

Tenant's Policy

Thank you for choosing **SouthEastern Mutual Insurance Company** as your tenant's insurance provider. When it comes to responding quickly and efficiently to your tenant's insurance needs, we will meet, or exceed, all of your expectations.

Your **Tenant's Insurance Policy** allows you to familiarize yourself with your coverage. Please read this booklet carefully.

*For any further information or questions about our **Ten • Pac** policy, feel free to call a dedicated, professional **SouthEastern Mutual** sales agent in your area.*

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TENANTS BASIC NAMED PERILS FORM

A GUIDE TO YOUR POLICY

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.

This form consists of three sections:

SECTION I describes the insurance on your property. It also includes additional living expenses and/or fair rental value in certain circumstances.

SECTION II describes the insurance for your legal liability for bodily injury to others or damage to property of others arising out of your premises or your personal actions. It also includes benefits following injury or damage to property of others in certain other circumstances.

SECTION III describes the insurance for the optional coverages you may buy.

We shall be liable only for the coverages as indicated on the Coverage Summary Page.

IMPORTANT

This policy contains various exclusions and limitations which eliminate or restrict coverage. Please read it carefully.

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.

AGREEMENT

In return for payment of the premium, we provide insurance to indemnify you from loss by sudden and unexpected occurrences as described and limited in the Insured Perils section of this policy and subject to the terms and conditions set out in the policy. Failure to comply with any term or condition may result in the denial of a claim under this policy.

DEFINITIONS

"You" or "your" means the person(s) named as Insured on the Coverage Summary Page and, while living in the same household, his or her spouse, the relatives of either or any person under the age of 21 in their care. "Spouse" includes either of two persons who are not married to each other and have lived together continuously for a period of not less than three years or, in a relationship of some permanence where there is a child born of whom they are the natural or adoptive parents, and have cohabited within the preceding year. Only the person named on the Coverage Summary Page may take legal action against us.

"We" or "us" means the Company or Insurer providing this insurance.

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

"Data Problem" means:

- (i) erasure, destruction, corruption, misappropriation or misinterpretation of "Data";
- (ii) error in creating, amending, entering, deleting or using "Data"; or
- (iii) inability to receive, transmit or use "Data"; or
- (iv) damage to electronic data processing equipment or other related component system, process or device.

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

"Vacant" means the occupant(s) has/have moved out with no intent to return, regardless of the presence of furnishings. A newly constructed dwelling is vacant after it is completed and before the occupant(s) move(s) in. Furthermore, the dwelling is also vacant when the occupant(s) move(s) out and before any new occupant(s) move(s) in.

PROPERTY COVERAGE SECTION I

DEFINITIONS (Applicable to the Property Coverage Section I)

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

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

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

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

"Ice Damming" means when melted snow refreezes forming a "dam" that can trap water under shingles or other roof finishing layers causing leaks through roof, deck joints and nail holes.

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

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

"Leakage" means the accidental entry, escape or release of water or other fluid through a gap, flaw or other opening.

"Premises" means the dwelling or unit and includes garages, outbuildings and private approaches and storage spaces reserved for your use or occupancy only.

"Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including vapor, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed. Pollutants do not mean fuel oil that is contained in a fixed fuel tank, apparatus or pipes used to heat the unit.

"Seepage" means the slow movement or oozing of water or other fluid through small openings, cracks or pores.

"Specified Perils" means, subject to the exclusions and conditions in this policy;

- 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 dwelling or 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. water escape meaning:
 - (a) the sudden and accidental escape of water from within a water main, swimming pool or equipment attached;
 - (b) the sudden and accidental escape of water or steam from within a heating, sprinkler, air conditioning or plumbing system, domestic appliance or waterbed which is located inside your unit;
 - (c) water which enters through an opening which has been created suddenly and accidentally by an insured peril;
10. windstorm or hail;
11. 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 vehicle of a common carrier, but does not include loss or damage to property in a vacation or home trailer which is owned by you.

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

"Student" means any student insured by this policy, who is temporarily living away from home for the purpose of attending a school, college or university. The student must be dependent on you for support and maintenance even if temporarily residing away from the principal residence stated on the Coverage Summary Page.

"Surface waters" means water on the surface of the ground where water does not usually accumulate in ordinary watercourses, lakes or ponds. This includes any waterborne objects.

"Tenant" means one who rents property from another for private dwelling purposes.

"Unit" means the portion of the building described on the Coverage Summary Page occupied by you as a private residence and includes any assigned storage areas in that building.

"Volunteer" means any person who donates time to an organization for a charitable purpose or in direct service to the general public or the community.

"Water" means the chemical element defined as H₂O in any of its three natural states, liquid, solid and gaseous.

"Water main" means a pipe forming part of a public water distribution system, which convey consumable water but not waste water.

ALL STATUTORY AND ADDITIONAL CONDITIONS OF THIS POLICY APPLY TO THE PROPERTY COVERAGE SECTION

COVERAGES

The amounts of insurance are shown on the Coverage Summary Page for the coverages you have purchased. These amounts include the cost of removal of debris of the property insured by this form as a result of an Insured Peril. When the damage to the property plus the cost of cleaning and removal of debris exceed the limit of insurance for the damaged property, an additional 5% of the limit of insurance on the damaged Personal Property will be available to cover debris removal expenses.

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.

COVERAGE C – PERSONAL PROPERTY

The description of Personal Property in this policy is as follows:

1. **ON PREMISES:** We insure the contents of your unit and other personal property you own, wear or use while on your premises which is usual to the ownership or maintenance of a household.

If you wish, we will include uninsured personal property of others, to a maximum of \$ 1,500 while it is on your premises, but we do not insure property of tenants, roomers or boarders who are not related to you.

2. **OFF PREMISES:** We insure your personal property for an additional amount of up to 10% of the amount of insurance on your Personal Property or \$1500, whichever is greater, while it is temporarily away from your premises, anywhere in the world. This includes personal property newly acquired by you and in your possession when there has not been an opportunity to take such property to your premises.

- Personal property normally kept at any other location you own is not insured.
- Personal property stored in a warehouse is only insured for 30 days unless the loss or damage is caused by theft. To extend coverage for this property in storage for a further period we must be notified in writing and endorse your policy as required.
- 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 to a maximum of \$1,500.
- Personal property of students residing away from home is insured up to a limit of \$5,000 for each student.
- Personal property belonging to others which is in your possession while you are acting as a volunteer is limited to \$1,000.
- Personal property that you are moving to a new principal residence at any location within Canada is insured while in transit and while at your new principal residence for up to 30 consecutive days beginning the day you start your move. The amount of insurance will be divided in the proportion that the value of the property at each premises and in transit bears to the value of all your personal property, at the time of loss.

