



HOMEOWNERS PACKAGE POLICY STANDARD

1000A (08/2005)

HOMEOWNERS STANDARD Table of Contents

AGREEMENT	1
SECTION I – PROPERTY COVERAGES	1
Definitions	1
COVERAGE A – DWELLING BUILDING	1
Building Fixtures and Fittings	2
Outdoor Trees, Plants, Shrubs and Lawns	2
COVERAGE B – ADDITIONAL BUILDINGS	2
COVERAGE C – PERSONAL PROPERTY	2
Personal Property on Your Premises	2
Personal Property Temporarily Away From Your Premises	2
Moving Your Personal Property to Another Home	2
Special Limits of Insurance	2
Personal Property Not Insured	2
COVERAGE D – ADDITIONAL LIVING EXPENSE	3
Additional Living Expenses	3
Fair Rental Value	3
Prohibited Access by Civil Authority	3
ADDITIONAL COVERAGES	3
Freezer Foods	3
Change of Temperature	3
Credit, Debit or Automated Teller Cards, Depositors Forgery and Counterfeit Paper Money	3
Debris Removal	3
Fire Department Charges	3
Accidental Death Benefit	3
Inflation Protection	4
Lock Repair or Replacement	4
Mass Evacuation Additional Living Expense	4
Permission to Remove Property	4
Tear Out	4
INSURED PERILS Dwelling Building, Additional Buildings, Personal Property and Additional Living Expense	4
EXCLUSIONS – LOSS OR DAMAGE NOT INSURED	5
BASIS OF CLAIM SETTLEMENT	5
Deductible	5
Coverage A – Dwelling Building and Coverage B – Additional Buildings	6
Coverage C – Personal Property	6
Actual Cash Value	6
Insurance Under More Than One Policy	6
SECTION II – PERSONAL LIABILITY PROTECTION	6
Definitions	6
Coverages	7
COVERAGE F – PERSONAL LIABILITY	7
Defence, Settlement, Supplementary Payments	7
What You Must do After an Accident or Occurrence	7
Action Against Us	7
Unauthorized Settlements	7
COVERAGE F – VOLUNTARY MEDICAL PAYMENTS	7
What You Must do After an Accident or Occurrence	8
Action Against Us	8
COVERAGE G – VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY	8
Basis of Payment	8
What You Must do After an Accident or Occurrence	8
Action Against Us	8

COVERAGE H VOLUNTARY COMPENSATION FOR RESIDENCE EMPLOYEES	8
Exclusion	8
Schedule of Benefits	8
Weekly Indemnity	9
What You Must do After an Accident	9
Autopsy	9
Action Against Us	9
SPECIAL LIMITATIONS	9
Watercraft and Motorized Vehicles You Own	9
Watercraft and Motorized Vehicles You Do Not Own	9
Watercraft and Motorized Vehicle Uses We Do Not Insure	9
Trailers	9
Business and Business Property	9
EXCLUSIONS – SECTION II	9
Insurance Under More Than One Policy	10
SECTION III OPTIONAL COVERAGES	10
Guaranteed Replacement Cost Coverage A-Dwelling Building	10
Replacement Cost Coverage C-Personal Property	10
Sewer Back-up	11
Boat/Motor Floater	11
Loss or Damage Not Insured	11
Newly Acquired Boats or Motors	11
Policy Territory	11
Deductible	11
Basis of Claim Payment	12
Personal Articles Floater	12
Loss or Damage Not Insured	12
Newly Acquired Articles	12
Special Conditions	12
SECTION IV – CONDITIONS	13
Conditions Applicable to the Various Coverages Provided Herein	13
STATUTORY CONDITIONS	13
ADDITIONAL CONDITIONS	14

HOMEOWNERS STANDARD AGREEMENT

We provide the insurance described in this policy 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 in this policy 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.

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

SECTION I PROPERTY COVERAGES

DEFINITIONS

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.

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

Business Premises means premises on which a business is conducted, premises rented in whole or in part to others, or held for rental.

Business Property means property pertaining to a business, trade, profession or occupation and also includes agricultural operations.

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 acting with authority under a Federal, Provincial or Territorial legislation with respect to the protection of persons and property in the event of an emergency.

Data means representations of information or concepts in any form.

Data Problem means:

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

Domestic Water Container means a device or apparatus for personal use on the premises for containing, heating, chilling or dispensing water.

Dwelling means the building described on the Coverage Summary page, wholly or partially occupied by you as a private residence

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

Ground Water means water in the soil beneath the surface of the ground, including but not limited to water in wells, underground streams and percolating water.

Insured means the person(s) named as Insured on the Coverage Summary page and, while living in the same household:

- his or her spouse,
- the relatives of either, and
- any person under 21 in their care

Spouse means:

a person who is married to and living with another person, or a person who has been living in a de facto union with another person of the opposite or the same sex and has been publicly represented as a spouse for at least three years or, in the following cases, for at least one year:

- a child has been born or is to be born of their union;
- they have adopted a child together,
- one of them has adopted a child of the other

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

Premises means the land and building(s) contained within the lot lines on which the dwelling is situated.

Residence Employee means a person employed by you to perform duties in connection with the maintenance or use of the premises. This includes persons who perform household or domestic services or duties of a similar nature for you. This does not include persons while performing duties in connection with your business

Spores means, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any "Fungi"

Surface Water means water on the surface of the ground where water does not usually accumulate in ordinary watercourses, lakes or ponds.

Tenant means one who rents property from another for dwelling purposes

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

Unoccupied means the dwelling is uninhabited for more than 180 consecutive days.

Vacant refers to the circumstance where, regardless of the presence of furnishings:

- there are no occupants or 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 dwelling, no occupant has yet taken up residence.

Watermain means a pipe forming a part of a water distribution system, which conveys consumable water but not waste water.

We, us or our means the company providing this insurance.

You or your refers to the Insured.

COVERAGE A – DWELLING BUILDING

We insure:

- your dwelling and attached structures;
- permanently installed outdoor equipment on the premises;
- outdoor domestic water containers, including swimming pools, hot tubs, saunas and attached equipment on the premises.

- materials and supplies located on or adjacent to the premises intended for use in construction, alteration or repair of your dwelling or additional buildings/structures on the premises. We insure against 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.

Outdoor Trees, Plants, Shrubs and Lawns

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

We insure these items against loss caused by fire, lightning, explosion, impact by aircraft or land vehicles, riot, vandalism and malicious acts and theft including damage caused by theft.

We do not insure items grown for commercial purposes.

