Acts is included, the following perils and limitations apply:

***We insure 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 you;
- c. caused by any tenant, employee or member of the tenant's household if the part of the dwelling containing the property insured normally occupied by you is rented to others;
- d. to glass which forms part of the building;
- e. loss or damage caused by theft, burglary or pilferage or attempted theft, burglary or pilferage.

All other terms and conditions of the policy to which this coverage applies remain unchanged.

### BURGLARY AND ROBBERY – FORM 0736

If the Coverage Summary page indicates that the Burglary and Robbery Extension is included under Seasonal Residence coverage, the following perils and limitations apply:

***We insure:***

1. **Burglary:** This peril means the theft of personal property from the premises following illegal and forcible entry or exit, leaving visible marks at the point of forced entry or exit. We will pay up to \$500. of the amount of insurance on your personal property for damage to the building caused by burglary.
2. **Robbery:** This peril means theft by violence or threat of violence to any person.

***These perils do not include loss or damage:***

- a. of animals, birds or fish;
- b. occurring while the building is under construction or vacant even if permission for construction or vacancy has been given by us;
- c. caused by any tenant, employee or member of the tenant's household if the part of the dwelling containing the property insured normally occupied by you is rented to others;

### Special Limits of Insurance

Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence.

1. **Jewellery/Furs:** Jewellery, watches, gems fur garments and garments trimmed with fur, up to \$2,000 in all;
2. **Money/Bullion:** Money or bullion, gold other than goldware, silver other than silverware and platinum up to \$300. in all;
3. **Numismatic Property:** Numismatic property (such as coin collections) up to \$500. in all;
4. **Philatelic Property:** Manuscripts, stamps and philatelic property (such as stamp collections) up to \$500. in all;
5. **Securities:** Securities, memorabilia collections (such as sports cards or comic books) up to \$2,000 in all.

### HOUSEHOLDERS FLOATER – FORM 7806

If the Coverage Summary indicates form 7806, Householders Floater applies the coverage for Personal Property under form 0202 Fire and Extended Coverage is expanded as follows:

#### Additional Insured Perils

10. **Theft, Including Damage Caused by Attempted Theft:** This peril does not include loss or damage:
  - a. which happens at any other premises which you own, rent or occupy, except while you are temporarily living there;
  - b. caused by any tenant, employee or member of the tenant's household if the part of the dwelling containing the property insured normally occupied by you is rented to others;
  - c. of animals, birds or fish;
  - d. 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 building is completed and ready to be occupied.

The following special limits of insurance apply if the items described below are stolen:

**We insure:**

1. **Jewellery/Furs:** Jewellery, watches, gems, fur garments and garments trimmed with fur, up to \$2,000 in all;
2. **Money/Bullion:** Money or bullion, gold other than goldware, silver other than silverware and platinum up to \$300. in all;
3. **Numismatic Property:** Numismatic property (such as coin collections) up to \$500. in all;
4. **Philatelic Property:** Manuscripts, stamps and philatelic property (such as stamp collections) up to \$500. in all;
5. **Securities:** Securities, memorabilia collections (such as sports cards or comic books) up to \$2,000 in all;

**Optional Extension**

At the option of the Insured, not exceeding \$500 of the limit of insurance may be applied to insure damage (except by fire) to the 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. Coverage under this floater is subject to all other terms and conditions of form 0202 which it extends.

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

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**BASIS OF CLAIM PAYMENT**

**WHEN COVERAGE APPLIES**

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.

**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(s) in any one occurrence.

If your claim involves personal property on which the special limits of insurance apply, the limitations apply to the losses exceeding the deductible amount.

**INSURANCE UNDER MORE THAN ONE POLICY**

If you have insurance on specifically described property your 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 rateable proportion of the loss or claim.

**SUBROGATION**

We will be entitled to assume all your rights of recovery against others and may bring action in your name to enforce these rights when we make payment or assume liability under this policy. Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

**DWELLING BUILDING AND DETACHED STRUCTURES**

If you repair or replace the damaged or destroyed building on the same location with a building of the same occupancy constructed of materials of similar quality within a reasonable time after the damage, you may choose as the basis of loss settlement either (A) or (B) below; otherwise, settlement will be as in (B).

- (A) 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.
- (B) The Actual Cash Value of the damage at the date of the occurrence.

In determining the cost of repairs or replacement under (A) or the amount payable under (B) above, we will not pay or include the increased cost of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services.

**PERSONAL PROPERTY**

We will pay the Actual Cash Value of the damage up to the applicable amount of insurance.

**ACTUAL CASH VALUE**

The 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.

**SPECIAL LIMITS ON PERSONAL PROPERTY**

Special limits of insurance apply to specific classes of Personal Property. These Special Limits may be expressed separately on individual coverages provided in this form or on other policies. These Special Limits are not cumulative and only one per specified class of personal property will be applied to each loss occurrence.

**OBSOLESCENCE**

We will not pay for increased costs that result when you cannot repair or replace your property because material or parts are unavailable, obsolete or outmoded. We will pay only the cost that would have been required if material or parts were available. We will pay on the basis of the last known cost of materials or parts.

**LOSS TO A PAIR OR SET**

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

**LOSS TO PARTS**

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



# SEASONAL HOMEOWNER – FORM 1008

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## COVERAGES

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**Amounts of Insurance:** The amounts of insurance are shown on the Coverage Summary page. Amounts of insurance are scheduled separately for building, outbuildings and contents and are shown accordingly on your Coverage Summary page.

**Debris Removal:** The amount of insurance shown on the Coverage Summary page for Building coverage includes the cost of removing debris caused by loss or damage to property insured by this policy as a result of an Insured Peril. If you must remove insured property from your premises to protect it from loss or damage, it is insured by this form 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.

**Fire Department Charges:** If there is an agreement with a fire department outside the municipality where your home is located, we will reimburse you up to \$1,000 (without deductible) if that fire department charges for attending your home because of an Insured Peril.

## COVERAGE A – DWELLING BUILDING

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### *We insure:*

- a. The Dwelling and attached structures.
- b. Permanently installed outdoor equipment on the premises, including fences within 75 meters (250 ft.) of the dwelling building, used principally for the service of the dwelling.
- c. Outdoor swimming pool and attached equipment on the premises.
- d. 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. We insure against the peril of theft only when your dwelling is completed and ready to be occupied.

**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

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We insure private structures or buildings 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 a fence, utility line or similar connection only, they are considered to be a detached structure.

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 residential, business or agricultural purposes whether occupied, unoccupied or vacant regardless of their current use unless otherwise endorsed in this form. We do not insure detached buildings or structures where the wall(s) or roof construction consists of tarp, polyethylene or similar covering.

## COVERAGE C – PERSONAL PROPERTY

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- a. 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 and boarders who are not related to you.

We do not insure loss or damage to motorized vehicles, aircraft or their equipment (except for motorized wheelchairs, watercraft, motorized lawn mowers, other gardening equipment or snow blowers). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

- b. We insure your personal property which is usually kept throughout the year at your premises for an additional amount of up to 10% of the amount of insurance on your personal property or \$1,500 whichever is the greater, while it is temporarily away from your premises anywhere in the world. If you wish we will include uninsured personal property belonging to others while it is in your possession or belonging to a residence employee travelling for you.

Personal property kept at any other location you own, rent or occupy is not insured. Personal property stored in a warehouse is only insured against the peril of theft.

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

## SPECIAL LIMITS OF INSURANCE

Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence.

- a. **Business Property:** Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$ 2,000 in all, but only while on your premises. This applies to all items whether used in whole or in part for business, professional or occupational purposes. Other business property, including samples and goods held for sale, is not insured.
- b. **Securities:** Securities, memorabilia collections (such as sports cards or comic books), up to \$ 2,000 in all.
- c. **Money/Bullion:** Money or bullion up to \$300. in all.
- d. **Boats:** Watercraft, their trailers, furnishings, equipment accessories and motors up to \$ 1,000 in all.
- e. **Computer Software:** Computer software up to \$ 1,000 in all. We do not insure the cost of gathering or assembling information or data.
- f. **Animals:** Animals, birds and fish up to \$1,000 in all and only if they are kept as household pets.
- g. **Garden Equipment:** Motorized lawn mowers; other motorized gardening equipment or snow blowers, up to \$5,000 in all.

The following special limits of insurance apply if the items described below are stolen:

- h. **Jewellery/Furs:** Jewellery, watches, gems, fur garments and garments trimmed with fur up to \$ 2,000 in all.
- i. **Numismatic Property:** Numismatic property (such as coin collections) up to \$500. in all.
- j. **Philatelic Property:** Manuscripts, stamps and philatelic property (such as stamp collections) up to \$500. in all.

## INSURED PERILS

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

1. **Fire and Lightning.**
2. **Explosion:** This peril does not include water hammer.
3. **Smoke:** This peril means smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises.
5. **Falling Object:** This peril means a falling object which strikes the exterior of a building but not objects which strike the building because of snowslide, landslide or any other earth movement.
6. **Impact by Aircraft, or Land Vehicle:** This peril does not include loss or damage to fences, driveways and walks due to any impact by a vehicle owned or operated by you or your employees. Animals are not insured under this peril.
7. **Riot.**
8. **Vandalism or Malicious Acts:**  
This peril does not include:
  - a. loss or damage occurring while the dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
  - b. damage caused by you;
  - c. loss or damage caused by theft or attempted theft.
9. **Water Escape, Rupture, Freezing:** This peril means;
  - a. accidental discharge or overflow of water or steam from within a plumbing, heating, interior sprinkler or air conditioning system, domestic appliance, swimming pool or equipment attached and public watermains;
  - b. sudden or accidental bursting tearing apart, cracking, burning or bulging due to pressure of water or steam, or lack of water or steam, in a plumbing, heating, interior sprinkler or air conditioning system or appliance for heating water;
  - c. freezing of any part of a plumbing, heating, sprinkler or air conditioning system or domestic appliance within a building heated during the usual heating season.
 This peril does not include damage;
  - a. caused by continuous or repeated seepage or leakage;
  - b. caused by backing up or escape of water from a sewer;
  - c. caused by flood or overland water;
  - d. to the system or appliance caused by rust or corrosion;
  - e. to public watermains, outdoor swimming pools, outdoor hot tubs or similar installations or equipment attached;
  - f. occurring while the building is under construction or vacant even if we have given permission for construction or vacancy.
  - g. caused by freezing which occurs during the usual heating season and you have been away from your premises for more than four consecutive days. However, if you had arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained or if you had shut off the water supply and had drained all the pipes and appliances you would still be insured.
 A plumbing system under this peril does not include sewers, sumps, septic tanks, eaves troughs and downspouts.  
We will repair or replace any part of the building that must be removed or torn apart before any insured damage can be repaired, except damage related to an outdoor swimming pool or equipment attached, or public watermains.
10. **Windstorm or Hail:** This peril does not include loss or damage to the interior of a building or your personal property within a building caused by windstorm, hail or coincidental rain damage, unless the storm first creates an opening in the building.  
Any watercraft you own are insured up to \$ 1,000 if they were inside a fully enclosed building at the time of loss. Canoes and rowboats are insured while in the open.  
This peril does not include damage:
  - a. to outdoor radio and TV antennae (including Satellite receivers) and their attachments;
  - b. due to weight or pressure or melting of ice or snow, waves, floods whether driven by wind or not.
11. **GLASS BREAKAGE:** Glass that forms part of your dwelling or private structures on your premises, including glass in storm windows and doors is insured against accidental breakage.  
This peril does not include loss or damage occurring while a building is under construction or vacant even if permission for construction or vacancy has been given by us.
12. **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 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;
  - a. property in a vacation or home trailer which you own;
  - b. any watercraft, their furnishings, equipment or motors.
13. **Theft, Including Damage Caused by Attempted Theft:** This peril does not include loss or damage:
  - a. which happens at any other premises which you own, rent or occupy, except while you are temporarily living there;
  - b. caused by any tenant, employee or member of the tenant's household if the part of the dwelling containing the property insured normally occupied by you is rented to others;
  - c. of animals, birds or fish.
14. **Damage Caused by Bears.**
15. **COLLAPSE OF A Building OR any PART OF A Building:** This peril does not include loss to an awning, fence, patio, pavement, swimming pool, outdoor radio and TV antennae (including satellite receivers) and their attachments, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock unless the loss is a direct result of the collapse of a building. Collapse does not include settling, cracking, shrinking, bulging, expansion, or the falling of ceiling or wall plaster.

## LOSS OR DAMAGE NOT INSURED

### *We do not insure:*

1. any dwelling, detached private structure, or personal property contained in them, used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution or sale of any substance falling under the Controlled Drugs and Substance Act Narcotic Control Regulations; this exclusion applies regardless of the amount of substance or product, and with or without the knowledge of the Insured;
2. loss or damage occurring after your dwelling has, to your knowledge, been vacant for more than 30 consecutive days;
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, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
5. buildings or structures used in whole or part for business or farming purposes unless declared in the Coverage Summary;
6. losses or increased costs of repair due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
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 person at the direction of any person insured by this policy;
8. loss or damage to personal property while undergoing a process involving the application of heat, but resulting damage to other property is insured;
  9. loss of, or damage to any property illegally imported, stored transported, acquired or kept;
  10. loss of, or damage to books of account and evidences of debt or title;
  11. loss or damage to any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
  12. lawns, driveways and outdoor trees, shrubs and plants;
  13. loss or damage caused by snowslide, 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.
  14. loss or damage caused by the entrance of water through any roof unless:
    - a. through an aperture concurrently and directly caused by a peril not otherwise excluded; or
    - b. due to the accumulation of ice or snow on the exterior of the roof or eaves trough.
  15. caused by domestic animals and/or pets of any kind:
    - a. owned by you;
    - b. in your care, custody or control;
    - c. owned by or in the care, custody or control of anyone residing in your dwelling
  16. caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government, government agency 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.

## **BASIS OF CLAIM PAYMENT**

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### **WHEN COVERAGE APPLIES**

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.

### **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(s) in any one occurrence.

If your claim involves personal property on which the special limits of insurance apply, the limitations apply to the losses exceeding the deductible amount.

### **INSURANCE UNDER MORE THAN ONE POLICY**

If you have insurance on specifically described property your 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 rateable proportion of the loss or claim.

### **SUBROGATION**

We will be entitled to assume all your rights of recovery against others and may bring action in your name to enforce these rights when we make payment or assume liability under this policy. Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

### **DWELLING BUILDING AND DETACHED STRUCTURES**

If you repair or replace the damaged or destroyed building on the same location with a building of the same occupancy constructed of materials of similar quality within a reasonable time after the damage, you may choose as the basis of loss settlement either (A) or (B) below; otherwise, settlement will be as in (B).

(A) 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.

(B) The Actual Cash Value of the damage at the date of the occurrence.

In determining the cost of repairs or replacement under (A) or the amount payable under (B) above, we will not pay or include the increased cost of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services.

### **PERSONAL PROPERTY**

We will pay the Actual Cash Value of the damage up to the applicable amount of insurance.

### **ACTUAL CASH VALUE**

The 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.

### **SPECIAL LIMITS ON PERSONAL PROPERTY**

Special limits of insurance apply to specific classes of Personal Property. These Special Limits may be expressed separately on individual coverages provided in this form or on other policies. These Special Limits are not cumulative and only one per specified class of personal property will be applied to each loss occurrence.

### **OBSOLESCENCE**

We will not pay for increased costs that result when you cannot repair or replace your property because material or parts are unavailable, obsolete or outmoded. We will pay only the cost that would have been required if material or parts were available. We will pay on the basis of the last known cost of materials or parts.

### **LOSS TO A PAIR OR SET**

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

### **LOSS TO PARTS**

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

# SEASONAL HOMEOWNERS COMPREHENSIVE FORM – FORM 1010

## ALL PERILS (BUILDING & CONTENTS)

### DEFINITION AMENDMENT

The definition of "Dwelling" in the Definitions section as it is referred to under Form 1010 is amended to read as follows:

"Dwelling" means the building described on the Coverage Summary Page, occupied by you as a private secondary or seasonal residence.

### COVERAGE A – DWELLING BUILDING

#### *We insure:*

1. The dwelling and attached structures.
2. Permanently installed outdoor equipment on the premises, including fences within 75 meters (250 ft.) of the dwelling building, used principally for the service of the dwelling.
3. Outdoor swimming pool 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, other than private structures to be used in whole or in part for business or agricultural purposes. We insure against the peril of theft only when your dwelling is completed and occupied.

**Tear out:** If any walls, ceilings or other parts of insured buildings or structures must be torn apart before water damage from a plumbing, heating, air conditioning or sprinkler system or domestic appliance can be repaired, we will pay the cost of such repairs. The cost of tearing out and replacing property to repair damage related to outdoor swimming pools or public water mains is not insured.

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

### COVERAGE B – DETACHED PRIVATE STRUCTURES

We insure private structures or buildings 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 a fence, utility line or similar connection only, they are considered to be a detached structure. We also insure bunk houses, boathouses, boatlifts, docks, piers, wharves and swimming rafts while on your premises as well as those located elsewhere in the same resort area.

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 residential, business or agricultural purposes whether occupied, unoccupied or vacant regardless of their current use unless otherwise endorsed in this form. We do not insure detached buildings or structures where the wall(s) or roof construction consists of tarp, polyethylene or similar covering.

### COVERAGE C – PERSONAL PROPERTY

#### *We insure:*

#### **1. Personal Property on Your Premises**

We insure the contents of your dwelling and other personal property you own, wear or use, while on the premises, which is usual to the ownership or maintenance of a dwelling and usually kept at the premises throughout the year. Personal property usually kept throughout the year at any other location you own, rent or occupy is not insured. If you wish, you may apply up to \$2,000 of the amount of insurance on your personal property to property of others while it is on that portion of your premises that you occupy. We do not insure property of roomers or boarders who are not related to you.

#### **2. Personal Property Temporarily Away from Your Premises**

You may apply up to 20% of the amount of insurance on your personal property to cover your personal property while it is temporarily away from your premises anywhere in the world. We do not insure personal property usually kept at any other location you own, rent or occupy. Personal property removed from your premises for storage is covered for 30 consecutive days only.

Personal property stored in a warehouse is only insured against the peril of theft.

#### **3. Personal Property Damaged by Change of Temperature**

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

#### **4. Moving Your Personal Property to Another Home**

We insure your personal property that is being moved from the premises shown in the Coverage Summary to another location within Canada which is to be occupied by you as your seasonal dwelling. The limit of insurance for Personal Property will be divided between the premises, in transit and at the new location on the basis of the percentage of the total value of the property at your seasonal dwelling, in transit and at the new location. This coverage applies only for a period of 30 days from the date you commenced removal or until your policy term ends, whichever occurs first.

#### **5. Personal Property Not Insured**

We do not insure loss or damage to motorized vehicles, trailers, and aircraft or their equipment (except for motorized wheelchairs, watercraft, motorized lawn mowers, other gardening equipment, snow blowers or motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

### SPECIAL LIMITS OF INSURANCE

Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence.

1. **Animals:** Animals, birds and fish up to \$1,000 in all and only if they are kept as household pets.
2. **Boats:** Watercraft, their furnishings, equipment, accessories and motors up to \$1,000 in all.
3. **Business Property:** Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$2,000 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. Other Business property, including samples and goods held for sale, is not insured.

4. Cannabis and its accessories: Cannabis, including cannabis plants either for recreational or medicinal use, in all consumable forms and its accessories up to \$500 in all.
5. **Computer Software:** Computer software up to \$1,000 in all. We do not insure the cost of gathering or assembling information or data.
6. **Garden Equipment:** Motorized lawn mowers, other motorized garden equipment, garden tractors and their attachments, or snowblowers, up to \$5,000 in all.
7. **Memorabilia Collections:** Memorabilia collections including sports cards and comic books up to \$2,000 in all
8. **Money/Bullion:** Money or bullion, gold other than goldware, silver other than silverware and platinum up to \$500 in all
9. **Personal Property of a Student:** The Personal Property of a student, insured by the policy, up to \$2,500 while at a residence away from home if the student was there at any time during the 45 days before any loss.
10. **Securities:** Securities (bonds, stocks etc.) up to \$2,000 in all

The following special limits of insurance do not apply to any claim caused by a Specified Peril:

11. **Jewellery/Furs:** Jewellery, watches, gems, fur garments and garments trimmed with fur, up to \$2,000 in all
12. **Numismatic Property:** Numismatic Property (such as coin collections and metals) up to \$500 in all
13. **Philatelic Property:** Manuscripts and philatelic property (such as stamp collections) up to \$500 in all

## SPECIFIED PERILS

Subject to the exclusions and conditions in this policy, Specified Perils means:

1. fire;
2. lightning;
3. explosion;
4. smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises;
5. falling object which strikes the exterior of the building;
6. impact by aircraft or land vehicle;
7. riot;
8. vandalism or malicious acts, not including loss or damage caused by theft or attempted theft;
9. freezing of any part of a plumbing, heating, interior sprinkler or air conditioning system or domestic appliance;
10. rupture of a heating, plumbing, interior sprinkler or air conditioning system or escape of water from such a system, or from a swimming pool or equipment attached, or from a public watermain;
11. windstorm or hail;
12. transportation meaning 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, but does not include loss or damage to property in a vacation or home trailer which you own;
13. weight of ice, snow or sleet;
14. collapse of a building or any part of a building;
15. sudden and accidental damage from artificially generated electrical current;
16. damage by bears.

## COVERAGE D – ADDITIONAL LIVING EXPENSE

The amount of insurance for Coverage D is the total amount for any one or 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 unfit for occupancy, or you have to move out while repairs are being made, 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

Under Form 1010, Fair Rental Value coverage only applies if, at the time of the loss, the dwelling was rented to others or you had an agreement for its rental to others.

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 structure rented or held for rental is unfit for occupancy.

If a civil authority prohibits access to your dwelling as a direct result of damage to neighboring premises by an Insured Peril under this form, we insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding two weeks.

We do not insure the cancellation of a lease or agreement.

## INSURED PERILS

You are insured against all risks of direct physical loss or damage subject to the exclusions and conditions in this form.

### **We do not insure:**

1. buildings or structures used in whole or in part for any business or agricultural purpose unless declared on the Coverage Summary page;
2. sporting equipment where loss or damage is due to its use;
3. contact lenses unless the loss or damage is caused by a Specified Peril, accident to a land vehicle, watercraft or aircraft, theft or attempted theft;
4. animals, birds, or fish unless loss or damage is caused by a Specified Peril other than impact by aircraft or land vehicle;
5. property at any fairground, exhibition or exposition for the purpose of exhibition;
6. any property illegally acquired, kept, imported, stored or transported;
7. books of account and evidences of debt or title;
8. any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
9. losses or increased costs of repair due to operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
10. marring or scratching of any property or breakage of eyeglasses, glassware, statuary, marbles, bric-a-brac, chinaware, porcelains or any other fragile or brittle articles unless caused by a Specified Peril, accident to a land vehicle, watercraft or aircraft, or theft or attempted theft;
11. loss or damage resulting from wear and tear, deterioration, defect or mechanical breakdown, rust or corrosion, extremes of temperature, condensation, wet or dry rot or mould, and contamination;

12. the cost of making good faulty material or workmanship;
13. settling, expansion, contraction, moving, bulging, buckling, cracking or the falling of ceiling or wall plaster except resulting damage to building glass;
14. lawns, driveways or items grown for commercial purposes;
15. outdoor trees, shrubs and plants except as shown under Additional Coverages;

**We do not insure loss or damage:**

16. caused directly or indirectly from the cultivating, harvesting, processing, manufacturing, distribution or sale of any drug or narcotic or illegal substance; this includes any alterations to the premises to facilitate such activity. This exclusion applies regardless of the amount of substance or product, and with or without the knowledge of the Insured however, any dwelling or detached private structure with a total of four or less cannabis plants being grown legally for personal recreational use by the occupying insured or tenant, and this action is allowed by both Federal and Provincial law, those cannabis plants are not considered a drug, narcotic or illegal substance.
17. occurring after your dwelling has, to your knowledge, been vacant for more than 30 days;
18. caused by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
19. caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
20. 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;
21. to personal property undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
22. caused by artificially generated electric current, including electric arcing, that disturbs any tubes, transistors or similar electronic components. If loss by fire results, we will pay only for the resulting loss or damage;
23. caused by continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, sprinkler or air conditioning system or domestic appliance;
24. caused by birds, vermin (as defined herein), rodents or insects, except resulting damage to building glass;
25. caused by smoke caused by agricultural smudging or industrial operations;
26. caused by snowslide, 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;
27. 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 occupied;
28. caused by theft or attempted theft by any tenant, members of a tenant's household or employees of the tenant. "Tenant" includes any person who has your permission to occupy your dwelling or any part of it;
29. to satellite receivers greater than 36" in diameter, and their attachments caused by windstorm or hail, weight of ice, snow or sleet, or collapse;
30. 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;
31. caused by flood, overland water, surface water, spray, ice or water-borne objects, all whether driven by wind or not, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
32. caused by rupture or bursting, backing up or escape of water from a sewer or drain, sump, septic tank, eaves trough or downspout, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
33. caused by seepage or leakage of water. This includes, but is not limited to, water entering through sidewalks, driveways, foundations, walls, basement or other floors or through doors, windows or any other opening; however you will still be insured if the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
34. caused by accidental discharge or overflow of water or steam from within a plumbing, heating, sprinkler or air conditioning system, domestic appliance, waterbed, aquarium, swimming pools or equipment attached and public watermains occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
35. caused by sudden or accidental bursting, tearing apart, cracking, burning or bulging due to pressure of water or steam, or lack of water or steam, in a plumbing, heating, sprinkler or air conditioning system or appliance for heating water, occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
36. to an outdoor swimming pool, outdoor hot tub or similar installation or equipment attached or a public watermain, caused by water escape, rupture or freezing;
37. caused by freezing of a plumbing, heating, sprinkler or air conditioning system or domestic appliance unless it happens within a building heated during the usual heating season and you have not been away from your premises for more than four consecutive days; however you will still be insured if:
  - a. you had arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained; or
  - b. you had shut off the water supply and had drained all the pipes and appliances; or
  - c. you have a 24 hour a day monitored building temperature alarm installed and maintained. (Any disconnection of the alarm or cancellation of the monitoring service will void this provision)

If the loss or damage occurs while your building is under construction or vacant, you would not be insured, even if permission for construction or vacancy has been given by us;
38. caused by or resulting from freezing, thawing, or pressure or weight of water, ice, snow or sleet, whether driven by wind or not, to any fence, patio, pavement, swimming pool or attached equipment, public water main, foundation, retaining wall, bulkhead, pier, wharf or dock.
39. caused by the entrance of water through any roof unless:
  - a. through an aperture concurrently and directly caused by a peril not otherwise excluded; or
  - b. due to the accumulation of ice or snow on the exterior of the roof or eaves trough.
40. caused by domestic animals and/or pets of any kind:
  - a. owned by you;
  - b. in your care, custody or control;
  - c. owned by or in the care, custody or control of anyone residing in your dwelling
41. caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government, government agency 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.

## **ADDITIONAL COVERAGES**

The following coverages are included under the Seasonal Homeowners Comprehensive Form 1010:

### **SECTION II – LIABILITY COVERAGE AMENDMENT**

The following only applies if you do not have any other insurance for your legal liability:

The insurance under Coverage E—Legal Liability—applies only to the following and not as otherwise stated:

- a. Your legal liability for Bodily Injury or Property Damage arising out of your ownership, use, or occupancy of the premises shown on the Coverage Summary page. This insurance also applies if you assume, by written contract, the legal liability of others in relation to the premises.
- b. "Watercraft Liability" as described in Coverage E, but only if "Watercraft Liability Extension" is shown on the Coverage Summary Page.

Your Legal liability for Bodily Injury or Property Damage will also extend to boat houses, boat lifts, docks, piers, wharves, and swimming rafts located elsewhere in the same resort area as the seasonal location indicated on the Declarations Page.

## **CONVICTION REWARD**

We will pay \$1,000 for information which leads to a conviction for arson, theft, robbery or burglary in connection with a fire loss to property insured by this policy. This coverage may increase the amount otherwise applicable. The \$1,000 limit will not be increased regardless of the number of people giving information.

No deductible applies to this coverage.

## **DEBRIS REMOVAL**

The single amount of insurance includes the cost of removing debris caused by loss or damage to property insured by this policy as a result of an Insured Peril. However, when the amount payable for loss or damage to property equals the single amount of insurance, we will pay up to an additional 5% of the single amount for debris removal expenses provided that the replacement of the building(s) takes place on the same site. If you must remove insured property from your premises to protect it from loss or damage, it is insured by this form 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.

## **FIRE DEPARTMENT CHARGES**

We will pay up to \$1,000 or such other amount as may be specified on the Coverage Summary page for your liability for Fire Department charges incurred when a Fire Department is called to save or protect property insured by this policy from an insured peril.

No deductible applies to this coverage.

## **FREEZER FOODS**

We insure foodstuffs up to \$2,000 in all, but only while contained in a food freezer located within the dwelling or detached private structure and only for loss by spoilage caused by an outside power failure or mechanical or electrical breakdown of the freezer unit.

This coverage limit also includes loss or damage to the freezer itself resulting from spoilage of the foods contained within.

***We do not insure loss or damage caused by:***

1. improper or faulty wrapping, packing or handling;
2. inherent or natural spoilage;

## **GUARANTEED REPLACEMENT COST (BUILDING) – FORM 0115**

If the Coverage Summary page indicates that Guaranteed Replacement Cost – Building (Form 0115) is included under Form 1010, the endorsement form will be amended to read as follows:

We agree to pay any loss under Coverage A–Dwelling Building on the basis of the following:

- a) We will pay the full cost of repairs or replacement without deduction for depreciation to a maximum of an additional 15% of the limit of insurance for Coverage A, as stated on the Coverage Summary Page.