Property Not Included As Personal Property

We do not insure loss or damage to motorized vehicles, trailers and aircraft or their equipment (except for motorized wheelchairs, scooters having more than 2 wheels and specifically designed for the carriage of a person with a physical disability, watercraft, motorized lawn mowers, lawn and garden tractors up to 22 kW (30 HP), other gardening equipment or snow blowers subject to Special Limits Applicable to Some Personal Property). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

Special Limits Applicable To Some Personal Property:

We insure:

1. jewellery, watches, gems, fur garments and garments trimmed with fur up to \$3,000 in all;
2. numismatic property (such as coin collections) up to \$500 in all;

3. manuscripts, sports memorabilia collections, stamps and philatelic property (such as stamp collections) up to \$1,000 in all;
4. silverware, meaning silverware, silver plated ware, gold ware, gold plated ware and pewter ware up to \$10,000 in all.

The above limits only apply to loss or damage caused by the peril of theft.

We insure:

5. 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. Other business property, including samples and goods held for sale, are not insured;
6. securities up to \$2,000 in all;
7. money or bullion up to \$300 in all;
8. lawn and garden tractors and golf carts including attachments and accessories of not more than 22kW (30H.P.) up to \$15,000 in all;
9. watercraft, their furnishings, equipment, accessories and motors up to \$1,000 in all. Loss or damage from windstorm or hail is insured only if they were inside a fully enclosed building. Canoes and rowboats are also insured while in the open;
10. computer software up to \$2,500 in all. We do not insure the cost of gathering or assembling information or data;
11. antiques only for their depreciated value (antique value is not covered unless specifically scheduled);
12. parts for motorized vehicles that are not installed yet up to \$3,000 in all;
13. bicycles and related equipment up to \$1,000 for any one bicycle or unattached piece of equipment.
14. utility trailers up to \$1,000 in all.

3. IMPROVEMENTS AND BETTERMENTS:

We also insure improvements and betterments made by you or acquired at your expense including:

1. any building, structure or swimming pool owned by you on the premises;
2. any outdoor tree, shrub or plant owned by you on the premises;
3. materials and supplies on the premises for use in such improvements and betterments.

COVERAGE D– ADDITIONAL LIVING EXPENSES

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

1. ADDITIONAL LIVING EXPENSE

If damage to your unit by an insured peril makes it 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 to rebuild your unit or, if you permanently relocate, the reasonable time required for your household to settle elsewhere.

2. FAIR RENTAL VALUE

If damage to your unit or detached private structures by an insured peril makes that part of the unit or detached private structure 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 unit, detached private structure or unit rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the unit, detached private structure or unit rented or held for rental is unfit for occupancy.

3. CIVIL AUTHORITY PROHIBITS ACCESS

If, as the direct result of damage to neighboring premises by an insured peril, a civil authority prohibits access to your unit we insure any resulting Additional Living Expense and Fair Rental Value for a period not exceeding two weeks.

4. EMERGENCY EVACUATION

We will pay any necessary and reasonable increase in living expense incurred by you while access to your unit is prohibited by order of civil authority, but only when such order is given for evacuation as a direct result of a sudden and accidental emergency.

You are insured for a period not exceeding two weeks from the date of the order of evacuation, or \$2,000, whichever is the lesser.

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

- (a) 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;
- (b) earthquake;
- (c) war, invasion, act of a foreign enemy, declared or undeclared 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.

The term "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.

ADDITIONAL COVERAGES OF THE PROPERTY COVERAGE SECTION

Damage to Your Unit

You may apply up to \$1,000 of the amount of insurance on your personal property insurance to pay for damage, not including fire damage:

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

Outdoor Trees, Shrubs and Plants

You may apply up to 5% of the amount of insurance on your Personal Property to lawns, 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.

We do not insure items grown for commercial purposes.

Pollution Damage - Insured Premises

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

Credit or Debit Cards, Automated Teller Cards, Library or Video Cards, Forgery and Counterfeit Money

We will pay for:

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

We do not cover loss caused by the use of any card by a resident of your household.

We do not cover loss caused by a person to whom the card has been entrusted.

The most we will pay under this coverage during the term of this policy is \$5,000. No deductible applies to this coverage.

Identity Fraud Coverage:

Identity Agreement

We agree to reimburse you for costs you actually incur resulting from Identity Fraud as defined and limited in this policy.

We insure, to the amount as stated on the Coverage Summary Page in total during the term of this policy, the following reasonable costs and expenses incurred by an insured person, as a result of an **Identity Fraud Occurrence**:

- (a) reasonable costs associated with registered mail to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors;
- (b) fees for the re-application of loans which had been declined as a result of incorrect or erroneous information;
- (c) the reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits for financial institutions, credit agencies, credit grantors or similar lenders;
- (d) the reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits for law enforcement agencies;
- (e) long distance telephone expenses to discuss an actual **Identity Fraud Occurrence** to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors;
- (f) earnings lost resulting from necessary time away from your employment for the purposes of completing affidavits and meeting with credit agencies, similar credit grantors, law enforcement departments, financial institutions, merchants and legal counsel, up to the amount as stated on the Coverage Summary Page per day to a maximum amount as stated on the Coverage Summary Page, for each **Identity Fraud Occurrence**;
- (g) reasonable costs, fees or expenses associated with the replacing of Canadian or Provincial Government issued documents as a result of an **Identity Fraud Occurrence**;
- (h) reasonable legal fees incurred directly as a result of an **Identity Fraud Occurrence**, with prior notice to us for:
 - i) the removal of any criminal or civil judgments wrongly entered against you;

- ii) to challenge the information in your consumer credit report;
- iii) the defense of lawsuits brought against you by businesses or their collection agencies;
- (i) we will reimburse you for the reasonable cost 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.

Loss or Damage Not Insured

We do not insure:

- (a) your fraudulent, dishonest or criminal acts;
- (b) your own use of your identity;
- (c) your commercial or business pursuits;
- (d) your intentional misuse of your identity;
- (e) fraudulent, dishonest, criminal or intentional misuse of your identity by any resident of your household;

Nor do we insure the following:

- (f) any losses covered under the **Credit or Debit Cards, Automated Teller Cards, Library or Video Cards, Forgery and Counterfeit Money** coverage already available in this policy;
- (g) any losses covered by credit card insurance, bank insurance or other coverage available to you. This coverage will be secondary with other insurance being primary. This coverage will only apply once the other insurance available to you has been exhausted.

No deductible applies to this coverage.

Requirements after Loss

In addition to the requirements outlined on the policy to which this coverage applies, you are required to contact your local law enforcement agency to report the **Identity Fraud Occurrence**.

Freezer Contents

We insure foodstuffs while contained in any food freezer unit(s) located on your premises for loss up to \$2,000 per occurrence when caused by a power failure or mechanical breakdown of such unit(s). You may apply a part of this limit to any reasonable expenses incurred, excluding repair or replacement parts, to reduce or avert the loss.

We do not insure loss or damage:

- (a) due to deliberate manual disconnection, of the electrical power supply within the principal residence;
- (b) due to inherent vice and/or natural spoilage;
- (c) due to your failure to take all reasonable steps to prevent further loss or damage to the insured property;
- (d) resulting from any process of refinishing, renovating or repairing the freezer unit(s).

No deductible applies to this coverage.