COVERAGE B – ADDITIONAL BUILDINGS

We insure private buildings or structures detached from the dwelling and which are on your premises, but not insured under the dwelling building. If they are connected to the dwelling by only a fence, utility line or similar connection, they are considered to be detached.

COVERAGE C – PERSONAL PROPERTY

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 are usual to the ownership or maintenance of a dwelling.

If you wish, we will include uninsured personal property owned by 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.

Personal Property Temporarily Away From Your Premises

We insure your personal property for up to 10% of the amount of insurance on your personal property as shown on the Coverage Summary page while it is temporarily away from your premises anywhere in the world. If you wish, we will include personal property belonging to others while it is in your possession or belonging to a residence employee travelling for you.

We insure the personal property of any student insured by this policy, who is temporarily living away from home for the purposes of attending a school, college or university for an amount not exceeding \$20,000.

The student must be dependant on the Named Insured or his or her spouse for support and maintenance and, must intend to return to the principal residence upon completion of the school year in order for this coverage to apply.

Personal property stored in a warehouse is insured, but for 30 days only, if the loss or damage is caused by an insured peril. Coverage will cease, except for loss by theft or attempted theft for the duration of the policy term, unless we have been notified within the last 30 days and endorse your policy accordingly.

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

Personal property normally kept at any other location you own is not insured.

Moving Your Personal Property to Another Home

We insure your personal property while in transit to and at another location within Canada which is to be occupied by you as your principal dwelling. Coverage applies for 30 consecutive days commencing on the date personal property is removed from your principal dwelling, but not beyond the date the policy expires or is terminated. This coverage does not increase the amounts of insurance.

Special Limits of Insurance

We insure:

1. books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$1,000 in all, but only while on your premises. Other business property, including samples and goods held for sale, is not insured;
2. securities up to \$1,000 in all;
3. money (including cash cards) or bullion up to \$250 in all;
4. lawn mowers, snow blowers, garden tractors or other motorized garden equipment up to \$3,000 in all;
5. watercraft, their furnishings, equipment, accessories and motors up to \$1,000 in all;
6. computer software up to \$1,000 in all. We do not insure the cost of gathering or assembling information or data;
7. spare automobile parts up to \$1,000 in all.

The following **Special Limits of Insurance** apply if the items described below are stolen:

8. jewellery, watches, gems, fur garments and garments trimmed with fur up to \$2,000 in all;
9. numismatic property (such as coin collections) up to \$250 in all;
10. philatelic property (such as stamp collections) up to \$1,000 in all;
11. manuscripts up to \$1,000 in all;
12. compact discs and cassette tapes located in an automobile or watercraft up to \$100 in all;
13. each bicycle, its equipment and accessories up to \$1,000 in all;
14. collectible cards (such as sports personality cards) and comic books up to \$1,000 in all, maximum \$250 per item;
15. silverware meaning silverware, silver plated ware, goldware, gold-plated ware and pewterware up to \$5,000 in all.

Personal Property Not Insured

We do not insure:

- business property, other than as shown under Personal Property with Special Limits of Insurance;
- samples and goods held for sale;
- loss or damage to books of account and evidences of debt or title;
- sporting equipment where the loss or damage is due to its use;
- property in any fairground, exhibition or exposition for the purpose of exhibition or sale;
- any property illegally acquired, kept, stored, or transported, or the proceeds of crime, or property forfeited, seized or confiscated or subject to seizure or confiscation for breach of any law or by order of any public authority;
- any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- animals, birds or fish unless the loss or damage is caused by fire, lightning, explosion, riot, theft or attempted theft, vandalism and malicious acts or collision of an automobile or common carrier in which the animal is being transported;

- motorized vehicles or their equipment (except, wheelchairs or scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability, golf carts, watercraft, lawn mowers, other gardening equipment or snowblowers, other than those used for compensation or hire), camper units, truck caps, or their equipment; aircraft or their equipment, trailers or their equipment.

"Equipment" includes attached or removable audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

"Equipment" does not include spare automobile parts.

COVERAGE D – ADDITIONAL LIVING EXPENSE

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

Additional Living Expenses

If, as a result of damage by an Insured Peril, your dwelling is unfit for occupancy or you have to move out while repairs of insured damage 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.

Fair Rental Value

If an Insured Peril makes that part of the dwelling 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 rented or held for rental.

Fair Rental Value shall not include any expense that does not continue while that part of the dwelling rented or held for rental is unfit for occupancy.

Prohibited Access by Civil Authority

If a civil authority prohibits access to your premises as a direct result of damage to neighbouring premises by an Insured Peril under this policy we insure any resulting Additional Living Expense and Fair Rental Value for a period not exceeding 30 days.

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

ADDITIONAL COVERAGES

Freezer Foods

We will pay for loss or damage to foods while contained in a freezer on your premises resulting from the failure of the freezer's refrigeration equipment caused by:

- mechanical breakdown of the unit;
- the accidental interruption of electrical power on or off the premises.

This coverage 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 your failure to use reasonable means to save the food from spoilage or to arrange restoration of the power supply;

- loss or damage caused by any process of refinishing, renovating or repairing the appliance;
- loss or damage resulting from the manual or accidental disconnection of the appliance from the dwelling power supply, expenses incurred in the acquisition of the food.

We shall not be liable in any one loss for more than \$500.

Change of Temperature

While your personal property is in your dwelling, it is covered for loss or damage due to a change of temperature resulting from damage to your dwelling building(s) or equipment caused by an Insured Peril.

Credit, Debit or Automated Teller Cards, Depositors Forgery and Counterfeit Paper Money

1. Coverages

We will pay for:

- a) your legal obligation to pay because of the theft or unauthorized use of credit cards issued to you or registered in your name provided you have complied with all conditions under which the card was issued;
- b) loss caused by the theft and use of your debit card or automated teller card provided you have complied with all the conditions under which the card was issued;
- c) loss to you caused by the forgery or alteration of cheques, drafts or other negotiable instruments;
- d) loss by your acceptance in good faith of counterfeit Canadian or United States paper currency.

2. Exclusions

We do not insure:

- a) losses caused by your dishonesty;
- b) losses arising out of your business pursuits;
- c) losses caused by the use of your credit card, debit card or automated teller card by a resident of your household or by a person to whom you have entrusted the card.

The most we will pay under this coverage during the term of this policy is \$2,500.

This coverage is not subject to a deductible.

Debris Removal

We will pay the cost of removing from your premises the debris of property insured which results from loss or damage insured by this form, subject to the amount of insurance shown under Section I of the Coverage Summary page.

Fire Department Charges

We will reimburse you up to \$500 if a fire department charges for attending your home because of an Insured Peril.

