



**SE** MUTUAL INSURANCE  

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**ASSURANCE MUTUELLE**

**Homeowner's Package Policy -**  
**Comprehensive**

## A GUIDE TO YOUR POLICY

Your policy is written in an easy to read language to help you understand your insurance coverage. This policy is a legal contract between you and us.

This policy consists of:

- The Declaration Page – Shows sections and coverage which you have purchased
- Policy Wording – Describes insurance that may be purchased for your property
- The Statutory Conditions – Required by provincial law and apply to the entire policy wording
- Additional Special Conditions – Conditions that apply to the entire policy wording
- The Standard Mortgage Clause – Applies if there is a mortgagee shown on the Declaration Page
- Optional Coverage and Endorsements – Describes other insurance that may be purchased

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

The policy wording consists of three sections:

- Section I - **PROPERTY COVERAGE** describes insurance which may be purchased for your property.
- Section II - **LIABILITY COVERAGE** describes the insurance for your legal liability to others because of bodily injury and property damage arising out of your premises or your personal actions.
- Section III - **CONDITIONS** describes the conditions required by provincial law on property and special conditions that apply to the entire policy wording.

Insurance cannot be a source of profit. It is designed to indemnify you against actual losses or expenses incurred by you or for which you are liable, arising from accidental events.

This policy is a legal contract which has been designed for you, based on the occupancy, use, services, utilities, and other circumstances pertinent to your property which you disclosed to your agent/broker at the time you completed your application. When there is a change to any of these circumstances, be sure to notify your agent/broker accordingly.

In the event of loss or damage to your property, notify your agent/broker or our SE Mutual Office immediately.



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## 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 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. We shall be liable only for the coverage as indicated on the Declaration Page. All amounts of insurance, premiums and other amounts expressed in this policy are in Canadian Currency.

### **DEFINITIONS (applicable to Section I and Section II)**

**“Actual Cash Value”** means the cost, at the time of loss of damaged property that takes into account such things as the cost of replacement, less any depreciation and market value. In determining depreciation, we will consider the condition immediately before damage, the resale value and normal life expectancy of the property and obsolescence.

**“Amount of Insurance”** means the maximum amount we will pay for any one occurrence or incident no matter how many people covered by this policy are involved. Different amounts apply to different coverage and these amounts are shown on the Declaration Page.

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

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

**“Business Property”** means property pertaining to a business trade, profession or occupation.

**“Cash Card and plastic money”** means a card storing electronic cash and used as a method of payment, which at the time of the purchase transaction does not require any personal identification number (PIN), signature or authorization time.

**“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 Federal, Provincial or Territorial legislation with respect to the protection of persons and property in the event of an emergency.

**“Collapse”** means the **collapse** or partial **collapse** of foundations, walls, floors or roof of a building. 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 building;
- (c) by rodents (such as squirrels and rats), insects or vermin (such as raccoons, bats and skunks) or by dampness of atmosphere, dryness of atmosphere, rotting, rust or corrosion.

**“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.

**“Domestic water container”** means a device or apparatus for personal use on the **premises** for containing, heating, chilling, or dispensing **water**. **“Dwelling”** means the building described on the Declaration Page occupied by you as a private residence.

**“Earthquake”** means all **earthquake** shocks and aftershocks occurring within any consecutive one hundred and sixty-eight (168) hours during the policy period.

**“Explosion”** means the **explosion** of coal, natural or manufactured gas.

**“Falling Object”** means a **falling object** which strikes the exterior of the **dwelling** or detached private structure, but not objects which strike the **dwelling** or detached private structure because of snowslide, landslide, or any other earth movement.

**“Flood”** means waves, tides, tidal waves, or the rising of, the breaking out of, or the overflow of any body of **water**, whether natural or manmade.

**“Fuel Leakage”** 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 **dwelling** or detached private structure.

**“Fungi”** includes, but is not limited to, any form or type of mold, yeast, mushroom or mildew whether or not allergenic, pathogenic, or toxigenic, and any substance, vapor 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.

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

**“Occurrence”** means an accident or event, occurring within the policy period, to which coverage under this policy applies.

**“Plumbing System”** means **water** supply and distribution pipes, wells and attached equipment, waste and vent pipes, inside drains, permanently installed fixtures such as toilets, sinks, tubs and showers, but **plumbing system** does not include: **water mains**, septic systems or connected piping located outside of the **dwelling**, sewer lines located outside of the **dwelling**, sump pits, sump pumps and their attached

pipng or equipment, outside drains, weeping tiles, French drains or similar systems, eaves troughs or downspouts located inside or outside the building.

**“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 **dwelling** or detached private structure.

**“Premises”** means the **dwelling** and the land contained within the lot lines on which the **dwelling** is located.

**“Rateable Proportion”** means the amount of insurance provided by this policy divided into the total amount of insurance in force on the property damaged or destroyed at the time of loss, multiplied by the actual loss incurred.

**“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.

**“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**.

**“Site”** means the footprint of the building as outlined by the building’s foundation.

**“Secure Storage Facility”** means a building, designed specifically for storage that is locked and has twenty-four (24) hour security monitoring.

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

**“Smoke”** means **smoke** due to the sudden, unusual and faulty operation of a fireplace, or of any heating or cooking unit in or on the **premises**.

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

1. fire;
2. lightning;
3. **explosion;**
4. **smoke;**
5. **falling object;**
6. impact by aircraft or land vehicle;
7. riot;
8. vandalism or malicious acts;
9. **water escape;**

**10. windstorm or hail;**

**11. transportation.**

**“Spore(s)”** includes, but is not limited to, any reproductive particle or microscopic fragment 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** or **your spouse** for support and maintenance.

**“Surface waters”** means **water** on the surface of the ground where **water** does not usually accumulate in ordinary water courses, lakes, or ponds. This includes any water-borne objects.

**“Terrorism”** means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public; however, if an act of **terrorism** results in a fire and the Insurance Act or similar statute applicable to the location of the **dwelling** insured requires coverage for losses resulting from fire, then such fire damage shall be insured by this policy.

**“Transportation”** means loss or damage to:

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

caused by collision, upset, overturn, derailment, stranding or sinking of any motorized vehicle or attached trailer in which the insured property is being carried. This applies to any conveyance of a common carrier, but does not include loss or damage to property in a vacation or home trailer which you own, or any watercraft, their furnishings, equipment or motors.

**“Under Construction”** means construction from the foundation, or any alterations, additions or repairs to the **dwelling** which result in the piercing of an exterior wall or the roof for more than twenty-four (24) hours, or which necessitates your temporary relocation.

**“Under Renovation”** means alterations, additions or repairs to the **dwelling** which increase the total insured value of the **dwelling** by more than \$5,000.

**“Unoccupied”** means a **dwelling** that is not inhabited on a daily basis. In such instances, the majority of the usual contents remain in the **dwelling** because you intend to return after frequent, short intervals.

**“Vacant”** means that regardless of the presence of furnishings, the occupants have moved out with no intention of returning, or in the case of a newly constructed **dwelling**, no occupant has yet taken up residence.