Fire Department Charges

We will reimburse you for up to \$1000, or the amount shown on the Coverage Summary Page, for fire department charges incurred for attending premises insured under this policy to save or protect insured property from loss or damage, or further loss or damage insured against by this policy.

No deductible applies to this coverage.

INSURED PERILS

We insure your improvements and betterments and your personal property against direct loss or damage caused by the following perils as described and limited:

1. **FIRE or LIGHTNING.**
2. **EXPLOSION.**
3. **SMOKE:** This peril means smoke due to a sudden, unusual and 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 the unit or building but not objects which strike because of snow slide, ice slide, landslide or any other earth movement.
5. **IMPACT BY AIRCRAFT OR LAND VEHICLE:** Animals are not insured under this peril.
6. **RIOT.**
7. **VANDALISM or MALICIOUS ACTS:** This peril does not include:
 - (a) loss or damage occurring while the unit is under construction or vacant even if permission for construction or vacancy has been given by us;
 - (b) damage caused by you, members of your household, or your employees, any tenant, employee or member of the tenant's household;
 - (c) loss or damage caused by theft or attempted theft.
8. **WATER ESCAPE:** This peril means:
 - (a) the sudden and accidental escape of water from within a water main, swimming pool or equipment attached;
 - (b) the sudden and accidental escape of water or steam from within a heating, sprinkler, air conditioning or plumbing system, domestic appliance or waterbed which is located inside your unit;
 - (c) the sudden and accidental escape of water from a domestic appliance located outside your unit, but such damage is not insured when the escape of water is caused by freezing;
 - (d) water which enters through an opening which has been created suddenly and accidentally by an insured peril;

But we do not cover loss or damage:

- i) caused by continuous or repeated seepage or leakage of water;
- ii) caused by backing up or escape of water from a sewer or drain, sump or septic tank, eaves trough or downspout;
- iii) caused by ground water or rising of the water table;
- iv) caused by surface waters, unless the water escapes from a water main or swimming pool;
- v) to water mains or outdoor plumbing systems and equipment attached (including but not limited to swimming pools, hot tubs or spas) caused by freezing, water or rupture;
- vi) to the system or appliance from which the water escaped;

- vii) occurring while the unit is under construction or vacant, even if permission for construction or vacancy has been given by us;
- viii) caused by freezing of any part of a heating, sprinkler, air conditioning or plumbing system or domestic appliance unless it happens within a unit heated during the usual heating season and you have not been away from your premises for more than 4 consecutive days. However, if you had arranged for a competent person to enter your unit 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.

9. **WINDSTORM or HAIL:** This peril does not include loss or damage to improvements and betterments or to the interior of a building or unit caused by windstorm, hail or coincidental rain damage, unless the storm first creates an opening in the building. Any watercraft, its furnishings and equipment 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 also insured while in the open.

This peril does not include damage:

- (a) to outdoor radio and/or TV antennae, towers, satellite receivers and their attachments;
- (b) due to weight or pressure of ice or snow, waves, floods, land subsidence, whether driven by wind or not.

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

This peril means loss or damage to:

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

This peril does not include loss or damage to:

- (a) property in a cabin 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 dwelling 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;
- (c) to 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.

12. **COLLAPSE, INCLUDING COLLAPSE CAUSED BY THE WEIGHT OF ICE OR SNOW:** This peril means the collapse of foundations, walls, floors or roof of a dwelling. This peril does not include loss or damage caused directly or indirectly:

- (a) to outside property such as awnings, fences, trellises, fiberglass or plastic roof coverings, swimming pools, patios, driveways, walks or retaining walls, outdoor radio and/or TV antennae, towers, satellite receivers and their attachments;
- (b) by earthquake, or by the settling, cracking, expanding, contracting, moving, shifting or bulging of any dwelling;
- (c) by rodents (such as squirrels and rats), insects or vermin (such as raccoons and skunks) or by dampness of atmosphere, dryness of atmosphere, rotting, rust or corrosion.

13. **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) that is part of a heating unit for the insured unit and detached private structure;
14. **CHANGE OF TEMPERATURE:** This peril means loss or damage to personal property kept in your unit by a change of temperature that results from physical damage, caused by a peril insured against, to your unit.
15. **ELECTRICITY:** We cover sudden and accidental loss or damage to your dwelling and personal property caused by artificially generated electricity.

LOSS OR DAMAGE NOT INSURED – SECTION I

We do not insure loss or damage to:

1. your insured property when your unit has, to your knowledge, been vacant for more than 30 consecutive days;
2. buildings, units or structures designed for agricultural purposes or used in whole or in part for farming or any other commercial or business purposes unless declared on the Coverage Summary Page;
3. any property illegally acquired or kept;
4. any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
5. property because of the voluntary parting with title or ownership, whether or not induced to do so by any fraudulent scheme, trick, device or false pretense;
6. lawns, outdoor trees, shrubs or plants except as provided under Additional Coverages of this policy;
7. books of account and evidences of debt or title;
8. property while 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;
9. household pets;
10. retaining walls not constituting part of any insured building;
11. buildings and/or structures, and their contents, used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution or sale of marijuana or any product derived from, or containing, marijuana or any other substance falling within the Schedules of the Controlled Drugs and Substances Act, whether or not the insured is aware of such use of the property.

We do not insure loss or damage resulting from, contributed to or caused directly or indirectly:

12. by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
13. by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
14. by or resulting from contamination or pollution, or the release, discharge or dispersal of contaminants or pollutants, except damage to personal property caused by Peril 13 or as provided under Additional Coverage of Section I;
15. by wear, tear, scratching, marring, gradual deterioration, latent defect or mechanical breakdown, rust, corrosion, extremes of temperature, wet or dry rot or by any “fungi” or “spores” or contamination;
16. by bats, birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels and rats), insects or household pets;

17. because of increased costs of repair due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
18. from intentional or criminal acts or failure to act by you, your employees or anyone to whom the damaged or lost property is entrusted;
19. by mysterious disappearance;

Data Exclusion

This policy does not insure:

- (a) "Data";
- (b) loss or damage resulting from, contributed to or caused directly or indirectly by "Data Problem".

However, if loss or damage caused by "Data Problem" results in the occurrence of further loss or damage to property insured that is directly caused by "Specified Perils" as defined in this policy, this exclusion (b) shall not apply to such resulting loss or damage.

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.

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

If you qualify for a tax credit the loss payment will be reduced by that amount.

Deductible

In any one occurrence we are responsible only for the amount by which the insured loss or damage exceeds the amount of the deductible shown on the Coverage Summary Page.

If one occurrence could lead to the application of more than one deductible only the largest deductible will apply.

If your claim involves personal property on which the "Special Limits Applicable To Some Personal Property" applies, the limitations apply to losses exceeding the deductible amount.

Personal Property (On Premises or Off Premises) And Improvements and Betterments

We agree to pay any loss insured for Personal Property and Improvements and Betterments on the basis of "replacement cost" provided that:

- (a) the property, at the time of loss, was useable for its original purpose and is not obsolete;
- (b) you have repaired or replaced the property promptly;
- (c) electronic media is reproduced 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);
- (d) records, including books of account, drawings or card index systems are transcribed or copied from duplicates.