This coverage is not subject to a deductible.

Accidental Death Benefit

We will pay \$1,000 in the event of your death by accident while on your premises, if death occurs within 90 days of the accident. This benefit does not apply to death resulting from:

1. bodily injury sustained in the course of your occupation;
2. suicide;
3. any intentional act or acts committed by any person insured;
4. war or any act of war;
5. occupying or operating any motor vehicle.

The death benefit under this coverage, upon submission of proof, is payable as follows:

1. to the surviving spouse of the deceased if a resident of the same household at the time of the accident, or
2. if the deceased was a minor, to any parent thereof who was a resident of the same household at the time of the accident, or
3. to the deceased's estate.

Inflation Protection

If there is a loss insured under Section I, we will automatically increase the amounts of insurance shown on the Coverage Summary page, under Section I, by amounts which are solely attributable to the inflation increase set by us:

- since the inception date of this policy, or
- the latest renewal date, or
- from the date of the most recent change to the amounts of insurance shown on the Coverage Summary page, whichever is the latest.

On the renewal date of your policy, if required, we will automatically increase the amounts of insurance shown on the Coverage Summary page, under Section I by amounts which are solely attributable to the inflation increase set by us since the inception date of this policy or the latest renewal date.

Lock Repair or Replacement

We will pay up to \$500 in all to replace or rekey, at our option, the locks on your dwelling, 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.

This coverage is **not** subject to a deductible.

Mass Evacuation Additional Living Expense

We will pay any necessary and reasonable increase in living expense incurred by you while access to your 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 and accidental event within Canada or the United States of America.

You are insured for a period not exceeding 2 weeks from the date of the order of evacuation and up to \$2,000 exceeding the deductible amount stated on the Coverage Summary page.

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

- flood meaning waves, tides, tidal waves and the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made;
- earthquake;
- war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
- terrorism;
- 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;
- contamination from radioactive material.

Permission To Remove Property

If you must remove insured property from your premises to protect it from loss or damage covered by this policy, it is insured by this policy for 30 days or until your policy 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 insured at the time of loss.

Tear Out

If any walls, ceilings or other parts of insured buildings or structures must be torn apart so that water damage covered by this policy can be repaired, we will pay the cost of repairing that which had to be torn apart.

The cost of tearing out and replacing property to repair damage related to outdoor domestic water containers or public water mains or sewers, outdoor swimming pools, hot tubs, or similar appliances are not included in this extension.

INSURED PERILS-Dwelling Building, Additional Buildings, Personal Property and Additional Living Expense

You are insured against direct physical loss or damage subject to the exclusions and conditions of this policy caused by the following perils as described and limited:

1. **Fire or Lightning.**
2. **Explosion.**
3. **Smoke.** This peril means smoke due to a sudden, unusual and faulty operation of any heating or cooking unit or fireplace in or on the premises.
4. **Falling Object.** This peril means a falling object which strikes the exterior of a building.
5. **Impact by Aircraft, Spacecraft or Land Vehicle.** Animals are not insured under this peril.
6. **Riot.**
7. **Vandalism or Malicious Acts.** This peril does not include loss or damage:
 - a) occurring while the building is under construction, vacant or unoccupied even if permission has been given by us;
 - b) caused by you;
 - c) caused by theft or attempted theft.
8. **Water Escape.** This peril means loss or damage resulting from:
 - a) the sudden and accidental escape of water from a watermain;
 - b) the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system or domestic water container, which is located inside your dwelling;
 - c) the sudden and accidental escape of water from a domestic water container located outside your dwelling. However, such damage is not covered when the escape of water is caused by freezing;
 - d) water from the accumulation of ice or snow on the roof or eaves trough, which enters the dwelling through a roof,

but we do not insure loss or damage

- i) caused by freezing during the usual heating season:
 - within an unheated portion of your dwelling, or
 - if you have been away from your premises for more than 4 consecutive days, unless 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, in which case you would still be insured;
- ii) caused by continuous or repeated seepage or leakage of water;
- iii) caused by the backing up or escape of water from a sewer, storm drain, drain, sump or septic tank;
- iv) caused by ground water or rising of the water table;
- v) caused by surface waters including flood, unless the water escapes from a watermain or from a domestic water container located outside your dwelling;
- vi) to a watermain;

- vii. to a system or appliance, swimming pool, hot tub, whirlpool, bath or similar enclosure or equipment attached to a public watermain, caused by water escape, rupture or freezing;
 - viii. occurring while the building is under construction, vacant, or unoccupied even if we have given permission.
9. **Windstorm or Hail.** This peril does not include loss or damage to your personal property within a building caused by windstorm, hail or coincidental rain damage, unless the storm first creates an opening in the building.
 10. **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 also includes loss or damage to Personal Property caused by breakage of glass as noted above.
 11. **Transportation.** This peril means loss or damage caused by collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer in which the insured property is being carried. This would also apply to any conveyance of a common carrier. This peril means loss or damage to 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.
 12. **Theft, Including Damage Caused By Attempted Theft.** This peril does not include loss or damage:
 - a) which happens at any other dwelling which you own, rent or occupy, except while you are temporarily living there;
 - b) to animals, birds or fish.
 13. **Damage Caused by Bears.**
 14. **Sonic Boom.** This peril means sonic shock waves generated by aircraft,

14. caused by smoke from agricultural smudging or industrial operations;
15. 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;
16. caused by settling, expansion, contraction, moving, bulging, buckling or cracking, except resulting building glass breakage caused by vandalism or malicious acts or glass breakage occurring while your dwelling is under construction, vacant or unoccupied even if permission has been given by us;
17. to buildings or structures or personal property contained in them, used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution or sale of marijuana or any product derived from or containing marijuana or any other substance falling within Schedule (Section 2) of the Controlled Drugs and Substances Act/Narcotic Control Regulations

Nor do we insure:

18. wear and tear, inherent vice, latent defect, mechanical breakdown, deterioration, extremes of temperature, rust or corrosion;
20. the cost of making good faulty material or workmanship,
21. scratching, abrasion or chipping of any personal property, or accidental breakage of any fragile or brittle articles,
22. data;
23. loss or damage caused directly or indirectly by data problem. However if loss or damage caused by data problem results in the occurrence of further loss of or damage to property insured that is directly caused by fire, explosion, smoke, leakage from fire protective equipment or water damage, this exclusion shall not apply to such resulting loss or damage;
24. loss or damage to outdoor radio and TV antennae (including satellite receivers) and their attachments caused by windstorm or hail, weight of ice, snow or sleet, or collapse;
25. 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;
26. loss or damage caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a 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 except for ensuing loss or damage which results directly from fire or explosion as described in Specified Perils.