## **CONDITIONS FOR GUARANTEED REPLACEMENT COST (BUILDING) ENDORSEMENT – FORM 0115**

- (i) This extension applies only to the building occupied by you as a private secondary or seasonal residence.
- (ii) You will maintain insurance on your building to 100% of its replacement cost based on your having presented an accurate description of your building at the time of application.
- (iii) You will advise us within 30 days of any work performed on your building which increases the estimated replacement cost of you building by \$5,000 or more.
- (iv) If any law, by-law or zoning regulation prohibits the repair or replacement of the damaged or destroyed building with similar materials or the replacement by a building of similar size, we will pay the Actual Cash Value of the damage up to the applicable amount of insurance stated on the Coverage Summary page.
- (v) You will repair, rebuild, or replace the building on the same location, with building(s) of the same occupancy constructed with material of similar quality.

Otherwise the basis of claim payment in the policy will apply as if this coverage had not been in effect.

All other terms and conditions of the policy remain unchanged.

## **INFLATION ENDORSEMENT**

During the term of this policy, we will automatically increase the limit of insurance on your Dwelling Building in the following manner:

By an amount up to but not exceeding

- 1% – 3 months after the current effective date
- 2% – 5 months after the current effective date
- 3% – 7 months after the current effective date
- 4% – 9 months after the current effective date

We will also automatically increase the limit of insurance on your Detached Private Structure, Unscheduled Personal Property and Additional Living Expense by the same proportion. On renewal date we may elect to increase the limit of insurance shown on the Declaration Page in accordance with the latest published Statistics Canada Building Construction Index and adjust the premium. If at your request, we change the limit of insurance on your Dwelling Building shown on the Declaration page, we will apply the Inflation Protection on the changed limit of insurance from the date the change is made.

## **MASTER KEY/LOCK REPAIR AND REPLACEMENT**

We will pay up to \$500 to replace or rekey, at our option, the locks on the insured premises if your keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft.

No deductible applies to this coverage.

## **OUTDOOR TREES, SHRUBS AND PLANTS**

You may apply up to 5% in all of the amount of insurance on your dwelling to trees, shrubs and plants on your premises. We will not pay more than \$250 for any one tree, shrub or plant including debris removal expenses. We insure these items against loss caused by fire, lightning, explosion, impact by aircraft or land vehicle, riot, vandalism and malicious acts as described under Insured Perils.

**We do not insure:**

- a) Lawns;
- b) Cannabis;
- c) items grown for commercial purposes;
- d) items located on undeveloped portions of your premises or more than 75 meters (250 feet) from the dwelling.

**SWIMMING POOLS DAMAGED BY WEIGHT OF ICE/SNOW/SLEET**

We will pay up to \$5,000 (per occurrence) if your swimming pool is damaged by the weight of ice, snow or sleet whether driven by wind or not.

**BASIS OF CLAIM PAYMENT**

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**WHEN COVERAGE APPLIES**

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.

**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(s) in any one occurrence.

If your claim involves personal property on which the special limits of insurance apply, the limitations apply to the losses exceeding the deductible amount.

**INSURANCE UNDER MORE THAN ONE POLICY**

If you have insurance on specifically described property your 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 rateable proportion of the loss or claim.

**SUBROGATION**

We will be entitled to assume all your rights of recovery against others and may bring action in your name to enforce these rights when we make payment or assume liability under this policy. Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

**DWELLING BUILDING AND DETACHED STRUCTURES**

If you repair or replace the damaged or destroyed building on the same location with a building of the same occupancy constructed of materials of similar quality within a reasonable time after the damage, you may choose as the basis of loss settlement either (A) or (B) below; otherwise, settlement will be as in (B).

- (A) 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.
- (B) The Actual Cash Value of the damage at the date of the occurrence.

In determining the cost of repairs or replacement under (A) or the amount payable under (B) above, we will not pay or include the increased cost of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services.

**PERSONAL PROPERTY**

We will pay the Actual Cash Value of the damage up to the applicable amount of insurance.

**ACTUAL CASH VALUE**

The 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.

**SPECIAL LIMITS ON PERSONAL PROPERTY**

Special limits of insurance apply to specific classes of Personal Property. These Special Limits may be expressed separately on individual coverages provided in this form or on other policies. These Special Limits are not cumulative and only one per specified class of personal property will be applied to each loss occurrence.

**OBsolescence**

We will not pay for increased costs that result when you cannot repair or replace your property because material or parts are unavailable, obsolete or outmoded. We will pay only the cost that would have been required if material or parts were available. We will pay on the basis of the last known cost of materials or parts.

**LOSS TO A PAIR OR SET**

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

**LOSS TO PARTS**

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



## OPTIONAL PROPERTY COVERAGES AND/OR LIMITATIONS

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

### TV / RADIO ANTENNAE FLOATER – FORM 0041

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If the Coverage Summary Page indicates Form 0041 applies, we insure your permanently mounted television and or radio antenna and attachments listed on the Coverage Summary page against all risks of direct physical loss or damage subject to the terms and conditions set out below. The word "antenna" includes satellite dish receivers.

#### LOSS OR DAMAGE NOT INSURED

**We do not insure:**

1. any property illegally acquired, imported, kept, stored or transported;
2. any property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
3. marring or scratching of any property unless caused by fire, explosion, theft or accident to a land vehicle, watercraft or aircraft.

**We do not insure loss or damage caused by or resulting from:**

4. wear, tear, deterioration, defect or mechanical breakdown;
5. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
6. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
7. electrical currents, other than lightning unless fire or explosion follows, and then only for the resulting damage;
8. any process or work being performed on the property where the damage results from such process or work;
9. earthquake;
10. flood, surface water, spray, waves, tides, tidal waves, ice or waterborne objects, all whether driven by wind or not, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or equipment attached;
11. any intentional or criminal act or failure to act by:
  - a. any person insured under this form; or
  - b. any other person at the direction of any person insured under this form.

#### SPECIAL CONDITIONS

Installation Warranty – The scheduled articles must be installed and erected by a person qualified to do the work in accordance with any by-law or manufacturers' instructions.

Any loss or damage shall not reduce the amounts of insurance provided by this floater. If, following settlement of a claim, you acquire any articles to replace those which were lost or damaged, you must tell us within 30 days.

### REPLACEMENT COST ON CONTENTS – FORM 0048

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If the Coverage Summary page indicates that Replacement Cost on Contents Form RCC2 is included, we agree to pay any loss under Coverage C – Personal Property – on the basis of Replacement Cost. As well, if it is stated that "Replacement Cost Cover" is applicable to personal property insured in the Optional Property Coverages section, we will pay for loss or damage to such property on the basis of "Replacement Cost". In both cases, it being provided that:

- (a) the property at the time of loss was usable for its original purpose;
- (b) you have repaired or replaced the property promptly;
- (c) you are the owner of the lost or damaged property.

Otherwise the basis of claim payment will apply as if this coverage had not been in effect.

**Replacement Cost coverage does not apply to:**

1. Property no longer in use for its originally intended purpose nor property, the age or historic condition of which has rendered it obsolete or unusable for the purpose for which it was originally intended;
2. Property that has not been maintained in good or workable condition;
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 liable 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.

### TENANTS RESTRICTION ENDORSEMENT – FORM 0054

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When indicated on the Coverage Summary Page there is NO coverage under the perils of Vandalism or Malicious Acts, for loss or damage caused by tenants occupying the premises.

This exclusion does not apply to the peril of fire.

### EARTHQUAKE COVERAGE – FORM 0076

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If the Coverage Summary page indicates that Form 0076 – EARTHQUAKE is included, you are insured against direct loss or damage to property insured under Building, Contents or Building and Contents, as specified, caused by Earthquake.

1. One or more earthquake shocks that occur within any consecutive one hundred and sixty-eight-hour period shall constitute a single earthquake.
2. We will pay only that part of the loss over the deductible percentage specified on the Coverage Summary page of the total amount of insurance that applies. This deductible shall apply separately to loss under Building and Contents. The deductible shall not be less than \$500, in any one loss. No other deductible applies to this optional coverage.
3. We do not insure loss or damage caused directly or indirectly by flood of any nature or tidal wave, whether or not caused by, resulting from, contributed to or aggravated by earthquake.

This coverage does not increase the amounts of insurance stated in this policy.

## LIMITED OPTIONAL LOSS SETTLEMENT – FORM 0094

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If this coverage is indicated on the Coverage Summary the optional loss settlement clause, as expressed by paragraph (A) under Dwelling Building and Detached Structures of the Basis of Claim Payment section, will not apply to loss or damage to roof surfacing of buildings caused by Windstorm or Hail.

Settlement will be based on the Actual Cash Value of the damage at the date of the occurrence per paragraph (B).

## SEWER BACK-UP ENDORSEMENT – FORM 0104

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If Sewer Back-Up Endorsement, form 0104 is shown as an additional coverage for any location, the form insuring that location is extended to insure, at that location, against direct physical loss or damage to insured property caused by the sudden and accidental backing up or escape of water or sewage within your dwelling or detached private structures on your premises through a:

1. Sewer on your premises;
2. Septic system on your premises;
3. Sump located within your dwelling or additional buildings on your premises; or
4. Drain located within or on your dwelling or additional buildings on your premises.

This coverage does not apply to loss or damage:

5. Caused directly or indirectly by flood, spray, ice or waterborne objects, all whether driven by wind or not;
6. Caused by sewer back-up if overland water directly or indirectly contributes concurrently or in any other sequence to the loss or damage;
7. Caused directly or indirectly 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;
8. Occurring while the dwelling is under construction or vacant unless we have given permission for construction or vacancy;
9. Caused directly or indirectly by backup, escape or overflow of water or sewage from sewers or drains outside your dwelling;
10. Caused directly or indirectly by continuous or repeated seepage or leakage.

These exclusions apply whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any other sequences to the occasioning of the loss or damage.

### AMOUNT OF INSURANCE

With the exception of any amount we pay for a Loss Prevention Device, the total maximum we will pay for all loss or damage from any single occurrence is the aggregate sum of the following limits as specified on your Coverage Summary page:

1. Coverage A – Dwelling Building
2. Coverage B – Detached Private Structures
3. Coverage C – Personal Property
4. Coverage D – Additional Living Expenses

Notwithstanding the total maximum limit, the amounts under Items 1 to 4 are always applied and limited separately depending on the coverage(s) that are impacted by the loss or damage from any single occurrence.

In the event for loss or damage for which coverage is provided by this endorsement, the following clauses do not apply:

1. Guaranteed Replacement Cost on Buildings
2. Single Limit of Insurance

### DEDUCTIBLE

The coverages set out in this form are subject to the terms of your policy except where modified by this form, in which case the terms of this form shall apply. All other terms of the policy to which this form applies remain unchanged.

### SEWER BACK-UP MITIGATION COVERAGE

After a sewer back-up loss that is not otherwise excluded, we will pay an additional amount up to \$1,000 for expenses incurred by you for the installation of an approved loss prevention device to protect your dwelling from the same loss occurring again. Approved loss prevention devices include, a mainline normally open back flow valve, a sump pump, a higher capacity sump pump and a back-up power system for your sump pump.

This additional coverage only applies if the loss exceeds the deductible.

### DEFINITIONS

Words and phrases in quotation marks have the following special meaning in this Extension;

“**Sewer Back-Up**” means the sudden and accidental backing up or escape of water or sewage within your dwelling or detached private structures on your premises through a:

- Sewer on your premises;
- Septic system on your premises;
- Sump located within your dwelling or additional buildings on your premises; or
- Drain located within or on your dwelling or additional buildings on your premises.

“**Single Occurrence**” means all causes or events which occur within 96 consecutive hours of the first cause or event causing loss or damage, shall be considered as one occurrence. Provided that the first cause or event occurs before policy expiration, policy termination will not interrupt the 96-hour period.

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

## DAY CARE COVERAGE – FORM 0113

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If the Coverage Summary indicates that Liability is extended to Day Care, you are insured under Coverage E – Legal Liability and Coverage F – Voluntary Medical Payments for claims made or actions brought against you for bodily injury or property damage arising out of the use of your residence premises for day care.

You are not insured for claims made or actions brought against you for bodily injury or property damage arising out of sexual molestation, corporal punishment, or physical or mental abuse inflicted upon any person by you or at your direction, by your employees or by any other person involved in any capacity in the day care enterprise.

## **GUARANTEED REPLACEMENT COST (BUILDING) – FORM 0115**

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Subject to the conditions stated below, if the Coverage Summary page indicates that Guaranteed Replacement Cost – Building (Form GRC-1) is included, we agree to pay any loss under Coverage A – Dwelling Building on the basis of the following:

- a) We will pay the full cost of repairs or replacement without deduction for depreciation even if it exceeds the limit or amount of insurance stated on the Coverage Summary page.

### **CONDITIONS**

1. This extension applies only to the building occupied by you as a principal residence.
2. You will maintain insurance on your building to 100% of its replacement cost based on your having presented an accurate description of your building at the time of application.
3. You will advise us within 30 days of any work performed on your building which increases the estimated replacement cost of your building by \$5,000 or more.
4. If any law, by-law or zoning regulation prohibits the repair or replacement of the damaged or destroyed building with similar materials or the replacement by a building of similar size, we will pay the Actual Cash Value of the damage up to the applicable amount of insurance stated on the Coverage Summary page.
5. You will repair, rebuild or replace the building on the same location, with building(s) of the same occupancy constructed with material of similar quality.

Otherwise the basis of claim payment in the policy will apply as if this coverage had not been in effect.

All other terms and conditions of the policy remain unchanged.

## **SEWER BACK-UP LIMITED FORM ENDORSEMENT – FORM 0116**

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If Sewer Back-Up Limited Form Endorsement, form 0116 is shown as an additional coverage for any location, the form insuring that location is extended to insure, at that location, against direct physical loss or damage to insured property caused by the sudden and accidental backing up or escape of water or sewage within your dwelling or detached private structures on your premises through a:

1. Sewer on your premises;
2. Septic system on your premises;
3. Sump located within your dwelling or additional buildings on your premises; or
4. Drain located within or on your dwelling or additional buildings on your premises.

This coverage does not apply to loss or damage:

1. Caused directly or indirectly by flood, spray, ice or waterborne objects, all whether driven by wind or not;
2. Caused by sewer back-up if overland water directly or indirectly contributes concurrently or in any other sequence to the loss or damage;
3. Caused directly or indirectly 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;
4. Occurring while the dwelling is under construction or vacant unless we have given permission for construction or vacancy;
5. Caused directly or indirectly by backup, escape or overflow of water or sewage from sewers or drains outside your dwelling;
6. Caused directly or indirectly by continuous or repeated seepage or leakage.

These exclusions apply whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any other sequences to the occasioning of the loss or damage.

### **AMOUNT OF INSURANCE**

The amount of insurance provided for Sewer Back-up is the amount shown on the Coverage Summary page for Sewer Back-up. With the exception of any amount we pay for a Loss Prevention Device, the total maximum we will pay for all loss or damage from any single occurrence is that stated individual amount of insurance.

### **DEDUCTIBLE**

The coverages set out in this form are subject to the terms of your policy except where modified by this form, in which case the terms of this form shall apply. All other terms of the policy to which this form applies remain unchanged.

### **SEWER BACK-UP MITIGATION COVERAGE**

After a sewer back-up loss that is not otherwise excluded, we will pay an additional amount up to \$1,000 for expenses incurred by you for the installation of an approved loss prevention device to protect your dwelling from the same loss occurring again. Approved loss prevention devices include, a mainline normally open back flow valve, a sump pump, a higher capacity sump pump and a back-up power system for your sump pump.

This additional coverage only applies if the loss exceeds the deductible.

### **DEFINITIONS**

Words and phrases in quotation marks have the following special meaning in this Extension;

**“Sewer Back-Up”** means the sudden and accidental backing up or escape of water or sewage within your dwelling or detached private structures on your premises through a:

- Sewer on your premises;
- Septic system on your premises;
- Sump located within your dwelling or additional buildings on your premises; or
- Drain located within or on your dwelling or additional buildings on your premises.

**“Single Occurrence”** means all causes or events which occur within 96 consecutive hours of the first cause or event causing loss or damage, shall be considered as one occurrence. Provided that the first cause or event occurs before policy expiration, policy termination will not interrupt the 96 hour period.

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

## **SPECIAL LIMITATIONS – FORM0118**

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It is understood and agreed that all loss or damage arising from the coverage provided by the Water Damage Extension Endorsement is subject to a \$1,000 deductible for each occurrence.

It is further understood and agreed that all such loss or damage shall be adjusted on the basis of Actual Cash Value on Personal Property and carpets (whether or not permanently installed).

## ROOF COVERING RESTRICTION CLAUSE – FORM 0119

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It is hereby understood and agreed that the roof covering of the building to which this clause is endorsed will not be covered for loss or damage caused by the perils of Windstorm or Hail.

## PERSONAL COMPUTER FLOATER – FORM 0124

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If the Coverage Summary Page indicates Form 0124 applies, we insure your Personal Computer System listed on the Coverage Summary page against all risks of direct physical loss or damage subject to the terms and conditions set out below.

- “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.

### LOSS OR DAMAGE NOT INSURED

#### **We do not insure:**

1. any property illegally acquired, imported, kept, stored or transported, or property seized or confiscated for breach of any law or by order of any public authority;
2. any property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
3. property undergoing any process, repair or operation where the damage results from such process, repair or operation, but we do insure resultant damage to other property scheduled on the Coverage Summary page;
4. the cost of gathering or assembling information or data.

#### **We do not insure loss or damage caused by or resulting from:**

5. wear, tear, deterioration, defect or mechanical breakdown;
6. birds, vermin (as defined herein), rodents or insects;
7. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
8. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
9. 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;
10. electric or magnetic injury, disturbance, or erasure of electronic recordings except by lightning;
11. electrical currents, other than lightning, which damage electrical devices or appliances. If, however, a fire results, we will pay for the fire damage.

### BASIS OF CLAIM PAYMENT

We will pay up to the amount shown for each item. Claims for loss or damage will be settled on the basis of Replacement Cost provided that:

- a. the property at time of loss was usable for its original purpose, and
- b. you have repaired or replaced the property promptly.

Otherwise the basis of claim settlement will be the Actual Cash Value at the date of the occurrence.

### SPECIAL CONDITIONS

Any loss or damage shall not reduce the amounts of insurance provided. 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 form 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 apply to this endorsement.

## VACANCY PERMIT – FORM0125

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In consideration of the additional premium indicated, if any, permission is hereby granted for the building(s) described in the Coverage Summary to be vacant or unoccupied for the period indicated. If the Coverage Summary indicates Vacancy Permit 2/3 Coverage Form, then in case of loss or damage during the term of Vacancy, the liability of the Company shall not exceed TWO-THIRDS of the amount the Company would otherwise be liable for had the property not become vacant.

Provided that during such period, the building(s) shall be under the supervision and care of some competent person, and the doors and windows shall be securely closed and all rubbish removed from the building(s); otherwise this policy is null and void.

**Warning! Please read your policy, as certain perils may not apply during vacancy or unoccupancy.**

## BUILDING BYLAWS EXTENSION – FORM 0126

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If the Coverage Summary page indicates that this coverage is included 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;
2. more than the minimum amount required to comply with any law;
3. the additional cost, unless your property is actually repaired, rebuilt or replaced on the same location.

This endorsement applies only to Coverage A: Building and B: Detached Private Structures at the location specified in the Coverage Summary.

All other terms and conditions of the policy to which this endorsement applies remain unchanged.

## MASS EVACUATION ENDORSEMENT ADDITIONAL LIVING EXPENSE – FORM 0127

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We will pay any necessary and reasonable increase in living expense incurred by you while access to your principal residence dwelling is prohibited by order of civil authority, but only when such order is given for mass evacuation as a direct result of a sudden or accidental event within Canada or the United States of America.

You are insured for a period not exceeding 30 days from the date of the order of evacuation.

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

1. flood meaning waves, tidal waves and the rising of, the breaking out or overflow of, any body of water, whether natural or manmade;
2. earthquake;
3. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution insurrection or military power;
4. nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material.

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

**Definition:** The term “civil authority” referred to in this endorsement 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 within authority under a Federal, Provincial or Territorial legislation with respect to protection of persons and property in the event of an emergency.

All other terms and conditions of the policy to which this endorsement applies remain unchanged.

## **TRAVEL TRAILER COVERAGE – FORM 0128**

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**If the Coverage Summary page specifies Form – 0128, Travel Trailer Coverage, we insure:**

1. your Travel Trailers(s) described on the Coverage Summary page for which an amount of insurance and premium are shown, and
2. contents of such trailers if the Coverage Summary page specifies an amount of insurance on contents.
3. If your personal property is insured under Coverage C of Section 1 of this policy, then “Replacement Cost Cover”, as described in the Basis of Claim Payment – Property section, will apply to the travel trailer contents insured under this coverage.

### **INSURED PERILS**

You are insured against all risks of direct physical loss or damage from any external cause, subject to the terms and conditions set out below.

**Special Limits of Insurance:** We insure jewellery, precious and semi-precious stones, watches, fur garments and garments trimmed with fur for a maximum of 25% of the total amount of insurance for which contents coverage is written but not for more than \$500 on any one article. If your claim involves personal property on which the Special Limits of Insurance apply, the limitations apply to losses exceeding the deductible amount.

### **LOSS OR DAMAGE NOT INSURED**

**We do not insure:**

1. motorized vehicles, motors, bicycles, aircraft, watercraft or other conveyances or their furnishings, equipment or appurtenances except the insured Travel Trailer;
2. books of account, evidences of debt or title, bills, currency, money, bullion, notes, securities, letters of credit, railroad or other tickets, passports or documents;
3. contact lens, artificial teeth or limbs;
4. plants, animals, birds and fish;
5. property illegally imported, acquired, kept, stored or transported or used in any illicit or prohibited trade or transportation;
6. property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
7. property pertaining to any profession or occupation; merchandise for sale or exhibition, salesmen’s samples;
8. property while waterborne except while being transported by regular ferries;
9. property rented to others;

**We do not insure loss or damage caused by or resulting from:**

10. wear and tear, gradual deterioration, vermin (as defined herein), inherent vice, latent defect, mechanical breakdown, delay, loss of use, corrosion, rust, dampness of atmosphere, freezing or extremes of temperature;
11. property undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
12. dishonesty of persons to whom the property is entrusted. This exclusion does not apply where the person entrusted is a carrier for hire;
13. marring or scratching. This exclusion does not apply to loss or damage caused by theft;
14. electrical currents other than lightning. If loss by fire or explosion ensues, we will pay for the damage caused by fire or explosion;
15. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
16. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
17. your intentional or criminal acts;
18. damage to tires or tubes unless caused by fire or theft;
19. breakage of brittle articles unless caused by fire, theft or accident to the insured trailer(s).

### **TERRITORIAL LIMITS**

We insure the described property within the territorial limits of Canada and the continental United States of America.

## **ADDITIONAL FREEZER CONTENTS – FORM 0130**

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If the Coverage Summary page indicates that Additional Freezer Contents coverage applies, we will increase the amount of coverage provided for Food Freezer Contents under the Additional Coverage section of your policy. The limit of Food Freezer Contents coverage is increased by the amount of insurance indicated on the Coverage Summary page.

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

## **ACTUAL CASH VALUE ENDORSEMENT – FORM 0131**

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If this coverage is indicated on the Coverage Summary the optional loss settlement clause, as expressed by paragraph (A) under Dwelling Building and Detached Structures of the Basis of Claim Payment Section, will not apply.

Settlement will be based on the Actual Cash Value of the damage at the date of the occurrence per paragraph (B)

## **DEFERRED LOSS SETTLEMENT CLAUSE – FORM 0132**

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If there is loss or damage to the building by an insured peril, the Basis of Claim Payment will be as follows:

- (a) We will not pay more than 50% of the amount we would otherwise have paid if this clause had not been in effect.
- (b) If you repair or replace the damaged or destroyed building within 9 months of the date of loss, and if you replace the building on the same site or within 200 feet (65 meters) with a building designed for the same purpose for which the destroyed building was originally intended, we will, upon receipt of satisfactory evidence of your expenditures for repair or replacement, pay the remaining 50% of the loss.

Our total payment under paragraph (a) and (b) above will not exceed:

- (i) the expense you have actually incurred for repair or replacement;
- (ii) the actual cash value of the building at time of loss;
- (iii) the applicable amount of insurance; or
- (iv) your financial interest in the building,

whichever is less.

- (c) If you do not repair or replace the damaged or destroyed building within the provisions of paragraph (b) above the reduced payment you receive under the provisions of paragraph (a) shall constitute full and final settlement under this policy with respect to such loss. We will then refund one-half the premium you paid us for the insurance on the building if you request us to do so.
- (d) If you have other insurance on the building, we will pay our ratable proportion of the loss subject to this clause.

We do not pay for any loss, expense, or increased cost of repair or replacement due to the operation of any law or ordinance regulating zoning, demolition, repair or construction of buildings and their related services.

## **WATER DAMAGE EXCLUSION – FORM 0133**

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There is no coverage under this policy for loss or damage caused by the entering of water through the roof.

## **NO SOLID FUEL HEAT WARRANTY CLAUSE – FORM 0134**

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It is agreed between the Insurer and the Insured that the following shall be applicable to any building and its contents insured under this Policy which is shown on the Cover Page as being Subject to the "No Solid Fuel Heat Warranty Clause".

It is warranted by the Insured that no solid fuel heat will be used in this building during the term of this Policy and that the solid fuel heating appliance will be physically disconnected and made incapable of being used.

If this warranty is in any way disregarded, coverage afforded to this building (including any and all contents therein) shall be null and void with respect to any claim which occurs as a direct result of the use of solid fuel heat.

### **DEFINITION**

"**Solid Fuel Heat**" means the heating source is fueled in whole or in part by wood or coal and includes stoves, cook stoves, space heaters, furnaces (including combination units) and fireplaces when used for a heat source.

Except as otherwise provided, all terms, provisions and conditions of this Policy shall have full force and effect.

## **REMOVED SOLID FUEL HEAT EXCLUSION ENDORSEMENT – FORM 0135**

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### **PROPERTY EXCLUSION**

It is hereby understood and agreed that this policy excludes any loss or damage to outdoor hot water heating unit(s) on the premises, including the structure or enclosure housing the unit(s), the contents of the structure, attached piping, radiators, all other associated equipment, and the heat transfer medium (liquid). 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.

### **POLLUTION EXCLUSION**

It is hereby understood and agreed that this policy excludes any 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.

This pollution exclusion applies to outdoor hot water heating units only, and in no way does it amend any other exclusion or restriction on the policy.

## **DWELLING UNDER CONSTRUCTION ENDORSEMENT – FORM 0141**

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It is hereby understood and agreed that we insure for direct physical loss to property covered under Section 1 caused by:

1. Theft or attempted theft in or from your dwelling under construction;
2. Vandalism or malicious acts occurring while your dwelling is under construction; Loss caused by you is not covered;
3. Breakage of glass on premises that forms or is to form part of the building;
4. Collision, upset, overturn, derailment, stranding or sinking of any automobile or trailer; or any conveyance of a common carrier, in which the materials or supplies intended to form part of the building is being carried;
5. Rupture of a heating, plumbing, interior sprinkler or air conditioning system, or by escape of water from such a system, a domestic appliance, or from a swimming pool or attached equipment, or from a public water main occurring while your dwelling is under construction. Continuous or repeated seepage or leakage is not covered.

## **BUSINESS AT HOME EXTENSION – FORM 0142**

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This Extension provides you with the following coverages relating to the home based business operated by you, or a member of your family residing with you:

### **BUSINESS PROPERTY COVERAGE**

Section 1, Coverage C – Personal Property, of this policy is extended to include Business Property (including stock, equipment and tools belonging to you, or for which you are responsible), while contained in the dwelling building or locked outbuilding up to the amount specified for this Extension on the Coverage Summary page. Business Property anywhere else in Canada is covered up to a limit of \$5,000.

### **Exclusions**

Coverage on your Business Property is subject to all the limitations and exclusions listed in this Policy (except as they may be expressly modified by this endorsement).

***In addition, there is no coverage for:***

1. any furs, jewellery, precious metals or watches;
2. property you have loaned or rented to others, or have sold under a conditional sales agreement or deferred payment plan, once it has left your custody;
3. any lost business or extra expense resulting from damage by an insured peril, other than as provided separately under the Extra Expenses section of this Extension. However, under Section D – Additional Living Expenses, you can rent temporary living accommodation of sufficient size to enable you to continue to operate your home based business. The amount insured under Section D shown on the Coverage Summary Page will still apply;
4. any loss resulting from dishonesty on the part of you or any of your employees;
5. unexplained loss, mysterious disappearance, or shortage discovered when taking inventory;
6. theft of property from automobiles, trailers or other conveyances unless the theft is a result of forcible entry (of which there must be visible evidence) into a fully enclosed body or compartment which has been securely locked;
7. books of account and other records, other than the cost of blank records, plus the cost of re-entering the lost information.

**Basis of Settlement**

Losses on Stock will be paid on an “Actual Cash Value” basis; all other losses will be paid on a “Replacement Cost” basis. The terms “Actual Cash Value” and “Replacement Cost” are defined in Section 1 – Basis of Claim Payment – Property Coverages of this policy.

**Money**

At your option, the \$300. limit on money provided by this Policy can apply to money held in connection with the home based business. However, coverage provided by this Policy in respect of Credit, Debit, Cash, Bank or similar Cards, Forgery, and Counterfeit Money is expressly excluded from this Extension.

**Inflation Endorsement**

The inflation protection coverage provided by this Policy does not apply to this Extension.

**Single Limit Homeowners**

Business Property is expressly excluded from the additional provisions and enhanced Special Limits of the Single Limit Extension forming part of this policy.

**Co-Insurance**

For property on premises, we will only pay the same portion of a loss that the amount insured bears to 80% of the actual replacement value (in the case of stock, 80% of the actual cash value) of the property insured.

**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 Business Personal Property as well as non-business personal property, arising from one incident, only one deductible will apply. The Section 1, Principle Residence property deductible will also apply to business personal property.

**Extra Expense Coverage**

This Policy is extended to cover the necessary Extra Expense you incur to continue as nearly as practicable the normal conduct of your business following damage to or destruction of property insured by this Policy by the perils insured against. The most we will pay under this section is \$2,500.