Otherwise the basis of claim payment will be the Actual Cash Value of the damage on the date of the occurrence.

"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.

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

Loss of items such as fine arts, antiques, paintings and articles that, by their inherent nature, cannot be replaced with a comparable article will not be settled on a Replacement Cost basis.

If the 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.

Insurance Under More Than One Policy: If you have insurance on specifically described property, our policy will be considered excess insurance and we will not pay any loss or claim until the amount of such other insurance is used up. In all other cases, our policy will pay its ratable proportion of an insured loss.

TENANTS COMPREHENSIVE FORM

A GUIDE TO YOUR POLICY

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.

This form consists of three sections:

SECTION I describes the insurance on your property. It also includes additional living expenses and/or fair rental value in certain circumstances.

SECTION II describes the insurance for your legal liability for bodily injury to others or damage to property of others arising out of your premises or your personal actions. It also includes benefits following injury or damage to property of others in certain other circumstances.

SECTION III describes the insurance for the optional coverages you may buy.

We shall be liable only for the coverages as indicated on the Coverage Summary Page.

IMPORTANT

This policy contains various exclusions and limitations which eliminate or restrict coverage. Please read it carefully.

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.

AGREEMENT

In return for payment of the premium, we provide insurance to indemnify you from loss by sudden and unexpected occurrences as described and limited in the Insured Perils section of this policy and subject to the terms and conditions set out in the policy. Failure to comply with any term or condition may result in the denial of a claim under this policy.

DEFINITIONS

"You" or "your" means the person(s) named as Insured on the Coverage Summary Page and, while living in the same household, his or her spouse, the relatives of either or any person under the age of 21 in their care. "Spouse" includes either of two persons who are not married to each other and have lived together continuously for a period of not less than three years or, in a relationship of some permanence where there is a child born of whom they are the natural or adoptive parents, and have cohabited within the preceding year. Only the person named on the Coverage Summary Page may take legal action against us.

"We" or "us" means the Company or Insurer providing this insurance.

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

“Data Problem” means:

- (i) erasure, destruction, corruption, misappropriation or misinterpretation of “Data”; or
- (ii) error in creating, amending, entering, deleting or using “Data”; or
- (iii) inability to receive, transmit or use “Data”; or
- (iv) damage to electronic data processing equipment or other related component system, process or device.

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

"Vacant" means the occupant(s) has/have moved out with no intent to return, regardless of the presence of furnishings. A newly constructed dwelling is vacant after it is completed and before the occupant(s) move(s) in. Furthermore, the dwelling is also vacant when the occupant(s) move(s) out and before any new occupant(s) move(s) in.

PROPERTY COVERAGE SECTION I

DEFINITIONS (Applicable to the Property Coverage Section I)

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

“Domestic appliance” means a device or apparatus for personal use on the premises for containing, heating, chilling or dispensing water.

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

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

“Ice Damming” means when melted snow refreezes forming a “dam” that can trap water under shingles or other roof finishing layers causing leaks through roof, deck joints and nail holes.

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

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

“Leakage” means the accidental entry, escape or release of water or other fluid through a gap, flaw or other opening.

"Premises" means the dwelling or unit and includes garages, outbuildings and private approaches and storage spaces reserved for your use or occupancy only.

“Pollutant” means any solid, liquid, gaseous or thermal irritant or contaminant, including vapor, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed. Pollutants do not mean fuel oil that is contained in a fixed fuel tank, apparatus or pipes used to heat the unit.

“Seepage” means the slow movement or oozing of water or other fluid through small openings, cracks or pores.

“Specified Perils” means, subject to the exclusions and conditions in this policy;

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 "Dwelling" or 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. water escape meaning:
 - (a) the sudden and accidental escape of water from within a water main, swimming pool or equipment attached;
 - (b) the sudden and accidental escape of water or steam from within a heating, sprinkler, air conditioning or plumbing system, domestic appliance or waterbed which is located inside your unit;
 - (c) water which enters through an opening which has been created suddenly and accidentally by an insured peril;
10. windstorm or hail;
11. 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 vehicle of a common carrier, but does not include loss or damage to property in a vacation or home trailer which is owned by you.

"Spore(s)" includes, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any "fungi".

"Student" means any student insured by this policy, who is temporarily living away from home for the purpose of attending a school, college or university. The student must be dependent on you for support and maintenance even if temporarily residing away from the principal residence stated on the Coverage Summary Page.

"Surface waters" means water on the surface of the ground where water does not usually accumulate in ordinary watercourses, lakes or ponds. This includes any waterborne objects.

"Tenant" means one who rents property from another for private dwelling purposes.

"Unit" means the portion of the building described on the Coverage Summary Page occupied by you as a private residence and includes any assigned storage areas in that building.

"Volunteer" means any person who donates time to an organization for a charitable purpose or in direct service to the general public or the community.

"Water" means the chemical element defined as H₂O in any of its three natural states, liquid, solid and gaseous.

"Water main" means a pipe forming part of a public water distribution system, which conveys consumable water but not waste water.

ALL STATUTORY AND ADDITIONAL CONDITIONS OF THIS POLICY APPLY TO THE PROPERTY COVERAGE SECTION I

COVERAGES

The amounts of insurance are shown on the Coverage Summary Page for the coverages you have purchased. These amounts include the cost of removal of debris of the property insured by this form as a result of an Insured Peril. When the damage to the property, plus the cost of cleaning and removal of debris, exceeds the limit of insurance for the damaged property, an additional 5% of the limit of insurance on the damaged Personal Property will be available to cover debris removal expenses.

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.

COVERAGE C - PERSONAL PROPERTY

The description of Personal Property in this policy is as follows:

1. **ON PREMISES** - We insure the contents of your unit and other personal property you own, wear or use while on your premises which is usual to the ownership or maintenance of a household.
If you wish, we will include uninsured personal property of others, to a maximum of \$ 3,000, while it is on your premises but we do not insure property of tenants, roomers or boarders who are not related to you.
2. **OFF PREMISES** - We insure your personal property while it is temporarily away from your premises, anywhere in the world.
This includes personal property newly acquired by you and in your possession when there has not been an opportunity to take such property to your premises.
 - Personal property normally kept at any other location you own is not insured.
 - Personal property stored in a warehouse is only insured for 30 days unless the loss or damage is caused by theft. To extend coverage for this property in storage for a further period, we must be notified in writing and endorse your policy as required.
 - 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 to a maximum of \$3,000.
 - Personal property of students residing away from home is insured up to a limit of \$10,000 for each student.
 - Personal property belonging to others which is in your possession while you are acting as a volunteer is limited to \$1,000.
 - Personal property that you are moving to a new principal residence at any location within Canada is insured while in transit and while at your new principal residence for up to 30 consecutive days beginning the day you start your move. The amount of insurance will be divided in the proportion that the value of the property at each premises and in transit bears to the value of all your personal property, at the time of loss.