**“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 H<sub>2</sub>O 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 wastewater.

**“Windstorm or hail”** means damage done by a wind or hail storm, but excludes loss or damage caused by weight of ice, snow or sleet, waves or **floods**, all whether driven by wind or not. **Windstorm or hail** does not include loss or damage to the interior of a building or your personal property within a building, caused by windstorm, hail or coincidental rain damage unless the storm first creates an opening in the **dwelling** or detached private structure.

**“You”** or **“your”** means the person(s) named as Insured on the Declaration Page and, while living in the same household, his or her **spouse**, the relatives of either or any person under the age of twenty-one (21) in their care. **“Spouse”** means a person who is legally married to you or a **domestic partner** who has been living with you for at least twelve (12) consecutive months 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. **“Domestic Partner”** means an unmarried partner with whom you live in a committed relationship. Only the person(s) named on the Declaration Page may take legal action against us.

**“We”** or **“us”** mean the Company or Insurer providing this insurance.

## **SECTION I – PROPERTY COVERAGE**

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

The amounts of insurance are shown on the Declaration Page for the coverage you have purchased.

### **COVERAGE A - DWELLING BUILDING**

We insure:

1. The **dwelling** and attached structures.
2. Permanently installed outdoor equipment on the **premises**.
3. Outdoor swimming pools, outdoor spas, outdoor hot tubs and their attached equipment on the **premises**.
4. Materials and supplies located on or adjacent to the premises intended for use in construction, alteration or repair of your **dwelling** or detached private structures on the **premises**, building fixtures and fittings temporarily removed from your **dwelling** or **premises** for repair or seasonal storage subject to item 2 under the Additional Coverage section of this policy.

### **COVERAGE B - DETACHED PRIVATE STRUCTURES**

We insure structures or buildings separated from the **dwelling** by a clear space, on your **premises** but not insured under Coverage A. If they are connected to the **dwelling** by a fence, utility line or similar connection only, they are considered to be detached private structures. If you have more than one detached structure, the amount of insurance will be divided in the proportion that the value of each structure has to the value of all such structures at the time of loss.

### **COVERAGE C - PERSONAL PROPERTY**

The description of Personal Property in the Homeowner's Package Policy – Comprehensive Form is as follows:

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

If you wish, we will include uninsured personal property of others, 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 for up to 10% of the amount of insurance on your personal property or \$3,000, 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 **secure storage facility** is only insured for thirty (30) days unless the loss or damage is caused by the peril of 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** traveling 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 of a parent or family member, who is dependent on you for support and maintenance, while residing in a nursing home or other healthcare facility, is insured up to a limit of \$2,500.
- 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 in Canada which is to be occupied by you as your principal residence is insured while in transit and while at your new principal residence for up to thirty (30) consecutive days beginning the day you start your move but not beyond the date the policy expires or is terminated. The amount of insurance will be divided in the proportion that the value of the property at each **premise** and in transit bears to the value of all your personal property, at the time of loss. This coverage does not increase the amounts of insurance.

### **Special Limits Applicable to Some Personal Property**

We insure:

1. Jewelry, watches, gems, fur garments and garments trimmed with fur up to \$10,000 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 \$3,000 in all;
4. Silverware, meaning silverware, silver-plated ware, gold ware, gold-plated ware and pewter ware up to \$10,000 in all.
5. Bicycles and related equipment up to \$1,000 for any one bicycle or unattached piece of equipment;
6. Guns up to \$3,000 in all
7. Golf Clubs up to \$2,000 in all

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

We insure:

8. Books, tools and instruments pertaining to a **business**, 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;
9. Securities up to \$5,000 in all;
10. Money or bullion up to \$500 in all;
11. Lawn and garden tractors and golf carts including attachments and accessories of not more than 22KW (30HP) up to \$20,000 in all;
12. Watercraft, their furnishings, equipment, accessories and motors up to \$2,000 in all. These are insured only for **Specified Perils** and theft or attempted theft. Loss or damage from **windstorm or hail** is insured only if they were inside a fully enclosed building. Canoes and row boats are also insured while in the open;
13. Computer software up to \$3,000 in all. We do not insure the cost of gathering or assembling information or **data**;
14. Antiques only for their depreciated value (antique value is not covered unless specifically scheduled);
15. Parts for motorized vehicles that are not installed yet up to \$3,000 in all;
16. Utility trailers up to \$2,000 in all.

#### **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 coverage. 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 **dwelling** by an insured peril makes it unfit for occupancy and you have to move out while repairs are being made, we insure any necessary increase in living expenses including moving expenses incurred by you, so that your household can maintain its normal standard of living. Payment shall be for the reasonable time required to repair or rebuild your **dwelling** or, if you permanently relocate, the reasonable time required for your household to settle elsewhere.
2. **Fair Rental Value:** If damage to your **dwelling** or detached private structures by an insured peril makes that part of the **dwelling**, 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 **dwelling**, 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 dwelling, 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 neighbouring **premises** by an insured peril, a **civil authority** prohibits access to your **dwelling**, we insure any resulting Additional Living Expense and Fair Rental Value for a period not exceeding thirty (30) days.

4. **Emergency Evacuation:** We will pay any necessary and reasonable increase in living expense incurred by you while access to your **dwelling** is prohibited by order of **civil authority**, but only when such order is given for evacuation as a direct result of a sudden and accidental emergency. You are insured for a period not exceeding thirty (30) days from the date of the order of evacuation, or \$5,000, 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) losses excluded under this policy

## **ADDITIONAL COVERAGES OF SECTION I**

1. **Lawns, Outdoor Trees, Shrubs and Plants:** You may apply up to 5% of the amount of insurance on your **dwelling** to lawns, trees, shrubs and plants owned by you 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.

2. **Building fixtures and fittings:** You may apply up to 10% of the amount of insurance on your **dwelling** to insure building fixtures and fittings temporarily removed from the **premises** for repair or seasonal storage.
3. **Tearout:** If any walls, ceilings or other parts of insured buildings or structures must be torn apart before **water** damage from a plumbing, heating, air conditioning or sprinkler system or **domestic appliance** can be repaired, we will pay the cost of such repairs. The cost of tearing out and replacing property to repair damage related to **domestic water containers**, including swimming pools, spas, hot tubs or any **water main** is not insured.
4. **Debris and Protective Removal:** This coverage may be applied to Coverage A, B or C. The amounts of insurance shown on the Declaration Page include the cost of removal of debris of the property 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 building(s) 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 thirty (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.
5. **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**.

6. **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. We will pay only for losses which occur while this policy is in effect which are discovered no later than one year after its cancellation or termination.

The most we will pay under this coverage during the term of this policy is \$2,500. This coverage is not subject to a deductible.