EXCLUSIONS - LOSS OR DAMAGE NOT INSURED

We do not insure loss or damage:

1. to buildings or structures used, in whole or in part, for business or farming purposes unless declared on the Coverage Summary page;
2. 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;
3. occurring after your dwelling has, to your knowledge, been vacant, for more than 30 consecutive days;
4. resulting from any intentional or criminal acts of, or the 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;
5. caused by any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
6. caused by contamination from radioactive material;
7. caused by war, invasion, aid of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
8. caused by theft from the part of the dwelling rented to others, by any tenant, tenant's employee, or member of the tenant's household;
9. 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;
10. resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud;
11. caused by birds, vermin, insects, raccoons, skunks, squirrels or rodents, except resulting building glass breakage;
12. caused by wet or dry rot, fungi or spores, condensation, acid rain or contamination;
13. the release, discharge or dispersal of contaminants or pollutants;

BASIS OF CLAIM SETTLEMENT

We will pay claims for insured loss or damage up to your financial interest in the property, but not more than the applicable amount(s) of insurance for any loss or damage arising out of one occurrence.

Any payment for loss or damage will not reduce the amounts of insurance provided under Section I.

Deductible

All coverages under Section I are subject to a deductible, unless otherwise stated. The deductible amount is shown on the Coverage Summary page.

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

If your claim involves personal property on which the **Special Limits of Insurance** apply, the limitations apply to losses exceeding the deductible amount.

Coverage A – Dwelling Building and Coverage B – Additional Buildings

If you repair or replace the damaged or destroyed building on the same location with a building of the same occupancy within a reasonable time after the damage, we will pay up to the cost of repairs or replacement (whichever is less) for a comparable structure of similar size and quality of the damaged or destroyed building using present day construction methods and material, 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 loss incurred
- (B) The Actual Cash Value of the damage at the date of the occurrence.

In determining the Replacement Cost of repairs or replacement of the damaged building under (A) or the Actual Cash Value under (B) we will not include the increased costs of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services.

Coverage C – Personal Property

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

For electronic media we will pay the cost of reproduction from duplicates or from originals of the previous generation of the media. We will not pay the cost of gathering or assembling information or data for reproduction.

We will not pay more than the applicable limit for "Personal Property With Special Limits of Insurance".

Actual Cash Value

The Actual Cash Value is what the property is worth and takes into account such things as the cost of replacement less any depreciation and obsolescence. In determining depreciation, we will consider the condition of the property immediately before the damage occurred, the resale value and the normal life expectancy.

Insurance Under More Than One Policy

If you have insurance on specifically described property, this 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, we will pay our releasable proportion of the loss or claim under this policy.

SECTION II PERSONAL LIABILITY PROTECTION

Definitions

Amount of Insurance in this Section has the same meaning as in Section I.

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

Business in this Section has the same meaning as in Section I.

Business Premises in this Section has the same meaning as in Section I.

Business Property in this Section has the same meaning as in Section I.

Data in this Section has the same meaning as in Section I.

Dwelling in this Section has the same meaning as in Section I.

Fungi in this Section has the same meaning as in Section I.

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

Occurrence means an accident to which this coverage applies occurring within the policy period, including continuous or repeated exposure to conditions neither expected nor intended.

Premises means all premises where the person(s) named as Insured on the Coverage Summary page, or their spouse, maintains a residence, including seasonal and other residences, provided such premises are specifically described on the Coverage Summary page. This does not include business property or farms.

It also includes:

1. premises where you are residing temporarily or which you are using temporarily, as long as you are not
 - a) the owner of the premises;
 - b) the lessee or tenant of the premises under any agreement which is longer than 90 consecutive days;
2. premises in Canada to be occupied by you as your principal residence from the date you acquire ownership or take possession but not beyond the earliest of:
 - a) 30 consecutive days;
 - b) the date the policy expires or is terminated;
 - c) the date upon which specific liability insurance is arranged for such premises;
3. individual or family cemetery plots or burial vaults;
4. vacant land in Canada you own or rent, other than farm land;
5. land in Canada where you or an independent contractor is building a one, two or three family residence to be occupied by you.

Property Damage means:

1. physical damage to, or destruction of, tangible property;
2. loss of use of tangible property.

Residence Employee in this Section has the same meaning as in Section I.

Spores in this Section has the same meaning as in Section I.

Terrorism in this Section has the same meaning as in Section I.

We or Us or Our in this Section have the same meaning as in Section I.

You or Your in this Section has the same meaning as in Section I.

In addition, we will insure:

1. any person or organization legally liable for damages caused by a watercraft or animal owned by you, and to which this insurance applies. This does not include anyone using or having custody of the watercraft or animal in the course of any business or without the owner's permission;
2. any person while performing duties as your residence employee;
3. your legal representative having temporary custody of the insured premises, if you die while insured by this form, for legal liability arising out of the premises;

- any person who is insured by this form at the time of your death and who continues residing on the premises

Coverages

This insurance applies:

- to accidents or occurrences which take place during the period this policy is in force;
- separately to each Insured against whom the claim is made or action is brought

COVERAGE E – PERSONAL LIABILITY

This is part of the policy you look to for protection if you are sued

We will pay all sums which you become legally liable to pay as compensatory damages because of unintentional bodily injury or property damage arising out of:

- your personal actions anywhere in the world;
- your ownership, use or occupancy of the premises defined in Section II.

The amount of insurance shown on the Coverage Summary page is the maximum amount we will pay for all compensatory damages in respect of one accident or occurrence regardless of the number of claims made or the number of insureds against whom claims are made or actions are brought.

Defence costs and supplementary expense payments as described under **Defence, Settlement, Supplementary Payments** are in addition to the amount of insurance.

We do not insure claims made against you arising from:

- liability you have assumed by contract unless your legal liability would have applied even if no contract had been in force;
- damage to property owned by an insured;
- damage to property used, occupied, leased or rented by or in the care, custody or control of an insured except for unintentional property damage to premises owned by others, or their contents, which you are using, renting or have in your custody or control caused by fire, explosion, water damage or smoke. Smoke means smoke due to a sudden, unusual and faulty operation of any heating or cooking unit or fireplace in or on the premises. Water Damage has the same meaning as in Section I;
- damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
- bodily injury to you or to any person residing in your household other than a residence employee;
- the personal actions of a named insured who does not reside on the premises described on the Coverage Summary page;
- punitive or exemplary damages, meaning that part of an award by a court which is in excess of compensatory damages and is stated or intended to be a punishment to you

There are other exclusions that apply to all Coverages under Section II. Please refer to "**Exclusions – Section II**".