Property Not Included As Personal Property

We do not insure loss or damage to motorized vehicles, trailers and aircraft or their equipment (except for motorized wheelchairs, scooters having more than 2 wheels and specifically designed for the carriage of a person with a physical disability, watercraft, motorized lawn mowers, lawn and garden tractors up to 22 kW (30 HP), other gardening equipment or snow blowers subject to Special Limits Applicable to Some Personal Property). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

Special Limits Applicable to some Personal Property:

We insure:

1. jewellery, watches, gems, fur garments and garments trimmed with fur up to \$6,000 in all;
2. numismatic property (such as coin collections) up to \$500 in all;
3. manuscripts, sports memorabilia collections, stamps and philatelic property (such as stamp collections) up to \$2,000 in all;

4. silverware, meaning silverware, silver plated ware, gold ware, gold plated ware and pewter ware up to \$10,000 in all.

The above limits do not apply to loss or damage caused by the Specified Perils listed in this section.

We insure:

5. books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$3,000 in all, but only while on your premises. Other business property, including samples and goods held for sale, is not insured;
 6. securities up to \$3,000 in all;
 7. money or bullion up to \$500 in all;
 8. lawn and garden tractors and golf carts including attachments and accessories of not more than 22kW (30 H.P.) up to \$15,000 in all;
 9. watercraft, their furnishings, equipment, accessories and motors up to \$2,000 in all. Loss or damage from windstorm or hail is insured only if they were inside a fully enclosed building. Canoes and rowboats are also insured while in the open;
 10. computer software up to \$3,000 in all. We do not insure the cost of gathering or assembling information or data;
 11. antiques only for their depreciated value (antique value is not covered unless specifically scheduled);
 12. parts for motorized vehicles that are not installed yet up to \$3,000 in all;
 13. bicycles and related equipment up to \$1,000 for any one bicycle or unattached piece of equipment.
 14. utility trailers up to \$1,000 in all.
3. **IMPROVEMENTS AND BETTERMENTS** - We also insure improvements and betterments made by you or acquired at your expense including:
 1. any building, structure or swimming pool owned by you on the premises;
 2. any outdoor tree, shrub or plant owned by you on the premises;
 3. materials and supplies on the premises for use in such improvements and betterments.

COVERAGE D - ADDITIONAL LIVING EXPENSES

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

1. ADDITIONAL LIVING EXPENSE

If damage to your unit by an insured peril makes it 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 to rebuild your unit or, if you permanently relocate, the reasonable time required for your household to settle elsewhere.

2. FAIR RENTAL VALUE

If damage to your unit or detached private structures by an insured peril makes that part of the unit or detached private structure 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 unit, detached private structure or unit rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the unit, detached private structure or unit rented or held for rental is unfit for occupancy.

3. CIVIL AUTHORITY PROHIBITS ACCESS

If, as the direct result of damage to neighboring premises by an insured peril, a civil authority prohibits access to your unit we insure any resulting Additional Living Expense and Fair Rental Value for a period not exceeding two weeks.

4. EMERGENCY EVACUATION

We will pay any necessary and reasonable increase in living expense incurred by you while access to your unit is prohibited by order of civil authority, but only when such order is given for evacuation as a direct result of a sudden and accidental emergency.

You are insured for a period not exceeding two weeks from the date of the order of evacuation, or \$2,000, whichever is the lesser.

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

- (a) 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;
- (b) earthquake;
- (c) war, invasion, act of a foreign enemy, declared or undeclared 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.

The term "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.

ADDITIONAL COVERAGES OF THE PROPERTY COVERAGE SECTION I

Damage to Your Unit

You may apply up to \$1,000 of the amount of insurance on your personal property insurance to pay for damage, not including fire damage:

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

Outdoor Trees, Shrubs and Plants

You may apply up to 5% of the amount of insurance on your Personal Property to outdoor trees, shrubs and plants on your premises. We will not pay more than \$500 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.

We do not insure items grown for commercial purposes.

Pollution Damage - Insured Premises

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

Credit or Debit Cards, Automated Teller Cards, Library or Video Cards, Forgery and Counterfeit Money:

We will pay for:

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

We do not cover loss caused by a resident of your household.

We do not cover loss caused by a person to whom the card has been entrusted.

The most we will pay under this coverage during the term of this policy is \$5,000.

No deductible applies to this coverage.

Identity Fraud Coverage:

Identity Agreement

We agree to reimburse you for costs you actually incur resulting from Identity Fraud as defined and limited in this policy.

We insure, to the amount as stated on the Coverage Summary Page in total during the term of this policy, the following reasonable costs and expenses incurred by an insured person, as a result of an **Identity Fraud Occurrence**:

- (a) reasonable costs associated with registered mail to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors;
- (b) fees for the re-application of loans which had been declined as a result of incorrect or erroneous information;
- (c) the reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits for financial institutions, credit agencies, credit grantors or similar lenders;
- (d) the reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits for law enforcement agencies;
- (e) long distance telephone expenses to discuss an actual **Identity Fraud Occurrence** to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors;
- (f) earnings lost resulting from necessary time away from your employment for the purposes of completing affidavits and meeting with credit agencies, similar credit grantors, law enforcement departments, financial institutions, merchants and legal counsel, up to the amount as stated on the Coverage Summary Page per day to a maximum amount as stated on the Coverage Summary Page, for each **Identity Fraud Occurrence**;
- (g) reasonable costs, fees or expenses associated with the replacing of Canadian or Provincial Government issued documents as a result of an **Identity Fraud Occurrence**.

- (h) Reasonable legal fees incurred directly as a result of an **Identity Fraud Occurrence**, with prior notice to us for:
- i) the removal of any criminal or civil judgments wrongly entered against you;
 - ii) to challenge the information in your consumer credit report;
 - iii) the defense of lawsuits brought against you by businesses or their collection agencies;
- (i) we will reimburse you for the reasonable cost 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.

Loss or Damage Not Insured

We do not insure:

- (a) your fraudulent, dishonest or criminal acts;
- (b) your own use of your identity;
- (c) your commercial or business pursuits;
- (d) your intentional misuse of your identity;
- (e) fraudulent, dishonest, criminal or intentional misuse of your identity by any resident of your household;

Nor do we insure the following:

- (f) any losses covered under the **Credit or Debit Cards, Automated Teller Cards, Library or Video Cards, Forgery and Counterfeit Money** coverage already available in this policy;
- (g) any losses covered by credit card insurance, bank insurance or other coverage available to you. This coverage will be secondary with other insurance being primary. This coverage will only apply once the other insurance available to you has been exhausted.

No deductible applies to this coverage.

Requirements after Loss

In addition to the requirements outlined on the policy to which this coverage applies, you are required to contact your local law enforcement agency to report the **Identity Fraud Occurrence**.

Freezer Contents

We insure foodstuffs while contained in any Food Freezer unit(s) located on the premises for loss up to \$2,000 per occurrence when caused by a power failure or mechanical breakdown of such unit(s). You may apply a part of this limit to any reasonable expenses incurred, excluding repair or replacement parts, to reduce or avert the loss.