7. **Fire Department Charges:** We will reimburse you for up to \$1,000, 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. This coverage is not subject to a deductible.
8. **Freezer Contents:** We will pay for loss or damage to food while contained in a freezer(s) located within the principal residence, caused by the accidental interruption of electrical power on or off the **premises** or by mechanical breakdown of the freezer. This coverage includes damage to the freezer when it is due to the insured food spoilage and also reasonable expenses incurred by you to save and preserve the food from spoilage while your freezer is being repaired. We do not insure:
  - (a) Loss from spoilage caused by the operation of an electrical circuit breaker or fuse or by accidental or intentional disconnection of the power supply in the building containing the freezer;
  - (b) expenses incurred in the acquisition of frozen food.

This coverage is limited to \$2,000 per **occurrence** and is not subject to a deductible.

9. **Identity Fraud Coverage:**

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 Declaration 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 Declaration Page per day to a maximum amount as stated on the Declaration 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 **Creditor 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**.

10. **Inflation Protection:** During the term of this policy, if there is a loss insured under Section I, we will automatically increase the amount of insurance in the Property Insurance section on **Dwelling**, Detached Private Structures, Personal Property and Additional Living Expenses by the proportion by which the latest cost of living index in your area have changed since the effective date of the current term of the policy. Information provided by Statistics Canada will be used. Effective on renewal date, we will automatically change the limits of insurance shown on the Declaration Page in the same way. If, at your request, we change the limit of insurance on any coverage shown on the Declaration Page, we will apply this Inflation Protection on the changed limits of insurance from the date the change is made.
11. **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.
12. **Lock Replacement:** We will pay up to \$500 for the replacement of locks or lock rekeying on the principal residence **dwelling** if the keys are stolen. This coverage is not subject to a deductible.
13. **Arson Conviction reward:** We will pay \$1,000 for information which leads to a conviction for arson in connection with a fire loss to property insured by this form. This coverage may increase the amount otherwise applicable. However, the \$1,000 limit will not be increased regardless of the number of persons providing information. This coverage is not subject to a deductible.
14. **Change of Temperature:** We insure your personal property damaged by change of temperature resulting from physical damage to your **dwelling** or equipment by an Insured Peril. This only applies to personal property kept in the **dwelling**.

## HOMEOWNER'S PACKAGE POLICY – COMPREHENSIVE FORM

We insure your **dwelling**, detached private structures and your personal property against all risks of direct physical loss or damage subject to the terms, conditions and exclusions below.

### EXCLUSIONS

#### Property Excluded

We do not insure loss or damage to:

1. buildings, units or structures designed for agricultural purposes which is or was used in whole or in part for farming or any other commercial or **business** purposes, whether it is in use, **unoccupied**, or **vacant**.
2. property at any fairground, exhibition or exposition for the purpose of exhibition.
3. any property illegally acquired or kept, stored, imported or transported or any property subject to forfeiture;
4. any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
5. your insured **dwelling** and personal property, when it has to your knowledge, been **vacant** for more than thirty (30) consecutive days;
6. 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 pretence;
7. lawns, outdoor trees, shrubs or plants except as provided under Additional Coverage of Section I;
8. books of account and evidences of debt or title;
9. 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;
10. Livestock;
11. household pets;
12. retaining walls not constituting part of any insured building; unless the damage is caused by fire, lightning, impact by land vehicle or aircraft, vandalism or malicious acts;
13. buildings and/or structures and their contents, where the loss or damage arises directly or indirectly from the growing, manufacturing, processing, storing, possession or distribution by anyone of any drug (excludes cannabis plants up to the allowable number under the Cannabis Act), narcotic or illegal substances or items of any kind. This includes any alteration of the **premises** to facilitate such activity, whether or not you have knowledge of such activity.
14. motorized vehicles, trailers and aircraft or their equipment (except for motorized wheelchairs, scooters having more than two (2) wheels and specifically designed for the carriage of a person with a physical disability, watercraft, motorized lawn mowers, golf carts, lawn and garden tractors

up to 22KW (30 HP), other gardening equipment or snowblowers 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.

## Perils Excluded

We do not insure 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 **terrorism**;
3. by any nuclear incident as defined in the Nuclear Liability Act, nuclear **explosion** or contamination by radioactive material;
4. by or resulting from contamination or **pollution**, or the release, discharge or dispersal of contaminants or **pollutants**, except damage to the **dwelling**, detached private structure or personal property caused by **fuel leakage** or as provided under Additional Coverage of Section I;
5. by wear, tear, gradual deterioration, inherent vice, latent defect or mechanical breakdown, rust, corrosion, extremes of temperature, wet or dry rot, condensation, dampness of atmosphere, **fungi** or **spore(s)** or contamination;
6. 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;
7. by birds, moths, vermin (such as raccoons, bats and skunks), rodents (such as squirrels and rats) or insects, except loss or damage to building glass;
8. by domestic animals and/or pets of any kind:
  - a) Owned by **you**; or
  - b) In **your** care, custody or control; or
  - c) Owned by or in the care, custody or control of anyone residing in **your** dwelling.
9. because of increased costs of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
10. from intentional or criminal acts or failure to act by you, your employees or anyone to whom the damaged or lost property is entrusted;
11. by the cost of making good, faulty material, workmanship, or design;
12. by settling, expansion, contraction, moving, bulging, buckling, or cracking except resulting damage to building glass;
13. by **smoke** from agricultural smudging or industrial operations;
14. by build-up of **smoke**. **Smoke** damage must be sudden and accidental;
15. 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;
16. by **collapse** or partial **collapse** of:
  - a) outside property such as awnings, fences, trellises, fibreglass or plastic roof coverings unless resulting from structural **collapse** of foundations, walls, floors or roof of a building;
  - b) swimming pools, patios, driveways, walks or retaining walls, outdoor radio and/or television antennae, towers, satellite receivers and their attachments;
17. 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**, or **domestic appliance** which is located inside your **dwelling** or detached private structure;
- c) **water** which enters through an opening which has been created suddenly and accidentally by an insured peril.
- d) **water** from the accumulation of ice or snow on the roof or eavestrough, which enters the **dwelling** through the roof as a result of **ice damming**;

But we do not insure loss or damage:

- a) by continuous or repeated **seepage** or **leakage** of **water**;
  - b) by backing up or escape of **water** from a sewer or drain, sump or septic tank, eaves trough or downspout;
  - c) by **ground water** or rising of the **water** table;
  - d) by **surface waters**, unless the **water escapes** from a **watermain** or swimming pool;
  - e) 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;
  - f) to the system or appliance from which the **water escaped**;
  - g) occurring while the **dwelling** is **under construction** or **vacant**, even if permission for construction or vacancy has been given by us;
  - h) 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 four (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.
18. by waves or **floods**, all whether driven by wind or not.
19. to the interior of a building or your personal property within a building, caused by windstorm, hail or coincidental rain damage unless the storm first creates an opening in the **dwelling** or detached private structure.
20. by change of temperature unless the loss or damage:
- a) is to personal property kept in your **dwelling**; and
  - b) is the result of physical damage to your **dwelling** or equipment caused by a peril not otherwise excluded;
21. by vandalism or malicious acts caused by you, members of your household, or your employees, any tenants, employees or member of the tenant's household;
22. by vandalism or malicious acts or theft or glass breakage occurring while your **dwelling** is **under construction** or **vacant** even if permission for construction or vacancy has been given by us;
23. 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 – SECTION I**

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 anyone **occurrence**, we are responsible only for the amount by which the insured loss or damage exceeds the amount of the deductible shown on the Declaration 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” apply, the limitations apply to losses exceeding the deductible amount.