Defence, Settlement, Supplementary Payments

If a claim is made against you for which you are insured under Coverage E we will defend you, even if the claim is groundless, false, or fraudulent. We reserve the right to select legal counsel, investigate, negotiate and settle any claim if we decide this is appropriate. We will pay only for the legal counsel we select.

We will also pay:

- all expenses which we incur;
- all costs charged against you in any suit insured under Coverage E;

- any interest accruing after judgement on that part of the judgement which is within the amount of insurance of Coverage E;
- premiums for appeal bonds required in any insured lawsuit 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 those bonds;
- expenses which you have incurred for emergency medical or surgical treatment to others following an accident or occurrence insured by this form;
- reasonable expenses including actual loss of income up to \$100 per day, which you incur at our request.

What You Must Do After An Accident Or Occurrence

- When an accident or occurrence takes place you must promptly give us notice (in writing if requested by us). The notice must include:
 - the date, time, place and circumstances of the accident or occurrence;
 - names and addresses of witnesses and potential claimants.
- You must also:
 - co-operate with us in any legal actions including obtaining witnesses, information and evidence about the accident or occurrence, if we ask you;
 - immediately send to us legal documents and any other written communication you receive concerning the accident or occurrence

Action Against Us

No suit may be brought against us:

- until you have fully complied with all the terms of this Coverage, nor until the amount of your obligation to pay has been finally determined, either by a judgement against you or by an agreement which has our consent;
- more than one year after either the date of an agreement which has our consent or of the final determination of the action against you, including appeals, if any

Unauthorized Settlement

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 accident

COVERAGE F – VOLUNTARY MEDICAL PAYMENTS

We will pay reasonable medical expenses incurred within one year of the date of the accident, if you unintentionally injure another person or if they are accidentally injured on your premises. This coverage is available 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 or occurrence

We will not pay:

- expenses covered by any medical, dental, surgical or hospitalization plan or law, or under any other insurance contract;
- your medical expenses or those of persons residing with you, other than residence employees;
- medical expenses of any person covered by any Workers' Compensation Statute.

There are other exclusions that apply to all Coverages under Section II. Please refer to "**Exclusions – Section II**".

What You Must Do After An Accident Or Occurrence

1. When an accident or occurrence takes place you must promptly give us notice (in writing if requested by us). The notice must include:
 - a) the date, time, place and circumstances, of the accident or occurrence including the name and address of each injured person,
 - b) names and addresses of witnesses.
2. If requested by us, you must arrange for the injured person(s) to:
 - a) give us written proof of claim as soon as possible, under oath if required,
 - b) submit to physical examination at our expense by doctors we select as often as we may reasonably require,
 - c) authorize us to obtain medical and other records.

Proofs and authorization may be given by someone acting on behalf of the injured person.

Action Against Us

No suit may be brought against us until you have fully complied with all the terms of this Coverage.

COVERAGE G – VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY

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 an Insured, 12 years of age or under.

We do not insure:

1. damage to property owned or rented by you or your tenant,
2. damage to property which is insured under Section I,
3. claims resulting from the loss of use, disappearance or theft of property.

There are other exclusions that apply to all Coverages under Section II. Please refer to "Exclusions – Section II".

Basis of Payment

We will pay whichever is the lower amount of

1. what it would cost to repair or replace the property with materials of similar quality at the time of loss;
2. the amount of insurance shown on the Coverage Summary page.

We may 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.

What You Must Do After An Accident or Occurrence

- 1) You must give us a written proof of claim as soon as possible, under oath if required, containing the following information:
 - a) the date, time, place and circumstances of the accident or occurrence,
 - b) the interest of all persons in the property affected.
- 2) If requested by us you must help us to verify the damage.

Action Against Us

No suit may be brought against us until:

1. you have fully complied with all the terms of this Coverage, nor
2. 60 days after the written proof of claim has been filed with us.

COVERAGE H – VOLUNTARY COMPENSATION FOR RESIDENCE EMPLOYEES

We offer to pay the benefits described below if your residence employee is injured or dies accidentally while working for you, even though you are not legally liable. If your residence employee or any person acting on his or her behalf does not accept these benefits or sues you, we may withdraw our offer, but this will not affect your liability insurance.

A residence employee or anyone acting on his or her behalf 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 residence employee's injury or death.

Exclusion

We will not pay benefits for any hernia injury.

There are other exclusions that apply to all Coverages under Section II. Please refer to "Exclusions – Section II".

Schedule of Benefits

1. **Loss of Life:**

If your residence employee dies within the following 26 weeks from injuries received in the accident, we will pay:

 - a) a total of 100 times the weekly indemnity to those wholly dependant upon him or her. If there is more than one dependant the amount will be divided equally among them. This payment is in addition to any benefit for Temporary Total Disability paid up to the date of death;
 - b) actual funeral expenses, up to \$500.
2. **Temporary Total Disability:**

If your residence employee 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 8 weeks or more.
3. **Permanent Total Disability:**

If your residence 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 benefits provided under Temporary Total Disability.
4. **Injury Benefits.**

If, as a result of the accident, your residence 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.

We will not pay more than 100 weeks in total even if the accident results in loss from more than one item.

For loss of:

a) One or more of the following: hand arm foot leg	100 weeks
b) One finger or toe or more than one finger or toe	26 weeks
c) One eye or both eyes	50 weeks
d) Hearing of one ear or hearing of both ears	25 weeks
	100 weeks

5. Medical Expenses

If as a result of the accident your residence 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, up to a maximum of \$5,000.

We do not insure you for costs recoverable from other insurance plans.

Weekly Indemnity

Weekly Indemnity means two thirds of your residence employee's weekly wage at the date of the accident but we will not pay more than \$100 per week.

What You Must Do After An Accident

1. When an accident occurs you must promptly give us notice (in writing if requested by us). The notice must include
 - a) the identity of the residence employee and the date, time, place and circumstances of the accident;
 - b) names and addresses of witnesses.
2. If requested by us, you must arrange for the injured residence employee to:
 - a) submit to physical examination at our expense by doctors we select as often as we may reasonably require;
 - b) authorize us to obtain medical and other records.

Autopsy

In case of death, we can require a birth certificate, a death certificate and an autopsy before we make payment.

Action Against Us

No suit may be brought against us until you have fully complied with all the terms of this Coverage.