**CONDITIONS**

1. The destruction or damage must occur during the term of the Policy.
2. We will pay for Extra Expense incurred during a period of twelve months from the date of the loss, or until you are able to resume normal occupancy of your residence, whichever comes first. This period shall not be limited by the expiration date of this Policy.
3. You agree to resume complete or partial business operations, and to reduce or dispense with such extra expenses as are being incurred, as soon as practicable after the loss.

**EXCLUSIONS**

This coverage is subject to all the limitations and exclusions listed in the Policy. In addition, there is no coverage for:

1. any loss of income;
2. the cost of repairing or replacing damaged property, except for cost in excess of the normal cost for such repair or replacement, incurred in order to reduce the amount of the total Extra Expense otherwise payable;
3. loss due to fines or damages due to breach of contract for late or non-completion of orders, or for any penalties;
4. loss due to suspension, lapse or cancellation of any lease or license, contract or order;
5. the cost of re-writing books of account and other records, whether hard copies or electronic data;
6. increase of loss due to delays in resumption of business caused directly or indirectly by strikers or other persons.

**LIABILITY COVERAGE**

If the Coverage Summary page shows “Liability Extended to Cover Business at Home” you are insured for:

Coverage Section II, Coverage E – Legal Liability, of this Policy is extended to include all sums which you become legally liable to pay as compensatory damages for bodily injury or property damage arising out of the operation of your home based business.

**Exclusions**

This coverage is subject to all the limitations and exclusions listed in the Policy. In addition, you are not insured for claims made against you arising from:

1. liability for bodily injury or property damage by reason of assumption of liability in a contract or agreement;
2. any obligation under a workers’ compensation, disability benefits or unemployment compensation law or any similar law;
3. bodily injury to any of your employees arising out of and in the course of employment by you, however this exclusion does not apply to employees on whose behalf contributions are made by or required to be made by the insured under the provisions of any workers’ compensation law;
4. damage to that particular part of real property on which you or any contractor or sub-contractor working directly or indirectly on your behalf is performing operations if the property damage arises out of those operations;
5. property damage to that particular part of any property that must be restored, repaired or replaced because “your work” was incorrectly performed on it, other than property damage included in the “products-completed operations hazard”;
6. property damage to “your product” arising out of it or any part of it;

7. property damage to "your work" arising out of it or any part of it and included in the "products-completed operations hazard"; however this Exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a sub-contractor;
8. property damage to "impaired property" or property that has not been physically injured, arising out of:
  - a. a defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
  - b. a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to loss of use of other property arising out of a sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use;

9. any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal, or disposal of "your product", "your work" or "impaired property" if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it;
10. bodily injury or property damage due to the rendering or failure to render any professional service. This includes but is not limited to:
  - a. the rendering or failing to render:
    - i. medical, surgical, dental, x-ray or nursing service or treatment, or the related furnishing of food or beverages;
    - ii. any health service or treatment; or
    - iii. and cosmetic or tonsorial service or treatment;
  - b. the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
  - c. the handling or treatment of dead bodies, including autopsies, organ donation or other procedures;
  - d. professional services in the practice of optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
  - e. the preparing, approving, or failing to prepare or approve maps, drawings, opinions reports, surveys, change orders, designs or specifications;
  - f. the rendering or failure to render professional architectural or engineering services including supervisory or inspection services connected therewith;
  - g. the rendering or failure to render professional accountant's, lawyer's, real estate broker's or agent's, insurance broker's or agent's, travel agent's, stock broker's or counseling services;

If it is indicated on the Coverage Summary page that Hairdressers Professional Liability is included, Paragraph (a) (iii) of this exclusion does not apply to any insured whose business is a hairdresser or barber. However, this insurance does not apply to bodily injury caused by or due to:

- i. plastic surgery, the removal or attempted removal of warts, moles or other growths;
  - ii. the use of electrolysis or any electrically operated apparatus for removal of hair;
  - iii. the application of any preparation, the use or sale of which is prohibited under any Federal, Provincial or Municipal Law;
  - iv. the use of any product before the application of which the manufacturer or distributor recommends predisposition or allergy tests or shall have used the manner other than as a result of the tests;
  - v. the use or application of any preparation, material, appliance or apparatus in connection with exercising, slenderizing or reducing services;
  - vi. body massage (other than facial massage);
  - vii. body (including ear and nose) piercing, physiotherapy or chiropody;
  - viii. the use of suntanning lamps or other irradiating devices;
  - ix. the use of electrical heat or steam baths;
11. a) "bodily injury" or "property damage" arising out of the actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of pollutants:
    - i. at or from any premises, site or location which is or was at any time, owned or occupied or rented or loaned to an insured;
    - ii. at or from any premises, site or location which is or was at any time, used by or to any insured or others for the handling, storage, disposal, processing or treatment of waste;
    - iii. which are or were at any time transported, handled, stored, treated, disposed of or processed as waste by or for any insured or any person or organization from whom the Insured may be legally responsible; or
    - iv. at or from any premises, site or location on which any Insured or contractors or subcontractors working directly or indirectly on any Insured's behalf are performing operations:
      - a. if the pollutants are brought on or to the premises, site or location in connection with such operations by such Insured, contractor or subcontractor; or
      - b. if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effect of pollutants.

Sub paragraphs (i) and (iv)(a) of paragraph 11(a) of this exclusion do not apply to "bodily Injury" or "property damage" caused by heat, smoke or fumes from a fire which becomes uncontrollable or breaks out from where it was intended to be.

- b) any loss, cost or expense arising out of any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, heat, detoxify, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effect of pollutants, unless such loss, cost or expense is consequent upon "bodily Injury" or "property damage" covered by this policy.

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapours, soot, fumes, acid, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

## Definitions

Words and phrases in quotation marks have the following special meanings in this Extension;

**"Impaired Property"** means tangible property, other than your product or your work that cannot be used or is less useful because:

1. it incorporates your product or your work that is known or thought to be defective, deficient, inadequate, or dangerous; or
2. you have failed to fulfill the terms of a contract or agreement, if such property can be restored to use by:
  - a. the repair, replacement, adjustment or removal of your product or your work; or
  - b. your fulfilling the terms of the contact or agreement.

**"Occurrence"** means an accident, including continuous or repeated exposure to substantially the same harmful conditions.

**"Products-Completed Operations Hazard"** includes all bodily Injury or property damage occurring away from the premises you own or rent and arising out of your product or your work, except:

1. products that are still in your physical possession; or
2. work that has not yet been completed or abandoned.

Your work will then be deemed completed at the earliest of the following times:

1. when all of the work called for in your contract has been completed;
2. when all of the work to be done at the site has been completed if your contract calls for work at more than one site;



- when that part of work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed. This hazard does not include bodily injury or property damage arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.

**“Your Product”** means:

- any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - you; or
  - others trading under your name; or
  - a person or organization whose business or assets you have acquired; and
- containers (other than vehicles) materials, parts or equipment furnished in connection with such goods or products.

“Your Product” includes warranties or representations made at any time with respect to the fitness, quality, durability, or performance of any of the items included in 1. and 2. above.

“Your Product” does not include vending machines or other property rented to or located for the use of others but not sold.

**“Your Work”** means:

- work or operations performed by you or on your behalf; and
- materials, part and equipment furnished in connection with such work or operations.

“Your Work” includes warranties or representations made at any time in respect to the fitness, quality, durability, or performance of any of the items included in 1. or 2. above.

### **Limit of Liability**

The amount of insurance shown in the Coverage Summary page is the maximum amount we will pay under one or more sections of Coverage E for all compensatory damages in respect of one accident or occurrence or series of accidents or occurrences resulting from one cause and is the maximum amount we will pay for any number of accidents or occurrences in any one Policy Period if caused by the products-completed operations hazard.

### **Deductible**

You will pay the first \$500 of each and every claim for property damage. If more than one claim arises or results from a single occurrence, the deductible shall apply only once. The terms of the Policy, including those with respect to notice of accident or occurrence and our right to investigate, negotiate and settle any claim or suit, apply irrespective of the application of the deductible amount.

### **Territory**

This insurance applies only to occurrences taking place in Canada.

### **Coverage**

Section II, Coverage F – Voluntary Medical Payments is amended to delete the exclusion reading “your business or any business use of your premises except as specified in this Policy” as it applies to this coverage.

### **Exclusions**

This coverage is subject to all the limitations and exclusions listed in the Policy. In addition, if the bodily injury arises out of your business or any business use of your premises we will not pay medical expenses for bodily injury:

- to any insured;
- to a person hired to do work for or on behalf of any insured or a tenant of any insured;
- to a person injured on that part of premises you own or rent that the person normally occupies;
- to a person, whether or not an employee of any insured, who at the time of injury is entitled to benefits under any workers compensation or disability benefits law or a similar law;
- to a person injured while taking part in athletics;
- the payment of which is prohibited by law;
- included within the “products-completed operations hazard”;
- excluded under Coverage E, Legal Liability of the Policy and amended by this endorsement.

### **GENERAL CONDITIONS**

These conditions apply to all sections of this extension:

- “Home based business” means business that you operate out of the dwelling insured by this policy, and described in the Application you have given to us.
- You do not operate any part of your business from any other permanent location. If your business is operated in whole or in part from any location other than the insured dwelling, this insurance is invalidated.
- The coverage under this Extension replaces, and is not in addition to, any coverage for business personal property or liability relating to the home based business already provided under this Policy.

## **MOTORIZED GOLF CART ENDORSEMENT – FORM 0153**

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If the ‘Motorized Golf Cart Endorsement’ is attached to your Residential Insurance Policy coverage summary page, the following change is made to Motorized Vehicles– Vehicles You Own under Special Limitations in Section II Liability Coverage of the policy: Item 2, ‘motorized golf carts while in use of a golf course’ is amended to ‘motorized golf carts while in use on or in a golf course, private mobile home park, gated community, trailer park, retirement home park or recreational vehicle park and/or private camp ground’ and while operating primarily off public roads.

Or

If the ‘Motorized Golf Cart Endorsement’ is attached to your Agricultural Business Protection Policy coverage summary page, the following change is made to 9. Motorized Vehicle Liability (a) Vehicles You Own: item 4, ‘motorized golf carts while on the insured premises or while used for golfing purposes’ is amended to ‘motorized golf carts while in use on or in a golf course, on the insured premises, private mobile home park, gated community, trailer park, retirement home park or recreational vehicle park and/or private camp ground’ and while operating primarily off public roads.

We do not insure loss or damage when this endorsement is attached to a Residential Insurance Policy or an Agricultural Business Protection Policy:

- When the motorized golf cart is operated by anyone without a valid driver’s licence issued by the Province or equivalent licence for out of Province residents.

2. For any bodily injury or property damage arising out of the ownership, use or operation of the motorized golf cart if convicted for an offence related to consumption of alcohol or drugs, or having over 80 mg of alcohol in the blood.
3. When the motorized golf cart is used without permission of the insured.
4. Caused by motorized golf carts with off-factory modified engines or golf carts with maximum rated speed in excess of 40 km per hour.
5. if the vehicle is subject to motor vehicle registration and/or is designed for use on public roads.

All other terms, conditions, provisions, definitions and exclusions of the policy to which this endorsement applies remain unchanged.

## OVERLAND WATER ENDORSEMENT – FORM 0180

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If Overland Water Endorsement, form 0180 is shown as an additional coverage for any location, the form insuring that location is extended to insure, at that location, against:

1. Direct physical loss or damage caused by overland water from any single occurrence;
2. Direct physical loss or damage caused by sewer back-up if overland water directly or indirectly contributes concurrently or in any other sequence to the loss or damage;
3. Direct physical loss or damage caused by the sudden and accidental entrance of water that enters your dwelling or detached private structures on your premises through a point at or above the surface of the ground;
4. Direct physical loss or damage caused by sewer back-up if water enters your dwelling or detached private structures through a point at or above the surface of the ground and directly or indirectly contributes concurrently or in any other sequence to the loss or damage;
5. For Mass Evacuation Additional Living Expense, as defined in your policy, provided the evacuation is a direct result of overland water.

This coverage does not apply to loss or damage:

1. Caused directly or indirectly by flood, spray, ice or waterborne objects, all whether driven by wind or not;
2. Caused directly or indirectly by ground water or rising of the water table;
3. Caused directly or indirectly by the escape of water resulting from the intentional breach of any man made structure constructed for the purpose of holding back, containing or controlling any body of water. These structures include but are not limited to dams, dikes or levees;
4. Caused directly or indirectly by landslide or any other earth movement;
5. Occurring while the dwelling is under construction or vacant unless we have given permission for construction or vacancy;
6. Caused directly or indirectly by continuous or repeated seepage or leakage.

These exclusions apply whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any other sequences to the occasioning of the loss or damage.

## AMOUNT OF INSURANCE

The amount of insurance provided for Overland Water is the amount shown on the Coverage Summary page for Overland Water. The total maximum we will pay for all loss or damage from any single occurrence is that stated individual amount of insurance.

## DEDUCTIBLE

The coverages set out in this form are subject to the terms of your policy except where modified by this form, in which case the terms of this form shall apply. All other terms of the policy to which this form applies remain unchanged.

## DEFINITIONS

Words and phrases in quotation marks have the following special meaning in this Extension;

**“Sewer Back-Up”** means the sudden and accidental backing up or escape of water or sewage within your dwelling or detached private structures on your premises through a:

- Sewer on your premises;
- Septic system on your premises;
- Sump located within your dwelling or additional buildings on your premises; or
- Drain located within or on your dwelling or additional buildings on your premises.

**“Single Occurrence”** means all causes or events which occur within 168 consecutive hours of the first cause or event causing loss or damage, shall be considered as one occurrence. Provided that the first cause or event occurs before policy expiration, policy termination will not interrupt the 168-hour period.

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

## ROOF SURFACE – BASIS OF SETTLEMENT – FORM 0300

It is understood and agreed that under Basis of Claim Settlement, we will settle losses to:

- The roof(s) of the building(s) or outbuilding(s) insured by this policy caused by windstorm, hail or weight of ice and/or snow, on the basis of Depreciated Replacement Cost up to the limits of your coverage as shown on the Coverage Summary Page.

Roof includes, but is not limited to, roof coverings and materials, roof assembly, eavestroughs, gutters, fascia, downspouts, vents and flashing.

**Depreciated Replacement Cost** means the cost, including labour, on the date of the loss or damage, of the lesser of:

- Repairing the insured property with materials of similar kind, quality and usefulness; or,
- Replacing with new materials of similar kind, quality and usefulness.

Both options are subject to a deduction for depreciation based on the following chart:

ROOFING MATERIAL	DEPRECIATION DURING FIRST 5 YEARS	ANNUAL DEPRECIATION % AFTER YEAR 5	MAXIMUM DEPRECIATION %
Built-up	0%	10.00%	75%
Asphalt Composition	0%	5.00%	75%
Wood Shakes or Shingles	0%	4.00%	75%
Membrane	0%	3.00%	75%
Metal, Tile, Rubber or Slate	0%	2.00%	75%
Other	0%	5.00%	75%
Gutters, Fascia, Downspouts, Vents and Flashing	0%	4.00%	75%

This endorsement will not apply in the event of a total loss to a building subject to Coverage A.

All other limits, terms, conditions, provisions, definitions and exclusions shall have full force and effect.

## ENHANCED SPECIAL LIMITS ENDORSEMENT – FORM 0401

If the Coverage Summary indicates Enhanced Special Limits Endorsement is included, your policy is subject to the following enhancements:

**The Insuring Agreement for Coverage C – Personal Property for both Broad Form and Comprehensive Form, Principal Residence riders is enhanced with the following amendments:**

Motorized golf carts are considered as covered motorized vehicles by adding “motorized golf carts” after “snow blowers” in the third paragraph of Coverage 1.

**The Special Limits of Insurance Under Coverage C – Personal Property are increased as follows:**

1. Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$5,000 while on your premises and \$2,500 while off your premises. This applied to all items whether used in whole or in part for business, professional or occupational purposes. Other business property, including samples and goods held for sale, is not insured.
2. Securities and memorabilia collections (such as sports cards or comic books) up to \$6,000 in all.
3. Money or Bullion, gold other than goldware, silver other than silverware and platinum up to \$1,000 in all.
4. Watercraft, their furnishings, equipment, accessories and motors up to \$5,000 in all.
5. Jewellery, watches, gems, fur garments and garments trimmed with fur up to \$6,000 in all.
6. Manuscripts, stamps and philatelic property (such as stamp collections) up to \$3,000 in all.
7. The personal property of a student, insured by the policy, while at a residence away from home if the student was there at any time during the 45 days before any loss up to \$20,000 in all.
8. Motorized lawn mowers, other motorized garden equipment, garden tractors and their attachments, or snow blowers up to \$15,000 in all.
9. Motorized golf carts: contents limit.

**The limits provided under Additional Coverages are increased as follows:**

1. Outdoor Trees, Shrubs and Plants: The limit shown for any one tree, shrub or plant including debris removal expenses is increased to \$1,000. (Not Applicable to Tenants Packages)
2. Fire Department Charges: The limit shown is increased to \$5,000 or such other amount as may be specified on the Coverage Summary Page.
3. Food Freezer Contents: contents limit.
4. Lock Repair or Replacement: The limit shown is increased to \$1,000.
5. Credit Card, Fund Transfer Card, Forgery and Counterfeit Money: The limit shown is increased to \$10,000.

**The following is added under Additional Coverages:**

Cemetery Property/Headstones: We will pay up to \$5,000. for loss or damage caused by a Specified Peril to grave markers and mausoleums, that mark the grave of a spouse, child, parent or grandparent of an Insured.

**Section II Liability coverage limits are increased to provide as follows:**

1. Coverage F – Voluntary Medical Payments: The amount shown on the Coverage Summary Page is increased to \$5,000.
2. Coverage G – Voluntary Property Damage: The amount shown on the Coverage Summary Page is increased to \$1,000.

## RESIDENCE GLASS EXTENSION – FORM 0721

If this coverage is indicated on the Coverage Summary page we insure glass that forms part of your dwelling, seasonal dwelling, or private structure on your premises including glass in windows and doors against accidental breakage.

**We do not cover Loss or Damage:**

1. Recoverable under the policy to which this endorsement is attached.
2. Occurring while a building in which the insured glass is located under construction or vacant even if we have given permission for construction or vacancy. Seasonal unoccupancy will not be considered to be vacancy unless the unoccupancy extends beyond 12 months.
3. Caused or resulting from your intentional or criminal acts or the intentional or criminal acts of any person whose property is covered under the policy to which this endorsement is attached.

We are responsible only for the amount by which the breakage exceeds the deductible mentioned on the Coverage Summary page.

## **REDUCED GLASS DEDUCTIBLE (DWELLING BUILDING(S) ONLY) – FORM 0722**

If the Coverage Summary Page indicates Form 0722 applies, we insure glass that forms part of your dwelling or private structure on your premises, including glass in storm windows and doors against accidental breakage. We are responsible only for the amount by which the breakage exceeds the amount of the deductible shown on the Coverage Summary page.

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

## **LIABILITY INSURING AGREEMENT – FORM 0757**

### Insuring Agreement

The Insurer, in consideration of the payment of the premium, in reliance upon the statements in the Declarations made a part of this policy and subject to all the terms and conditions of this policy and the riders and endorsements attached, agrees with the Named Insured as specified in the Insuring Agreements of the riders and endorsements attached hereto.

The following Definitions, Environmental Exclusion, Nuclear Energy Liability Exclusion and Conditions apply to all Liability Riders and/or Endorsements attached to this policy except as they may be modified or supplemented by the riders and/or endorsements attached.

### Definitions

When used in this policy (including endorsements forming a part hereof):

**“automobile”** means any self-propelled land motor vehicle, trailers or semi-trailers while attached thereto or unattached (including its equipment mounted on or attached thereto) other than any of the following or their trailers, accessories and equipment:

- i) vehicles of the crawler type (other than motorized snow vehicles);
- ii) tractors (other than road transport tractors designed to haul trailers or semi-trailers), road rollers, graders, scrapers, bulldozers, paving machines and concrete mixers (other than concrete mixers of the mix-in-transit type);
- iii) other construction machinery or equipment mounted on wheels but not self-propelled while not attached to any self-propelled land motor vehicle;
- iv) self-propelled land motor vehicles used solely on the premises of the Insured;

**“bodily injury”** means bodily injury, sickness or disease sustained by any person which occurs during the policy period, including death at any time resulting therefrom.

**“completed operations hazard”** includes bodily injury or property damage arising out of operations, but only if the bodily injury or property damage occurs after such operations have been completed or abandoned and occurs away from premises owned by or rented to the Named Insured. Operations include materials, parts or equipment furnished in connection therewith. Operations shall be deemed completed at the earliest of the following times:

- i) when all operations to be performed by or on behalf of the Named Insured under the contract have been completed;
- ii) when all operations to be performed by or on behalf of the Named Insured at the site of the operations have been completed;
- iii) when the portion of the work out of which the bodily injury or property damage arises has been put to its intended use by any persons or organization other than another contractor or sub-contractor engaged in performing operations for a principal as a part of the same project.

Operations which may require further service or maintenance work, or correction, repair or replacement because of any defect or deficiency, but which are otherwise complete shall be deemed completed.

The completed operations hazard shall not include:

- i) operations in connection with the pickup and delivery of property;
- ii) the existence of tools, uninstalled equipment or abandoned or unused materials.

**“elevator”** means any hoisting or lowering device to connect floors or landings whether or not in service, and all appliances thereof, including any car, platform, shaft, hoistway, stairway, runway, power equipment and machinery, but shall not include:

- i) dumbwaiters, the floor area of which does not exceed 1 square metre (10.76 square feet), and used exclusively for carrying property;
- ii) hod or material hoists used in connection with alterations, construction or demolition operations;
- iii) inclined conveyors used exclusively for carrying property;
- iv) automobile servicing hoists.

**“incidental contract”** means any written agreement which is a lease of premises, easement agreement, agreement required by municipal ordinance, sidetrack agreement or elevator maintenance agreement.

**“insured”** means any person or organization qualifying as an Insured in the “Persons Insured” provision of the applicable coverage rider. The insurance afforded applies separately to each Insured against whom a claim is made or suit is brought.

**“Named Insured”** means the person or organization named in the Declarations of this policy.

**“Named Insured’s products”** means goods or products manufactured, sold, handled or distributed by the Named Insured or by others trading under his name, including any container thereof (other than a vehicle), but shall not include a vending machine or any property other than such container, rented to or located for use of others but not sold.

**“policy territory”** means:

- i) Canada or the United States of America, its territories or possessions, or
- ii) anywhere in the world with respect to compensatory damages because of bodily injury or property damage arising out of a product which was sold for use or consumption within the territory described in paragraph (i) above, provided suit for such compensatory damages is brought within such territory.

**“products hazard”** includes bodily injury and property damage arising out of the Named Insured’s products but only if such bodily injury or property damage occurs away from premises owned by or rented to the Named Insured and after physical possession of such products has been relinquished to others.

**“property damage”** means (1) physical injury to or destruction of tangible property which occurs during the policy period, including the loss of use thereof at any time resulting therefrom, or (2) loss of use of tangible property which has not been physically injured or destroyed provided such loss of use is caused by an accident occurring during the policy period.

## ENVIRONMENTAL LIABILITY EXCLUSION

It is agreed that this policy does not apply to bodily injury or property damage arising out of the discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or 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, release or escape is sudden and accidental.

## NUCLEAR ENERGY LIABILITY EXCLUSION

(Applicable to all coverage riders other than Comprehensive Personal Liability, Farmers Comprehensive Liability and Storekeepers Liability)

*It is agreed that this policy does not apply:*

- a) to liability imposed by or arising under the Nuclear Liability Act; nor
- b) to bodily injury or property damage with respect to which an Insured under this policy is also insured under a contract of nuclear energy liability insurance (whether the Insured is unnamed in such contract and whether or not it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability; nor
- c) to bodily injury or property damage resulting directly or indirectly from the nuclear energy hazard arising from:
  - i) the ownership, maintenance, operation or use of a nuclear facility by or on behalf of an Insured;
  - ii) the furnishing by an Insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility; and
  - iii) the possession, consumption, use, handling, disposal or transportation of fissionable substances, or of other radioactive material (except radioactive isotopes, away from a nuclear facility, which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an Insured.

*As used in this policy:*

1. The term "nuclear energy hazard" means the radioactive, toxic, explosive, or other hazardous properties of radioactive material;
2. The term "radioactive material" means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radio- active isotopes of other elements and any other substances that the Atomic Energy Control Board may, by regulation, designate as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;
3. The term "nuclear facility" means:
  - a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
  - b) any equipment or device designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (ii) processing or utilizing spent fuel, or (iii) handling, processing or packaging waste;
  - c) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium, or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
  - d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste radioactive material; and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.
4. The term "fissionable substance" means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.

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.

## CONDITIONS

### 1. Premium and Adjustment of Premiums

- a) Unless otherwise stated, the premium stated in the declarations is an estimated deposit premium only. Adjustment of premium shall be made at least annually and for this purpose the premium bases and rates shown in the declarations or in any endorsement attached hereto, shall be used in ascertaining the earned premium with respect to the specific hazards mentioned herein.
- b) In the case of any hazards existing and covered under cover- age rider(s) attached but not specified in the declarations, or in any endorsement, the earned premium with respect thereto shall be computed in accordance with the Insurer's rules, rates, rating plans and minimum premiums applicable to such hazards.
- c) Subject to the retention by the Insurer of the minimum premium provided for in the declarations, if the earned premium for this policy thus computed exceeds the estimated deposit premium paid, the Named Insured shall pay such excess to the Insurer; on the other hand, if the estimated deposit premium exceeds the earned premium, the Insurer shall return to the Named Insured such excess.
- d) The Named Insured shall maintain for each hazard hereby insured against, a record of the information necessary for premium computation on the basis stated, and shall submit such record to the Insurer at the end of the policy period and at such other times during the policy period as the Insurer may direct.

### 2. Inspection – Audit

The Named Insured shall permit the Insurer to inspect the insured premises, operations and elevators and to examine and audit the Named Insured's books and records at any time during the policy period (and any extension thereof and within one year after the termination of this policy), as far as they relate to the premium basis or the subject matter of this insurance. The Insurer assumes no responsibility and waives no rights by reason of such inspection, examination, audit or the omission thereof.

### 3. Insured's Duties in the event of Accident, Occurrence, Claim or Suit

- a) In the event of an accident or occurrence, written notice containing particulars sufficient to identify the Insured and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given promptly by or for the Insured to the Insurer or any of its authorized agents.
- b) If the claim is made or suit is brought against the Insured, the Insured shall immediately forward to the Insurer every writ, letter, document or advice received by him or his representative.
- c) The Insured shall cooperate with the Insurer and, upon the Insurer's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the Insured because of injury or damage with respect to which insurance is afforded under this policy; and the Insured shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The Insured shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expenses other than for the first aid to others at the time of accident.

#### 4. Action against Insurer

No action shall lie against the Insurer under any Insuring Agreement of this policy including the Insuring Agreement relating to "Defense – Settlement – Supplementary Payments" unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, nor until the amount of the Insured's obligation to pay shall have been finally determined either by judgment against the Insured after actual trial or by written agreement of the Insured, the claimant and the Insurer. Every action or proceeding against the Insurer shall be commenced within one year next after the date of such judgment or written agreement and not afterwards. If this policy is governed by the law of Quebec, every action or proceeding against the Insurer shall be commenced within three years from the time the right of action arises. Nothing contained in this policy shall give any person or organization any right to join the Insurer as a co-defendant in any action against the Insured to determine the Insured's liability. Bankruptcy or insolvency of the Insured or of the Insured's estate shall not relieve the Insurer of any of its obligations hereunder.

#### 5. Subrogation

In the event of any payment under this policy, the Insurer shall be subrogated to all the Insured's rights of recovery therefor 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.

#### 6. Other Insurance

The insurance afforded by this policy is primary insurance, except when stated to apply in excess of or contingent upon the absence of other insurance.

When this insurance is primary and the Insured has other insurance which is stated to be applicable to the loss on an excess or contingent basis the amounts of the Insurer's liability under this policy shall not be reduced by the existence of such other insurance. When both this insurance and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the Insurer shall not be liable under this policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

a) Contribution by Equal Shares

If all of such other valid and collectible insurance provides for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss than would be payable if each insurer contributes an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.

b) Contribution by Limits

If any of such other insurance does not provide for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss than the applicable limit of liability under this policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

#### 7. Changes

Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy or estop the Insurer from asserting any right under the terms of this policy; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy.

#### 8. Assignment

Assignment of interest under this policy shall not bind the Insurer until its consent is endorsed hereon; if, however, the Named Insured shall die or be adjudged bankrupt or insolvent within the policy period, this policy, unless cancelled, shall, if written notice be given to the Insurer within sixty days, after the date of such death or adjudication, cover the Named Insured's legal representative as the Named Insured except in the Province of Quebec where no notice is required.

#### 9. Notice

Any written notice to the Insurer may be delivered at or sent by registered mail to the agent through whom this policy was issued or to any branch of the Insurer in Canada. Written notice may be given to the Named Insured by letter personally delivered to him or by registered letter addressed to him at his last post office address notified to the Insurer; or, except in Quebec, where no address is notified and the address is not known, addressed to him at the post office of the agency, if any, from which the application was received. In this condition the expression "registered" shall mean registered within or without Canada. Notice to the first Named Insured shall constitute notice to all Insureds.

#### 10. Cancellation – Termination

- a) This policy may be terminated,
  - i. by the Insurer giving to the Named Insured 15 days written notice of termination by registered mail or personal delivery;
  - ii. by the Named Insured at any time on written request.
- b) Where the policy is terminated by the Insurer,
  - i. and where the premium is developed on other than an estimated basis, the Insurer will refund the excess of the paid premium for the time the policy has been in force, calculated pro rata; or
  - ii. where the premium is developed by an estimated basis, the Insurer will refund the excess of the premium above the premium earned, when determined.
- c) Where the policy is terminated by the Named Insured,
  - i. and where the premium is developed on other than an estimated basis, the Insurer will refund the excess of the paid premium above the short rate premium for the time the policy has been in force calculated in accordance with the short rate premium table in use by the Insurer, and except in Quebec, subject to the retention of the minimum premium, if any, provided by the policy, or
  - ii. where the premium is developed by an estimated basis, the Insurer will refund the excess of the paid premium above the premium earned, when determined, and except in Quebec, subject to the retention of the minimum premium, if any, provided by the policy.
- d) Refund of premium may be made by money, postal or express company money order or by cheque payable at par.
- e) Except in Quebec, the fifteen days mentioned above in this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.
- f) In Quebec, the Notice of Cancellation from the Insurer takes effect 15 days after receipt by the Insured at the last known address.
- g) premium adjustment may be made at the time cancellation is effected and if not then made shall be made as soon as practicable after cancellation becomes effective but payment or tender of unearned premium is not a condition of cancellation.