**Dwelling and Detached Private Structures:** If you repair or replace the damaged or destroyed building on the same **site** with materials of similar quality within a reasonable amount of time after the damage, you may choose as the basis of loss settlement either **(A)** or **(B)** below; otherwise, settlement will be as in **(B)**.

- A. The cost of repairs or **replacement** (whichever is less) without deduction for depreciation, in which case we will pay in the proportion that the applicable amount of insurance bears to 80% of the **replacement cost** of the damaged building at the date of damage, but not exceeding the actual cost incurred.
- B. The **actual cash value** of the damage at the date of the **occurrence**.

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

**Personal Property (On Premises or Off Premises):** We agree to pay any loss insured for Personal Property 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**. You may choose payment on the basis of **actual cash value** initially. If you later decide to replace any destroyed or stolen personal property you may make an additional claim for the difference

between the **actual cash value** and **replacement cost** basis within 180 days after the date of loss. 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**.

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

### **Limited Roof Surface Coverage**

“Dwellings and Detached Private Structures” shall be limited to option **(B)** for all covered physical loss or damage to any roof covering with evidence of **excessive wear and tear or deterioration due to age**, notwithstanding any other basis of loss settlement referred to under BASIS OF CLAIM PAYMENT section.

**Excessive wear and tear or deterioration due to age** includes, but is not limited to:

- a) Curling, clawing or cupping of shingles;
- b) Natural shrinkage of the roof structure;
- c) Brittle, cracked or blistered shingles;
- d) Loss of granules exposing felt or underlying tar membrane or other membrane; or
- e) Moss, algae or lichen growth

## SECTION II – LIABILITY COVERAGE

### DEFINITIONS (Applicable to Section II)

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

“**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.

“**Occurrence**” means an accident or event, occurring within the policy period, to which coverage under this policy applies. Continuous or repeated exposure to the same general harmful conditions or to similar acts or omissions constitutes a single **occurrence**.

“**Property Damage**” means damage to, or destruction of, or loss of use of tangible property.

“**Premises**” in this Section means all **premises** where the person(s) named as insured on the Declaration Page, or his or her **spouse**, maintains a residence. It also includes:

1. other residential **premises** specified on the Declaration Page, except **business** property and farms;
2. individual or family cemetery plots or burial vaults;
3. **vacant** land in Canada you own or rent, excluding farm land;
4. land in Canada 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**, as long as you are not the lessee or tenant of the **premises** under any agreement which is longer than ninety (90) consecutive days;
6. any **site** you own or rent for the recreational use or seasonal storage of a 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) thirty (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.
8. **premises** in Canada, leased or rented for a **student** who is dependent on the named insured or his/her **spouse** for support and maintenance is temporarily residing while enrolled in and attending a school, college or university

**“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**.

**“Terrorism”** in this section has the same meaning as the Property Insurance Section.

**“You”** or **“your”** in this Section have the same meaning as in the Definitions applicable to all Sections. 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”** and **“us”** in this Section have the same meaning as in the Property Insurance Section. All other definitions applicable to Section I have the same meaning in Section II.

## **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 Declaration 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 and 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 Section II. 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**;
  - (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**

If a claim is made against you for which you are insured under Coverage E we will defend you, even if the claim is groundless, false, or fraudulent. We reserve the right to select legal counsel, investigate,

negotiate and settle any claim if we decide this is appropriate. We will pay only for the legal counsel we select.

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 lawsuit involving you and bond store lease 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, including actual loss of income up to \$100 per day, 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 shown on the Declaration 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 policy, twelve (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 policy;
2. for property you or your tenants own or rent;
3. which are insured under Section I;
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 Declaration 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 sixty (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 or is equipped with an outboard motor or motors of not more than 12kW (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 Declaration Page. If they are acquired after the effective date of this policy, you will be insured automatically for a period of thirty (30) 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 policy.

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, snowblowers, lawn and garden tractors of not more than 22kW (30HP), 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 or operated on any **premises** if coverage for the golf cart is shown on the Declaration Page;
4. motorized wheelchairs, scooters having more than two (2) wheels and specifically designed for the carriage of a person with a physical 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 Section II 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 office employee, provided that the claim does not involve injury to a fellow employee;
2. your work for someone else 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 **business** 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 (21) years.

Claims arising from the following **business** pursuits are insured only if the properties or operations are declared on the Declaration 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, or retail occupancy;
3. the sale, trade, and barter of items on the internet.

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

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 or **terrorism**;
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 on the Declaration Page of 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 or sickness 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 in halation 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. The growing, manufacturing, processing, storing, or distribution, by anyone of any drug (excludes cannabis plants up to the allowable number under the Cannabis Act), narcotic or illegal substances or items of any kind. This includes any alteration of the **premises** to facilitate such activity whether or not you have any knowledge of such activity;
15. abuse or molestation, meaning any form of actual or threatened sexual, physical, psychological, mental and/or emotional abuse, molestation or harassment, including corporal punishment, directly or indirectly, by:
  - a) any person or person who is insured by this policy;
  - b) any person or person insured by this policy having knowledge of such an activity taking place;
  - c) any person or person insured by this policy failing to prevent such an activity from taking place;
  - d) at the direction of any person or any person who is insured by this policy.
16. punitive or exemplary damages, meaning that part of any award by a court which is in excess of compensatory damages and is stated or intended to be a punishment to you.

## 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- Coverage F and G:** You shall not bring suit against us until you have fully complied with all the terms of this policy, nor until sixty (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. In all other cases, our policy will pay its **rateable proportion** of an insured loss.

## SECTION III – CONDITIONS

### CONDITIONS REQUIRED BY LAW

The Statutory Conditions apply to the peril of fire and as modified or supplemented by riders or endorsements attached apply as Policy Conditions to all other perils insured by this policy. With respect to Section II Liability Coverage, Statutory Conditions 1, 3, 4, 5 and 15 only apply.