SPECIAL LIMITATIONS

Watercraft And Motorized Vehicles You Own

You are insured against claims arising out of your ownership, use or operation of:

1. watercraft, including their attachments, equipped with an outboard motor or motors of not more than 18kW (24 H.P.) in total when used with or on a single watercraft;
2. watercraft, including their attachments, equipped with any other type of motor of not more than 38 kW (50 H.P.);
3. non-motorized watercraft, including their attachments, not more than 8 metres (26 feet) in length;
4. self propelled lawn mowers, snow blowers, garden type tractors of not more than 19 kW (25 H.P.);
5. motorized golf carts while in use on a golf course;
6. motorized wheelchairs, including motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability.

Any other watercraft is insured only if liability coverage for it is shown on the Coverage Summary page. If the watercraft or motor with which it is equipped is acquired after the effective date of this policy, you will be insured automatically for a period of 30 days only from the date of acquisition.

Watercraft And Motorized Vehicles You Do Not Own

You are also insured against claims arising out of your use or operation of:

1. any type of watercraft;
2. any self propelled land vehicle, amphibious vehicle or air cushion vehicle, provided that the vehicle is not subject to motor vehicle registration and is designed primarily for use off public roads, provided that the motorized vehicle or watercraft is not owned by any person insured by this policy.

Watercraft And Motorized Vehicle Uses We Do Not Insure

We do not insure the use or operation of any watercraft or motorized vehicle, whether owned by you or not, while it is:

1. used for carrying passengers for compensation;
2. used for business purposes;
3. used in any race or speed test, except for sailboats up to 8 metres (26 feet) in length in non-professional races organized by a yacht club of which you are a member;
4. rented to others;
5. being used or operated without the owner's consent if you are not the owner.

Trailers

We insure you against claims arising out of your ownership, use or operation of any trailer or its equipment, provided such trailer is not attached to, carried on or being towed by a motorized vehicle subject to motor vehicle registration.

Business and Business Property

We insure you against claims arising out of:

1. your personal actions during the course of your trade, profession or occupation which are not related directly to your trade, profession or occupation;
2. the occasional rental to others of the portion of the dwelling usually occupied by you as a private residence;
3. the rental to others of portions of your one or two family dwelling usually occupied in part by you as a private residence provided no family unit includes more than 2 roomers or boarders, 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 3 car spaces or stalls in garages or stables;
5. the temporary or part-time business pursuits of an insured person under the age of 21 years.

Claims arising from any other business pursuit or operation are insured only if liability coverage for it is shown on the Coverage Summary page.

EXCLUSIONS – SECTION II

We do not insure claims arising from:

1. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. bodily injury or property damage which is required to be insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of insurers;
3. business pursuits or any business use of the premises except as provided under "Business And Business Property" in Section II;
4. the rendering or failure to render any professional service;
5. liability imposed upon or assumed by you under any workers' compensation statute;
6. bodily injury or property damage caused by 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.

7. 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;
8. any type of discrimination including discrimination due to sex, age or marital status, colour, race, creed or national origin;
9. the transmission of any communicable or sexually transmitted disease, including Acquired Immunity Deficiency Syndrome, by any person insured by this policy;
10. the ownership, use or operation of any watercraft, motorized vehicle or trailer except as provided in Section II under "SPECIAL LIMITATIONS" for watercraft, motorized vehicles and trailers;
11. the ownership, use or operation of
 - a) any aircraft;
 - b) premises used as an airport or landing facility, and all necessary or incidental operations related to either;
12. a) erasure, destruction, corruption, misappropriation or misinterpretation of data;
- b) erroneously creating, amending, entering, deleting or using data, including any loss of use arising from a) or b);
- c) the distribution or display of data by means of an Internet Website, the Internet, an intranet, extranet or similar device, or system designed or intended for electronic communication of data.

Nor do we insure:

13. any claim that arises directly or indirectly, in whole or in part, out of Terrorism or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate Terrorism regardless of any other cause or event that contributes concurrently or in any sequence to the claim.

This insurance shall also not apply to:

14. a) Bodily Injury, Property Damage, personal injury or Medical Payments or any other cost, loss or expense incurred by others, arising directly or indirectly, from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of a Fungus or Spores however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of Fungus or Spores; or
- b) any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with a) above; or
- c) any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage referred to in a) or b) above

Insurance Under More Than One Policy

1. **Other Insurance Provided by Us**
Notwithstanding anything to the contrary contained in this or any other contract of insurance between you and us, if any loss covered under this policy is covered in whole or in part under any other policy or policies of insurance issued by us, we shall pay under whichever one policy affords the greatest coverage limits for such loss and the other policy or policies shall be null and void in respect of such loss or, if such policies afford equal coverage limits for such loss, then we shall pay under whichever one policy is designated by us and the other policy or policies shall be null and void in respect of such loss.

2. **Other Insurance Provided by Another Insurer**
Unless otherwise indicated in this policy, if there exists valid insurance issued by an insurer other than us protecting the insured person against any loss covered in whole or in part under this policy, this policy shall be null and void in respect of such loss, whether the insured person is specifically named in said other policy or policies or not; unless the limits of insurance in this policy are in excess of the aggregate of the limits provided by said other policy or policies. In which case this policy shall only provide excess insurance against said loss in an amount sufficient to give the insured person a combined amount of protection equal to the limit of this policy.

SECTION III – OPTIONAL COVERAGES

The following conditions and coverages that apply to Section I and Section II also apply to Section III.

"Statutory Conditions" and "Additional Conditions"

Guaranteed Replacement Cost - Coverage A - Dwelling Building

If Guaranteed Replacement Cost is shown on the Coverage Summary page we will pay the cost of repairs or replacement even if it is more than the amount of insurance for Coverage A, provided:

- a) the amount of insurance for Coverage A shown on the Coverage Summary page on the inception date of the policy, or the most recent renewal date or the increased amount under the inflation protection coverage on the date the increase took effect was not less than 100% of the cost to replace the private dwelling building, as determined by a valuation guide acceptable to us;
- b) the amount of insurance applicable to Coverage A has not been reduced below the amount determined by the valuation guide; and
- c) you notified us, within 90 days of the start of the work, if any improvement, extension or addition has been made to your dwelling that will increase the replacement value by the greater of \$10,000 or 5% or more of the estimated replacement cost of your private dwelling.

If you decide not to repair or replace the damaged or destroyed building, we will pay the actual cash value of the damage at the date of the occurrence.

In determining the cost of repairs or replacement, we will use the repair or replacement cost of a comparable structure of similar size and quality or the damaged or destroyed building using present day construction methods and material but we will not pay or include any increased costs of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of building and their related services.

This Coverage does not apply to Coverage B – Additional Buildings.