#### 11. Declarations

By acceptance of this policy, the Named Insured agrees that the statements in the declarations are his agreements and representations, that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between himself and the Insurer or any of its agents relating to this insurance.

# OWNERS' LANDLORDS' & TENANTS' LIABILITY COVERAGE RIDER – FORM 0765

## COVERAGE FOR DESIGNATED PREMISES AND RELATED OPERATIONS IN PROGRESS

The Insurer agrees, subject to the statements contained in the declarations of the policy and the liability declarations (both of which are herein referred to as the declarations), the liability definitions and liability insurance conditions attached to the policy and such additional declarations, exclusions, limitations, conditions and other terms of this rider, as follows:

### INSURING AGREEMENTS

#### I. Coverage A – Bodily Injury Liability

To pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay as compensatory damages because of bodily injury arising out of the ownership, maintenance or use of the insured premises and all operations necessary or incidental thereto.

#### Coverage B – Property Damage Liability

To pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay as compensatory damages because of property damage caused by accident and arising out of the ownership, maintenance or use of the insured premises and all operations necessary or incidental thereto.

#### II. Defence – Settlement – Supplementary Payments

As respects insurance afforded by this Policy, the Insurer shall:

1. defend in the name and on behalf of the Insured and at the cost of the Insurer any civil action which may at any time be brought against the Insured on account of such bodily injury or property damage but the Insurer shall have the right to make such investigation, negotiation and settlement of any claim as may be deemed expedient by the Insurer;
2. pay all premiums on bonds to release attachments for an amount not in excess of the applicable limit of liability of this Policy, all premiums on appeal bonds required in any such defended suit, but without any obligation to apply for or furnish such bonds;
3. pay all costs taxed against the Insured in any civil action defended by the Insurer and any interest accruing after entry of judgment (or, in those jurisdictions where statute prescribes interest from some other date, from such prescribed date) upon that part of the judgment which is within the limits of the Insurer's liability;
4. pay expenses incurred by the Insured for such immediate medical and surgical relief to others as shall be imperative at the time of accident;
5. pay reasonable expenses incurred by the Insured at the Insurer's request in assisting the Insured in the investigation or defense of any claim or suit, including actual loss of earnings not to exceed \$25.00 per day

The amounts so incurred except settlement of claims or suits are payable in addition to the applicable limits of liability.

#### III. Persons Insured

Each of the following is an Insured under this insurance to the extent set forth below:

1. if the Named Insured is designated in the declarations as an individual, the person so designated but only with respect to the conduct of a business of which he is the sole proprietor;
2. if the Named Insured is designated in the declarations as a partnership or joint venture, the partnership or joint venture so designated and any partner or member thereof but only with respect to his liability as such;
3. if the Named Insured is designated in the declarations as other than an individual, partnership or joint venture, the organization so designated and any executive officer, director or stockholder thereof while acting within the scope of his duties as such;
4. any person (other than an employee of the Named Insured) or organization while acting as real estate manager for the Named Insured.

This insurance does not apply to bodily injury or property damage arising out of the conduct of any partnership or joint venture of which the Insured is a partner or member and which is not designated in this policy as a Named Insured.

#### IV. Policy Territory

This insurance applies only to bodily injury or property damage which occurs within the policy territory.

### EXCLUSIONS

*This insurance does not apply to:*

- a) liability assumed by the Insured under any contract or agreement except an incidental contract, but this exclusion does not apply to a warranty of fitness or quality of the Named Insureds products with respect to consumption, handling or use thereof on the insured premises;
- b) bodily injury or property damage arising out of the ownership, maintenance, use or operation by or on behalf of the Insured of any automobile;
- c) bodily injury or property damage arising out of the ownership, maintenance, use, operation, loading or unloading by or on behalf of the Insured of any watercraft, but this exclusion does not apply to watercraft while ashore on premises owned by, rented to or controlled by the Named Insured;
- d)
  - 1) bodily injury or property damage arising out of the ownership, maintenance, use, operation, loading or unloading by or on behalf of the Insured of:
    - i. any aircraft, or
    - ii. any air cushion vehicle;
  - 2) bodily injury or property damage arising out of the ownership, existence, use or operation by or on behalf of the Insured of any premises for the purpose of an airport or aircraft landing strip and all operations necessary or incidental thereto;
- e) bodily injury to any employee of the Insured arising out of and in the course of his employment by the Insured, but this exclusion does not apply to liability assumed by the Insured under an incidental contract
- f) any obligation for which the Insured or his Insurer may be held liable under any workmen's compensation law;
- g) bodily injury caused intentionally by or at the direction of the Insured;
- h) property damage to
  - 1) property owned or occupied by or rented to the insured, or
  - 2) property used by the Insured, or
  - 3) property in the care, custody or control of the Insured or property as to which the Insured is for any purpose exercising physical control, or
  - 4) any personal property or any fixtures as the result of any work performed thereon by the Insured or anyone on his behalf,but parts (2) and (3) of this exclusion do not apply with respect to liability under a written sidetrack agreement and part (3) of this exclusion does not apply with respect to property damage (other than to elevators) arising out of the use of an elevator at premises owned by, rented to or controlled by the Named Insured;
- i) property damage to the Named Insured's products arising out of such products or any part of such products;

- j) property damage to work performed by or on behalf of the Named Insured arising out of the work or any portion thereof, or out of materials, parts or equipment furnished in connection therewith;
- k) bodily injury or property damage included within the completed operations hazard or the products hazard;
- l) bodily injury or property damage arising out of operations on or from premises (other than the insured premises) owned by, rented to or controlled by the Named Insured, or to liability assumed by the Insured under any contract or agreement relating to such premises;
- m) bodily injury or property damage arising out of structural alterations which involve changing the size of or moving buildings or other structures, new construction or demolition operations performed by or on behalf of the Named Insured;
- n) loss of use of tangible property which has not been physically injured or destroyed resulting from
  - 1) a delay in or lack of performance by or on behalf of the Named Insured of any contract or agreement, or
  - 2) the failure of the Named Insured's products or work performed by or on behalf of the Named Insured to meet the level of performance, quality, fitness or durability warranted or represented by the Named Insured;

but this exclusion does not apply to loss of use of other tangible property resulting from the sudden and accidental physical injury to or destruction of the Named Insured's products or work performed by or on behalf of the Named Insured after such products or work have been put to use by any person or organization other than an Insured;
- o) bodily injury or property damage due to war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- p) Nuclear Energy Liability—see exclusion herein;
- q) Environmental Liability—see exclusion herein.

## LIMITS OF LIABILITY

Regardless of the number of (1) Insureds under this policy, (2) persons or organizations who sustain bodily injury or property damage, or (3) claims made or suits brought on account of bodily injury or property damage, the Insurer's liability is limited as follows:

### 1. Limits of Liability – Coverage A

The limit of bodily injury liability stated in the schedule as applicable to "each person" is the limit of the Insurer's liability for all compensatory damages, including compensatory damages for care and loss of services, arising out of bodily injury sustained by one person in any one occurrence; the limit of such liability stated in the schedule as applicable to "each occurrence" is, subject to the above provision respecting each person, the total limit of the Insurer's liability for all compensatory damages, including compensatory damages for care and loss of services, arising out of bodily injury sustained by two or more persons in any one occurrence.

### 2. Limits of Liability – Coverage B

The limit of property damage liability stated in the schedule as applicable to "each accident" is the total limit of the Insurer's liability for all compensatory damages arising out of property damage, as the result of any one accident, or series of accidents arising out of one event.

### 3. Limits of Liability – Coverages A & B

The inclusive limit of liability stated in the schedule as applicable to "bodily injury each occurrence property damage each accident" is the total limit of the Insurer's liability under Coverages A or B or Coverages A and B combined for all compensatory damages, including compensatory damages for care and loss of services, arising out of bodily injury in any one occurrence or property damage as a result of any one accident or series of accidents arising out of one event.

- 4. For the purpose of determining the limit of the Insurer's liability, all bodily injury arising out of continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one occurrence.

## ADDITIONAL DEFINITION

When used in reference to this insurance (including endorsements forming a part of the policy):

"insured premises" means (1) the premises designated in the schedule, and (2) premises as to which the Named Insured acquires ownership or control provided the Named Insured notifies the Insurer within 30 days following the effective date of such acquisition, but the insurance with respect to the newly acquired premises does not apply to any loss against which the named Insured has other valid and collectible insurance, and includes the ways immediately adjoining such premises.

## DESCRIPTION OF TERMS USED FOR PREMIUM BASES

- 1. "Area" means the square footage of the buildings to be insured excluding that portion of the basement used exclusively for storage or that portion of the premises used for heating or air conditioning plant purposes.
- 2. "Receipts" means the gross amount of money charged by the Named Insured for such operations as are rated on a receipts basis during the policy period.
- 3. "Remuneration" means the total earnings during the policy period for each owner, partner, executive officer or employee.

## AMENDATORY ENDORSEMENT

This endorsement modifies such insurance as is afforded by the policy relating to the following coverage riders:

Comprehensive General Liability, Storekeepers Liability, Owners' Landlords' and Tenants' Liability.

### 1. Definition – Products and Completed Operations Hazards

Products and Completed Operations Hazards shall be defined as follows:

- a. the consumption, handling or use of or the existence by any condition in goods or products manufactured, handled or distributed by the Insured which have passed into possession of others, after removal from premises owned, rented or controlled by the Insured, or
- b. construction, installation, service or repair operations for others away from premises owned, rented or controlled by the Insured, after such operations have been completed or abandoned, provided operations shall not be deemed incomplete because improperly or defectively performed or because further operations may be required pursuant to a service or maintenance agreement.

### 2. Amended – Environmental Liability Exclusion (Pollution Exclusion)

It is agreed that the exclusion relating to the dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants is replaced by the following:

- 1) bodily injury or property damage arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants;
  - a) at or from premises owned, rented or occupied by the Insured;
  - b) ii. at or from any site or location used by or for the Insured or others for the handling, storage, disposal, processing or treatment of waste;
  - c) iii. which are at any time transported, handled, stored, treated disposed of, or processed as waste by or for the Insured or any person or organization for whom the Insured may be legally responsible; or
  - d) iv. at or from any site or location on which the Insured or any contractors or subcontractors working directly or indirectly on behalf of the Insured are performing operations; or
    - i) v. if the pollutants are brought on or to the site or location in connection with such operations; or



- ii) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize the pollutants.
- 2) any loss, cost or expense arising out of any governmental direction or request that the Insured test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.
- 3) fines, penalties, punitive or exemplary damages arising directly or indirectly out of the discharge, dispersal, release or escape of any pollutants.

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

### 3. Additional Exclusion – Alcoholic Beverage Exclusion

This insurance does not apply to bodily injury or property damage for which the Insured may be held liable by reason of:

- 1) causing or contributing to the intoxication of any person;
- 2) the furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- 3) any statute ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if the insured is in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

### 4. Additional Exclusion – Professional Liability Exclusions

- A) This insurance does not apply to bodily injury or property damage due to the rendering of or failure to render any professional service.
- B) This insurance does not apply to bodily injury or property damage due to the rendering of or failure to render any cosmetic, ear piercing, tonsorial, massage, physiotherapy, chiropody, hearing aid, optical or optometrical service or treatments.
- C) This insurance does not apply to bodily injury or property damage due to:
  - a) the rendering of or failure to render
    - 1) medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith, or
    - 2) any service or treatment conducive to health or of a professional nature, or
    - 3) any cosmetic or tonsorial service or treatment;
  - b) the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
  - c) the handling of deceased human bodies or performing of autopsies thereon.
- D) This insurance does not apply to bodily injury or property damage arising out of any professional services performed by or for the Named Insured, including (i) the preparation of approval of maps, plans, opinions, reports, surveys, designs or specifications, or (ii) supervisory, inspection or engineering services.

### 5. Property Damage Deductible Endorsement (Per Accident Basis)

Amount of Deductible: As indicated in the Policy Declarations.

***It is agreed that:***

- 1. The Insurer's obligation under the Property Damage Liability coverage to pay compensatory damages on behalf of the Insured applies only to the amount of compensatory damages in excess of the deductible amount stated above.
- 2. The deductible amount applies to all compensatory damages because of property damage as the result of any one accident.
- 3. The terms of the policy, including those with respect to (a) the Insurer's rights and duties with respect to the defence of suits and (b) the Insured's duties in the event of an accident apply irrespective of the application of the deductible amount.
- 4. The Insurer may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the Named Insured shall promptly reimburse the Insurer for such part of the deductible amount as has been paid by the Insurer.

All terms and conditions of the policy to which this endorsement is attached remain unchanged except as herein provided.

## PERSONAL ARTICLES FLOATER – FORM 7800

If the Coverage Summary Page indicates form 7800 applies, we insure your Personal Articles listed on the Supplementary Schedule against all risks of direct physical loss or damage, subject to the terms and conditions below.

We will pay up to the amount shown for each item. We may elect to repair any damaged articles or replace any lost or damaged articles with another of like quality and value. If your personal property is insured under Coverage C of Section 1 of this policy, then "Replacement Cost Cover", as described in the Basis of Claim Payment – Property section, will apply to your property insured under this Floater.

Loss or Damage Not Insured

***We do not insure:***

- 1. any property illegally acquired, imported, kept, stored or transported, or property seized or confiscated for breach of any law or by order of any public authority;
- 2. any property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
- 3. any musical instrument played for a fee unless we have given our written permission.

***We do not insure loss or damage caused by or resulting from:***

- 4. wear, tear, deterioration, defect or mechanical breakdown;
- 5. birds, vermin (as defined herein), rodents or insects;
- 6. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
- 7. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- 8. electrical currents, other than lightning, which damage electrical devices or appliances. If, however, a fire results, we will pay for the fire damage;
- 9. any intentional or criminal act or failure to act by:
  - a. any person insured under this form; or
  - b. any other person at the direction of any person insured under this form.

### SPECIAL CONDITIONS

**Stamp and Coin Collections:** We will pay for loss or damage to your collection in the proportion that the amount of insurance on your collection bears to its cash market value at the time of loss. We will not pay more than \$250. on any single article of your collection. A single article means any one stamp, coin or other individual article or pair, strip, block, series, sheet, cover, frame, card or the like.

**Newly Acquired Articles:** If you acquire any additional articles of the type for which an Amount of Insurance is shown, we will automatically insure these under this coverage provided you notify us within 30 days. We will not pay more than \$5,000. under this extension.

Unless notice is given to us to the contrary, any reduction in the amount insured under any item of this Policy due to the payment of any loss or losses shall upon such payment automatically be reinstated for the balance of the term of said Policy, and an additional premium on a pro rata basis, shall on demand become payable therefore.

**Camera Deductible Clause:** Each claim for loss or damage under this coverage for cameras and their equipment shall be adjusted separately and from the amount of such loss or damage we will deduct the sum of \$25.

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

## BOAT AND MOTOR FLOATER – FORM 7802

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**If the Coverage Summary Page indicates Form 7802, we insure:**

1. the boat(s) described in the Coverage Summary Page including its permanently attached equipment (except outboard motors);
2. the motor(s) described in the Coverage Summary Page including fuel containers and electric starting equipment or controls supplied as integral equipment by the manufacturer;
3. the boat trailers(s) described in the Coverage Summary Page;
4. boat and motor accessories not included in (1) or (2) above, including life preservers/jackets/personal floatation devices, batteries, oars, oarlocks, anchors, boat/motor covers, cushions, fire extinguishers, extra gasoline tanks, horns, pumps and similar property essential for usual operation, 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. This class of equipment would be categorized under the personal property section of your policy and therefore subject to coverage terms pertinent to that section.

### INSURED PERILS

**The Coverage Summary page will describe the items to be insured and specify whether a Limited Form or All Risk Form applies.**

If the Coverage Summary page indicates the **Limited Form** is chosen, you are insured against loss or damage to the insured property directly caused by the following perils;

1. Fire, lightning or explosion;
2. Theft of the entire boat and/or motor including, if stolen therewith, property described as equipment in the Schedule of Property Insured;
3. Collision while afloat with any other vessel or object but, excluding loss or damage directly or indirectly caused by windstorm or flood, unless the boat is occupied at the time of loss or damage. Contact with the river, lake or sea bed shall not be considered to be a collision;
4. Impact by any vehicle or aircraft or object falling there from;
5. The collision, derailment or overturn of any land conveyance on which the insured property is being transported.

If the Coverage Summary page indicates the **All Risk Form** is chosen, you are insured against all risks of direct physical loss or damage from any external cause.

Both the **Limited** and **All Risks** forms are subject to the exclusions, terms and conditions set out below.

### LOSS OR DAMAGE NOT INSURED

**We do not insure:**

1. any property illegally acquired, imported, kept, stored or transported;
2. any property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
3. loss or damage to electrical apparatus caused by electricity other than lightning. If fire ensues, we will pay for the damage caused by the fire;
4. any property used outside the territorial limits as described in the Definitions Section of this Form.

**Loss or damage to any watercraft, outboard motors, boating equipment or boat trailers caused by or resulting from:**

5. wear and tear, gradual deterioration (including gradual loss or damage by any form of marine life), mechanical defects or breakdown, marring, (scratching, denting, chipping unless caused by theft or attempted theft), electrolysis, rust, corrosion, dampness or dryness of atmosphere or weathering, dry rot, fungi, spores or bacteria;
6. birds, vermin (as defined herein), rodents or insects;
7. any repairing, adjusting, servicing, maintenance operation, or while any work is being performed or if the loss is due to electrical currents, except lightning. Should fire or explosion ensue we will insure your loss, but only for the loss due to the fire or explosion;
8. ice, freezing, or extremes of temperature;
9. any watercraft or equipment illegally acquired by the insured or kept or seized or confiscated by an order of a public authority or as a result of a violation of any law;
10. any illicit or prohibited/illegal trade or transportation;
11. intentional or criminal acts of others who borrow or use your watercraft;
12. any intentional or criminal act or failure to act by;
  - a. any person insured under this form, or;
  - b. any person at the direction of any person insured under this form;
13. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
14. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive materials;
15. the inability of the operator to maintain proper control of the watercraft while under the influence of intoxicating and/or illegal substances, and/or medications indicating restrictions pertaining to the operation of transportation devices or machinery.
16. We do not insure any property while it is:
  - a. rented or leased to others;
  - b. used to carry passengers for compensation, or;
  - c. being operated in any race, speed contest, speed test, except for sailboats in non-professional races organized by a yacht club of which you are a member.
17. dishonesty of persons to whom the insured property is entrusted, except carriers for hire;
18. We do not insure any property not being operated in accordance with the Canada Shipping Act regulations governing age and horsepower restrictions and operator competency requirements.

### BASIS OF CLAIM PAYMENT

In the event of loss to watercraft, outboard motors, boating equipment and boat trailers we agree to pay on the basis of replacement cost, **up to the amount(s) of insurance shown on your Coverage Summary page.**

At the time of loss, we have the right to pay the cost of repairs or replacement (which ever is lower), with new property of similar kind, quality, and usefulness, without deduction for depreciation.

**We will not pay more than the Actual Cash Value in the event of loss to watercraft, outboard motors, boating equipment and boat trailers;**

1. if the damaged watercraft, outboard motor, boating equipment or boat trailer was more than 10 model years old at the beginning of the policy term;
2. if the damaged watercraft, outboard motor, boating equipment or boat trailer was not in proper working condition immediately before the loss;
3. if the watercraft, outboard motor, boating equipment or boat trailer was no longer used for its originally intended purpose;

4. unless repair or replacement is effected as soon as reasonably possible for boats &/or motors that qualify for replacement cost, and in no event more than one year after the date of loss.
5. should the Coverage Summary page indicate an ACV settlement clause pertaining to any of the watercraft, outboard motor, boating equipment or boat trailer as endorsed by our underwriting department.

## GENERAL CONDITIONS, DEFINITIONS & EXTENSIONS OF COVERAGE

**Actual Cash Value:** means the cost at the time of loss to repair or replace property after applying a depreciation factor. In determining depreciation we will consider the condition immediately before the damage, the age, the resale value, obsolescence, the normal life expectancy of the property, or other factors deemed appropriate 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.

**Territory:** The insurance covers only within the limits of Canada and Continental United States (excludes Alaska and Hawaii), unless otherwise endorsed hereon.

**Newly Acquired Equipment:** If you acquire any additional watercraft, outboard motors, boat trailers or miscellaneous equipment while this coverage is in effect, we will automatically insure it provided you tell us within 30 days of acquisition. We will not pay more than the amount(s) of insurance shown on your Coverage Summary page plus 25%. This extension only applies to newly acquired watercraft of a type already insured under this coverage and which meets our underwriting requirements. We'll adjust your premium on a pro-rata basis from the date of the acquisition.

**Loss of Use:** If an insured peril causes your boat or motor to become unfit for use, we will reimburse your expenses to a total of \$500 per occurrence for the rental of a substitute boat or motor.

**Minimum Retained Premium:** Any return premium due you shall be subject to retention by us of a Minimum Premium equivalent to 75% of the premium charged for the form.

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

## FOOD FREEZER FLOATER – FORM 7805

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If the Coverage Summary Page indicates Form 7805 applies, we insure up to the amount specified on the Coverage Summary page or up to \$1,000 in all on:

1. food freezer(s) on your premises against all risks of direct physical loss or damage;
2. frozen foods against spoilage caused by power failure or mechanical breakdown of the food freezer(s) on your premises.

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

### LOSS OR DAMAGE NOT INSURED

***We do not insure loss or damage:***

1. to the insured freezer(s) caused by or resulting from wear and tear, gradual deterioration, inherent vice, latent defect, mechanical breakdown, dampness of atmosphere, vermin (as defined herein), insects, rust, corrosion, mould, marring or scratching;
2. to insured food caused by:
  - a. improper or faulty wrapping, packing or handling;
  - b. inherent vice or natural spoilage;
3. caused by or resulting from your intentional or criminal acts.

Settlement will not include any expenses incurred in the acquisition of frozen food.

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

## SPORTS EQUIPMENT FLOATER – FORM 7810

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If the Coverage Summary Page indicates Form 7810 applies, we insure your Sports Equipment listed on the Coverage Summary page against all risks of direct physical loss or damage, subject to the terms and conditions set out below.

If your personal property is insured under Coverage C of Section 1 of this policy, then "Replacement Cost Cover", as described in the Basis of Claim Payment – Property section, will apply to your property insured under this Floater.

### LOSS OR DAMAGE NOT INSURED

***We do not insure:***

1. any property illegally acquired, imported, kept, stored or transported, or property seized or confiscated for breach of any law or by order of any public authority;
2. any property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
3. loss or damage to tires or tubes unless co-incident with other loss or damage insured under this floater.

***We do not insure loss or damage caused by or resulting from:***

4. wear, tear, deterioration, defect or mechanical breakdown;
5. birds, vermin (as defined herein), rodents or insects;
6. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
7. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
8. any intentional or criminal act or failure to act by:
  - a. any person insured under this form; or
  - b. any other person at the direction of any person insured under this form;
9. dampness or dryness of atmosphere, extremes or changes of temperature, heating, shrinking, breakage of glass or similar fragile materials, marring, scratching, denting, tearing, rust or corrosion, exposure to light or change in colour or finish;
10. breakage while in use;
11. property undergoing any process or while being worked on, where the damage results from such process or work, but the resulting damage to other property is insured.

### SPECIAL CONDITIONS

**Newly Acquired Articles:** If you acquire any additional sports equipment, we will automatically insure these provided you tell us within 15 days of acquisition. Under this extension we will not pay more than 25% of the total amount of insurance provided by this form.

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

## BICYCLE FLOATER – FORM 7812

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### PROPERTY INSURED

We insure only your bicycles that are specifically described in the Coverage Summary Page.

If your personal property is insured under Coverage C of Section 1 of this policy, then "Replacement Cost Cover", as described in the Basis of Claim Payment – Property section, will apply to your property insured under this Floater.

### PROPERTY NOT INSURED

***We do not insure any property:***

1. used as a public or livery conveyance for carrying passengers for compensation;
2. while rented to others;
3. while operated in any official race or speed test;
4. illegally acquired, kept, stored or transported or property subject to forfeiture;
5. lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;

### INSURED PERILS

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

### LOSS OR DAMAGE NOT INSURED

***We do not insure loss or damage caused by or resulting from:***

1. dishonesty of persons to whom the insured property is entrusted. This exclusion does not apply where the person entrusted is a carrier for hire;
2. wear and tear, gradual deterioration, latent defect or inherent vice;
3. mechanical breakdown;
4. marring and scratching, rust or corrosion, extremes of temperature, condensation, dampness of atmosphere, wet or dry rot, mould or contamination;
5. the cost of making good faulty material or workmanship;
6. personal property undergoing any process or being worked on where damage results from such process or work;
7. birds, raccoons, vermin (as defined herein), rodents or insects;
8. any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
9. by contamination by radioactive material;
10. war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
11. your intentional or criminal acts;
12. loss or damage resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud.

### 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.

## FINE ARTS FLOATER – FORM 7814

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If the Coverage Summary page indicates Form 7814 applies, we insure your fine arts listed on the Coverage Summary page against all risks of direct loss or damage subject to the terms and conditions set out below. We will pay up to the amount shown for each item. We insure the fine arts listed at the locations specified, unless the Floater coverage is indicated.

If the Floater cover is indicated, coverage will apply while in transit, or exhibition elsewhere within the Territorial Limits of Canada and the Continental United States, excluding the premises of Fairgrounds or any National or International exposition.

### LOSS OR DAMAGE NOT INSURED

***We do not insure:***

- a) property illegally imported, acquired, kept, stored or transported;
- b) property seized or confiscated unless such property is destroyed to prevent the spread of fire;
- c) breakage of fragile articles unless caused by fire, earthquake, explosion, falling object striking the exterior of a building, flood, impact by aircraft or land vehicle, lightning, riot, smoke, vandalism of malicious acts, windstorm or hail, or by accident to land vehicle, watercraft or aircraft or by theft or attempted theft.

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

***We do not insure loss or damage caused by or resulting from:***

1. wear and tear, deterioration, defect or mechanical breakdown;
2. birds, vermin (as defined herein), rodents or insects;
3. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
4. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
5. any intentional or criminal act or failure to act by:
  - a. any person insured under this form; or
  - b. any other person at the direction of any person insured under this form;
6. any process or work being performed on your fine arts.

### SPECIAL CONDITIONS

**Newly Acquired Articles:** If you acquire any additional fine arts, we will automatically insure these 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 floater.

**Packing and Unpacking:** The fine arts must be packed and unpacked by competent packers.

**Agreed Value:** If the Coverage Summary Page indicates "Agreed Value" for an insured item, it means we have agreed that the amount of insurance shown for that item is its Actual Cash Value.

Any loss or damage shall not reduce the amounts of insurance provided by this floater. 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.

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

## UNREGISTERED/UNLICENSED VEHICLE FLOATER – FORM 7820

### ALL RISK

#### 1. PROPERTY INSURED

This policy insures equipment as described herein, the property of the Insured or any member of the Insured's family permanently residing with the Insured, for not exceeding the limit expressed for each of the following units:

ITEM NO.	DESCRIPTION	AMOUNT OF INSURANCE
	AS STATED IN THE DECLARATIONS	
	Total	\$

It is understood and agreed that the Insurer will not be liable if the vehicle is registered or licensed under the Off-Road Vehicle Act or the Highway Traffic Act, or is being operated in contravention of either Act.

#### Deductible Clause

The Insurer is liable only for the amount by which the loss or damage caused by any of the perils insured against under this policy exceeds \$100 in any one occurrence.

#### 2. TERRITORIAL LIMITS

The insured property is covered anywhere within the territorial limits of Canada and the Continental United States of America.

#### 3. PERILS INSURED

This Policy insures against all risks of direct physical loss or damage except as herein provided.

#### 4. PERILS EXCLUDED

*This Policy does not insure against:*

- a) Loss or damage caused (1) by any process of refinishing, renovating, or repairing; (2) by dampness of atmosphere and or extremes of temperature; (3) by moths, vermin (as defined herein), wear and tear, gradual deterioration, inherent defect or faulty manufacture;
- b) Marring, scratching, tearing or denting unless caused by fire, lightning, theft or the collision or upset of a transporting conveyance;
- c) Infidelity of Insured's employees or persons to whom the insured property may be entrusted or rented;
- d) Loss or damage due to breakage of fishing or skiing equipment while in use;
- e) Loss or damage caused by or resulting from
  - I. hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack, (a) by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval, or air forces; or (b) by military, naval or air forces; or (c) by an agent of any such government, power, authority or forces,
  - II. any weapon of war employing atomic fission or radioactive force whether in time of peace or war;
  - III. insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence, seizure or destruction under quarantine or customs regulations confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.
- f) Loss or damage caused by contamination by radioactive material.

#### 5. CO-INSURANCE

The Insurer shall be liable in the event of loss for no greater proportion thereof than the amount insured bears to the actual cash value of the property insured hereunder at the time when such loss shall happen. This condition shall apply separately to each item insured.

#### 6. OTHER INSURANCE

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

## RENT OR RENTAL VALUE ENDORSEMENT – FORM 7829

#### 1. INDEMNITY AGREEMENT

This Form insures, up to the amount in the Declarations, the rent and rental value of the described building(s) and additions and extensions communicating and in contact therewith.

#### 2. 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 untenable solely and directly due to destruction or damage by the perils insured against to the described building(s), less charges and expenses which do not necessarily continue during the period the building(s) is so untenable, 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 as has been destroyed or damaged, commencing with the date of such destruction or damage and limited to a

period of 12 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 untenable.