### STATUTORY CONDITIONS

1. **MISREPRESENTATION.** If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge of the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.
2. **PROPERTY OF OTHERS.** Unless otherwise specifically stated in the contract, the insurer is not liable for loss or damage to property owned by any person other than the insured, unless the interest of the insured therein is stated in the contract.
3. **CHANGE OF INTEREST.** The insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act (Canada) or change of title by succession, by operation of law, or by death.
4. **MATERIAL CHANGE.** Any change material to the risk and within the control and knowledge of the insured 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 the Insured desires the contract to continue in force, the Insured must, within fifteen days of the receipt of the notice, pay to the Insurer an additional premium, and in default of such payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.
5. **TERMINATION.**
  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 proportionate premium for the expired time, but, in no event, shall the proportionate 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 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 1. a) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.
6. **REQUIREMENTS AFTER LOSS.**
1. Upon the occurrence of any loss of or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11;
    - a) forthwith give notice thereof in writing to the Insurer;
    - b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
      - i. giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, **actual cash value** and particulars of amount of loss claimed,
      - ii. stating when and how the loss occurred, and if caused by fire or **explosion** due to ignition, how the fire or **explosion** originated, so far as the Insured knows or believes,
      - iii. stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the Insured,
      - iv. showing the amount of other insurances and the names of other Insurers,
      - v. showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,
      - vi. showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
      - vii. showing the place where the property insured was at the time of loss.
    - c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, **actual cash value**;
    - d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
  2. The evidence furnished under clauses 1. c) and d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.
7. **FRAUD.** Any fraud or willfully false statement in a statutory declaration in relation to any of the above particulars vitiates the claim of the person making the declaration.
  8. **WHO MAY GIVE NOTICE AND PROOF.** Notice of loss may be given and proof of loss may be made by the agent/broker of the Insured named in the contract in case of absence or inability of

the Insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the Insured refuses to do so, by a person to whom any part of the insurance money is payable.

9. **SALVAGE.**

1. The Insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured here under including, if necessary, its removal to prevent damage or further damage thereto.
2. The Insurer shall contribute proportionately towards any reasonable and proper expenses in connection with steps taken by the Insured and required under sub condition 1. of this condition according to the respective interests of the parties.

10. **ENTRY, CONTROL, ABANDONMENT.** After loss or damage to insured property, the Insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the Insured has secured the property, a further right of access and entry sufficient to enable them to make 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.

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

12. **WHEN LOSS PAYABLE.** The loss is payable within sixty (60) days after completion of the proof of loss, unless the contract provides for a shorter period.

13. **REPLACEMENT.**

1. The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty (30) 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 (45) days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

14. **ACTION.** Every action or proceeding against the Insurer for the recovery of a claim under or by virtue of this contract is absolutely barred unless commenced within one year next after the loss or damage occurs.

15. **NOTICE:** Any written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the Province. Written notice may be given to the Insured named in the contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.

## ADDITIONAL CONDITIONS

1. **NOTICE TO AUTHORITIES.** Where the loss is due to a malicious act, burglary, robbery, theft or attempt thereat, or is suspected to be so due, you must notify the police or other authority immediately.
2. **NO BENEFIT TO BAILEE.** This insurance does not apply directly or indirectly to the benefit of any carrier or other bailee.
3. **PAIR AND SET.** In the case of loss or damage to any article or articles, whether scheduled or unscheduled, which is (are) a part of a set, we will pay only a reasonable and fair proportion of the total value of the set, and such loss or damage will not be understood to mean total loss of the set.
4. **PARTS.** In the case of loss of or damage to any part of the insured property whether scheduled or unscheduled, consisting, when complete for use, of several parts, we will not pay for more than the insured value of the part lost or damaged, including the cost of installation.
5. **SUBROGATION:** We will be entitled to assume all your rights of recovery against others and may bring action in your name to enforce these rights when we make payment or assume liability under this policy. Your right to recover from us is not affected by any release from liability entered into by you prior to loss.
6. **YOUR DUTY AFTER LOSS.** It is your duty in the event that any property insured by this policy is lost to take all reasonable steps to recover such property. We will contribute pro-rata towards any reasonable and proper expenses in connection with such efforts according to the respective interests of the parties.
7. **TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US.** Your rights to recover any part of your loss, for which we have made or agreed to make payment under this policy, are transferred to us. You must not impair those rights and must help us enforce them. When the net amount recovered after deducting the costs of recovery is not enough to provide a complete indemnity for the loss or damage suffered, that amount will be divided between you and us in the proportion in which the loss or damage has been borne by you and us.
8. **AUTOMOTIVE FUELS.** Any fuels used for automotive purposes must be stored in accordance with government regulations.
9. **LIBERALIZATION CLAUSE.** During the term of this policy, if we adopt and publish for use any forms, endorsements or rules which would extend or broaden the insurance provided by this policy, without additional premium charge, either by endorsement or substitution, then such extended or broadened insurance will apply to loss occurring after the effective date of such adoption and publication as though such endorsement or substitution had been made.
10. **NON-WAIVER.** This policy is subject to the terms and conditions set forth in it together with such other terms and conditions as may be endorsed or added to it. No term or condition of this policy will be deemed to be in whole or in part by us unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by us.
11. **EXAMINATION OF INSURED.** In the event of a claim under this policy, you must submit to examination under oath, at our request, and produce for examination at such reasonable place and time as designated by us or our representative, all documents in your possession or control that relate to the matters in question, and you must permit extracts and copies of such documents to be made.

## STANDARD MORTGAGE CLAUSE

Mortgage Conditions: It is hereby provided and agreed that subject to the terms of this mortgage clause (and these shall supersede any policy conditions in conflict there with but only as to the interest of the mortgagee), loss under this policy is made payable to the Mortgagee specified on the Declaration Page.

- a) **Breach of Conditions by Mortgagor Owner or Occupant-** This insurance and every documented renewal thereof as to the Interest of the Mortgagee only therein is and shall be in-force notwithstanding any act, neglect, omission or misrepresentation attributable to the mortgagor, owner or occupant of the property insured, including transfer of interest, any vacancy or non-occupancy or the occupation of the property for purposes more hazardous than specified in the description of the risk; Provided always that the Mortgagee shall notify forthwith the Insurer (if known) of any vacancy or non-occupancy extending beyond thirty (30) consecutive days, or of any transfer of interest or increased hazard that shall come to his knowledge; and that every increase of hazard (not permitted by the policy) shall be paid for by the Mortgagee on reasonable demand from the date such hazard existed, according to the established scale of rates for the acceptance of such increased hazard, during the continuance of this insurance.
- b) **Right of Subrogation-** Whenever the Insurer pays the Mortgagee any loss award under this policy and claims that as the Mortgagor or Owner no liability therefore existed, it shall be legally subrogated to all rights of the Mortgagee against the Insured; but any subrogation shall be limited to the amount of such loss payment and shall be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer; or the Insurer may as its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and shall there upon receive a full assignment and transfer of the mortgage together with all securities held as collateral to the mortgage debt.
- c) **Other Insurance--** If there be other valid and collectible insurance upon the property with loss payable to the Mortgagee at law or in equity then any amount payable thereunder shall be taken into account in determining the amount payable to the Mortgagee.
- d) **Who May Give Proof Of Loss-** In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.
- e) **Termination** – The term of this mortgage clause coincides with the term of the policy: Provided always that the Insurer reserves the right to cancel the policy as provided by Statutory Condition but agrees that the Insurer will neither terminate nor alter the policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory Condition.
- f) **Foreclosure**—Should title or ownership to said property become vested in the Mortgagee and/or assigns as owner or purchaser under foreclosure or otherwise, this insurance shall continue until expiry or cancellation for the benefit of the said Mortgagee and/or assigns.