Replacement Cost - Coverage C – Personal Property

If this coverage is shown on the Coverage Summary page and there is a loss insured by Coverage C, Personal Property, we will pay on the basis of replacement cost without deduction for depreciation subject to the following:

1. We will pay up to our limit of liability on any item or items for this coverage but not exceeding the smallest of the following amounts:
 - a) the limit of liability under this policy applying to Coverage C;
 - b) any special limits of liability as shown in the policy;
 - c) the cost of repair at the time of loss;
 - d) the cost of replacement at the time of loss.
2. Definition: "Coverage C – Personal Property 'replacement cost'" means:
 - a) the cost of a new article identical to the one damaged, destroyed or stolen at the time of the loss; or

- b) the cost of a new article similar to the one damaged, destroyed or stolen and which is of comparable quality and usefulness, if an identical article is no longer manufactured or is not available
- 3. We have the option either to repair, replace or reimburse you for the replacement cost of the damaged property
- 4. When the full cost of repair or replacement of the entire loss covered is more than \$500, we will pay no more than the Actual Cash Value of the damaged property until actual repair or replacement is completed
- 5. We do not cover on a replacement cost basis:
 - a) antiques, fine arts, paintings, statuary and similar articles which, by their inherent nature, cannot be replaced with new articles. Also, not covered are articles whose age or history contribute substantially to their value. For example these items could include memorabilia, souvenirs and collector's items;
 - b) property not maintained in good or workable condition;
 - c) property that is outdated or obsolete;
 - d) property that is no longer used for its original purpose
- 6. We will pay on the basis of replacement cost only if the property lost or damaged is repaired or replaced with intention to retain as soon as reasonably possible, but in no case more than 1 year after the date of loss. Otherwise, we will pay on the basis of actual cash value. You may choose payment on the basis of actual cash value initially. If you later decide to replace any destroyed or stolen property, you may make an additional claim for the difference between the actual cash value and the replacement cost.

We will not pay more than the applicable limit under either the replacement cost or actual cash value basis for **"Personal Property with Special Limits of Insurance"**.

Sewer Back-up

If this coverage is shown on the Coverage Summary page the following changes are made to **"INSURED PERIL"** number 8-Section I

- Item e) is added to the list of causes of loss or damage that are included in the peril:
 - c) the backing up or escape of water from a sewer, storm drain, drain, sump or septic tank
- Item iii "caused by the backing up or escape of water from a sewer, storm drain, drain, sump or septic tank" in the list of circumstances, in which loss or damage is not insured, is not applicable

The Amount of Insurance that is granted by this endorsement is subject to your policy limits, unless a specific amount of insurance for this endorsement is shown on the Coverage Summary page.

Boat/Motor Floater

We insure your boat, motor and trailer listed on the Coverage Summary page against all risks of direct physical loss or damage subject to the terms and conditions of this endorsement.

The words "you", "your", "we" and "us" have the same meaning as in Section I of the policy

Loss or Damage Not Insured

We do not insure loss or damage:

- 1) to any property illegally acquired, kept, stored or transported, or property forfeited, seized or confiscated or subject to seizure or confiscation for breach of any law or by order of any public authority;
- 2) caused by wear and tear, marring and scratching, chipping, deterioration, inherent vice, birds, vermin, insects, raccoons,

- skunks, squirrels, rodents, marine life, electrolysis, mechanical breakdown or failure unless resulting from a theft covered in this policy;
- 3) caused by wet or dry rot, fungi or spores, condensation, mold, rain or contamination;
- 4) caused by latent defect;
- 5) due to use of the watercraft and or motor other than for private pleasure purposes;
- 6) to any insured property rented or leased to others, or to any insured property used with or as a means of a public or livery conveyance for carrying passengers or property for compensation;
- 7) due to repairing, adjusting, servicing or maintenance operations unless fire follows and then only for the resulting damage;
- 8) to electrical apparatus caused by electricity other than lightning, unless fire results and then only for the loss caused by the resulting fire;
- 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 acts, or the failure to act by or at the direction of any person insured by this policy;
- 12) caused by or in consequence of dampness of atmosphere, ice, freezing or extremes of temperature while the insured boat is afloat or ashore;
- 13) to any insured watercraft, except sailboats, while being operated in a race or official speed test;
- 14) where you operate the watercraft:
 - a) while under the influence of intoxicating liquor or drugs to such an extent as to be for the time being incapable of the proper control of the watercraft;
 - b) while in a condition which results in conviction of an offence under Section 253 or Section 254 of the Criminal Code (Canada);

Nor do we insure:

- 11) data;
- 12) loss or damage caused directly or indirectly by data problem. However if loss or damage caused by data problem results in the occurrence of further loss of or damage to property insured that is directly caused by fire, explosion, smoke, leakage from fire protective equipment or water damage, this exclusion shall not apply to such resulting loss or damage;
- 13) loss or damage caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a 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 except for ensuing loss or damage which results directly or indirectly from fire or explosion, as described in Specified Perils

Newly Acquired Boats or Motors

If you acquire additional or replacement property of a type already insured by this policy, or a type eligible to be insured by this policy, such property shall be insured for its actual cash value but not exceeding \$5,000 provided that you notify us within 30 days of the date of acquisition and pay the premium thereon from the date acquired at pro rata of the applicable rate. This extension of coverage applies only to property which is 15 years old or less

Policy Territory

You are insured within the territorial limits of Canada and the United States of America (excluding Alaska and Hawaii)

Deductible

We are responsible only for the amount by which the loss damage insured exceeds the amount shown on the Coverage Summary page.

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

However, we will not pay more than the Actual Cash Value

- 1) if repair or replacement is not effected as soon as reasonably possible, but in no case more than one year after the date of loss,
- 2) if the watercraft, outboard motor, boating equipment or boat trailer was no longer in use for its originally intended purpose,
- 3) if the damaged watercraft, outboard motor, boating equipment or boat trailer was not in working order immediately before the loss or if the watercraft, outboard motor, boating equipment or boat trailer was obsolete,
- 4) if the damaged watercraft, outboard motor, boating equipment or boat trailer was more than 3 model years old at the beginning of the policy term

"Actual Cash Value" means the cost at the time of loss to repair or replace property less depreciation. In determining depreciation, we will consider, but are not limited to the age, condition, resale value, obsolescence, and normal life expectancy of the property at the time of the loss.

Any loss or damage shall not reduce the amounts of insurance provided by this endorsement.

Personal Articles Floater

We insure your personal articles listed on the Coverage Summary page against all risks of direct physical loss or damage subject to the terms and conditions of this endorsement.

The words "you", "your", "we" and "us" have the same meaning as in Section I of the policy.