We do not insure loss or damage:

- (a) due to deliberate manual disconnection, of the electrical power supply within the principal residence;
- (b) due to inherent vice and/or natural spoilage;
- (c) due to your failure to take all reasonable steps to prevent further loss or damage to the insured property;
- (d) resulting from any process of refinishing, renovating or repairing the freezer unit(s).

No deductible applies to this coverage.

Inflation Protection

During the term of this policy, we will automatically change the limits of insurance on Personal Property and Additional Living Expenses by the proportion by which the Consumer Price Index has changed since the effective date of the current term of the policy. If at your request, we change the limit of insurance on any coverage shown on the Coverage Summary Page, we will apply this Inflation Protection on the changed limits of insurance from the date the change is made.

Safety Deposit Box

We will pay up to \$10,000 for loss or damage caused by any of the Insured Perils to your Personal Property while contained in a Bank (or Trust Company) safety deposit box.

Lock Replacement

We will pay up to \$500 for the replacement of locks or lock rekeying on your unit if your keys are stolen.

No deductible applies to this coverage.

Fire Department Charges

We will reimburse you for up to \$1000, or the amount shown on the Coverage Summary Page, for fire department charges incurred for attending premises insured under this policy to save or protect insured property from loss or damage, or further loss or damage insured against by this policy.

No deductible applies to this coverage.

INSURED CAUSES OF LOSS

We insure your improvements and betterments and your personal property, against direct physical loss or damage, subject to the terms and conditions below.

EXCLUSIONS – SECTION I

Property Excluded

We do not insure loss of or damage to:

1. your insured property when your premises has to your knowledge, been vacant for more than 30 consecutive days;
2. buildings or structures used in whole or in part or designed for farming, commercial or business purposes unless declared on the Coverage Summary Page;
3. any property illegally acquired or kept;
4. any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
5. property because of the voluntary parting with title or ownership, whether or not induced to do so by any fraudulent scheme, trick, device or false pretense;
6. lawns, outdoor trees, shrubs or plants except as provided under Additional Coverages of this policy;
7. books of account and evidences of debt or title;
8. 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;
9. household pets, unless the loss or damage is caused by a "Specified Peril" other than item (6) "impact" or item (11) "transportation";
10. sporting equipment where the loss or damage is due to its use;
11. property at any fairground, exhibition or exposition for the purpose of exhibition;
12. retaining walls not constituting part of any insured building;

13. buildings and/or structures, and their contents, used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution or sale of marijuana or any product derived from, or containing, marijuana or any other substance falling within the Schedules of the Controlled Drugs and Substances Act, whether or not the insured is aware of such use of the property.

Perils Excluded

We do not insure against loss or damage resulting from, contributed to or caused directly or indirectly:

1. by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
3. by or resulting from contamination or pollution or the release, discharge or dispersal of contaminants or pollutants, except damage to personal property and unit improvements and betterments caused by the sudden and accidental escape of fuel from a permanently installed domestic fuel tank (including any attached equipment, apparatus or piping) that is part of a heating unit for the insured unit or as provided under Additional Coverages of this policy;
4. by wear, tear, gradual deterioration, latent defect or mechanical breakdown, rust, corrosion, extremes of temperature, wet or dry rot, fungi or spore(s), or contamination;
5. by scratching or marring of any property or breakage of any fragile or brittle articles unless caused by a Specified Peril, impact by watercraft or aircraft, or theft or attempted theft;
6. by bats, birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels and rats), insects or household pets, except loss or damage to building glass;
7. because of increased costs of repair or replacement due to operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
8. or resulting from any intentional or criminal act or failure to act by you, your employees or anyone to whom the damaged or lost property is entrusted;
9. or due to the cost involved to correct faulty material or workmanship;
10. by settling, expansion, contraction, moving, bulging, buckling, or cracking except resulting damage to building glass;
11. by smoke from agricultural smudging or industrial operations;
12. by buildup of smoke. Smoke damage must be sudden and accidental;
13. by any earth movement including, but not limited to, earthquake, landslide, snow slide, or ice slide. If any of these results in fire or explosion, we will pay only for the resulting loss or damage;
14. by collapse of:
 - (a) outside property such as awnings, fences, or trellises unless resulting from structural collapse of foundations, walls, floors or roof of a building;
 - (b) patios, driveways, walks or retaining walls, outdoor radio and/or television antennae, towers, satellite receivers and their attachments;
15. by water unless the loss or damage directly resulted from:
 - (a) the sudden and accidental escape of water from within a water main, swimming pool or equipment attached;
 - (b) the sudden and accidental escape of water or steam from within a heating, sprinkler, air conditioning or plumbing system, domestic appliance or waterbed which is located inside your unit;
 - (c) the sudden and accidental escape of water from a domestic appliance located outside your unit, but such damage is not insured when the escape of water is caused by freezing;

- (d) water which enters through an opening which has been created suddenly and accidentally by a peril not otherwise excluded;
- (e) water from the accumulation of ice or snow on the roof or eaves trough, which enters the dwelling through the roof as a result of ice damming;

But we do not cover loss or damage:

- i) caused by continuous or repeated seepage or leakage of water;
 - ii) caused by backing up or escape of water from a sewer or drain, sump or septic tank, eaves trough or downspout;
 - iii) caused by ground water or rising of the water table;
 - iv) caused by surface waters, unless the water escapes from a water main or swimming pool;
 - v) to water mains or outdoor plumbing systems and equipment attached (including but not limited to swimming pools, hot tubs or spas) caused by freezing, water or rupture;
 - vi) to the system or appliance from which the water escaped;
 - vii) occurring while the building is under construction or vacant, even if permission for construction or vacancy has been given by us;
 - viii) caused by freezing of any part of a heating, sprinkler, air conditioning or plumbing system or domestic appliance unless it happens within a dwelling heated during the usual heating season and you have not been away from your premises for more than 4 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;
16. by change of temperature unless the loss or damage:
- (a) is to personal property kept in your unit; and
 - (b) is the result of physical damage to your unit or equipment caused by a peril not otherwise excluded;
17. or due to vandalism or malicious acts caused by you or any members of your household, or your employees, or by any tenant, employee or member of the tenant's household;
18. by vandalism or malicious acts or theft or glass breakage occurring while your unit is under construction or vacant even if permission for construction or vacancy has been given by us;
19. by theft or attempted theft by any tenant, members of a tenant's household or employees of the tenant.

Data Exclusion

This policy does not insure:

- (a) "Data";
- (b) loss or damage resulting from, contributed to or caused directly or indirectly by "Data Problem".

However, if loss or damage caused by "Data Problem" results in the occurrence of further loss or damage to property insured that is directly caused by "Specified Perils" as defined in this policy, this exclusion (b) shall not apply to such resulting loss or damage.

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.

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

If you qualify for a tax credit the loss payment will be reduced by that amount.