### **3. CO-INSURANCE**

The Insured shall maintain insurance concurrent in form, range and wording with this insurance to the extent of at least the percentage stated in the Declarations of the annual "gross rent and rental value" herein defined of the described building(s) and that failing to do so, the Insured shall only be entitled to recover that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.

### **4. INTERRUPTION BY CIVIL AUTHORITY**

This form is extended to include the actual loss as insured 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.

### **5. ADDITIONAL EXCLUSIONS**

*The Insurer shall not be liable for:*

- a. any increase of loss directly or indirectly, proximately or remotely, resulting from, or contributed to by, the operation of any by-law, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures unless the liability is otherwise specifically assumed by endorsement hereon;
- b. any increase of loss caused by delays or loss of time due to the presence of strikers or other persons or to labour disturbances on or about the premises interfering with the rebuilding, repairing or replacing the property damaged or destroyed or the resumption or continuation of business or free access to or control of the premises or due to the action of sympathetic strikers elsewhere;
- c. loss due to the suspension, lapse or cancellation of any lease or license, contract or order, which may affect the Insured's "gross rent and rental value" after the period following any loss during which indemnity is payable.

### **6. WAIVER OF TERM OR CONDITION**

No term or condition of this Policy shall be deemed to be waived by the 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 Policy 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.

### **7. DEFINITIONS**

"Gross Rent and Rental Value" is defined as the sum of;

- (a) the actual total annual gross rent or rental value of the occupied portion(s) of the building(s),
- (b) the estimated annual rental value of the unoccupied portion(s) of the building(s), and
- (c) a fair rental value of the proportion(s), if any, of the building(s) occupied by the Insured.

All other terms and conditions of this Policy remain unchanged.

## **ENDORSEMENTS 90 TO 99**

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Coverage may be limited or restricted by Endorsements 90 to 99 as described on the Coverage Summary page.

# SECTION II – LIABILITY COVERAGE

## ADDITIONAL DEFINITIONS APPLICABLE TO SECTION II

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As used in this section:

1. **“You” or “Your” and “Insured”** also means:
  - (a) 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.
  - (b) 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;
  - (c) 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.
  - (d) any person who is insured by this form at the time of your death and who continues residing on the insured premises;
  - (e) 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;
  - (f) if you are an organization other than a partnership or joint venture, your executive officers, directors or shareholders, while acting within the scope of their duties as such with respect to the conduct of your agricultural operations;
  - (g) any person or organization named on the Coverage Summary Page as an “additional insured”.
2. **“Farm Employee”** means a person employed by you to perform duties principally connected with your agricultural activities outside of your dwelling.
3. **“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.
4. **“Business”** means any activity or pursuit undertaken for financial gain including a trade, profession or occupation, but does not include farming or agricultural activity.
5. **“Bodily Injury”** means bodily injury, sickness or disease or resulting death.
6. **“Property Damage”** means physical injury to, or destruction of tangible property, including resulting loss of use of this property.
7. **“Occurrence”** means an accident, including continuous and repeated exposure to substantially the same general harmful conditions.
8. **“Insured Premises”** means:
  - (a) residential or agriculture premises at the location(s) shown on the Coverage Summary Page;
  - (b) other agricultural land 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;
  - (c) individual or family cemetery plots or burial vaults;
  - (d) vacant land you own or rent, excluding agricultural land;
  - (e) land where an independent contractor is building a one or two family residence to be occupied by you;
  - (f) 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.
9. **“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.
10. **“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.

## DECLARATIONS

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Unless stated on the Coverage Summary Page or Supplementary Schedule it is understood and agreed:

- (a) you own no Residence Premises other than the Principal Residence maintained by you;
- (b) you own no watercraft
  - (i) equipped with an outboard motor rated more than 25 h.p. (19kW) or
  - (ii) equipped with an inboard or inboard/outboard motor rated more than 50 h.p. (38kW) or
  - (iii) of any other type over 26 feet (8m) in overall length;
- (c) you do not engage in custom farming including spraying for others;
- (d) no business or occupational pursuits are conducted on the premises other than farming or agricultural activity;
- (e) there are no permanent residence employees.

## COVERAGES E, F, G AND H

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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

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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.

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

- (i) persons insured;
- (ii) claims made or actions brought; or
- (iii) 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.

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.

Subject to all Exclusions and Conditions of this policy, **you are insured for 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.
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 residential premises or their contents which you are using, renting or have in your custody or control caused by the Insured Perils as described and limited in Section I respecting your particular policy.

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;

- (i) where you assume liability for the sole negligence of the other party or parties to the contract or agreement; or
- (ii) 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, but only if the Coverage Summary Page indicates that Employers Liability is included and the annual payroll amount is shown, arising out of and in the course of their employment by you.

The annual payroll amount shown in the Coverage Summary must be for at least the insured's actual annual payroll, otherwise coverage will not apply.

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. **Contingent Employers Liability:** legal liability for bodily injury to employees arising out of and in the course of their employment by you, on whose behalf contributions are made by you under any Workers' Compensation plan, or Voluntary Compensation plan, and where the employee is entitled to benefits under such plan;
  - (i) makes a claim which is beyond the scope of the protection of the plan, or
  - (ii) may be denied protection under such plan, or
  - (iii) may, in respect to such bodily injury, elect to take legal action against you.

You are not insured for claims or actions brought against you arising out of the ownership, maintenance, use or operation of any aircraft or air cushion vehicle while being operated or maintained by your employee.

8. **Watercraft Liability:** legal liability for Bodily injury or Property Damage arising out of:

- (a) 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.

- (b) 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:
  - (i) the watercraft is being used or operated with the owner's consent;
  - (ii) 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.

9. **Motorized Vehicle Liability:** legal liability for Bodily injury or Property Damage arising out of:

- (a) **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:

- (1) self-propelled wheelchairs;
- (2) lawn mowers, snow blowers, farm or garden tractors, trailer or farm implements if these are used or operated mainly on the insured premises;
- (3) recreational vehicles while on your farm premises but not while being used in any organized race or contest;
- (4) motorized golf carts while on the insured premises or while used for golfing purposes;
- (5) 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.

- (b) **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:

- (i) the vehicle is not subject to motor vehicle registration and is designed primarily for use off public roads;
- (ii) you are not using it for commercial business or organized racing. You are not insured for property damage to the vehicle itself;
- (iii) the vehicle is being used or operated with the owner's consent;
- (iv) the vehicle is not owned by anyone included in the definition of "you" or "Your" in Section II of this form.

- (c) **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.

10. **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.

11. **Business and Business Property Liability:** legal liability for bodily injury or property damage arising out of:



- (1) your work for someone else as 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;
- (2) 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;
- (3) the rental of space in your residence to others for incidental office, school or studio occupancy;
- (4) the rental to others, or holding for rent, of not more than three car spaces or stalls in garages or stables;
- (5) activities during the course of your trade, profession or occupation which are ordinarily considered to be non-business pursuits;
- (6) 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:

- (1) the rental of residential buildings containing not more than six dwelling units;
- (2) the use of part of your residence by you for incidental office, school or studio occupancy.

12. **Permission to Custom Farm:** legal liability for bodily injury or property damage arising out of any custom farming operations performed by you (if you are an individual) in the province where you reside, provided the annual gross income for such custom farming operations does not exceed \$5,000.

Permission to Custom Farm does not include permission to perform any spraying for others.

## 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 occurring after judgement on that part of the judgement 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.

## EXCLUSIONS

***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, air-cushion vehicle or watercraft, except those for which coverage is provided in this form.

This exclusion does not apply to Employers Liability.

2. 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) personal property or fixtures as a result of work done on them by you or anyone on your behalf;
3. (a) bodily injury to you or any person residing in your household other than a residence employee;
  - (b) 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;
4. bodily injury or property damage due to war, invasion act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
5. 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;
6. bodily injury or property damage arising out of your business or any business use of the insured premises except as specified in the Coverage Summary ;
7. bodily injury or property damage arising out of the rendering of or failure to render any professional service;
8. bodily injury or property damage caused by any intentional or criminal act or failure to act by:
  - (i) any person insured by this policy; or
  - (ii) any other person at the direction of any person insured by this policy;
9. bodily injury or property damage which arises out of the transmission of a communicable disease by any person insured by this policy;
10. 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;
11. bodily injury or property damage arising out of the ownership, maintenance, use or operation by you or on your behalf, of any premises for the purpose of an airport or aircraft landing strip;
12. bodily injury or property damage arising or resulting from any substance released or discharged from any aircraft;
13. custom farming operations, including spraying done for others, performed for others for charge under any agreement or contract unless stated in the Coverage Summary or provided for elsewhere in this policy;
14. property damage to products manufactured, sold handled or distributed by you arising out of such products or any part of the products;
15. property damage to work performed by you or on your behalf arising out of such work or any part of the work;
16. bodily injury or property damage arising out of the "products hazard", but this exclusion does not apply to farm products other than:
  - (a) manufactured products including fertilizers, herbicides, pesticides or other chemicals;
  - (b) sickness, disease or death of animals arising from your feedlot operations, if any;
18. (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 word "sudden or accidental" mean an unexpected and unintentional discharge, dispersal 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 18(a) above.

"Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to, vapors, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This exclusion (18) 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.

19. 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;
20. liability you have assumed under any 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;
21. bodily injury to an employee if the bodily injury arises out of and in the course of his or her employment by you, except as provided for under "Employer's Liability" in this section of the policy;
22. 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.
23. the use or operation of any watercraft, whether owned by you or not, while it is:
  - 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 watercraft;
  - being operated or controlled by you while your alcohol-blood ratio exceeds 80 milligrams of alcohol in 100 milliliters of blood;
24. 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;
25. (a) sexual, physical, psychological or emotional abuse, 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, molestation or harassment or corporal punishment;
26. the personal actions of a Named Insured who does not reside on the premises described in the Coverage Summary;
27. your use or operation of any motorized vehicle or watercraft while you are under such age as is prescribed by federal law or by the law of the province having jurisdiction as being the minimum age at which a licence or permit to operate that particular class of motorized vehicle or watercraft may be issued to you;
28. bodily injury or property damage arising out of agricultural operations which are in violation of any ordinance or law.

## **COVERAGE F – VOLUNTARY MEDICAL PAYMENTS**

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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.

You shall arrange for the injured person, if requested, to:

- (i) give us, as soon as possible, written proof of claim, under oath if required;
- (ii) submit to physical examination at our expense by doctors we select as often as we may reasonably require;
- (iii) authorize us to obtain medical and other records.

Proofs and authorizations may be given by someone acting on behalf of the insured person.

## **CROSS LIABILITY**

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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.

"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.

## **COVERAGE G – VOLUNTARY PROPERTY DAMAGE**

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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.

## **COVERAGE H – NON-OWNED AUTOMOBILE**

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### **INSURING AGREEMENT – THIRD PARTY LIABILITY**

In consideration of the payment of the premium specified and of the statements contained in the Coverage Summary and subject to the limits, terms, conditions, provisions, definitions and exclusions herein stated, the Insurer agrees to;

indemnify the Insured against the liability imposed by law upon the Insured for loss or damage arising from the use or operation of any automobile not owned in whole or in part by or licensed in the name of the Insured, and resulting from

#### **Bodily injury to or the death of any person or damage to property of others not in the care, custody or control of the Insured:**

Provided always the Insurer shall not be liable under this form;

- (a) for any liability which arises from the use or operation of any automobile while personally driven by the Insured if the insured is an individual; or
- (b)\* for any liability imposed upon any person insured by this form:
  - (1) by any workers compensation law; or
  - (2) by any law for bodily injury to or the death of the Insured or any partner, officer or employee of the Insured while engaged in the business of the Insured; or
- (c) for any liability assumed by any person insured by this form voluntarily under any contract or agreement; or
- (d) loss or damage to property carried in or upon an automobile personally driven by any person insured by this policy or to any property owned or rented by, or in the care, custody or control of any such person;
- (e) for any amount in excess of the limit stated in the Coverage Summary and expenditures provided for in the Additional Agreements of this form, subject always to the provisions of the section of the Insurance Act (Automobile Insurance Part) relating to the nuclear energy hazard.

\*Not applicable in the Province of Ontario

### **ADDITIONAL AGREEMENTS OF INSURER**

Where coverage is provided by this form, we further agree:

- (1) upon receipt of notice of loss or damage to persons or property insured to serve any person insured by this policy by such investigation, negotiations with claimant, or settlement of any resulting claims, if we decide this is appropriate; and
- (2) to defend in the name and on behalf of any person insured by this form and the cost of civil action; and
- (3) to pay all costs taxed against any person insured by this form in any civil action we defend and any interest accruing after entry of judgement upon that part of the judgement which is within the limits of our liability; and
- (4) in case injury be to a person, reimburse any person insured for such medical aid as may be immediately necessary at the time of such injury; and
- (5) be liable up to the minimum limit(s) prescribed for in that province or territory of Canada in which the accident occurred if that limit(s) is higher than the amount shown on the Coverage Summary Page; and
- (6) not to set up any defense to a claim that might not be set up if the policy were a motor vehicle policy issued in that province or territory of Canada in which the accident occurred.

### **AGREEMENTS OF INSURED**

Where coverage is provided by this form every person insured;

- (a) by acceptance of this policy, constitutes and appoints the Insurer his irrevocable attorney to appear and defend in any province or territory of Canada in which action is brought against the person insured arising out of the use or operation of an automobile insured by this form;
- (b) shall reimburse the Insurance Company that amount paid by reason of the provisions of any statute relating to automobile insurance and which we would not otherwise be liable to pay under this policy.

### **GENERAL PROVISIONS**

#### **1. Additional Insureds**

The insurance company agrees to indemnify in the same manner and extent as the Named Insured, every partner, officer or employee who, with the consent of the owner, personally drives (a) in your agriculture or farming operations, any automobile not owned in whole or in part by or licensed in the name of (i) the person Insured, or (ii) such additional Insured person, or (iii) any person(s) residing in the same dwelling premises as the person Insured or such additional Insured person, or (b) any automobile hired or leased in your name except an automobile owned in whole or part or licensed in the name of such additional Insured person.

#### **2. Territory**

This policy applies only to the use or operation of automobiles within Canada or United States of America or upon a vessel plying between ports of those two countries.

#### **3. Two or More Automobiles**

When two or more automobiles are insured under this form, the policy shall apply separately to each, but a motor vehicle and a trailer or trailers attached, shall be held to be one automobile as respects limits of liability.

### **STATUTORY CONDITIONS**

The insurance provided under this Coverage is subject to the "Standard Non-Owned Automobile Policy", the "Automobile Statutory Conditions" and the "Excluding Long Term Leased Vehicle Endorsement" approved by the Superintendent of Insurance for the Province in which this policy is issued and upon request the Company will make available a complete copy of same.

## SECTION II – OPTIONAL LIABILITY COVERAGES

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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.

### **VOLUNTARY COMPENSATION FOR EMPLOYEES – ENDORSEMENT L1**

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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 your 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	
(a) at or above elbow .....	100
(b) below elbow .....	80
2. Hand at wrist.....	80
3. Thumb*	
(a) at or above the second phalangeal joint.....	25
(b) below the second phalangeal joint, involving a portion of the second phalange .....	18
Index Finger*	
(a) at or above the second phalangeal joint.....	25
(b) at or above the third phalangeal joint .....	18
(c) below the third phalangeal joint, involving a portion of the third phalangeal.....	12
Any other Finger*	
(a) at or above the second phalangeal joint.....	15
(b) at or above the third phalangeal joint .....	8
(c) below the third phalangeal joint, involving a portion of the third phalangeal.....	5
4. Leg	
(a) at or above knee.....	100
(b) below knee .....	75
5. Foot at ankle .....	75
6. Great toe**	
(a) at or above the second phalangeal joint.....	15
(b) below the second phalangeal joint, involving a portion of the second phalangeal .....	8
Any other Toe**	
(a) at or above the second phalangeal joint.....	10
(b) at or above the third phalangeal joint .....	5
(c) below the third phalangeal joint, involving a portion of the third phalangeal.....	3
7. One eye .....	50
Both eyes .....	100
8. Hearing of one ear .....	25
Hearing for 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 employees.

We will not pay medical expenses of any person covered by any workers' compensation statute.

**FIRE LEGAL LIABILITY ENDORSEMENT – ENDORSEMENT L2**

**1. 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

- (i) persons insured;
- (ii) claims made or actions brought; or
- (iii) persons or organizations making claims or bringing actions.

**2. Defense, Settlement, Supplementary Payments**

The provisions for Defense, Settlement, and Supplementary Payments as set out under Coverage E are applicable to this endorsement.

**3. Exclusions – Loss or Damage Not Insured**

You are not insured for claims made or actions brought against you:

- (a) arising out of property damage caused intentionally by you or at your direction;
- (b) if the property damage arises out of extraordinary alterations, additions, or repairs;
- (c) 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.

## **BOARDING OR TRAINING OF HORSES ENDORSEMENT – FORM L3**

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If the Coverage Summary indicates that Boarding or Training of Horses is included, you are insured under Coverage E – Legal Liability and Coverage F – Voluntary Medical Payments for claims made or actions brought against you for bodily injury or property damage arising out of the use of the premises to board or train horses.

You are not insured for claims made or actions brought against you for bodily injury or property damage arising out of:

- (1) riding instruction, rental horses, rodeos, contests or other horse shows or the practice or preparation for any such activity; or
- (2) the use of the premises for horse sales or auctions, veterinary stables, livery stables, racing stables, or dude ranches.

## **DAY CARE COVERAGE ENDORSEMENT – FORM L4**

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If the Coverage Summary indicates that Day Care Coverage is included, you are insured under Coverage E – Legal Liability and Coverage F – Voluntary Medical Payments for claims made or actions brought against you for bodily injury or property damage arising out of the use of your residence premises for day care.

You are not insured for claims made or actions brought against you for bodily injury or property damage arising out of sexual molestation, corporal punishment, or physical or mental abuse inflicted upon any person by you or at your direction, by your employees or by any other person involved in any capacity in the day care enterprise.

## **PROPERTY DAMAGE DEDUCTIBLE ENDORSEMENT – FORM 0122**

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Amount of deductible: As indicated in the Coverage Summary. If the Coverage Summary Page indicates that Form 0122 applies it is agreed that:

1. The Insurer's obligation under the Property Damage Liability coverage to pay compensatory damages on behalf of the Insured applies only to the amount of compensatory damages in excess of the deductible amount stated on the Coverage Summary Page.
2. The deductible amount applies to all compensatory damages because of property damage as the result of any one accident.
3. The terms of the policy, including those with respect to (a) the Insurer's rights and duties with respect to the defence of suits and (b) the Insured's duties in the event of an accident apply irrespective of the application of the deductible amount.
4. The Insured may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the Named Insured shall promptly reimburse the Insurer for such part of the deductible amount as has been paid by the Insurer.

## **CONDITIONS – APPLICABLE TO ALL SECTION II COVERAGES**

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### **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;**

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;**

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.

# SECTION III – AGRICULTURAL PROPERTY

## BASIS OF CLAIM PAYMENT

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Unless otherwise stated in this policy, we will pay for insured loss or damage arising out of any one occurrence up to:

- (a) your financial interest in the property;
- (b) the Actual Cash Value of the loss or damage at the date of the occurrence;
- (c) the amount it would cost to repair or replace the property with materials of similar quality;
- (d) the applicable amount(s) of insurance shown in this policy, whichever is less. This applies even if more than one person or organization has an insurable interest in the property insured.

**Actual Cash Value:** The 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.

Any loss or damage shall not reduce the amount of insurance provided by the policy.

**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.

**Loss Limit:** If the Coverage Summary Page specifies a Loss Limit and there is an insured loss or damage to more than one item insured under Section III of this policy arising from any one occurrence, we will not pay more, in all, than the Loss Limit amount.

**Obsolescence:** We will not pay for increased costs that result when you cannot repair or replace your property because material or parts are unavailable, obsolete, or outmoded. We will pay only the cost that would have been required if the material or parts were available. We will pay on the basis of the last known cost of material or parts.

**Insurance Under More Than One Policy:** If you have other 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 rateable proportion of the loss or claim.

**Subrogation:** We will be entitled to assume all your rights of recovery against others and may bring action in your name to enforce these rights when we make payment or assume liability under this policy.

If the net amount recovered, after deducting recovery costs, is less than the amount of the loss, the net amount recovered will be divided between you and us in the proportion that the loss has been borne by each of us respectively.

Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

## GENERAL EXCLUSIONS

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### LOSS OR DAMAGE NOT INSURED

Applicable to all Section III coverages.

**We do not insure:**

1. loss or damage resulting directly or indirectly from:
  - (a) any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
  - (b) war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. loss or damage resulting from your intentional acts;
3. loss or damage caused by or resulting from any fraudulent, dishonest or criminal act committed by you, or your partners, officers, directors, trustees, employees or agents or any person to whom the property is entrusted. This exclusion does not apply to property in the custody of a bailee hired by you;
4. loss due to delay or loss of market;
5. loss due to parting with title or possession of any property by you or others if induced to do so by any fraudulent scheme or false pretense;
6. any property illegally imported, acquired, kept, stored or transported;
7. any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
8. loss or damage directly or indirectly caused by or resulting from neglect, meaning neglected by you to use all reasonable means to save and preserve the property at and after the time of loss, or when property is endangered by an insured peril.

## AGRICULTURAL BUILDINGS AND CONTENTS

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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.

- Form AP-01 – Building (All Perils)
- Form NP-02 – Building and Contents (Fire and Lightning)
- Form NP-03 – Building and Contents (Fire and Extended Coverage)

### A. PROPERTY INSURED

**We insure:**

- (a) Outbuildings – The buildings and structures described on the Coverage Summary Page for which an amount of insurance is shown, including:
  - (i) permanently attached fixtures and equipment, and
  - (ii) 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.
- (b) 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 \$2,000., whichever is less, to 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.
- (c) Other property specifically described on the Coverage Summary Page, for which an amount of insurance is shown.

## B. PROPERTY NOT INSURED

### *We do not insure:*

1. silos, fences or corrals, whether or not attached to any building or structure, unless specifically described on the Coverage Summary Page;
2. automobiles, motorcycles, tractors, combines and other motorized land vehicles, including equipment and appurtenances of any of the foregoing, unless specifically described on the Coverage Summary Page;
3. watercraft and aircraft, including any air cushion vehicle, and their equipment and appurtenances;
4. household property or property usual to a dwelling;
5. liquefied petroleum gas, manufactured gas, gasoline or other fuels;
6. animals, birds or fish;
7. any structures or property used in whole or part for manufacturing or commercial purposes other than agriculture or Farming, unless permission for such use is stated on the Coverage Summary Page;
8. any building or structure while in the course of construction or demolition, unless permission for construction or demolition is stated on the Coverage Summary Page;
9. money, securities, accounts, bills, stamps, tokens, deeds or evidences of debt.

## C. EXTENSIONS AND/OR ADDITIONAL COVERAGES

### *We will insure:*

1. Blanket By-Laws Coverage – Agricultural Outbuildings
  - A. Where this policy covers Outbuildings under Agricultural Buildings and Contents in Section III, Agricultural Property we will insure those covered Outbuildings for the following:
    1. **Coverage A – Loss of the Undamaged Portion of a Building**

If an Insured Peril causes loss or damage to a covered outbuilding at the described premises, we will pay for loss to the undamaged portion of the outbuilding caused by the enforcement or any by-law that:

      - (1) requires the demolition of parts of the same outbuilding not damaged by an Insured Peril;
      - (2) regulates the construction or repair of outbuildings, or establishes zoning or land use requirements at the described premises; and
      - (3) is in force at the time of loss.

This coverage is included within the Amount of Insurance shown in the Coverage Summary for Outbuildings.

This is not an additional amount of insurance.
    2. **Coverage B – Demolition Cost**

If an Insured Peril causes loss or damage to a covered outbuilding at the described premises, we will pay the cost to demolish and clear the site of undamaged parts of the outbuilding caused by the enforcement of any building, zoning or land use by-law.

This coverage is included within the Amount of Insurance shown in the Coverage Summary for Outbuildings.

This is not an additional amount of insurance.
    3. **Coverage C – Increased Cost of Construction**

If an Insured Peril causes loss or damage to a covered outbuilding at the described premises, we will pay for the increased cost to repair, rebuild or construct the outbuilding caused by the enforcement of any building, zoning or land use by-law. If the outbuilding is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by a zoning or land use bylaw.

We will not pay for the increased cost of construction if the outbuilding is not repaired or replaced.

This coverage is included within the Amount of Insurance shown in the Coverage Summary for Outbuildings.
  - 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 in any way respond to, or assess the effects of “pollutants”.
  - C. The most we will pay under this Coverage is \$20,000.
- No deductible applies to this coverage.
2. **Corrals and Fences:** We will pay up to \$1,000 in any one occurrence as an additional amount of Insurance for direct physical loss of or damage to corrals and/or fences (excluding pasture fences) caused by Form NP-02 Insured Peril #1. Fire, Lightning and Form NP-03 Insured Perils #5 Impact by Aircraft or Spacecraft and #6 Impact by Land Vehicle.

Subject to a \$500 deductible.
3. **Cost of Preparing Proof of Loss Including Professional Fees:** We will pay up to \$5,000. for reasonable professional expenses incurred by you in preparing the proof of your loss or any other exhibits required by this policy. These expenses include the reasonable professional fees paid to veterinarians whom you employ to confirm the cause of death of an insured animal. This amount is in addition to the Amounts of Insurance. No deductible applies to this coverage.
4. **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 (Agricultural Buildings and Contents, F. Insured Perils). This is an additional amount of Insurance. No deductible applies to this coverage.
5. **Debris Removal Expense:** The amount of insurance includes the expense incurred in the removal of debris of insured property which has been damaged or destroyed by an insured peril. If the property is subject to a Co-Insurance Clause the debris removal expense will not be considered in determining value for Coinsurance purposes.
6. **Exhibition Coverage:** We will pay up to \$2,000 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 applies as an additional coverage to property insured under EF-04 Equipment and Tools, LF-03 Livestock, SG-08 Stored Grain, FC-09 Fertilizer and Farm Chemicals or HS-10 Hay, Straw and Feed. This coverage does not increase the amount of insurance applying to the damaged property.

Subject to a \$500 deductible.
7. **Fire Department Charges:** We will pay up to \$5,000 or such other amount as may be specified on the Coverage Summary Page for your liability for Fire Department charges incurred when a Fire Department is called to save or protect property insured by this policy. No deductible applies to this coverage. You may not claim under this extension if you have Fire Department Charges insured elsewhere in this policy.
8. **Good Neighbour Coverage:** We will pay up to \$5,000 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. This applies as an additional coverage per EF-04 Equipment and Tools, LF-03 Livestock, SG-08 Stored Grain, FC-09 Fertilizer and Farm Chemicals or HS-10 Hay, Straw, and Feed. Form EF-04 Broad Coverage Insured Perils apply. 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.



9. **Newly Acquired or Newly Constructed Farm Buildings:** You may extend the insurance that applies to Agricultural Buildings to apply to:
- Your new buildings while being built; and
  - 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 in the Coverage Summary.
- The most we will pay for loss or damage under this Extension is \$100,000. This is not an additional amount of insurance.
- Insurance under this extension will end when any one of the following first occurs:
- The policy expires;
  - 30 days expire after you acquire or begin to construct the property; or
  - You report the values to us.
- The Insured agrees 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.
10. **Pollutant Clean Up and Removal Expense:** We will pay your expense to extract "pollutants" from land or water at the "premises" if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from an Insured Peril (Agricultural Buildings and Contents, F. Insured Perils) 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 the land or water.
- The most we will pay under this Additional Coverage for each described premises is \$5,000 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 materials to be recycled, reconditioned or reclaimed.
- Subject to a \$500 deductible.
11. **Private Power and Light Poles:** We will pay up to \$1,000 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 attached 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 Agricultural Buildings and Contents per Form NP-03 – Building and Contents (Fire and Extended Coverages).
- The \$1,000. limit applies in excess of any applicable deductible.
12. **Produce and Packaging Supplies Coverage:** We will pay up to \$2,000 in any one occurrence for direct physical loss of or damage, by an insured peril, to your harvested agricultural products of the soil such as seeds, vegetables, fruit, and packing, wrapping, and advertising materials for use with the harvested produce while it is stored within a building insured by this policy. Harvested agricultural products does not include tobacco, lumber or growing crops. This coverage is subject to coverage as provided by Building & Contents (Fire & Extended Coverage) Form NP – 03
13. **Property in the Custody of a Common or Contract Carrier:** You may extend up to \$3,000 of the insurance that applies to Feed, Grain, Chemicals, Fertilizer, Produce or Livestock to provide coverage for such property while in the custody of a common or contract carrier. This applies as an extension to the following forms:
- Feed, Grain, Chemicals, Fertilizer, Produce or Livestock insured under Form LF-03,
  - Livestock, Form SG-08 Stored Grain, Form FC-09
  - Fertilizer and Farm Chemicals, Form HS-10
  - Hay, Straw and Feed and to Produce insured as Contents under Building and Contents Forms NP-02 and NP-03.
- This is not an additional amount of insurance.
14. **Removal of Property:** 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 the property at the time of loss.
15. **Veterinarian Supply Coverage:** We will pay up to \$500. 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, per Form FC-09 Fertilizer and Farm Chemicals (Broad Form).
- Consequential Loss is included.
- Subject to a \$500 deductible.

### Optional Extensions:

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

- Vacancy Permit:** If "Vacancy Permit" is specified on the Coverage Summary Page, we will grant permission for the property to be vacant for the period of time indicated. If the Coverage Summary indicates "Vacancy Permit 2/3 Coverage Form", then in case of loss or damage during the term of Vacancy, the liability of the Company shall not exceed TWO THIRDS of the amount the Company would otherwise be liable for had the property not become vacant. The building(s) must be under the supervision and care of a competent person during term of vacancy.
- Replacement Cost Endorsement:** Applicable only to a building or structure for which "Replacement Cost" is indicated on the Coverage Summary Page. If there is loss or damage to the building by an insured peril, you may, at your option, choose the "Basis of Loss Settlement" set out below, provided;
  - you repair or replace the damaged or destroyed building within a reasonable period of time after the loss, and
  - you use materials of similar kind and quality, and
  - if replacement is necessary, you replace the building on the same site, or within 200 feet (65 meters), with a building designed for the same purpose for which the destroyed building was originally intended, and
  - if you have other insurance on the building insuring against the same perils as this policy, it must include "Replacement Cost" cover identical to this endorsement; otherwise, settlement will be as if this endorsement had not been in effect.