We will pay up to the amount shown for each item, however, we may elect to repair or replace any lost or damaged article with another of similar kind and quality.

Loss or Damage Not Insured

We do not insure:

- 1) loss or damage to any property illegally acquired, kept, stored or transported, or property forfeited, seized or confiscated or subject to seizure or confiscation 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 caused by wet or dry rot, fungi or spores, condensation, acid rain or contamination.

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

- 4) wear and tear, deterioration, defect or mechanical breakdown;
- 5) birds, vermin, insects, raccoons, skunks, squirrels or rodents;
- 6) 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 or natural, coal or manufactured gas;
- 7) caused by 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:
 - i) any person insured by this policy;
 - ii) any other person at the direction of any person insured by this policy;

Nor do we insure:

- 10) data;
- 11) loss or damage caused directly or indirectly by data problem. However if loss or damage caused by data problem results in the occurrence of further loss of or damage to property insured that is directly caused by fire, explosion, smoke, leakage from fire protective equipment or water damage, this exclusion shall not apply to such resulting loss or damage;
- 12) loss or damage caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a 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 except for ensuing loss or damage which results directly or indirectly from fire or explosion, as described in Specified Perils

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 endorsement provided you notify us within 30 days of acquisition. We will not pay more than \$5,000 under this extension.

Any loss or damage shall not reduce the amount of insurance provided by this endorsement. 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 of acquisition.

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

Special Conditions

If the property insured on the Coverage Summary page is:

1. **Antennae and Satellite Dish:** we are responsible only for the amount by which the loss or damage caused exceeds the deductible of \$100.
2. **Bicycles:** we are responsible only for the amount by which the loss or damage caused exceeds the deductible of \$50.
3. **Computers:** we insure your hardware, purchased software and the value of your blank computer diskettes. Further, the following amendment to **Loss or Damage Not Insured** is made: Clause 4) of page 12:
 - 4) wear and tear, deterioration, defect or mechanical breakdown; is deleted in entirety and replaced by the following.
 - 4) wear and tear, deterioration or defect;

All other items under **Loss or Damage Not Insured** remain unchanged.

4. **Fine Arts:** the article(s) listed on the Coverage Summary page are insured:
 - a) at the location(s) specified;
 - b) while in transit between the location(s) specified;
 - c) at any other location in Canada or the continental United States, except at fairsgrounds or at national or international expositions, for not more than 10% of the total amount of insurance under this section.

Further, **Loss or Damage Not Insured** is extended to include:

We do not insure:

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 or malicious acts, windstorm or hail, or by accident to land vehicle, watercraft or aircraft, or by theft or attempted theft.

We do not insure loss or damage caused by or resulting from any process or work being performed on your fine art where the damage results from such process or work.

Special Condition – Packing and unpacking of your fine arts must be done by an employee of a company specializing in the moving of the insured item(s).

5. **Jewellery in a Bank Vault:** any property removed from the vault is not covered unless you notify us in advance of the removal and pay any additional premium for the time the property is away from the bank's premises
6. **Musical Instruments:** the following item is added to **Loss or Damage Not Insured:**
We do not insure:
any musical instrument played for a fee unless we have given our written permission.
7. **Sport Equipment:** the following item is added to **Loss or Damage Not Insured:**
We do not insure:
damage to sports equipment while being used
8. **Coin, Stamp or Other 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. This condition does not apply to items individually scheduled under this form.
9. **Tools:** we are responsible only for the amount by which the loss or damage caused exceeds the deductible of \$100.

SECTION IV - CONDITIONS

Conditions Applicable to the Various Coverages Provided Herein

All of the Conditions set out under **STATUTORY CONDITIONS** in the Policy apply with respect to insurance provided under ALL OTHER FORMS except as they are modified or supplemented by the Forms or Endorsements attached. No term or condition of this Policy shall be deemed to have been waived by us in whole or in part unless the waiver is clearly stated in writing, signed by a person authorized for that purpose. Neither we nor you 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 to the investigation or adjustment of any claim under this Policy.

STATUTORY CONDITIONS

(ALL PROVINCES EXCEPT QUEBEC)

Statutory Conditions 1 to 15 inclusive apply with respect to Insurance on Property. Statutory Conditions 1, 3, 4, 5, and 15 only apply with respect to Legal Liability, Voluntary Medical Payments and Voluntary Compensation for Damages to Property of others.

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 of 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 is liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act or change of title by succession, by operation of law, or by death.
4. **Material Change**
Any change material to the risk and within the control and knowledge of the Insured avoids 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 any additional premium, and in default of such a payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.

5. Termination

- 1) This 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, and 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.
 - b) Where this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified
- 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 clause (a) of sub-condition (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 the 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 willful 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 subparagraph (1) of the condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

7. Fraud

Any fraud or willfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declarations.

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 of 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 subparagraph (1) of this condition according to the respective interests of the parties.

10. Entry, Control, Abandonment

After loss or damage to insured property, the Insurer has 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 appraisement or particular estimate of the loss or damage, but the Insurer is not 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 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 the 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 any claim under or by virtue of this contract is absolutely barred unless commenced within one year next after the loss or damage occurs.

16. 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 the 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

I. Notice to Authorities

Where the loss is due to a malicious act, burglary, robbery, theft or attempted theft, or is suspected to be so due, the insured shall give immediate notice thereof to the police or other authorities having jurisdiction.

ii. No Benefit to Bailee

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

III. Pair and Set

In the case of loss of or damage to any article(s), whether scheduled or unscheduled, which is (are) a part of a set, the measure of loss of or damage to such article(s) 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 the set.

iv. Parts

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

v. Sue and Labour

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

vi. Basis of Settlement

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

vii. Subrogation

The Insurer, upon making any payment or assuming liability therefor under this policy, shall be subrogated to all rights of recovery of the Insured against any person, and may bring action in the name of the Insured to enforce such rights. Where the net amount recovered after deducting the costs of recovery is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportion in which the loss or damage has been borne by them respectively.

viii. Liberalization Clause

If, after the issuance of this Policy and before its expiration, there be adopted and published for use in this Province 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 inure to the benefit of the Insured hereunder as though such endorsement or substitution of form had been made. 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 have been 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.

ix. Duties After Loss

After a loss which may be insured under Section I of this policy, you shall as often as we reasonably require:

- a. submit to examinations under oath and subscribe the same, and
- b. produce employees, members of your household or others for examination under oath to the extent it is within your power to do so.

IN WITNESS WHEREOF, the Insurer has executed and attested these presents.



CHAIRMAN OF THE BOARD