## **RESTRICTION OF COVERAGE**

### **RESTRICTION OF COVERAGE – BUILDING ENDORSEMENT**

If the “Declaration Page” shows that RESTRICTION OF COVERAGE – BUILDING ENDORSEMENT applies to a specific building or buildings, no coverage applies for loss or damage caused directly or indirectly to said building(s) or the contents within.

### **RESTRICTION OF COVERAGE – ROOF ENDORSEMENT**

If the “Declaration Page” shows that RESTRICTION OF COVERAGE – ROOF ENDORSEMENT applies to a specific building or buildings, no coverage applies for loss or damage caused directly or indirectly to the roof(s) and all roofing materials of said building(s) resulting from Windstorm, Hail or Ice Damming.

Resulting damage to the interior of the building(s) and contents are also excluded from coverage.

## **OPTIONAL COVERAGES SECTION**

### **DEFINITIONS**

The definitions in the Property Insurance Section I and II also apply to the Optional Coverage Section. The following Optional Coverages apply only when indicated on the Declaration Page. We provide the insurance described in return for the premium specified and subject to the terms and conditions set out in the Optional Coverages attached.

**ALL EXCLUSIONS, DEFINITIONS, CONDITIONS, PROVISIONS AND STATUTORY CONDITIONS OF THE POLICY TO WHICH THIS ENDORSEMENT IS ATTACHED APPLY.**

### **BUILDING BY-LAW COVERAGE ENDORSEMENT – EO-0600-0113**

If the “Declaration Page” shows that BUILDING BY-LAW COVERAGE ENDORSEMENT applies to specified buildings or structures, this Policy, without increasing the amount of insurance and only as a result of direct damage caused by an insured peril, is extended to pay for:

1. loss resulting from the demolition of any undamaged portion of the specified building(s) or structure(s); or
2. the cost of demolishing, and clearing the site of, any undamaged portion of the specified building(s) or structure(s); or
3. any increase in the cost of repairing, replacing, construction or reconstructing the specified building(s) or structure(s) on the same site or on an adjacent site, of like height, floor area and style, and for like occupancy; arising from the enforcement of the minimum requirements of any by-law, regulation, ordinance or law which:
  - (a) regulates zoning or the demolition, repair or construction of damaged buildings or structures; and
  - (b) is in force at the time of such loss or damage.

### **Limitation**

“We” will pay the lesser of:

1. the amount of insurance shown on the “Declaration Page”, or
2. the minimum amount required to comply with any by-law, regulation, ordinance or law.

“We” will not pay:

1. the additional cost caused by the enforcement of any by-law, regulation, ordinance or law which prohibits “you” from rebuilding or repairing on the same site or an adjacent site or prohibits continuance of like occupancy.

## **BUILDING UNDER CONSTRUCTION ENDORSEMENT – EOB-0620-0113**

If the “Declaration Page” shows that BUILDING UNDER CONSTRUCTION ENDORSEMENT applies the property and liability sections of the policy to which it is attached are amended as follows:

### **Dwelling:**

This endorsement will have full force and effect for a period not to exceed twelve (12) months from the inception date of the policy or when the “dwelling” becomes occupied as a private residence, whichever occurs first. At the end of twelve (12) months, or when the residence becomes occupied, this endorsement will cease to be in effect. The coverage will revert back to the coverages and exclusions in the policy to which this endorsement applies and as indicated on the “Declaration Page”.

The additional premium charged for this endorsement is fully earned after twelve (12) months from the inception date of the policy or when the “dwelling” becomes occupied as a private residence, whichever occurs first.

### **Detached Private Structure:**

If this endorsement is being added to extend coverage of a detached private structure, this endorsement will have full force and effect for a period not to exceed twelve (12) months from the inception date of the policy or when the detached private structure has fulfilled its intended purpose, whichever occurs first.

The additional premium charged for this endorsement is fully earned after twelve (12) months from the inception date of the policy or when the private detached structure has been completed, whichever occurs first.

It is understood and agreed, that until such time that the private residence; or, private detached structure is completed and occupied, Residential Property – Comprehensive Form applies and is amended as follows:

**Under SECTION I – PROPERTY COVERAGES – DEFINITIONS** the definition of “Dwelling” is deleted and the following definition added. “‘Dwelling’ means the building ‘under construction’ described on the ‘Declaration Page’ intended to be occupied by you as a private residence.”

**Under COVERAGE A – DWELLING BUILDING ITEM 4. is deleted and is amended to read** “Materials and supplies located on or adjacent to the ‘premises’ intended for use in construction, alteration or repair of ‘your’ ‘dwelling’ or detached private structures on the ‘premises’. These materials and supplies are also covered while in transit to the ‘premises’.”

### **Under SECTION I – DWELLING AND DETACHED PRIVATE STRUCTURES – EXCLUSIONS**

**Property Excluded 5.** “‘your’ insured ‘dwelling’ when it has, to ‘your’ knowledge, been ‘vacant’ for more than 30 consecutive days;” **is amended to read** “‘your’ insured ‘dwelling’ when it has, to ‘your’ knowledge, been unattended or not worked on for more than 30 consecutive after which coverage will revert back to the base policy wordings to which this endorsement applies.

**Perils Excluded 16. (g)** “occurring while the **dwelling** is **under construction** or **vacant**, even if permission for construction or vacancy has been given by us” **is amended to read** “occurring while the **dwelling** is **vacant**, even if permission for vacancy has been given by us”.

**Perils Excluded 16. (h)** “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 four (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.” **is amended to read** “by freezing of any part of a heating, sprinkler, air conditioning or **plumbing system** or domestic appliance.”

**Perils Excluded 20.** “by vandalism or malicious acts or theft or glass breakage occurring while ‘your’ ‘dwelling’ is ‘under construction’ or ‘vacant’ even if permission for construction or vacancy has been given for ‘us’” **is amended to read** “by glass breakage or damage occurring while a ‘dwelling’ or detached private structure is ‘under construction’ but glass coverage will apply as such time that the glass is properly installed, forming part of the ‘dwelling’ or detached private structure.”

### **23. Additional Exclusions**

The following exclusions are added:

- a. “‘We’ do not insure any loss or shortage disclosed on taking inventory or making appraisal, or any mysterious disappearance.”

Furthermore, where the declarations indicate Sewer Back Up Endorsement applies, it is understood and agreed, that until such time that the private residence; or, private detached structure is completed and occupied, Sewer Back Up Endorsement, **Exclusion (b) is deleted.**

## **BUILDING UNDER CONSTRUCTION OWNER’S CONSTRUCTION LIABILITY ENDORSEMENT**

This endorsement modifies insurance provided under **SECTION II– LIABILITY COVERAGE**

If the “Declaration Page” shows that BUILDING UNDER CONSTRUCTION OWNER’S CONSTRUCTION LIABILITY ENDORSEMENT applies, the following ‘Special Limitation’ and ‘Additional Definition’ are added to this policy:

### **SPECIAL LIMITATIONS**

#### **Building under Construction**

**Building Being Built for You:** “You” are insured against claims arising from the construction of a private residence or detached private structure, to be occupied by “you”, at the “premises” described on the “Declaration Page” while “you” are acting as the general contractor including:

- a) operations performed for “you” by “volunteers”;
- b) “your” acts or omissions in connection with the general supervision of the operations of independent contractors which are covered by this endorsement.