We do not pay for any loss, expense, or increased cost of repair or replacement due to the operation of any law or ordinance regulating the zoning, demolition, repair or construction of buildings or their related services.

If there is more than one item insured for "Replacement Cost", this endorsement shall apply separately to each item.

**Basis of Loss Settlement:** The cost of repairs or replacement (whichever is less) without deduction for depreciation, in which case we will pay in the proportion that the 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, or the amount of insurance, whichever is less.

3. **Consequential Loss Coverage:** If the Coverage Summary indicates that Consequential Loss is included, we insure the specified property damaged by change in temperature resulting from physical damage by an Insured Peril to the building or equipment contained in the building, including connections and supply transmissions on the premises.

This optional coverage does not apply to artificial insemination material.

This optional coverage does not increase the amount of insurance applying to the damaged property.

**Potato Storage – Consequential Loss Warranty:** It is hereby understood and agreed that under the consequential loss coverage; any damage caused from open doors or windows, will only be covered if the doors were locked and the windows secured.

## D. WARRANTY

The insurance under this Form is given in return for the following warranty;

1. Gasoline or Flammable Liquid: In addition to fuel contained in the fuel tanks of motorized vehicles, not more than 23 liters (5 gallon) in all of gasoline, benzene, naphtha, or other flammable liquid of less than 38°C (100°F) flash point will be in, or within 8 meters (25 feet), of any insured building or a building containing insured property. These liquids will be kept in a fully enclosed approved container(s). Additional quantities of such liquids may be kept only if we give permission which is shown on the Coverage Summary Page.

## E. SPECIAL LIMITS OF INSURANCE

### 1. 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.

### 2. Co-Insurance Clause: Applicable if shown on the Coverage Summary Page.

We will not pay for a greater proportion than the applicable amount of insurance bears to 80% of the Actual Cash Value of the insured property at time of loss. If two or more items are insured, the clause will apply separately to each item.

Waiver of Co-Insurance: This Co-Insurance Clause will not apply where loss under this form does not exceed the lesser of \$5,000 or 2% of the applicable Limit of Insurance.

### 3. Deferred Loss Settlement Clause: Applicable only to a building or structure for which “Deferred Loss Settlement Clause” (D.L.S.C.) is shown on the Coverage Summary Page.

If there is loss or damage to the building by an insured peril, the Basis of Claim Payment will be as follows:

- (a) We will not pay more than 50% of the amount we would otherwise have paid if this clause had not been in effect.
- (b) If you repair or replace the damaged or destroyed building within 9 months of the date of loss, and if you replace the building on the same site or within 200 feet (65 meters) with a building designed for the same purpose for which the destroyed building was originally intended, we will, upon receipt of satisfactory evidence of your expenditures for repair or replacement, pay the remaining 50% of the loss. Our total payment under paragraph A. and B. above will not exceed:
- (i) the expense you have actually incurred for repair or replacement,
  - (ii) the actual cash value of the building at time of loss,
  - (iii) the applicable amount of insurance, or
  - (iv) your financial interest in the building,
- whichever is less.
- (c) If you do not repair or replace the damaged or destroyed building within the provisions of paragraph (b) above, the reduced payment you receive under the provisions of paragraph (a) shall constitute full and final settlement under this policy with respect to such loss. We will then refund one-half the premium you paid for the insurance on the building, if you request us to do so.
- (d) If you have other insurance on the building, we will pay our rateable proportion of the loss subject to this clause.

We do not pay for any loss, expense or increased cost of repair or replacement due to the operation of any law or ordinance regulating zoning, demolition, repair or construction of buildings and their related services.

## F. INSURED PERILS

### Buildings (All Perils) – Form AP-01

Available on agricultural outbuildings only

If the Coverage Summary Page Specifies Form AP-01, you are insured against all risks of direct physical loss or damage, except the following:

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

1. snowslide, landslide, earthquake, land subsidence or other earth movement, but if any of these result in fire or explosion, we will pay for the resulting loss or damage to the insured property by the fire or explosion;
2. flood, surface water, spray, waves, tides, tidal waves, ice or water borne objects, all whether driven by wind or not;
3. water below the surface of the ground including that which exerts pressure on or flows, seeps, or leaks through sidewalks, driveways, foundations, walls, basement or other floors, or through doors, windows or other openings;
4. the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings, unless the damage occurs concurrently with and results from an opening caused by windstorm or hail;
5. the backing up of a sewer, sump, septic tank or drain;
6. centrifugal force or mechanical breakdown or derangement, but if fire results, we will pay only for the fire loss or damage to the insured property;
7. explosion, collapse, rupture, bursting, cracking, burning out or bulging of the following property you own, operate or control, but if fire results we will pay only for the resulting fire loss or damage to the insured property:
  - (a) any boiler and connecting piping or other equipment containing steam or water under steam pressure;
  - (b) any other equipment under pressure if its maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure, except the following:
    - (i) manually portable gas cylinders;
    - (ii) domestic hot water heaters having an internal diameter not exceeding 610 millimeters (24 inches);
    - (iii) air storage tanks or air receivers having an internal diameter not exceeding 610 millimeters (24 inches);
  - (c) moving or rotating machinery or parts thereof ;
  - (d) gas turbines;
8. settling, expansion, contraction, moving, shifting or cracking, unless the damage is the sudden and immediate result of a peril not otherwise excluded;
9. freezing, changes of temperature, dampness or dryness of atmosphere, contamination, rust or corrosion, marring or scratching; but this exclusion does not apply to loss or damage caused directly by fire, lightning, smoke, windstorm, hail, explosion, riot, vandalism or malicious acts, impact by an aircraft, spacecraft or land

vehicle, theft or attempted theft; or to loss or damage caused directly by rupture of pipes or leakage of apparatus not excluded under paragraph (7) above, provided the rupture or breakage is not due to freezing or change of temperature;

10. smoke from agricultural smudging or industrial operations;
11. birds, rodents, insects or vermin (as defined herein);

**We do not insure:**

12. wear and tear, gradual deterioration, latent defect, wet or dry rot or mould;
13. the cost of making good faulty or improper material, workmanship or design;
14. accumulative damage however caused or any loss or damage not due to a sudden unexpected event;
15. any loss or damage, whether direct or indirect, or any clean up or removal cost incurred as a result of any spill, discharge or seepage of a pollutant or contaminant. This exclusion does not apply to loss or damage to the property insured caused directly by fire, lightning, smoke, windstorm, hail, explosion, riot, impact by aircraft, spacecraft or land vehicle, leakage from fire protective equipment, rupture of pipes or breakage of apparatus not excluded under paragraph (7) above, vandalism or malicious acts, theft or attempted theft.

**Co-Insurance**

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 the insured property at the time of loss. If two or more items are insured, this clause will apply separately to each item.

**Waiver of Co-Insurance**

When a loss under this form does not exceed the lesser of \$5,000 or 2% of the total amount of insurance under the applicable coverage, the Coinsurance Clause shall not apply.

**Buildings & Contents (Fire & Lightning) – Form NP-02**

If the Coverage Summary Page Specifies Form NP-02, you are insured against direct loss or damage caused by:

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

**Buildings & Contents (Fire & Extended Coverage – Form NP-03**

If the Coverage Summary Page specifies Form NP-03, you are insured against direct loss or damage caused by peril 1. stated above and by the following Extended Coverage perils:

2. Lightning damage to electrical devices or appliances;
3. Explosion: This peril does not include loss or damage caused by or resulting from:
  - (a) explosion, rupture or bursting in or of any of the following property owned, leased, operated or controlled by you:
    - (i) any boiler and connecting piping or other equipment containing steam or water under steam pressure;
    - (ii) any other equipment under pressure if its maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure other than the following:
      - manually portable gas cylinders;
      - domestic hot water heaters, air storage tanks or air receivers having an internal diameter not exceeding 610 millimeters (24 inches);
    - (iii) moving or rotating machinery or parts of same if the loss or damage is caused by centrifugal force or mechanical breakdown;
    - (iv) any vessels and apparatus and connecting piping while undergoing pressure test, but we will pay for other insured property damaged by the explosion;
    - (v) gas turbines;
  - (b) electrical arcing or any co-incident rupture of electrical equipment due to arcing;
  - (c) bursting, rupture or collapse caused by hydrostatic pressure or freezing;
  - (d) bursting or rupture of any safety disc, rupture diaphragm or fusible plug;
  - (e) water hammer.
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 a snowslide, landslide or any other earth movement. This peril does not include damage to glass which forms part of the building;
5. Impact by Aircraft or Spacecraft, including articles dropped from aircraft or spacecraft. This peril does not include any impact by an aircraft or spacecraft when being taxied or moved on the ground;
6. Impact by land vehicle;
7. Riot;
8. Smoke: This peril means the sudden, unusual and faulty operation of any heating apparatus flued to a chimney, other than an open fireplace;
9. Windstorm or hail: This peril does not include loss or damage:
  - (a) to windmills and wooden silos;
  - (b) to awnings and roof signs, outside radio and/or television antennae, or satellite receivers and appurtenances;
  - (c) to fences or corrals anywhere on the premises, unless specifically described and insured;
  - (d) to all other property outside of buildings except:
    - (i) realty fixtures attached and belonging to the individual building insured; or
    - (ii) permanently installed yard fixtures;
  - (e) to the interior of buildings or their contents unless damage occurs concurrently with and results from an opening caused by windstorm or hail;
  - (f) directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snowload, iceload, tidal wave, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslip;
10. Vandalism or Malicious Acts: This peril does not include loss or damage:
  - (a) occurring while a building is vacant or under construction even if permission for vacancy or construction has been given by us. Farm Buildings which are in a seasonal state of vacancy due to normal practices of farming operations, are not considered vacant;
  - (b) to glass constituting part of a building;
  - (c) caused by theft or attempted theft;
  - (d) caused by you or any person employed by you.

**G. LOSS OR DAMAGE NOT INSURED**

Applicable to Forms AP-01, NP-02 and NP-03

**We do not insure against:**

1. Loss or damage occurring after the building has, to your knowledge, been vacant for more than 30 consecutive days. Agricultural buildings which are in a seasonal state of vacancy due to normal practices of farming operations, are not considered vacant;
2. Loss or damage to contents while undergoing a process involving the application of heat, but we will pay for resulting fire damage to other insured property;
3. Loss or damage caused by electrical currents other than lightning, unless fire or explosion follows, and then only for the resulting damage;
4. Losses, expenses or increased costs of repair or replacement due to the operation of any law or ordinance regulating zoning, demolition, repair or construction of buildings and their related services;
5. Loss or damage to the outer metal cover of the building or structure caused by hail, whether wind driven or not, unless the metal cover is punctured by hail. In the Provinces of Manitoba and Saskatchewan this exclusion will only apply if so indicated in the declarations.
6. Loss or damage due to prairie, stubble or bush fires occurring while a building is vacant even if permission for vacancy has been given by us. Barns, buildings or structures which are in a seasonal state of vacancy due to normal practices of farming operations are not considered vacant.

In addition to the exclusions shown above, General Exclusions under Section III Agricultural Property are also applicable to this form.

## LIVESTOCK – (NAMED PERILS) – FORM LF-03

### A. PROPERTY INSURED

1. **Blanket Cover:** If the Coverage Summary Page indicates an amount of insurance and premium for "Blanket Cover", we insure all your livestock of the class of animal shown on the Coverage Summary Page for the lesser of fair Market Value on the date of loss, or the Limit per Animal shown on the Coverage Summary Page, subject to Co-Insurance clause F. below. Blanket cover does not apply to any animal insured elsewhere by this or any other policy.
2. **Scheduled Cover:** We insure each animal specifically described in the Coverage Summary Page for which an amount of insurance is shown.
3. **Non-Owned Livestock Coverage:** If you wish you may use any Blanket Cover or Scheduled Cover (described in 1. and/or 2. above) that is shown on the Coverage Summary Page, to cover one or more uninsured livestock of others while that livestock is on your farm premises.

The most you can use in any one occurrence is:

1. \$5,000; or
2. 25% of the applicable amount of insurance indicated in the coverage Summary Page;

whichever is less.

For the purposes of this coverage, the term Non-Owned Livestock does not include any livestock which you are boarding for a fee.

4. **Newly Acquired Livestock:** If you acquire any additional livestock similar to those insured by this policy, we will automatically insure these under the livestock coverage shown on the Coverage Summary Page provided that you notify us within 30 days of the date of their acquisition. The most we will pay is \$500 per animal and \$1,000 per occurrence or the total amount of insurance on livestock shown on the Coverage Summary Page whichever is less.

### B. INSURED PERILS

**Fire Coverage:** If the Coverage Summary Page specifies "Fire Coverage", you are insured against death or destruction made necessary by Fire, Lightning, or Explosion of natural, coal or manufactured gas.

**Broad Coverage:** If the Coverage Summary Page specifies "Broad Coverage", you are insured against:

1. Death or destruction of livestock directly resulting from or made necessary by:
  - (a) fire, lightning, explosion smoke or artificial electricity;
  - (b) windstorm or hail. This peril does not include loss caused by wind-driven snow, sleet or dust;
  - (c) riot or civil commotion;
  - (d) flood, meaning the rising of natural bodies of water, or earthquake;
  - (e) impact by aircraft or spacecraft including objects dropped from aircraft or spacecraft;
  - (f) drowning, breaking or falling through ice or stranding in mud;
  - (g) the collapse of any building, bridge, culvert; any falling structure, tree or part thereof;
  - (h) accidental collision with land vehicles other than land vehicles owned or operated by you, your employees or other persons residing on the premises;
  - (i) accidental shooting except by you, your employees or other persons residing on the premises;
  - (j) collision, derailment or overturn of a land vehicle on which the insured livestock is being transported;
  - (k) stranding, sinking, burning or collision of vessels, including General Average and Salvage Charges incurred, while waterborne on land conveyances on board any regular ferry;
  - (l) attack by dogs or wild animals. This peril does not include:
    - (i) attack by dogs or wild animals owned by you, your employees or other persons residing on the premises;
    - (ii) death or destruction of sheep;
  - (m) mutilation by a person or persons other than you, your employees or other persons residing on the premises;
  - (n) entrapment. This peril 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 animal birth;
    - (ii) of animals in transit or while being loaded or unloaded;
    - (iii) of animals being handled or forcibly restrained for care, treatment, or for the purpose of being bred, including normal restraint in tie stalls, stanchion stalls or similar apparatus;
    - (iv) caused by huddling, piling, smothering, freezing or stampeding;
    - (v) due to choking on objects, food or medicine, bloat or suffocation of an animal in its own fluids;
    - (vi) due to splitting;
    - (vii) due to casting, or an animal's inherent inability to regain an upright position;
    - (viii) due to the animal becoming trapped or cast by the contours or depressions of the land, including but not limited to any furrow, gully, ditch, hill or any slope.
  - (o) vandalism or malicious acts.
2. Theft or attempted theft, but excluding escape or mysterious disappearance.

## C. SUFFOCATION EXTENSION

If "Suffocation Extension" is shown on the Coverage Summary Page, you are also insured against death or destruction of insured livestock contained in a building(s) by suffocation directly resulting from or made necessary by:

1. Electrical or power interruption
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. Blizzard or by rain or snow or sleet whether or not driven by wind, provided the building(s) containing the livestock shall first have sustained an actual damage to the roof or walls by the direct force of the wind at the time of loss.

### Conditions

#### (a) Deductible Clause

We are liable only for the amount by which the loss or damage caused by any of the perils insured against under this extension, exceeds a minimum of \$500, or any higher amount indicated on the Coverage Summary, in any one occurrence.

- #### (b)
- This extension is given in return for your agreement that you have an auxiliary power plant designed to operate automatically in the event of interruption of electrical power to furnish power to the building(s) housing the insured stock.

## D. LOSSES NOT INSURED

### We do not insure:

- loss caused by or resulting from exposure or freezing, except as provided by peril 1(n) – Entrapment;
- loss caused by death resulting from or contributed to by any disease, whether resulting from an Insured Peril or not;
- death or destruction of any animal which occurs more than 15 days after the occurrence of an insured peril;
- loss due to delay or loss of market value;
- loss caused by seizure, confiscation or destruction of any animal by order of any Government or public authority.

In addition to the exclusions shown above, General Exclusions under Section III Agriculture Property are also applicable to this form.

### Special Condition

Where loss is claimed to be due to lightning, suffocation or entrapment, the Insured shall immediately call a veterinarian to attempt to establish the cause of death.

## E. LIMITS OF INSURANCE

1. In respect to animals described separately and specifically insured under "scheduled", we will pay the applicable amount of insurance or the fair market value at the time of loss, whichever is less.
2. In respect to livestock insured under the "Blanket Cover", we will not pay more for any one animal than its fair market value at the time of the loss or the "Limit per Animal" shown on the Coverage Summary Schedule, whichever is less.
3. In all cases, payment shall be limited to the amount of your loss in excess of any Government compensation which you may be eligible to receive.

## F. MINIMUM LIVESTOCK CLAUSE

If the Coverage Summary page indicates that Minimum Livestock Clause applies, insurance shall only be afforded if 2 or more head are lost during any single "occurrence" by an **Insured Peril**. It is further agreed that the Amount of Insurance payable shall not be reduced by the minimum requirement of 2 head.

## G. CO-INSURANCE CLAUSE: APPLICABLE TO "BLANKET COVER"

We will pay only in the proportion that the amount of insurance bears to 80% of the actual cash value of the insured livestock at the time of loss. If two or more classes of animal are insured, this condition will apply separately to each class.

### Waiver of Co-Insurance

This Co-Insurance Clause will not apply where loss under this form does not exceed the lesser of \$5,000 or 2% of the applicable Limit of Insurance.

## H. TERRITORIAL LIMITS

We insure the livestock while on your premises or temporarily away from your premises anywhere in Canada and Continental United States, except;

1. while in transit by common carrier or while in any aircraft;
2. while at any public stockyard or on the grounds of any racetrack.

## EQUIPMENT AND TOOLS – FORM EF-04

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If the Coverage Summary Page indicates Form EF-04 applies, you are insured as described below.

### A. PROPERTY INSURED

1. **Blanket Coverage** If the Coverage Summary Page indicates an amount of insurance for "Blanket Cover", we insure all tractors, combines and any other mobile farm implements, equipment or attachments, including tools, which are usual or incidental to your agricultural operations. This insurance applies to property you own, or property of others used in your farming operations, including Leased Farm Equipment that is not insured elsewhere, for which you are legally liable.

Blanket Coverage does not include the following:

- (1) grain dryers;
- (2) irrigation equipment;
- (3) radios; or
- (4) property separately described and specifically insured in whole or part, by this or any other policy.

Coverage for items (1), (2), (3), and (4), above is only provided by this policy when these items have been added under 2. Scheduled Cover.

2. **Scheduled Cover:** We insure the machinery, equipment or tools described and scheduled with an amount of insurance on the Coverage Summary Page.

### Extensions of Coverage

- a. **Newly Acquired or Newly Leased Farm Property:**

You may extend the insurance that applies to farm property insured under this Form to cover:

- i mobile farm implements;
- ii equipment or attachments;
- iii tools which are usual or incidental to your agricultural operations; and
- iv property of others, including Leased Farm Equipment that is not insured elsewhere, used in your farming operations and for which you are legally liable,

provided you acquire them during the policy term and that you notify us within 30 days of the date of their acquisition.

The most we will pay under this extension is 10% of the total amount of insurance on all scheduled item or \$50,000 whichever is greater.

This is not an additional amount of insurance.

b. **Substitutions:**

If you no longer own an item scheduled under this form and you acquire, as owner or for which you are legally liable, a similar piece of property, designed for the same use, to replace it, we will insure the newly acquired item in the same manner and to the same extent as the one it replaces. If you choose to claim under this Extension b., you may not claim under Extension a. above.

This is not an additional amount of insurance.

Insurance under either of Extensions of Coverage a. or b. above will end when any one of the following first occurs:

- (a) the policy expires or is terminated;
- (b) 30 days expire after the date you acquired the property; or
- (c) the date upon which you report the values to "us".

## B. PROPERTY NOT INSURED

***We do not insure:***

1. Automobiles, motor trucks, motorcycles, all-terrain vehicles, snowmobiles, or vehicles requiring a license for road use, including equipment and appurtenances of any of the foregoing, unless specifically described on the Coverage Summary Page;
2. Watercraft and their motors, aircraft or air cushion vehicles, including the equipment and appurtenances of any of the foregoing;
3. Property engaged in custom farming including spraying for others or while in transit in connection with the above, except as otherwise permitted in H. Permission to Custom Farm as defined below;

However, Permission to Custom Farm does not include permission to perform any spraying for others;

4. Underground property including wells, piping and wiring, or the cost of excavation for any of these;
5. property used for logging, forestry, brush cutting, land clearing or sawmill operations;
6. Property used commercially for any purpose other than your agriculture operations, unless permission for such use is stated on the Coverage Summary Page.

## C. INSURED PERILS

Broad Coverage If the Coverage Summary Page specifies "Broad Coverage", you are insured against all risks of direct physical loss or damage from any external cause, except the following:

***We do not insure:***

1. loss or damage caused by or resulting from wear, tear, gradual deterioration, latent defect, dampness of atmosphere, freezing or extremes of temperature, insects, rodents, or vermin (as defined herein);
2. where loss or damage is caused by or resulting from:
  - (a) mechanical or electrical breakdown, disturbance or failure, or
  - (b) repairing, adjusting (including the necessary adjustments to a machine to place it into or out of its transporting position), servicing, fueling or maintenance operations, but if any of these result in fire or explosion, we will pay only for the resulting loss or damage to the insured property caused by the fire or explosion;
3. loss or damage to tires or tubes unless the loss or damage is caused by fire, windstorm or theft, or is coincident with other loss or damage insured under this form;
4. internal damage to combines, balers, forage harvesters or other harvesting equipment caused by clogging, compacting, plugging or piling up of straw, hay or other material intended to be ingested into the machine;
5. loss or damage resulting from coupling or uncoupling operations;
6. accumulative damage, however caused.

In addition to the exclusions shown above, General Exclusions under Section III Agricultural Property are also applicable to this form.

### **Fire Coverage**

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

## D. VALUATION

Valuation will be determined as of the date of Loss.

The date the item was delivered new to the insured will be used to identify the age of the item.

Loss or damage to property covered by this Form will be settled on one of the following valuation basis:

If Coverage Summary Page indicates:

1. **Limited Waiver of Depreciation / Dual Valuation Option:**

**Equipment and Tools that are no more than 5 years old (Limited Waiver of Depreciation)**

Where the loss or damage is to property insured by this form that is no more than 5 years old, we will pay loss to such property by waiving the application of depreciation, provided that:

- (A) the insured is the original purchaser/lessee of the machinery exclusive of the seller dealer; and
- (B) the loss or damage occurs before the expiry date of the policy term that is in force when the item becomes 5 years old, except:

Where loss or damage to property covered by this option is:

- (i) caused by ingestion of foreign objects;
- (ii) to parts consisting of canvasses, tarps, tracks, tires, batteries; or

(iii) for any betterment that results from the repair or replacement of parts having previous unrepaired damage; all such losses will be paid on an Actual Cash Value basis.

#### LIMIT OF INSURANCE

We shall in no event be liable for more than:

- (i) the amount that it would cost to repair or replace the property with materials of similar quality;
- (ii) the original purchase price of the item to the insured; or
- (iii) the applicable amount of insurance of the specifically insured item;

whichever is the lesser amount.

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

#### **Equipment and Tools that are more than 5 years old (Dual Valuation)**

Where the loss or damage is to property that is more than 5 years old, we will pay the cost to repair without deduction for depreciation, except:

Where loss or damage to property covered by this option is:

- (i) deemed by us to be a total loss;
- (ii) caused by ingestion of foreign objects;
- (iii) to parts consisting of canvasses, tarps, tracks, tires, batteries; or
- (iv) for any betterment that results from the repair or replacement of parts having previous unrepaired damage;

all such losses will be paid on an Actual Cash Value basis.

#### LIMIT OF INSURANCE

We shall in no event be liable for more than:

- (i) the amount that it would cost to repair or replace the lost or damaged item with materials of similar quality;
- (ii) the Actual Cash Value of the lost or damaged item; or
- (iii) the applicable amount of insurance on the specifically insured item;

whichever is the lesser amount.

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

## **2. Actual Cash Value Option**

When this option is selected we will pay for insured loss or damage to property insured by this form and arising out of any one occurrence on an actual cash value basis deducting for depreciation.

#### LIMIT OF INSURANCE

We shall in no event be liable for more than:

- (a) the Actual Cash Value of the loss or damage at the date of the occurrence;
- (b) the amount that it would cost to repair or replace the property with materials of similar quality;
- (c) the applicable amount(s) if insurance shown in this policy;

whichever is the lesser amount.

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

## **E. CO-INSURANCE CLAUSE**

Property covered by this form is subject to the following:

### **Blanket Coverage**

We will not pay for a greater proportion of any loss than the applicable Limit of Insurance for the lost or damaged property insured on a blanket basis bears to 90% of its applicable insured value.

### **Scheduled Coverage**

We will not pay for a greater proportion of any loss than the applicable Limit of Insurance for the lost or damaged property insured on a scheduled basis bears to 80% of its applicable insured value.

### **Waiver of Co-Insurance**

These Co-Insurance Clauses will not apply where loss under this form does not exceed the lesser of \$5,000 or 2% of the applicable Limit of Insurance.

## **F. DEDUCTIBLE**

The deductible clause shown under "Basis of Claim Payment" is replaced by the following:

- (i) Ingestion: In case of internal damage caused by foreign object(s) being ingested into a combine, baler or forage harvester we are responsible only for the amount by which the loss or damage in any one occurrence exceeds:
  - (a) 25% of the amount of the loss or damage, or
  - (b) \$2,500, or
  - (c) the amount of the deductible shown on the Coverage Summary Page,whichever is the greatest.
- (ii) Irrigation Equipment: In case of loss or damage to irrigation equipment, caused by collision or impact with another object or by windstorm or by weight of ice, sleet, or snow, we are responsible only for the amount by which the loss or damage in any one occurrence exceeds 20% of the adjusted claim, or \$1,000., or the amount of the deductible shown on the Coverage Summary Page, whichever is the greater.
- (iii) All other cases: In case of loss or damage caused by an insured peril to property other than stated in (i) or (ii) above, we are responsible only for the amount by which the loss or damage exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

## **G. TERRITORIAL LIMITS**

Property insured by this form is only covered while on your premises and while temporarily away from your premises anywhere in Canada. However, if the Coverage Summary Page indicates "Premises Coverage only", we insure the property only while on your premises.

## H. PERMISSION TO CUSTOM FARM

Clause B. 3. in this form does not apply to property used for custom farming operations performed, by you (if you are an individual), in the province where you reside, provided the annual gross income for such custom farming operations does not exceed \$5,000.

Permission to Custom Farm does not include permission to perform any spraying for others.

## I. LOSS OF USE EXTENSION (MOBILE FARM IMPLEMENTS AND ATTACHMENTS) – FORM UO-05

We agree to pay for expenses incurred by you for rental of mobile farm implements and attachments similar in size and capacity to an item insured by Form EF-04 (Machinery & Tools), which has become inoperative because of loss or damage covered by this form.

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.

The most we will pay under this coverage is the amount shown on the Coverage Summary Page for "Loss of Use".

As Coverage under this extension is subject to a 10% deductible, our payment shall be limited to 90% of the actual rental expense incurred by you, up to the amount shown on the Coverage Summary Page for "Loss of Use".

## BUSINESS INTERRUPTION INSURANCE– CO-INSURANCE FORM 0218

If the Coverage Summary Page indicates Co-Insurance Form 0218, we provide the insurance described below:

### A. DESCRIPTION OF COVERAGE

We insure the loss of farm earnings you incur, directly resulting from the interruption of your farming operation because of an insured loss occurring while this coverage is in effect, to your:

- (1) farm outbuildings;
- (2) equipment attached to your farm outbuildings;
- (3) other structures;
- (4) equipment;
- (5) tools;
- (6) livestock; or
- (7) poultry;

while they are on the described premises.

We will pay only for the loss of Farm Earnings described above that you incur during the "period of restoration" as defined in this form.

#### Interruption by Civil Authority

In addition we insure your loss of Farm Earnings directly resulting from the interruption of your farming operation when a civil authority prohibits access to your dwelling as a direct result of damage to neighboring premises by an Insured Peril under this form.

We will pay Loss of Farm Earnings resulting from interruption by civil authority up to the applicable Limit of Insurance or a period of up to two weeks whichever is less.

### B. LOSSES EXCLUDED

All exclusions in Forms AP-01, NP-02 and NP-03, apply to this coverage form. In addition:

#### **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 farming operation;
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 farming operation 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 Exclusions applicable to Section III Agricultural Property in this booklet.

### C. 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 farming operation 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 farm operating expenses (including payroll) necessary to resume farming operations to the same extent that existed just before the insured loss; and
  - e. other sources of information on your farm operations such as your financial records, bills, invoices and similar documents.

Due consideration will also be given to continuing the normal payroll expenses necessary to retain those employees critical to your ability to resume farming operations to the same extent that existed just before the insured loss.

2. **Your Responsibility for Resuming Farming Operations:** You shall reduce your loss by resuming farming 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 farming operations in whole or part by using damaged or undamaged property at your premises or elsewhere.

If you do not resume farming operations, or do not resume farming operations as quickly as possible, we will pay based on the length of time it would have taken to resume farming 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 greater period of time.
4. **Limit of Insurance:** Where the Coverage Summary Page indicates "Co-Insurance" applies, we will not pay for a greater proportion of the loss than the Limit of Insurance applicable to this Form bears to the Co-Insurance percentage (as 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 cases, we will not pay more than the actual loss sustained, or the Limit of Insurance applicable to this coverage, for loss of Farm Earnings arising from any one occurrence whichever is less.
5. **Deductible:** No deductible applies to this coverage.