Deductible

In any one occurrence, we are responsible only for the amount by which the insured loss or damage exceeds the amount of the deductible shown on the Coverage Summary Page. If one occurrence could lead to the application of more than one deductible, only the largest deductible will apply. If your claim involves personal property on which the "Special Limits Applicable To Some Personal Property" applies, the limitations apply to losses exceeding the deductible amount.

Personal Property (On Premises or Off Premises) and Improvements and Betterments

We agree to pay any loss insured for Personal Property and Improvements and Betterments on the basis of "replacement cost" provided that:

- (a) the property, at the time of loss, was useable for its original purpose and is not obsolete;
- (b) you have repaired or replaced the property promptly;
- (c) electronic media is reproduced 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);
- (d) records, including books of account, drawings or card index systems are transcribed or copied from duplicates.

Otherwise the basis of claim payment will be the Actual Cash Value of the damage on the date of the occurrence.

"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.

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

Loss of items such as fine arts, antiques, paintings and articles that, by their inherent nature, cannot be replaced with a comparable article will not be settled on a Replacement Cost basis.

If the 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.

Insurance Under More Than One Policy

If you have insurance on specifically described property, our policy will be considered excess insurance and we will not pay any loss or claim until the amount of such other insurance is used up. In all other cases, our policy will pay its ratable proportion of an insured loss.

LIABILITY COVERAGE SECTION - II

DEFINITIONS

"You" or "your" in this Section have the same meaning as in the Definitions applicable to both sections on page 3. In addition, the following persons are insured:

1. any person or organization legally liable for damages caused by a watercraft or animal owned by you, and to which 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. a residence employee while performing their duties for you;
3. your legal representative having temporary custody of the insured premises, if you die while insured by this policy, for legal liability arising out of the insured premises;
4. any person who is insured by this policy at the time of your death and who continues residing on the insured premises.

"We" or "us" in this Section have the same meaning as in the Definitions applicable to both sections on page 3.

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

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

"Residence Employee" in this Section has the same meaning as in the Definitions applicable to both sections on page 4.

"Premises" in the Liability Coverage Section means all premises where the person(s) named as insured on the Coverage Summary Page, or his or her spouse, maintains a residence. It also includes:

1. other residential premises specified on the Coverage Summary Page, except business property and farms;
2. individual or family cemetery plots or burial vaults;
3. vacant land you own or rent, excluding farm land;
4. land where an independent contractor is building a one, two or three-family residence to be occupied by you;
5. premises you are using or where you are temporarily residing if you do not own such premises;
6. any site you own or rent for the recreational use or seasonal storage of any trailer;
7. premises in Canada to be occupied by you as your principal residence from the date you acquire ownership or take possession but not beyond the earliest of:
 - a) 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.

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

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

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

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

COVERAGES

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. Each person insured is a separate insured but this does not increase the limit of insurance.

COVERAGE E – LEGAL LIABILITY

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

The amount of insurance 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 other than as provided under Defense, Settlement, Supplementary Payments.

You are insured for claims made against you arising from:

1. **Personal Liability** - legal liability arising out of your personal actions anywhere in the world.

You are not insured for claims made against you arising from:

- (a) the ownership, use or operation of any motorized vehicle, trailer or watercraft, except those for which coverage is shown in this policy;
- (b) damage to property you own, use, occupy or lease;
- (c) damage to property in your care, custody or control;
- (d) damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
- (e) bodily injury to you or to any person residing in your household other than a residence employee.

2. **Premises Liability** - legal liability arising out of your ownership, use or occupancy of the premises defined in the Liability Coverage Section. This insurance also applies if you assume, by a written contract, the legal liability of other persons in relation to your premises.

You are not insured for claims made against you arising from:

- (a) damage to property you own, use, occupy or lease;
- (b) damage to property in your care, custody or control;
- (c) damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
- (d) bodily injury to you or to any person residing in your household other than a residence employee.

3. **Tenants Legal Liability** - legal liability for property damage to premises, or their contents, which you are using, renting or have in your custody or control caused by:

- (a) fire;
- (b) explosion;
- (c) smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises;
- (d) water escape from a heating, plumbing, sprinkler or air conditioning system or household appliance.

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.

4. **Employers' Liability** - legal liability for bodily injury to residence employees arising out of and in the course of their employment by you.

You are not insured for claims made against you resulting from the ownership, use or operation of aircraft while being operated or maintained by your employee. You are not insured for liability imposed upon or assumed by you under any workers' compensation statute.

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 it is 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 limit of insurance under Coverage E, we will pay:

1. all expenses which we incur;
2. all costs charged against you in any suit insured under Coverage E;
3. any interest accruing after judgment on that part of the judgment which is within the amount of insurance of Coverage E;
4. premiums for appeal bonds required in any insured law suit involving you and bonds to release any property that is being held as security, up to the amount of insurance, but we are not obligated to apply for or provide these bonds;
5. expenses which you have incurred for emergency medical or surgical treatment to others following an accident or occurrence insured by this policy;
6. reasonable expenses, except loss of earnings, which you incur at our request.

COVERAGE F – VOLUNTARY MEDICAL PAYMENTS

We will pay reasonable medical expenses, incurred within one year of the date of the accident, if you unintentionally injure another person or if they are accidentally injured on your premises. This coverage is available even though you are not legally liable. Medical expenses include surgical, dental, hospital, nursing, ambulance service and funeral expenses. Medical expenses for residence employees are insured.

The amount as 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.

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.

You are not insured for claims arising out of the ownership, use or operation of any motorized vehicle, trailer or watercraft, except those for which coverage is shown in this policy.

You shall arrange for the injured person, if requested, to:

1. give us, as soon as possible, written proof of claim, under oath if requested;
2. submit to physical examination at our expense by doctors we select as often as we may reasonably require;
3. authorize us to obtain medical and other records.

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

COVERAGE G – VOLUNTARY 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 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 the ownership, use or operation of any motorized vehicle, trailer or watercraft, except those for which coverage is provided by this form;
2. for property you or your tenants own or rent;
3. which are insured under the Property Coverage Section;
4. caused by the loss of use, disappearance or theft of property.

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. limits as indicated for Coverage G 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.

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.

SPECIAL LIMITATIONS

WATERCRAFT

Watercraft You Own

You are insured against claims arising out of your ownership, use or operation of watercraft provided the watercraft does not exceed 8 meters (26 feet) in length and is equipped with an outboard motor or motors of not more than 12 kW (16 HP) in total when used with or on a single watercraft, or has an inboard or an inboard-outboard motor of not more than 38 kW (50 HP).

If you own any motors or watercraft larger than those stated above, you are insured only if they are shown on the policy. If they are acquired after the effective date of this policy, you will be insured automatically for a period of thirty days only from the date of their acquisition.

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:

1. the watercraft is being used or operated with the owner's consent;
2. 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.