**Additional Definition:**

"**Residence Employee**" in this Section has the same meaning as in Section I. In addition the following persons are insured:

1. any person acting as a "volunteer" in the construction activity to which this endorsement applies.

## **EARTHQUAKE ENDORSEMENT - ED-0016-0814**

### **INSURING AGREEMENT:**

If the "Declaration Page" shows that the EARTHQUAKE ENDORSEMENT applies, this insurance extends the insured perils to include loss or damage caused directly by the peril of "earthquake" subject to the provisions of this endorsement and the attached policy wording.

### **EARTHQUAKE DEFINED:**

For the purpose of this coverage, "earthquake" includes snowslide, iceslide, landslide or other earth movements occurring concurrently with and directly resulting from an "earthquake" shock.

More than one "earthquake" shock occurring within any consecutive one hundred and sixty-eight hours during the term of this policy will be deemed a single "earthquake" within the meaning in this coverage. Each loss caused by "earthquake" will be considered a single claim under this coverage. However, we will not pay for any loss or damage caused by an "earthquake" shock occurring before this endorsement becomes effective nor for any loss or damage caused by any "earthquake" shock occurring after the expiration of this policy.

### **DEDUCTIBLE:**

We will pay for the amount by which the loss or damage caused by "earthquake" in any one occurrence exceeds the amount specified on the "Declaration Page". If a percentage is specified, the amount of the deductible shall be that percentage of the actual cash value (or for those items subject to a replacement cost endorsement, the replacement cost) of the insured property or interest.

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

"We" do not insure loss or damage caused directly or indirectly by fire, explosion, smoke, "leakage" from fire protective equipment, theft, vandalism and malicious acts, "flood" of any nature, waves, high "water", waterborne objects or ice, whether or not caused by or attributable to "earthquake".

### **EXTENSIONS OF COVERAGE:**

"We" will pay for loss or damage to the property insured, caused by wind, hail, rain or snow entering a building through an opening in the roof or walls resulting directly from an "earthquake".

### **PRO RATA CLAUSE:**

"We" will only pay for that proportion of a loss payable under this coverage which the amount insured under this coverage bears to the total amount of insurance covering the peril of fire on the same property. If the policy covers two or more items this provision will apply to each item separately.

## **FARM MACHINERY AND EQUIPMENT – FE**

If the “Declaration Page” shows that FARM MACHINERY AND EQUIPMENT applies, the insurance provided by this coverage is against direct loss or damage caused by the perils listed for the applicable FE form number:

### **PERILS INSURED:**

Coverage FE1 includes perils (1) to (12)

Coverage FE2 includes perils (1) to (11)

Coverage FE3 includes perils (1) to (3)

- (1) Fire.
- (2) Lightning.
- (3) Explosion.
- (4) Windstorm or Hail.
- (5) Earthquake.
- (6) Theft or attempted theft.
- (7) Riot.
- (8) Impact by aircraft or parts of aircraft.
- (9) Rising Water.
- (10) Stranding, sinking, burning, derailment or collision of any conveyance in or upon which the insured machinery is being transported.
- (11) Collision with another object or upset. There is no liability under this peril for internal damage to harvesting machines caused by material or objects passing through the machine.
- (12) All risks of direct physical loss or damage from any external cause subject to the term and conditions below.

### **PROPERTY NOT INSURED UNDER COVERAGE FE:**

This Floater does not cover:

- (1) Automobiles, motorcycles, mobile homes, house trailers, vehicles designed or licensed for road use (except farm tractors or farm implements), motorized snow vehicles, aircraft or any vehicle subject to registration under any government authority, including equipment and appurtenances of any of the foregoing;
- (2) Described property if used for brushcutting (other than brushcutting on land owned, leased or used by the Insured), logging, forestry or sawmill operations;
- (3) Machinery used principally for custom work (coverage is provided on machinery used principally on the Insured’s own farm with only incidental custom use).

### **LOSS OR DAMAGE NOT INSURED BY COVERAGE FE**

Coverage FE does not insure against loss or damage:

- (1) To tires or tubes unless the loss or damage is caused by fire, windstorm, theft or vandalism or is coincident with other loss or damage insured by this coverage;

- (2) Internal damage to combines, balers, forage harvesters or other harvesting equipment caused by clogging, compacting, plugging or piling up of straw, hay or other material intended to be ingested into the machine;
- (3) Caused by or resulting from breaking or falling through ice

### **LIMIT OF COVERAGE FE**

Unless specifically insured, coverage shall be limited to not more than \$1,000 on any individual item. Unless specifically insured, coverage on repair parts shall be limited to an aggregate of \$1000 per occurrence. Farm tractors and combines must be specifically insured.

### **ADDITIONAL AGREEMENTS OF COVERAGE FE**

#### **1. Newly Acquired Machinery & Equipment**

The insurance provided by this coverage with respect to farm machinery and equipment is extended to apply to additional items of a similar nature to those scheduled and described on the Declaration Page of this policy, which are your property and have been acquired during the term of this policy. In consideration of this additional agreement you agree to report such additions within 30 days from the date acquired, and to pay premiums thereon from the date acquired at pro rata of the coverage rate. It is specifically understood and agreed, however, that this coverage shall cease to cover such items if they are not reported to use within the said 30 day period. We shall not be liable under the provisions of this agreement for more than 25% of the limit of insurance under this coverage on farm machinery and equipment.

#### **2. Damage to Non-Owned Farm Equipment (Excluding Rented or Leased Equipment)**

At your option up to 10% of the limit of insurance on farm machinery and equipment may be applied to indemnify you for loss or damage to non-owned farm machinery and equipment while in your care, custody or control caused by the perils insured against in this coverage.

#### **3. Limited Waiver of Depreciation**

In the event loss or damage to farm machinery exceeds the deductible amount shown on the Declaration Page, we agree to waive our right under the basis of claim payment subject to the terms and conditions below:

##### **CONDITIONS**

- (a) The limit of insurance on the damaged item must be maintained at 100% of its Replacement Cost Value. Failing to do so, you will only be entitled to recover that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.
- (b) The owner/lessee must be the first owner/lessee of the farm machinery and the farm machinery was of the current model year at the time of delivery to the owner/lessee.
- (c) The damage must occur within 36 months of the date on which the farm machinery was first delivered to the owner/lessee.
- (d) This coverage will not apply with respect to
  - (1) Tires and batteries
  - (2) Betterment resulting from the necessary repair or replacement of parts having prior unrepaired damage.