## D. DEFINITIONS

As used in this Form:

**"Farming 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 your farming operation 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 of time that:

- a. begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
- b. ends:
  - (i) on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
  - (ii) 12 months from the date of loss
 whichever is the shorter period.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (2) 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".

The expiration date of this policy will not cut short the "period of restoration".

## BUSINESS INTERRUPTION ACTUAL LOSS SUSTAINED FORM – FORM 0243

If the Coverage Summary Page indicates Actual Loss Sustained Form 0243, we provide the insurance described below:

### INDEMNITY AGREEMENT

- (1) This Section insures against loss directly resulting from necessary interruption caused by destruction or damage by the perils insured against, to building(s), structure(s) or contents on the described premises.

### MEASURE OF RECOVERY

- (2) This insurance is limited to the Actual Loss sustained by the Insured for 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 "period of restoration" 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 or Working: The additional expenditure (subject to Provisions Clause (b) 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 "period of restoration" 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 reduction thereby avoided;

less any sum saved during "the period of restoration" 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.

### DEFINITIONS

- (3) (a) "Gross Profit": 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 at the amount of the "Insured standing charges" bears to all standing charges of the business.
- (b) "Net Profit" the net trading profit (exclusive of all capital receipts and accretions and all outlay property chargeable to capital) resulting from the business 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.
- (c) "Turnover": the money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the business at the premises.
- (d) "Period of Restoration": begins with the date of direct physical loss caused by or resulting from any peril insured against and ends on the date when normal business "Operations Resume". Normal business operations means the resumption of conditions that would have existed had no loss occurred or a maximum of 12 months, whichever is less. The only exception to this being for media for, or programming records pertaining to, electronic data processing or electronically control led equipment including "Data" thereon be destroyed or damaged by a peril insured against then the "period of restoration" in respect thereof shall not extend beyond:
  - (1) 60 consecutive days after the occurrence of such destruction or damage; or
  - (2) 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.
- (e) "Operations": means the type of your business activities occurring at the described premises.
- (f) "Insured standing charges": all standing charges are insured unless otherwise specified below.

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

- (1) Depreciation of stock;
- (2) Bad Debts;

- (3) Wages and salaries other than salaries to permanent staff and wages to foremen and important employees whose services would not be dispensed with should the business be interfered with or interrupted.
- (g) "Rate of Gross Profit": the "rate of gross profit" earned on the "turnover" during the financial year immediately before the date of destruction or damage by perils insured against.
- (h) "Annual Turnover": the "turnover", during the 12 months immediately before the date of the destruction or damage by perils insured against.
- (i) Standard Turnover": the "turnover", during that period in the 12 months immediately before the date of the destruction or damage by perils insured against which corresponds with the "period of restoration".

The following paragraph applies to (g), (h) and (i):

to which such adjustments shall be made as may be necessary to provide for the trend of the business and/or variations in or special circumstances affecting the business either before or after the destruction or damage by perils insured against or which would have affected the business had the destruction or damage by perils 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 perils insured against would have been obtained during the relative period after the destruction or damage by perils insured against.

- (j) "Data" means representations of information or concepts in any form,
- (k) "Data problem" means:
- (1) erasure, destruction, corruption, misappropriation, misinterpretation of "Data";
  - (2) error in creating, amending, entering, deleting or using "Data"; or
  - (3) inability to receive, transmit or use "Data".

## PROVISIONS

- (4) (a) If during the "period of restoration" 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 service shall be brought into account in arriving at the "turnover" during the "period of restoration".
- (b) If any standing charges of the business be not insured by this Form, 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 sum of the "net profit" and "insured standing charges" bears to the sum of the "net profit" and all standing charges.
- (c) The 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) The Insurer shall be liable for actual loss sustained as insured 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.
- (e) In case of loss or damage by a peril insured against, the insurance provided by this Form extends to insure any increase in 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 "period of restoration" or to increase the amount of insurance.
- (f) On the happening of any destruction or damage by a peril insured against in consequence 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 to avoid or diminish the loss.
- (g) No term or condition of this Form shall be deemed to be waived by the Insured 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.
- (5) The Insurer shall not be liable for loss directly or indirectly resulting from necessary interruption of business caused by "Data problem", subject to (a) and (b) following.
- (a) If "Data problem" results in direct physical loss of or damage to property at the premises caused by:
- (i) fire;
  - (ii) explosion;
  - (iii) smoke;
  - (iv) leakage from fire protective equipment;
  - (v) water escape;

all as described in the Form covering property at the premises, this exclusion shall not apply to resulting loss of "Gross Profit" suffered through such resulting loss or damage.

- (b) If "Data problem" is the direct result of:
- (i) fire;
  - (ii) lightning;
  - (iii) explosion;
  - (iv) impact by aircraft, spacecraft or land vehicle;
  - (v) smoke;
  - (vi) leakage from fire protective equipment;
  - (vii) windstorm or hail;
  - (viii) water escape;

all as described in the Form covering damage to property at the premises, this exclusion shall not apply.

All other terms and conditions of this Policy remain unchanged.

## STORED GRAIN – FORM SG-08

If the Coverage Summary Page indicates that Form SG-08 applies, we provide the insurance described below.

### A. DEFINITIONS

- (1) "Grain" includes whole threshed grain, threshed seeds and threshed beans.
- (2) "Transportation Perils" means collision, upset or overturning of a vehicle on which the insured property is being transported, including collapse of bridges or culverts.
- (3) "theft" means wrongful abstraction or any act of stealing. There must be some observable physical evidence. The Police and our Representative must be advised of the theft immediately.
- (4) "market value" means the publically quoted price of the grain at the local elevator. No indemnity will be provided for above market value for unusual or special characteristics of the insured grain, such as scarcity, newness or quality, unless specified on Coverage Summary Page.
- (5) "occupied premises" means a building site with the principal residence of yourself or your employee located within 1/4 mile of the stored grain.

(6) "unoccupied premises" means any building site not occupied by you or your employee.

## **B. PROPERTY INSURED**

### ***We insure your grain while it is:***

- (1) Contained in any building or enclosure on property owned, leased or rented to you within Canada
- (2) In transit anywhere in Canada, except by common carrier.

## **C. PROPERTY NOT INSURED**

### ***We do not insure:***

- (1) Grain you do not own, unless otherwise specifically stated on Coverage Summary Page;
- (2) Grain in any cleaning or processing plant, public grain elevator, unless specifically stated on the Coverage Summary Page;
- (3) Unharvested or unthreshed grain.

## **D. INSURED PERILS**

Your grain is insured against direct loss or damage caused by:

- (1) Fire, lightning or explosion;
- (2) Transportation perils.

### **Theft Extension**

If the Coverage Summary Page indicates "Theft Extension" applies, we extend the policy to provide insurance for theft of stored grain while stored on:

- (1) Occupied Premises – within a fully enclosed building, excluding any mysterious disappearance or unexplained shortage.
- (2) Unoccupied Premises – within a fully enclosed building, excluding any mysterious disappearance or unexplained shortage.

When the Theft Extension is opted for cyclone, tornado and windstorm will be covered, but only while the property is stored in fully enclosed buildings.

In addition to the exclusions shown above, General Exclusions under Section III Agriculture Property are also applicable to this form.

## **E. 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.

### **Waiver of Co-Insurance**

This Co-Insurance Clause will not apply where loss under this form does not exceed the lesser of \$5,000 or 2% of the applicable Limit of Insurance.

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## **FERTILIZER AND FARM CHEMICALS – FORM FC-09**

If the Coverage Summary Page indicates that Form FC-09 applies, we provide the insurance described below.

## **A. PROPERTY INSURED**

We insure chemical fertilizer, herbicides and pesticides which you own while stored in fully enclosed buildings or storage tanks on premises occupied by the insured and, if "Broad Form" is applicable, while in transit anywhere in Canada, except while in transit by common carrier.

## **B. INSURED PERILS**

Limited Form: If Limited Form is shown on the Coverage Summary Page, you are insured against direct loss or damage caused by Fire, Lightning or Explosion of natural, coal or manufactured gas.

Broad Form: If Broad Form is shown on the Coverage Summary Page, you are insured against direct loss or damage caused by:

1. Fire, Lightning or Explosion;
2. Collision, upset or overturning of a vehicle on which the insured property is being transported, including collapse of bridges or culverts;
3. Vandalism or Malicious Acts;
4. Theft. This peril does not include:
  - (a) any mysterious disappearance or unexplained shortage; or
  - (b) theft of liquid fertilizer, herbicide or pesticide from a storage tank unless pumps are securely locked when not in use.
  - (c) loss under circumstances in which there is no observable substantiating evidence of theft;
5. Windstorm. This peril does not include loss or damage:
  - (i) to property in transit, or
  - (ii) due to the entrance into a building of rain, hail, sleet or snow, whether or not resulting from windstorm.

In addition to the exclusions shown above, General Exclusions under Section III Agriculture Property are also applicable to this form.

## **C. 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.

### **Waiver of Co-Insurance**

This Co-Insurance Clause will not apply where loss under this form does not exceed the lesser of \$5,000 or 2% of the applicable Limit of Insurance.

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## **HAY, STRAW AND FEED – FORM HS-10**

If the Coverage Summary Page indicates that Form HS-10 applies, we provide the insurance described below.

## A. PROPERTY INSURED

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

## B. INSURED PERILS

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

In addition to the exclusions shown above, General Exclusions under Section III Agriculture Property are also applicable to this form.

## C. 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.

### Waiver of Co-Insurance

This Co-Insurance Clause will not apply where loss under this form does not exceed the lesser of \$5,000 or 2% of the applicable Limit of Insurance.

## MILK IN TANKS – FORM MK-11

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If the Coverage Summary Page indicates that Form MK-11 applies, we provide the insurance described below.

## A. PROPERTY INSURED

We insure raw milk while in tanks on your premises.

## B. INSURED PERILS

You are insured against all risks of direct physical loss or damage from any external cause, but we do not insure 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.

## C. EXCLUSIONS

In addition to the exclusions shown above, General Exclusions under Section III Agriculture Property are also applicable to this form.

## MISCELLANEOUS PROPERTY – FORM MP-12

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If the Coverage Summary Page indicates that Form MP-12 applies, we provide the insurance described below.

## A. PROPERTY INSURED

We insure the property described on the Coverage Summary Page for which an amount of insurance is shown.

If your personal property is insured under coverage C of Section 1 of this policy, the "Replacement Cost Cover", as described in the Basis of Settlement of Claim Payment – Property section, will apply to your property insured under this Floater. This provision does not apply to any agricultural or commercial property which may be scheduled.

## B. PROPERTY NOT INSURED

### We do not insure:

1. Property engaged in custom farming, spraying for others or while in transit in connection with custom farming, except as otherwise permitted in F. Permission to Custom Farm below, unless permission for custom farming is stated in the Coverage Summary Page or granted elsewhere in this policy.

However, Permission to Custom Farm does not include permission to perform any spraying for others;

2. Underground property other than pumps separately described and specifically insured. We do not insure wells, underground piping or wiring or the cost of excavation for any of these;
3. Property used for logging, forestry, brush cutting, land clearing or sawmill operations;
4. Property used commercially for any purpose other than your agricultural operations, unless permission for such use is stated in the Coverage Summary Page.

## C. INSURED PERILS

### All Perils Form

If the Coverage Summary Page specifies All Perils Form, you are insured against all risks of direct physical damage from any external cause, except the following:

### We do not insure:

1. loss or damage caused by or resulting from wear, tear, gradual deterioration, latent defect, dampness of atmosphere, freezing or extremes of temperature, moths, rodents or vermin (as defined herein);
2. loss or damage caused by or resulting from mechanical or electrical breakdown, disturbance or failure, or repairing, adjusting, servicing or maintenance operations, but if any of these result in fire or explosion, we will pay only for the resulting loss or damage to insured property caused by fire or explosion;
3. loss or damage to tires or tubes unless the loss or damage is caused by fire, windstorm or theft, or is coincident with other loss or damage insured by this Form;
4. Vandalism or malicious acts caused by you or any person employed by you;
5. theft of property from automobiles, trailers or other conveyances unless the theft results from forcible entry (of which there must be visible evidence) into a fully enclosed body or compartment which has been securely locked;
6. any mysterious disappearance or unexplained loss;
7. accumulative damage, however caused.

### Named Perils Form

If the Coverage Summary Page Specifies Named Perils, you are insured against direct loss or damage caused by:

1. Fire, Lightning;
2. Explosion, except explosion originating in internal combustion engines;
3. Windstorm or Hail;
4. Collision, upset or overturning of a vehicle on which the insured property is being transported, including collapse of bridges or culverts;
5. Vandalism or Malicious Acts. This peril does not include loss or damage:
  - (a) caused by theft or attempted theft,
  - (b) caused by you, or any person employed by you;
  - (c) to tires or tubes unless the loss or damage is co-incident with other loss or damage to the insured property;
6. Theft, unless the Coverage Summary Page indicates "excluding theft".
 

This peril does not include;

  - (a) any mysterious disappearance or unexplained loss;
  - (b) theft of property from automobiles, trailers or other conveyances unless the theft is a result of forcible entry (of which there must be visible evidence) into a fully enclosed body or compartment which has been securely locked.

In addition to the exclusions shown above, General Exclusions under Section III Agriculture Property are also applicable to this form.

## D. 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 the insured property at the time of loss. If two or more items are specifically described in the Coverage Summary Page, this condition will apply separately to each item.

### Waiver of Co-Insurance

This Co-Insurance Clause will not apply where loss under this form does not exceed the lesser of \$5,000 or 2% of the applicable Limit of Insurance.

## E. TERRITORIAL LIMITS

We insure the described property while on your premises and while temporarily away from your premises anywhere in Canada. However, if the Coverage Summary Page indicates "Premises Coverage Only", we insure the property only while it is on your premises.

## F. PERMISSION TO CUSTOM FARM

Clause B. 1. in this form does not apply to machinery used for custom farming operations performed by you (if you are an individual) in the province where you reside, provided the annual gross income for such custom farming operations does not exceed \$5,000. Permission to Custom Farm does not include permission to perform any spraying for others.

## OPTIONAL POLICY COVERAGES

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

## BUSINESS AT HOME EXTENSION – FORM 0142

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This Extension provides you with the following coverages relating to the home based business operated by you, or a member of your family residing with you:

### BUSINESS PROPERTY

#### Coverage

Section 1, Coverage C – Personal Property, of this policy is extended to include Business Property (including stock, equipment and tools belonging to you, or for which you are responsible), while contained in the dwelling building or locked outbuilding up to the amount specified for this Extension on the Coverage Summary Page. Business Property anywhere else in Canada is covered up to a limit of \$5,000.

#### Exclusions

Coverage on your Business Property is subject to all the limitations and exclusions listed in this Policy (except as they may be expressly modified by this endorsement).

#### *In addition, there is no coverage for:*

1. any furs, jewellery, precious metals or watches;
2. property you have loaned or rented to others, or have sold under a conditional sales agreement or deferred payment plan, once it has left your custody;
3. any lost business or extra expense resulting from damage by an insured peril, other than as provided separately under the Extra Expenses section of this Extension. However, under Section D – Additional Living Expenses, you can rent temporary living accommodation of sufficient size to enable you to continue to operate your home based business. The amount insured under Section D shown on the Coverage Summary Page will still apply;
4. any loss resulting from dishonesty on the part of you or any of your employees;
5. unexplained loss, mysterious disappearance, or shortage discovered when taking inventory;
6. theft of property from automobiles, trailers or other conveyances unless the theft is a result of forcible entry (of which there must be visible evidence) into a fully enclosed body or compartment which has been securely locked;
7. books of account and other records, other than the cost of blank records, plus the cost of re-entering the lost information.

#### Basis of Settlement

Losses on Stock will be paid on an "Actual Cash Value" basis; all other losses will be paid on a "Replacement Cost" basis. The terms "Actual Cash Value" and "Replacement Cost" are defined in Section 1 – Basis of Claim Payment – Property Coverages of this policy.

#### Money

At your option, the \$300. limit on money provided by this Policy can apply to money held in connection with the home based business. However, coverage provided by this Policy in respect of Credit, Debit, Cash, Bank or similar Cards, Forgery, and Counterfeit Money is expressly excluded from this Extension.

#### Inflation Endorsement

The inflation protection coverage provided by this Policy does not apply to this Extension.

## Single Limit Homeowners

Business Property is expressly excluded from the additional provisions and enhanced Special Limits of the Single Limit Extension forming part of this policy

## Co-Insurance

For property on premises, we will only pay the same portion of a loss that the amount insured bears to 80% of the actual replacement value (in the case of stock, 80% of the actual cash value) of the property insured.

## Waiver of Co-Insurance

This Co-Insurance Clause will not apply where loss under this form does not exceed the lesser of \$5,000 or 2% of the applicable Limit of Insurance.

## 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 Business Personal Property as well as non-business personal property, arising from one incident, only one deductible will apply. The Section 1, Principle Residence property deductible will also apply to business personal property.

## Extra Expense Coverage

This Policy is extended to cover the necessary Extra Expense you incur to continue as nearly as practicable the normal conduct of your business following damage to or destruction of property insured by this Policy by the perils insured against. The most we will pay under this section is \$2,500.

## CONDITIONS

1. The destruction or damage must occur during the term of the Policy.
2. We will pay for Extra Expense incurred during a period of twelve months from the date of the loss, or until you are able to resume normal occupancy of your residence, whichever comes first. This period shall not be limited by the expiration date of this Policy.
3. You agree to resume complete or partial business operations, and to reduce or dispense with such extra expenses as are being incurred, as soon as practicable after the loss.

## EXCLUSIONS

This coverage is subject to all the limitations and exclusions listed in the Policy. In addition, there is no coverage for:

1. any loss of income;
2. the cost of repairing or replacing damaged property, except for cost in excess of the normal cost for such repair or replacement, incurred in order to reduce the amount of the total Extra Expense otherwise payable;
3. loss due to fines or damages due to breach of contract for late or non-completion of orders, or for any penalties;
4. loss due to suspension, lapse or cancellation of any lease or license, contract or order;
5. the cost of re-writing books of account and other records, whether hard copies or electronic data;
6. increase of loss due to delays in resumption of business caused directly or indirectly by strikers or other persons.

## LIABILITY COVERAGE

If the Coverage Summary Page shows "Liability Extended to Cover Business at Home" you are insured for:

### Coverage

Section II, Coverage E – Legal Liability, of this Policy is extended to include all sums which you become legally liable to pay as compensatory damages for bodily injury or property damage arising out of the operation of your home based business.

### Exclusions

This coverage is subject to all the limitations and exclusions listed in the Policy. In addition, you are not insured for claims made against you arising from:

1. liability for bodily injury or property damage by reason of assumption of liability in a contract or agreement;
2. any obligation under a workers' compensation, disability benefits or unemployment compensation law or any similar law;
3. bodily injury to any of your employees arising out of and in the course of employment by you, however this exclusion does not apply to employees on whose behalf contributions are made by or required to be made by the insured under the provisions of any workers' compensation law;
4. damage to that particular part of real property on which you or any contractor or sub-contractor working directly or indirectly on your behalf is performing operations if the property damage arises out of those operations;
5. property damage to that particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it, other than property damage included in the "products-completed operations hazard";
6. property damage to "your product" arising out of it or any part of it;
7. property damage to "your work" arising out of it or any part of it and included in the "products-completed operations hazard"; however this Exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a sub-contractor;
8. property damage to "impaired property" or property that has not been physically injured, arising out of:
  - (a) a defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
  - (b) a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to loss of use of other property arising out of a sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use;

9. any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal, or disposal of "your product", "your work" or "impaired property" if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it;
10. bodily injury or property damage due to the rendering or failure to render any professional service. This includes but is not limited to:
  - (a) the rendering or failing to render:
    - (i) medical, surgical, dental, x-ray or nursing service or treatment, or the related furnishing of food or beverages;
    - (ii) any health service or treatment; or
    - (iii) and cosmetic or tonsorial service or treatment;
  - (b) the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
  - (c) the handling or treatment of dead bodies, including autopsies, organ donation or other procedures;

- (d) professional services in the practice of optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (e) the preparing, approving, or failing to prepare or approve maps, drawings, opinions reports, surveys, change orders, designs or specifications;
- (f) the rendering or failure to render professional architectural or engineering services including supervisory or inspection services connected therewith;
- (g) the rendering or failure to render professional accountant's, lawyer's, real estate broker's or agent's, insurance broker's or agent's, travel agent's, stock broker's or counseling services;

If it is indicated on the Coverage Summary Page that Hairdressers Professional Liability is included, Paragraph (a) (iii) of this exclusion does not apply to any insured whose business is a hairdresser or barber. However, this insurance does not apply to bodily injury caused by or due to:

- (i) plastic surgery, the removal or attempted removal of warts, moles or other growths;
  - (ii) the use of electrolysis or any electrically operated apparatus for removal of hair;
  - (iii) the application of any preparation, the use or sale of which is prohibited under any Federal, Provincial or Municipal Law;
  - (iv) the use of any product before the application of which the manufacturer or distributor recommends predisposition or allergy tests or shall have used the same product on the customer on a previous occasion without adverse effect, and if the results of such tests prove unsatisfactory, the use of such product in a manner other than as a result of the tests;
  - (v) the use or application of any preparation, material, appliance or apparatus in connection with exercising, slenderizing or reducing services;
  - (vi) body massage (other than facial massage);
  - (vii) body (including ear and nose) piercing, physiotherapy or chiropody;
  - (viii) the use of sun tanning lamps or other irradiating devices;
  - (ix) the use of electrical heat or steam baths;
11. (a) "bodily injury" or "property damage" arising out of the actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of pollutants:
- (i) at or from any premises, site or location which is or was at any time, owned or occupied or rented or loaned to an insured;
  - (ii) at or from any premises, site or location which is or was at any time, used by or to any insured or others for the handling, storage, disposal, processing or treatment of waste;
  - (iii) which are or were at any time transported, handled, stored, treated, disposed of or processed as waste by or for any insured or any person or organization from whom the Insured may be legally responsible; or
  - (iv) at or from any premises, site or location on which any Insured or contractors or subcontractors working directly or indirectly on any Insured's behalf are performing operations:
    - (a) if the pollutants are brought on or to the premises, site or location in connection with such operations by such Insured, contractor or subcontractor; or
    - (b) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effect of pollutants.

Sub paragraphs (i) and (iv) (a) of paragraph 11(a) of this exclusion do not apply to "bodily injury" or "property damage" caused by heat, smoke or fumes from a fire which becomes uncontrollable or breaks out from where it was intended to be.

- (b) any loss, cost or expense arising out of any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, heat, detoxify, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effect of pollutants, unless such loss, cost or expense is consequent upon "bodily injury" or "property damage" covered by this policy.

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapors, soot, fumes, acid, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

## DEFINITIONS

Words and phrases in quotation marks have the following special meanings in this Extension;

"Impaired Property" means tangible property, other than your product or your work that cannot be used or is less useful because:

1. it incorporates your product or your work that is known or thought to be defective, deficient, inadequate, or dangerous; or
2. you have failed to fulfill the terms of a contract or agreement, if such property can be restored to use by:
  - (a) the repair, replacement, adjustment or removal of your product or your work; or
  - (b) your fulfilling the terms of the contact or agreement.

"Occurrence" means an accident, including continuous or repeated exposure to substantially the same harmful conditions.

"Products-Completed Operations Hazard" includes all bodily injury or property damage occurring away from the premises you own or rent and arising out of your product or your work, except:

1. products that are still in your physical possession; or
2. work that has not yet been completed or abandoned.

Your work will then be deemed completed at the earliest of the following times:

1. when all of the work called for in your contract has been completed;
2. when all of the work to be done at the site has been completed if your contract calls for work at more than one site;
3. when that part of work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed. This hazard does not include bodily injury or property damage arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.

"Your Product" means:

1. any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - (a) you; or
  - (b) others trading under your name; or
  - (c) a person or organization whose business or assets you have acquired; and
2. containers (other than vehicles) materials, parts or equipment furnished in connection with such goods or products.

"Your Product" includes warranties or representations made at any time with respect to the fitness, quality, durability, or performance of any of the items included in 1. and 2. above.

"Your Product" does not include vending machines or other property rented to or located for the use of others but not sold.

"Your Work" means:

1. work or operations performed by you or on your behalf; and

- materials, parts and equipment furnished in connection with such work or operations.

"Your Work" includes warranties or representations made at any time in respect to the fitness, quality, durability, or performance of any of the items included in 1. or 2. above.

## LIMIT OF LIABILITY

The amount of insurance shown in the Coverage Summary Page is the maximum amount we will pay under one or more sections of Coverage E for all compensatory damages in respect of one accident or occurrence or series of accidents or occurrences resulting from one cause and is the maximum amount we will pay for any number of accidents or occurrences in any one Policy Period if caused by the products-completed operations hazard.

## DEDUCTIBLE

You will pay the first \$500. of each and every claim for property damage. If more than one claim arises or results from a single occurrence, the deductible shall apply only once. The terms of the Policy, including those with respect to notice of accident or occurrence and our right to investigate, negotiate and settle any claim or suit, apply irrespective of the application of the deductible amount.

## TERRITORY

This insurance applies only to occurrences taking place in Canada.

Coverage Section II, Coverage F – Voluntary Medical Payments is amended to delete the exclusion reading "your business or any business use of your premises except as specified in this Policy" as it applies to this coverage.

## EXCLUSIONS

This coverage is subject to all the limitations and exclusions listed in the Policy. In addition, if the bodily injury arises out of your business or any business use of your premises we will not pay medical expenses for bodily injury:

- to any insured;
- to a person hired to do work for or on behalf of any insured or a tenant of any insured;
- to a person injured on that part of premises you own or rent that the person normally occupies;
- to a person, whether or not an employee of any insured, who at the time of injury is entitled to benefits under any workers compensation or disability benefits law or a similar law;
- to a person injured while taking part in athletics;
- the payment of which is prohibited by law;
- included within the "products-completed operations hazard";
- excluded under Coverage E, Legal Liability of the Policy and amended by this endorsement.

## GENERAL CONDITIONS

These conditions apply to all sections of this extension:

- "Home based business" means business that you operate out of the dwelling insured by this policy, and described in the Application you have given to us.
- You do not operate any part of your business from any other permanent location. If your business is operated in whole or in part from any location other than the insured dwelling, this insurance is invalidated.
- The coverage under this Extension replaces, and is not in addition to, any coverage for business personal property or liability relating to the home based business already provided under this Policy.

## UNIVERSAL AG ENHANCEMENT – FORM 0410

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If the coverage summary indicates that form 0410 UNIVERSAL AG ENHANCEMENT applies, we will provide the coverages as described and limited below.

### 1. ACCOUNTS RECEIVABLE

The following is hereby added under Section III – Agricultural Property:

#### Accounts Receivable

We will pay up to \$25,000 for loss to your Accounts Receivable located at your insured premises, directly resulting from an insured (by this policy) loss to your farm dwelling or outbuildings and attached equipment which occurs while this coverage is in effect.

#### Coverage

##### *We will pay:*

- All sums due the Insured from customers, provided the Insured is unable to effect collection thereof as the direct result of loss or damage from a peril insured against hereunder to records of accounts receivable;
- Interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by such loss or damage;
- Collection expense in excess of normal collection cost and made necessary because of such loss or damage;
- Other expenses, when reasonably incurred by the Insured in re-establishing records of accounts receivable following such loss or damage.

#### Exclusions

This Coverage Does Not Apply:

- To loss due to any fraudulent, dishonest or criminal act by any Insured, a partner therein, or an officer, director or trustee thereof, while working or otherwise and whether acting alone or in collusion with others;
- To loss due to bookkeeping, accounting or billing errors or omissions;
- To loss, the proof of which as to factual existence, is dependent upon an audit of records or an inventory computation; but this shall not preclude the use of such procedures in support of claim for loss which the Insured can prove, through evidence wholly apart therefrom, is due solely to a risk of loss to records of accounts receivable not otherwise excluded hereunder;
- To loss due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property but only to the extent of such wrongful giving, taking, obtaining or withholding;
- To loss due to electrical or magnetic injury, disturbance or erasure of electronic recordings, except by lightning;
- To loss or damage caused by or resulting from:



- (i) War, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- (ii) Contamination caused directly or indirectly by radioactive material;
- (iii) Risks of contraband or illegal transportation or trade.

### **Protection of Records of Accounts Receivable**

This coverage shall apply only while your records of accounts receivable are contained in or moving between building(s) on the premises described in the Declarations, it being a condition precedent to any right of recovery hereunder that such records shall be kept in a secure location at all times when the premises are not open for business, except while such records are in actual use.

### **Removal**

We will cover your records of accounts receivable while they are being removed to and while at a place of safety away from your premises because of imminent danger of loss or damage, and while being returned from such place, provided the Insured gives written notice to the Insurer of such removal within ten days thereafter.

#### **Definition**

**"Premises"** means the interior of that portion of the building at the location described in the declarations which is occupied by the Insured for the purpose stated therein.

### **Conditions**

#### **INSPECTION AND AUDIT**

We shall be permitted to inspect the premises and the receptacles in which the records of accounts receivable are kept by you, and to examine and audit the your books and records at any time during the policy period and any extension thereof and within three years after the final termination of this policy, as far as they may relate to the premium basis or the subject matter of this insurance, and to verify the statements of any outstanding record of accounts receivable submitted by you Insured and the amount of recoveries of accounts receivable on which the Insurer has made any settlement.

### **Recoveries**

After payment of loss all amounts recovered by you on accounts receivable for which you have been indemnified shall belong and be paid to us by you up to the total amount of loss paid by us; but all recoveries in excess of such amounts shall belong to you.