MOTORIZED VEHICLES

Vehicles You Own

You are insured against claims arising out of your ownership, use or operation of the following including their trailers and attachments:

1. self-propelled lawn mowers, snow blowers, lawn and garden tractors of not more than 22 kW (30 HP), or implements used or operated mainly on your property, provided they are not used for compensation or hire;
2. motorized golf carts while used or operated on your premises or on a golf course;
3. motorized golf carts while used on any premises if coverage for the golf cart is shown on the Coverage Summary Page;
4. motorized wheelchairs, scooters having more than 2 wheels and specifically designed for the carriage of a person with a disability;
5. while on the insured premises, recreational vehicles if they are designed for use off public roads and are not required to be registered under any government authority.

Vehicles You Do Not Own

You are insured against claims arising out of your use or operation of any self-propelled land vehicle, amphibious vehicle or air cushion vehicle, including their trailers, which you do not own, provided that:

1. the vehicle is not required to be registered under any government authority and it is designed primarily for use off public roads;
2. you are not using it for business or organized racing;
3. the vehicle is being used or operated with the owner's consent;
4. the vehicle is not owned by anyone included in the definition of "you" or "your" in the Liability Coverage Section of this policy.

You are not insured for damage to the vehicle itself.

TRAILERS

You are insured against claims arising out of your ownership, use or operation of any trailer or its equipment, provided that such trailer is not being towed by, attached to or carried on a motorized vehicle.

BUSINESS AND BUSINESS PROPERTY

You are insured against claims arising out of:

1. your work for someone else as a sales representative, collector, messenger or clerk, provided that the claim does not involve injury to a fellow employee;
2. your work as a teacher, provided the claim does not involve physical disciplinary action to a student or injury to a fellow employee;
3. the occasional rental of your residence to others;
4. rental to others of a one, two or three family dwelling usually occupied in part by you as a residence, provided that no family unit includes more than two roomers or boarders per family;
5. the rental of space in your residence to others for incidental office, school or studio occupancy;
6. the rental to others, or holding for rent, of not more than three car spaces or stalls in garages or stables;
7. activities during the course of your trade, profession or occupation which are ordinarily considered to be non-business activities;
8. the temporary or part time business pursuits of an insured person under the age of twenty-one years.

Claims arising from the following business pursuits are insured 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.

LOSS OR DAMAGE NOT INSURED – SECTION II

You are not insured for 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 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 limits or its termination;
3. your business or any business use of your premises except as specified in this policy;
4. the rendering or failure to render any professional service;
5. 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;
6. the ownership, use or operation of any aircraft or premises used as an airport or landing strip, and all necessary or incidental operations;
7. the ownership, use or operation of any motorized vehicle, trailer or watercraft except those for which coverage is provided in this policy;
8. the ownership, use or operation of any watercraft during participation in any race or speed contest other than a sailboat;
9. the transmission of communicable disease by any person insured by this policy;
10. the erasure, destruction, corruption, misappropriation or misinterpretation of “data”;
11. erroneously creating, amending, entering, deleting or using “data”;
12. 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”;
13. (a) 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 Fungi 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 Fungi 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.
14. (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;
15. liability imposed upon or assumed by you under any workers’ compensation statute.

CONDITIONS

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 accident.

Action Against Us Coverage E

You shall not bring suit 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.

Action Against Us overages F and G

You shall not bring suit 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 you have other insurance which applies to a loss or claim, or would have applied if this policy did not exist, 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.

OPTIONAL COVERAGE (S) - SECTION III

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) attached.

PERSONAL ARTICLES ENDORSEMENT (PAE)

If the Coverage Summary Page indicates an Amount of Insurance for a Personal Articles Endorsement, we provide the insurance described under this floater against all risks of direct physical loss or damage in return for payment of the premium and subject to the terms and conditions set out.

The words “you”, “your” or “we” have the same meaning as in Section I of the policy.

We will pay up to the amount shown for each item. Where “V” appears beside any item, that article is valued for the amount shown.

LOSS OR DAMAGE NOT INSURED

We do not insure:

1. any property illegally acquired, 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 and tear, deterioration, defect or mechanical breakdown;
5. birds, vermin, 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, acts of terrorism;
8. any intentional or criminal act or failure to act by:
 - a) any person insured under this endorsement; or
 - b) any other person at the direction of any person insured under this endorsement.

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 in other individual article or pair, strip, block, series, sheet, cover, frame, card or the like. This condition does not apply to articles listed in the Schedule of Articles Insured on the Coverage Summary Page, Additional Coverages section.

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

DEDUCTIBLE

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

SEWER BACK-UP ENDORSEMENT (SBE)

For the premium charged, we will insure for direct loss to the property described under the property insurance coverages damage caused by backing up or escape of water from a sewer, sump or septic tank.

This extension is subject to the deductible and limit shown on the Coverage Summary Page.

All other terms, conditions and exclusions of this policy remain unchanged.

STATUTORY CONDITIONS (required by law)

Misrepresentation – 1. 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.

Property of Others – 2. Unless otherwise specifically stated in the contract, the Insurer is not liable for loss or damage to property owned by any person other than the Insured, unless the interest of the Insured therein is stated in the contract.

Change of Interest – 3. The Insurer 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.

Material Change – 4. 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 an 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.

Termination – 5.

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
 - (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 the 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 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.

Requirements After the Loss – 6.

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, cost, 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 sub-paragraph (1) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

Fraud – 7. Any fraud or willfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declaration.

Who May Give Notice and Proof – 8. Notice of loss may be given and proof of loss may be made by the agent of the Insured named in the contract in case of absence or inability of the Insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the Insured refuses to do so, by a person to whom any part of the insurance money is payable.

Salvage – 9.

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.

Entry, Control, Abandonment – 10. 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 appraisal 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.

Appraisal – 11. In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under The Insurance Act before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefore is made in writing and until after proof of loss has been delivered.

When Loss Payable – 12. The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

Replacement – 13.

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.

Action – 14. 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.

Notice – 15. Any written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the Province. Written notice may be given to the Insured named in 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.

SPECIAL CONDITIONS

With respect to Section II – Liability Coverage, including Voluntary Compensation for Residence Employees Endorsement when added, Statutory Conditions 1, 3, 4, 5 and 15 only apply. Otherwise, all of the Conditions set forth under the titles Statutory Conditions and Additional Conditions apply with respect to all of the perils insured by this policy except as these Conditions may be modified or supplemented by the Forms or Endorsements included herein or attached.

ADDITIONAL CONDITIONS

Notice to Authorities – 1. 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 – 2. It is warranted by the Insured that this insurance shall in no wise inure directly or indirectly to the benefit of any carrier or other bailee.

Pair and Set – 3. In the case of loss or damage to any article or articles, whether scheduled or unscheduled, which are a part of a set, the measure of loss or of 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 – 4. 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.

Sue and Labour – 5. 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.

Basis of Settlement – 6. 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.

Subrogation – 7. The Insurer, upon making any payment or assuming liability therefore under this policy, shall be subrogated to all rights of recovery of the Insured against any person, and may bring action in the name of the Insured to enforce such rights. Where the net amount recovered after deducting the costs of recovery is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportion in which the loss or damage has been borne by them respectively. Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

Automotive Fuels – 8. Any fuels used for automotive purposes must be stored in accordance with government regulations.

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 Insurance Company, 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.

NON-WAIVER

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.