### **Adjustment of Loss**

In the event that you cannot accurately establish the total amount of accounts receivable outstanding as of the date loss occurs such amount shall be computed as follows:

- (1) Determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the loss occurs;
- (2) Calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the twelve months immediately preceding the month in which the loss occurs, or such part thereof, as compared with such average for the same months of the preceding year;
- (3) The amount determined under (1) above, increased or decreased by the percentage calculated under (2) above, shall be the agreed total amount of accounts receivable as of the last day of the fiscal month in which the said loss occurs;
- (4) The amount determined under (3) above, shall be increased or decreased in conformity with the normal fluctuations in the amount of accounts receivable during the fiscal month involved, due consideration being given to the experience of the business since the last day of the last fiscal month before the loss.

In determining the amount of our liability for any loss hereunder there shall be deducted from the total amount of accounts receivable the amount of such accounts evidenced by records not lost or damaged, or otherwise established or collected by you, and an amount to allow for probable bad debts which would normally have been uncollectible by you. On deferred payment accounts receivable, unearned interest and service charges shall be deducted.

## **2. AUTOMATIC FIRE SUPPRESSION SYSTEM RECHARGE EXPENSE**

The following is hereby added under Section III – Agricultural Property:

### **Automatic Fire Suppression System Recharge Expense**

We will pay up to \$5,000 in any one occurrence for any automatic fire suppression system recharge expense incurred by you due to the leakage or discharge of the fire suppressant within any automatic fire suppression system at your insured premises where such discharge or leakage is caused by or results from a peril insured against under this Policy.

## **3. BRANDS AND LABELS**

The following is hereby added under Section III – Agricultural Property:

### **Brands and Labels**

If we exercise our option to take all or any part of the stock involved in loss, you reserve the right to first remove your trademarks, guarantees, names or other evidence of your interest in such property or connection therewith and where the removal of such marks is impossible or impractical, the stock may be stamped 'salvage' and /or transferred to bulk containers with the cost to be borne by us. Our maximum liability for such costs under this extension shall not exceed \$10,000 in any one occurrence.

## **4. COMPUTER COVERAGE**

Coverage for the following is hereby added under Section III – Agricultural Property:

### **Computer Coverage**

We will pay up to \$10,000 in any one occurrence for loss or damage to your computers used in your farming operation.

This coverage is subject to the terms and conditions set out in Personal Computer Floater Form PC-15 in Section 1 – Optional Property Coverages.

Personal Computer Floater Form PC-15 is amended by deleting "If the Coverage Summary Page indicates Form PC-15 applies" and substituting "If the Coverage Summary Page indicates Universal Ag Enhancement Form 0410 applies".

The Limit of Insurance for this coverage is in addition to any other limit shown in the Coverage Summary for Personal Computer Floater Form PC-15.

## 5. CORRALS AND FENCING COVERAGE

This is an Additional Coverage found under Agricultural Buildings and Contents in Section III Agricultural Property. The limit of insurance for this coverage is increased to \$10,000.

## 6. DEBRIS REMOVAL EXPENSE

The following is added to Section I Additional Coverages:

### Debris Removal Expense

We will pay the expense incurred in the removal of debris of insured property which has been damaged or destroyed by 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. If the property is subject to a Co-Insurance Clause, the debris removal expense will not be considered in determining value for Coinsurance purposes.

Debris Removal Expense will include:

- a) **Dead Stock Removal:** which is the cost of removing dead stock of the property insured under this form as a result of any insured peril.
- b) **Debris Recycling Costs:** If requested by the insured we will pay the additional costs necessary to recycle, as opposed to simply disposing of debris of insured property which has been damaged or destroyed by an insured peril.
- c) **Special Debris Dumping Costs:** In the event that dumping costs are increased because we are dumping debris of a specific nature, this coverage will cover those increased dumping costs subject to the limit stated above.

This Debris Removal Expense coverage does not however 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".

This coverage is also included where applicable coverage is provided under Section III of this policy,

In addition, the first paragraph in **Section I – Home and Personal Property Coverages (Principal Residence)** is amended to read:

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

## 7. EXHIBITION EXTENSION

This coverage is found in Extensions of Coverage under Agricultural Buildings and Contents in Section III Agricultural Property and in Additional Coverages under Section I. The limit of insurance for this coverage is increased to \$5,000.

## 8. FARM EXTRA EXPENSE:

The following is hereby added under Section iii, Agricultural Property:

Extra Expense: we will pay up to \$10,000 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. This applies as an additional coverage to property insured under Agricultural Buildings and Contents (Forms AP-01, NP-02, NP-03) or Stored Grain (SG-08), Fertilizer and Farm Chemicals (FC-09) and Hay, Straw & Feed (HS-10)

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

No deductible applies to this coverage.

## 9. FARM OFFICE FURNISHINGS AND EQUIPMENT COVERAGE

The limit of insurance for this coverage, found in Additional Coverage under Section I Home and Personal Property Coverages, is increased to \$10,000.

## 10. FARM TOOLS AND PARTS COVERAGE

The following is hereby added under Section III – Agricultural Property:

### 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. This is in addition to property insured under Form EF-04 Equipment and Tools, Broad Coverage.

Subject to a \$500 deductible.

## 11. FARM WATER SYSTEM COVERAGE – EXCLUDING IRRIGATION EQUIPMENT

The following is hereby added under Section III – Agricultural Property:

### 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.

This applies as an additional coverage to property insured under Agricultural Buildings and Contents Form AP-01 – Building (All Perils).

This coverage is subject to a \$500 deductible.

## 12. FEED AND SILAGE

The following is hereby added under Section III – Agricultural Property:

### Feed and Silage

We will pay up to \$5,000 in any one occurrence as an additional amount of insurance for direct physical loss by fire to feed and silage as per HAY, STRAW and FEED Form HS – 10.

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.

### 13. FARM FUEL AND FUEL TANK COVERAGE

The following is hereby added under Section III – Agricultural Property:

#### Fuel and Fuel Tank Coverage

We will pay up to \$5,000 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 coverage to property insured under Agricultural Buildings AND Contents per Form NP-03 – Building and Contents (Fire and Extended Coverage) and per Insured Peril No. 6 Theft (as defined and limited) from Form MP-12 Miscellaneous Property (Named Perils). The tank(s) must be kept locked at all times in order for Theft or Vandalism coverage to be in force.

Subject to a \$500 deductible.

### 14. GOOD NEIGHBOR COVERAGE

This is an Additional Coverage found under Agricultural Buildings and Contents in Section III Agricultural Property. The limit of insurance for this coverage is increased to \$10,000.

### 15. LIVESTOCK ROUNDUP COVERAGE

The following is hereby added under Livestock – (Named Perils) – Form LF-03:

#### Livestock Roundup Coverage

We will pay the reasonable fees you incurred for rounding up your insured livestock which have accidentally escaped from their designated area of confinement.

In addition, we will pay for livestock shot during a roundup mentioned above in order to prevent the animal from causing “bodily injury” or “property damage”.

#### *We will pay the least of:*

1. the market value of the animal at the time of loss (where the animal has been shot for the reasons described above); or
2. \$1,000.

No deductible applies to this coverage.

### 16. NEWLY ACQUIRED LIVESTOCK

Where this policy provides coverage under Livestock – (Named Perils) Form – LF-03 Clause 4. Newly Acquired Livestock under A. Property Insured is amended to read as follows:

Newly Acquired Livestock: If you acquire any additional livestock similar to those insured by this policy, we will automatically insure these under the livestock coverage shown on the Coverage Summary Page provided that you notify us within 90 days of the date of their acquisition. The most we will pay is \$5,000 per animal and \$10,000 per occurrence or the total amount of insurance on livestock shown on the Coverage Summary Page whichever is less.

### 17. NEWLY ACQUIRED OR CONSTRUCTED FARM BUILDINGS

This is an Additional Coverage found under Agricultural Buildings and Contents in Section III Agricultural Property. The limit of insurance for this coverage is increased to \$250,000 and the 30-day notification requirement is increased to 90 days.

### 18. NEWLY ACQUIRED OR LEASED FARM MACHINERY AND EQUIPMENT

This is found under Equipment and Tools Form EF-04 in Section III Agricultural Property. The limit of insurance for this coverage is increased to \$150,000 and the 30-day notification requirement is increased to 90 days.

### 19. PERMISSION TO CUSTOM FARM

The Permission to Custom Farm limit provided by this policy is increased to \$10,000

### 20. POLLUTANT CLEAN UP AND REMOVAL EXPENSE COVERAGE

The limit of insurance under this policy for the Additional Coverage Pollutant Clean Up and Removal Expense Coverage which is part of Agricultural Buildings and Contents in Section III Agricultural Property is increased to \$10,000.

### 21. PRIVATE POWER AND LIGHT POLES

The limit of insurance under this policy for the Additional Coverage Private Power and Light Poles which is part of Agricultural Buildings and Contents in Section III Agricultural Property is increased to \$5,000.

### 22. PROPERTY IN THE CUSTODY OF A COMMON CARRIER

This is an Additional Coverage found under Agricultural Buildings and Contents in Section III Agricultural Property. The limit of insurance for this coverage is increased to \$15,000.

### 23. SALESPERSON’S SAMPLES

The following is hereby added under Section III – Agricultural Property:

#### Salespersons Samples

We will pay up to \$2,500 in coverage under Form NP-03 Building AND Contents (Fire and Extended Coverage) in any one occurrence for Damage to Insured Property whether in transit or otherwise in the custody of a sales representative of the insured.

Our liability for loss or damage under this Extension is limited to the lesser of:

- (a) The actual value of the property at the time of loss; or
- (b) The applicable limit of insurance.

No deductible is applicable to this extension of coverage.

### 24. SEED, CHEMICALS AND FERTILIZER

The following is hereby added under Section III – Agricultural Property:

## 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.

This applies as an additional coverage on seed per Form SG-08 Stored Grain (Theft Extension applies) and on chemicals and fertilizer per Form FC-09 Fertilizer and Farm Chemicals (Broad Form).

## 25. SEMEN AND SEMEN STORAGE TANK COVERAGE

The following is hereby added under Section III – Agricultural Property:

### Semen and Semen Storage Tank Coverage

#### 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.

We will pay up to \$1,000 for direct physical loss to:

- (1) "semen" owned by the insured, and
- (2) "semen tanks" owned by the insured or for which the insured is legally liable.

If a higher amount for Semen and Semen Storage Tank Coverage is shown in the Coverage Summary Page we will pay up to that higher amount.

If you have more than one semen tank, this amount of insurance 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 extension applies only while the insured property is within the territorial limits of Canada.

#### DEDUCTIBLE

No deductible applies to this coverage.

#### BASIS OF CLAIM PAYMENT

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

## 26. SIGN COVERAGE

The following is hereby added under Section III – Agricultural Property:

### Farm Sign Coverage (Additional Coverage to Agricultural Buildings)

We will pay up to \$3,000 in any one occurrence as an additional amount of insurance for direct physical loss or damage to an exterior farm sign on the "premises", caused by an Insured Peril (All Perils Form AP-01)

This coverage is subject to a \$500 deductible.

## 27. STANDING CROP COVERAGE GRAIN, SEED HAY OR STRAW

Coverage for the following is hereby added under Section III – Agricultural Property:

### 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 per form SG-08 Stored Grain to standing or swathed grain and seed crops and up to \$1,000 in any one occurrence for direct physical loss by fire per Form HS-10, Hay, Straw and Feed to hay or straw. 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.

## 28. TACK

The following is hereby added under Section III – Agricultural Property:

### Tack

We will pay up to \$5,000 in coverage under Form NP-03 Building AND Contents (Fire and Extended Coverage) in any one occurrence for direct physical loss or damage to tack.

Loss settlement shall be on an actual cash value basis.

No deductible is applicable to this extension of coverage.

## 29. VALUABLE PAPERS AND RECORDS

The following is hereby added under Section III – Agricultural Property:

### Valuable Papers and Records

Where this policy provides coverage under Agricultural Buildings and Contents in Section III Agricultural Property, that coverage is extended for up to \$10,000 in any one occurrence, for Valuable Papers and Records, or Valuable Papers and Records for which you may be legally liable, when such records are lost or damaged by a peril insured against.

It is a condition of this coverage that when the limit of insurance exceeds \$10,000 all valuable papers and records insured hereunder shall be kept in a locked and fire resistant receptacle on the premises described on the Coverage Summary Page except when actually in use or stored off site in a receptacle of similar quality.

Valuable Papers and Records does not cover:

- a. Property which cannot be replaced with other of like kind and quality;
- b. Electrical or magnetic injury, disturbance or erasure of electronic recordings, except by lightning;
- c. Errors and omissions in processing or copying unless and then only for direct loss caused by such ensuing fire or explosion.

Our liability for loss or damage under this coverage is limited to the lesser of:

- a. The actual cash value of the property at the time of loss;
- b. The cost to repair or replace the property with like kind and quality; or
- c. The applicable limit of insurance.

### 30. VETERINARIAN SUPPLY COVERAGE

The limit of insurance for this coverage Additional Coverage found under Agricultural Buildings and Contents in Section III Agricultural Property is increased to \$5,000.

### 31. WORKING/FARM DOG COVERAGE

The following is hereby added under Section III – Agricultural Property:

#### Working/Farm Dog Coverage

Coverage is extended for up to \$1,500 for a “working or farm dog” in any one occurrence which is owned and being used as such by the insured.

Coverage under this extension is:

- a. Limited to death, destruction, loss or damage resulting from or made necessary by:
  - (1) Fire or lightning;
  - (2) Collapse of bridges or culverts
  - (3) Flood;
  - (4) Accident to conveyances while being transported thereon;
  - (5) Windstorm, cyclone, tornado, hail, explosion, riot, smoke, aircraft or objects falling therefrom;
  - (6) Being bitten by another dog not owned or in the care of the insured;
  - (7) Attack by animals
  - (8) Accidental gunshot
  - (9) Criminally administered poisoning
  - (10) Being struck by an automobile except while on the “premises” of the insured;
  - (11) Theft; or
  - (12) Snake bite.
- b. Cost of veterinarian care made necessary by an insured peril insured against (with the exception of theft), whether or not death ensues but in no event shall the limit of liability for veterinarian care exceed 25% of the limit of insurance under this coverage.

There shall be no liability under this extension for:

- a. death or destruction resulting from or made necessary by the Insured, members of the Insured’s family, their Insured’s employees, or by public authorities;
- b. death or destruction resulting from or made necessary by freezing, cold, or snowstorms;
- c. loss due to the infidelity of the Insured’s employees or other person(s) to whom the “working or farm dog” are entrusted; and
- d. loss due to escape or mysterious disappearance.

Our liability for loss or damage under this extension is limited to the actual purchase price plus training costs that were paid by the Insured for the “working or farm dog” being claimed under this coverage.

It is a condition of this extension of coverage when the limit of insurance exceeds \$1,500, that the Insured:

- a. In the event of any peril being claimed for under this extension of coverage with the exception of the peril of theft, shall immediately provide for adequate attendance and treatment by a qualified veterinary Surgeon and shall furnish a report by the attending surgeon verifying whether or not the death or necessary destruction is a result of the perils insured by this coverage.
- b. In the event of the peril of theft shall immediately report any theft or disappearance to the local police or similar authority and submit an official report and affidavit to us.
- c. In the event of loss under this extension of coverage, provide proof of actual purchase price and proof of all amounts paid for training in order to substantiate the value of the loss.

No deductible is applicable to this extension of coverage.

**Except as otherwise provided in this Universal Ag Enhancement Endorsement, all terms and conditions of this policy shall remain unchanged.**

# STATUTORY AND ADDITIONAL CONDITIONS

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## STATUTORY CONDITIONS (BRITISH COLUMBIA AND ALBERTA)

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With respect to Section II – Liability Coverage, Statutory Conditions 1–14. Otherwise, all of the Conditions set forth under the titles Statutory Conditions and Additional 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 Riders or Endorsements forming part of this policy.

### 1. MISREPRESENTATION

If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

### 2. PROPERTY OF OTHERS

The insurer is not liable for loss or damage to property owned by a person other than the insured unless

- a. otherwise specifically stated in the contract, or
- b. the interest of the insured in that property is stated in the contract.

### 3. CHANGE OF INTEREST

The insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy and Insolvency Act (Canada) or a change of title by succession, by operation of law or by death.

### 4. MATERIAL CHANGE IN RISK

- 1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
  - a. material to the risk, and
  - b. within the control and knowledge of the insured.
- 2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- 3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
  - a. terminate the contract in accordance with Statutory Condition 5, or
  - b. notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.
- 4) If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

### 5. TERMINATION OF INSURANCE

- 1) The contract may be terminated
  - a. by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
  - b. by the insured at any time on request.
- 2) If the contract is terminated by the insurer,
  - a. the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
  - b. the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
- 1) If the contract is terminated by the insured, the insurer must refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- 2) The 15 day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

### 6. REQUIREMENTS AFTER LOSS

- 1) On the happening of any loss or of damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,
  - a. immediately give notice in writing to the insurer,
  - b. deliver as soon as practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration,
    - i. giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the amount of loss claimed,
    - ii. 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,
    - iii. stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
    - iv. stating the amount of other insurances and the names of other insurers,
    - v. stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
    - vi. stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
    - vii. stating the place where the insured property was at the time of loss,
  - c. if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
  - d. if required by the insurer and if practicable,
    - i. produce books of account and inventory lists,
    - ii. furnish invoices and other vouchers verified by statutory declaration, and
    - iii. furnish a copy of the written portion of any other relevant contract.
- 2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

## **7. FRAUD**

Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

## **8. WHO MAY GIVE NOTICE AND PROOF**

Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made

- a. by the agent of the insured, if
  - i. the insured is absent or unable to give the notice or make the proof, and
  - ii. the absence or inability is satisfactorily accounted for, or
- b. by a person to whom any part of the insurance money is payable, if the insured refuses to do so or in the circumstances described in clause (a) of this condition.

## **9. SALVAGE**

- 1) In the event of loss or damage to insured property, the insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property
- 2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) of this condition.

## **10. ENTRY, CONTROL, ABANDONMENT**

After loss or damage to insured property, the insurer has

- a. an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
- b. after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
  - i. without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and
  - ii. without the insurer's consent, there can be no abandonment to it of the insured property.

## **11. IN CASE OF DISAGREEMENT**

- 1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the Insurance Act, whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.
- 2) There is no right to a dispute resolution process under this condition until
  - a. a specific demand is made for it in writing, and
  - b. the proof of loss has been delivered to the insurer.

## **12. WHEN LOSS PAYABLE**

Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

## **13. REPAIR OR REPLACEMENT**

- 1) Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
- 2) If the insurer gives notice under subparagraph (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

## **14. NOTICE**

- 1) 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.
- 2) Written notice to the insured may be personally delivered at, or sent by registered mail addressed to, the insured's last known address as provided to the insurer by the insured.

## **STATUTORY CONDITIONS (SASKATCHEWAN)**

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With respect to Section II – Liability Coverage, Statutory Conditions 1–14. Otherwise, all of the Conditions set forth under the titles Statutory Conditions and Additional 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 Riders or Endorsements forming part of this policy.

### **1. MISREPRESENTATION**

If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

### **2. PROPERTY OF OTHERS**

The insurer is not liable for loss or damage to property owned by a person other than the insured unless

- a. otherwise specifically stated in the contract, or
- b. the interest of the insured in that property is stated in the contract.

### **3. CHANGE OF INTEREST**

The insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy and Insolvency Act (Canada) or a change of title by succession, by operation of law or by death.

### **4. MATERIAL CHANGE IN RISK**

- 1) The insured must promptly give notice in writing to the insurer or its agent of a change that is

- a. material to the risk, and
  - b. within the control and knowledge of the insured.
- 2) If an insurer or its agent is not promptly notified of a change under subsection (1) of this condition, the contract is void as to the part affected by the change.
  - 3) If an insurer or its agent is notified of a change under subsection (1) of this condition, the insurer may
    - a. terminate the contract in accordance with Statutory Condition 5, or
    - b. notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.
  - 4) If the insured fails to pay an additional premium when required to do so under clause (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

## 5. TERMINATION OF INSURANCE

- 1) The contract may be terminated
  - a. by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
  - b. by the insured at any time on request.
- 2) If the contract is terminated by the insurer,
  - a. the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
  - b. the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as is practicable.
- 3) If the contract is terminated by the insured, the insurer must refund as soon as is practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- 4) The 15 day period referred to in clause (1) (a) of this condition starts to run on the day following the day on which the registered letter or notification of it is delivered to the insured's postal address.

## 6. REQUIREMENTS AFTER LOSS

- 1) On the happening of any loss of or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,
  - a. immediately give notice in writing to the insurer,
  - b. deliver as soon as practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration,
    - i. giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the amount of loss claimed,
    - ii. 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,
    - iii. stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
    - iv. stating the amount of other insurances and the names of other insurers,
    - v. stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
    - vi. stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
    - vii. stating the place where the insured property was at the time of loss,
  - c. if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
  - d. if required by the insurer and if practicable,
    - i. produce books of account and inventory lists,
    - ii. provide invoices and other vouchers verified by statutory declaration, and
    - iii. provide a copy of the written portion of any other relevant contract.
- 2) The evidence given, produced or provided under clauses (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

## 7. FRAUD

Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

## 8. WHO MAY GIVE NOTICE AND PROOF

Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made

- a. by the agent of the insured, if
  - i. the insured is absent or unable to give the notice or make the proof, and
  - ii. the absence or inability is satisfactorily accounted for, or
- b. by a person to whom any part of the insurance money is payable, if the insured refuses to do so or in the circumstances described in clause (a) of this condition.

## 9. SALVAGE

- 1) In the event of loss or damage to insured property, the insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.
- 2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subsection (1) of this condition.

## 10. ENTRY, CONTROL, ABANDONMENT

After loss or damage to insured property, the insurer has

- a. an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
- b. after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
  - i. without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and
  - ii. without the insurer's consent, there can be no abandonment to it of the insured property.



## 11. IN CASE OF DISAGREEMENT

- 1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the Insurance Act, whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.
- 2) There is no right to a dispute resolution process under this condition until
  - a. a specific demand is made for it in writing, and
  - b. the proof of loss has been delivered to the insurer.

## 12. WHEN LOSS PAYABLE

Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

## 13. REPAIR OR REPLACEMENT

- 1) Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
- 2) If the insurer gives notice under subparagraph (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

## 14. NOTICE

- 1) Written notice to the insurer may be delivered at, or sent by registered mail to, the chief office or head office of the insurer in the province.
- 2) Written notice to the insured may be personally delivered at, or sent by registered mail addressed to, the insured's last known address as provided to the insurer by the insured.

## STATUTORY CONDITIONS (MANITOBA)

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With respect to Section II – Liability Coverage, Statutory Conditions 1–14. Otherwise, all of the Conditions set forth under the titles Statutory Conditions and Additional 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 Riders or Endorsements forming part of this policy.

### 1. MISREPRESENTATION

If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

### 2. PROPERTY OF OTHERS

The insurer is not liable for loss or damage to property owned by a person other than the insured unless

- a. otherwise specifically stated in the contract, or
- b. the interest of the insured in that property is stated in the contract.

### 3. CHANGE OF INTEREST

The insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy and Insolvency Act (Canada) or a change of title by succession, by operation of law or by death.

### 4. MATERIAL CHANGE IN RISK

- 1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
  - a. material to the risk, and
  - b. within the control and knowledge of the insured.
- 2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- 3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
  - a. terminate the contract in accordance with Statutory Condition 5, or
  - b. notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.
- 4) If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

### 5. TERMINATION OF CONTRACT

- 1) The contract may be terminated
  - a. by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
  - b. by the insured at any time on request.
- 2) If the contract is terminated by the insurer,
  - a. the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
  - b. the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
- 3) If the contract is terminated by the insured, the insurer must refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- 4) The 15 day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

### 6. REQUIREMENTS AFTER LOSS

- 1) On the happening of any loss of or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,

- a. immediately give notice in writing to the insurer,
  - b. deliver as soon as practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration,
    - i. giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the amount of loss claimed,
    - ii. 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,
    - iii. stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
    - iv. stating the amount of other insurances and the names of other insurers,
    - v. stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
    - vi. stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
    - vii. stating the place where the insured property was at the time of loss,
  - c. if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
  - d. if required by the insurer and if practicable,
    - i. produce books of account and inventory lists,
    - ii. furnish invoices and other vouchers verified by statutory declaration, and
    - iii. furnish a copy of the written portion of any other relevant contract.
- 2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

## 7. FRAUD

Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

## 8. WHO MAY GIVE NOTICE AND PROOF

Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made

- a. by the agent of the insured, if
  - i. the insured is absent or unable to give the notice or make the proof, and
  - ii. the absence or inability is satisfactorily accounted for, or
- b. by a person to whom any part of the insurance money is payable, if the insured refuses to do so or in the circumstances described in clause (a) of this condition.

## 9. SALVAGE

- 1) In the event of loss or damage to insured property, the insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property
- 2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) of this condition.

## 10. ENTRY, CONTROL, ABANDONMENT

After loss or damage to insured property, the insurer has

- a. an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
- b. after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
  - i. without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and
  - ii. without the insurer's consent, there can be no abandonment to it of the insured property.

## 11. IN CASE OF DISAGREEMENT

- 1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the Insurance Act, whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.
- 2) There is no right to a dispute resolution process under this condition until
  - a. a specific demand is made for it in writing, and
  - b. the proof of loss has been delivered to the insurer.

## 12. WHEN LOSS PAYABLE

Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

## 13. REPLACEMENT

- 1) Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
- 2) If the insurer gives notice under subparagraph (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

## 14. NOTICE

- 1) 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.
- 2) Written notice to the insured may be personally delivered at, or sent by registered mail addressed to, the insured's last known address as provided to the insurer by the insured.

## STATUTORY CONDITIONS (NOVA SCOTIA)

With respect to Section II – Liability Coverage, Statutory Conditions 1–15. Otherwise, all of the Conditions set forth under the titles Statutory Conditions and Additional 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 Riders or Endorsements forming part of this policy.

## 1. MISREPRESENTATION

If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

## 2. PROPERTY OF OTHERS

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.

## 3. CHANGE OF INTEREST

The insurer shall be liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act (Canada) or change of title by succession, by operation of law or by death.

## 4. MATERIAL CHANGE

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 is no longer in force and the insurer shall return the unearned portion, if any, of the premium paid.

## 5. TERMINATION OF INSURANCE

- 1) The contract may be terminated
  - a. by the insurer giving to the insured fifteen days' notice of termination by registered mail or five days' written notice of termination personally delivered;
  - b. by the insured at any time on request.
- 2) Where this contract is terminated by the insurer,
  - a. 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 in the contract; and
  - b. 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.
- 3) 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 specified, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
- 4) The refund may be made by money, postal or express company money order or cheque payable at par.
- 5) The fifteen days mentioned in the clause (a) of subcondition (1) 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.

## 6. REQUIREMENTS AFTER LOSS

- 1) 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,
  - a. forthwith give notice thereof in writing to the insurer;
  - b. deliver as soon as practicable to the insurer a proof of loss verified by a statutory declaration,
    - i. 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,
    - ii. 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,
    - iii. stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
    - iv. showing the amount of other insurances and the names of other insurers,
    - v. 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,
    - vi. showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
    - vii. showing the place where the property insured was at the time of loss;
  - c. if required, give a complete inventory of undamaged property and showing in detail quantities, cost actual cash value;
  - d. 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.
- 2) The evidence furnished under clauses (c) and (d) of sub-paragraph (1) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

## 7. FRAUD

Any fraud or wilfully false statement in a statutory declaration in relation to any of the above particulars, shall vitiate the claim of the person making the declaration.

## 8. WHO MAY GIVE NOTICE AND PROOF

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.

## 9. SALVAGE

- 1) 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 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.
- 2) 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 (1) of this condition according to the respective interests of the parties.

## 10. ENTRY, CONTROL, ABANDONMENT

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.

## **11. APPRAISAL**

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.

## **12. WHEN LOSS PAYABLE**

The loss shall be payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

## **13. REPLACEMENT**

- 1) 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.
- 2) 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.

## **14. ACTION**

Every action or proceeding against the insurer for the recovery of a claim under or by virtue of this contract shall be absolutely barred unless commenced within one year next after the loss or damage occurs.

## **15. NOTICE**

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 this Province. 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. In this condition, the expression "registered" means registered in or outside Canada.

## **ADDITIONAL CONDITIONS**

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### **NOTICE TO AUTHORITIES – I.**

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

### **NO BENEFIT TO BAILEE – II.**

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

### **PAIR AND SET – III.**

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

### **PARTS – IV.**

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

### **BASIS OF SETTLEMENT – V.**

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

### **PROPERTY OF OTHERS – LOSS SETTLEMENT – VI.**

In the case of loss or damage to property of others covered by this policy, we reserve the right to settle such loss or damage with the owner or owners of the property.

### **SUBROGATION – VII.**

The Insurer, upon making any payment or assuming liability therefor under this policy, shall be subrogated to all rights of recovery of the insured against any person, and may bring action in the name of the Insured to enforce such rights. Where the net amount recovered after deducting the cost 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.

### **CANADIAN CURRENCY VIII.**

All amounts of insurance, premiums or other amounts stated in this policy are in Canadian Currency.

### **SUE AND LABOUR – IX.**

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.

### **LIBERALIZATION CLAUSE – X.**

If, after the issuance of this Policy and before its expiration, there be adopted and published for use in this Province (Province – meaning the Province in which this policy was purchased.) by the insurer any forms, endorsements or rules by which the insurance provided by this Policy could be extended or broadened without additional premium charge, either by endorsement or substitution of form, then, as to loss occurring after the effective date of such adoption and publication, such extended or broadened insurance shall enure to the benefit of the Insured hereunder as though such endorsement or substitution had been made.

It is understood between the Insurer and Insured that if compensation becomes payable before the whole premium has been paid, the portion of the premium remaining unpaid shall be deducted from the amount of the compensation payable.

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.

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# APPENDIX

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## STANDARD MORTGAGE CLAUSE

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Granted to the person named in the Declarations, as the Mortgagee, Vendor or other person to whom the whole or any part of this insurance is payable in the event of loss, hereinafter called the "Mortgagee".

IT IS HEREBY UNDERSTOOD 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 THEREIN - 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 the 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. **Right 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 therefor 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.

**NOTES:**

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