- (e) Settlement will be made on this basis only when replacement has been made by you. In no event will we pay more than the actual purchase price of the farm machinery and its equipment to the owner/lessee or the manufacturer's suggested list price at the original date of purchase (or list price since then), or the actual replacement cost of the farm machinery and its equipment, whichever is the lesser amount.

#### **BASIS OF CLAIM PAYMENT**

Unless stated otherwise, we will pay the Actual Cash Value of insured loss or damage up to your financial interest in the property by not exceeding the applicable limit(s) of insurance for any loss or damage arising out of one occurrence.

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

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

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

## HOME SYSTEMS PROTECTION COVERAGE – EO-0940-0316

### AGREEMENT:

If the “Declaration Page” shows that the HOME SYSTEMS PROTECTION COVERAGE applies “we” will provide the insurance described in this form in compliance with all applicable provisions (including but not limited to Conditions, Definitions and Exclusions) of “your” residential insurance policy. The most “we” will pay for loss, damage or expense under this form arising from any “one home system breakdown” is \$50,000.

Coverage provided under this form does not increase any limit of liability under Section I. There is a waiting period for coverage. No claim incurred during the first thirty (30) days following the effective date is covered under the coverage provided by this form.

### DEFINITIONS:

The following definitions are added:

#### “Covered Home Equipment”

1. “Covered home equipment” means property covered under Coverage A – Dwelling Building, Coverage B – Detached Private Structures or Coverage C – Personal Property:
  - (a) that generates, transmits or utilizes energy; or
  - (b) which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

“Covered home equipment” may utilize conventional design and technology or new or newly commercialized design and technology.

2. None of the following is “covered home equipment”:
  - (a) supporting structure, cabinet or compartment;
  - (b) insulating material associated with “covered home equipment”;
  - (c) “water” piping other than boiler feedwater piping, boiler condensate return piping or “water” piping connected to a heating or air conditioning system;
  - (d) wastewater piping or piping forming a part of a fire protective sprinkler or irrigation system;
  - (e) buried or encased piping or buried vessels, however, interior buried or encased piping connected to a heating or air conditioning system is “covered home equipment”;
  - (f) software or electronic data; or
  - (g) riding lawn mowers or tractors.

#### “Home System Breakdown”

1. “Home system breakdown” means a sudden and accidental:

- (a) mechanical breakdown;
- (b) electrical breakdown; or
- (c) bursting, cracking or splitting

of “covered home equipment” that results in direct physical damage and requires repair or replacement of all or part of the damaged “covered home equipment.”

2. None of the following is a “home system breakdown”:

- (a) rust, corrosion, erosion, deterioration or gradual loss of efficiency or functionality of “covered home equipment”;
- (b) “leakage” or “seepage” at or from any connection, valve, fitting, shaft or seal;
- (c) any programming error, programming limitation, computer virus, malicious code, loss of “data”, loss of access, loss of use, loss of functionality or other condition within or involving “data” or media of any kind;
- (d) complete or partial interruption of electrical power, fuel or “water” supply, whether deliberate or accidental;
- (e) any condition which can be corrected by resetting, recalibrating or by the performance of maintenance; or
- (f) cosmetic or other damage that does not impair functionality.

**“One Home System Breakdown”** means: If an initial “home system breakdown” causes other “home system breakdowns,” all will be considered “one home system breakdown.” All “home system breakdowns” that are the result of the same event will be considered “one home system breakdown.”

**PROPERTY COVERAGES:**

The following coverages are added, subject to the limit provided under the Agreement section of this form unless otherwise specified below:

**1. Home Systems Protection**

**(a) Damage to “Covered Home Equipment”**

“We” will pay for direct physical damage to “covered home equipment” that is the result of a “home system breakdown” that occurs on or off the “premises.”

**(b) Spoilage**

With respect to “your” refrigerated property, “we” will pay:

- i) for physical damage due to spoilage that is the result of a “home system breakdown”;
- ii) any necessary expenses “you” incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

“We” will pay up to \$500 or the Limit shown in “your” policy for Refrigerated Property Coverage, whichever is greater. However, in no event will “we” pay more than \$5,000 under this Spoilage coverage for any “one home system breakdown”.

**(c) Additional Living Expense**

Coverage for Additional Living Expense and Fair Rental Value, as defined under Coverage D, is extended to the coverage provided by this Home Systems Protection coverage.

**(d) Expediting Expenses**

With respect to “your” “covered home equipment” that is damaged as the result of a “home system breakdown,” “we” will pay the reasonable extra cost to:

- i) make temporary repairs; and
- ii) expedite permanent repairs or permanent replacement.

**EXCLUSIONS:**

Any exclusions in “your” policy for mechanical breakdown and electrical breakdown do not apply to this form.

The following exclusions are added:

1. “We” will not pay for loss, damage or expense caused by or resulting from:
  - a. Electrical power surge or brown out, whether or not caused by lightning. However, with respect to Coverage C, we will pay for loss, damage or expense to tubes, transistors, electronic components or circuitry that are a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus, caused by or resulting from artificially generated electrical current.
  - b. Any of the following, whether the excluded peril occurs on or off the “premises”:
    - (1) Fire (including fire resulting from a “home system breakdown”); or “water” or other means used to extinguish a fire;
    - (2) Explosion;
    - (3) Lightning; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse;
    - (4) Vandalism, malicious mischief or theft;
    - (5) “Flood”, surface “water”, waves, tides, tidal waves, overflow of any body of “water”, or their spray, all whether driven by wind or not; mudslide or mudflow; or “water” that backs up or overflows from a sewer, drain or sump, and any other “water” damage including “water” damage resulting from a “home system breakdown”; or

- (6) Any earth movement including but not limited to earthquake, subsidence, sinkhole collapse, landslide, earth sinking, tsunami or volcanic action.
2. "We" will not pay for any property that is not "covered home equipment" except for refrigerated property to the extent it is covered under Spoilage.

**DEDUCTIBLE:**

Subject to the limit provided under the Agreement section of this form, "we" will pay only that part of the loss that exceeds \$500 or the deductible indicated on the declaration page. No other deductible applies to this coverage.

**CONDITIONS:**

The following Conditions are added:

**1. Environmental, Safety and Efficiency Improvements**

If "covered home equipment" requires replacement due to a "home system breakdown," "we" will pay "your" additional cost to replace with equipment that is better for the environment, safer for people, or more energy or "water" efficient than the equipment being replaced.

However, "we" will not pay to increase the size or capacity of the equipment and "we" will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not apply to the replacement of component parts or to any property to which actual cash value applies and does not increase any of the applicable limits.

**2. Loss Settlement**

Losses under this form will be settled as follows:

- a. Our payment for damaged covered property will be the smallest of:
  1. The applicable limit of liability;
  2. The cost to repair the damaged property;
  3. The cost to replace the damaged property with like kind, quality and capacity on the same "premises"; or
  4. The necessary amount actually spent to repair or replace the damaged property.
- b. Except as described in Environmental, Safety and Efficiency Improvements above, "you" are responsible for the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.
- c. If "you" do not repair or replace the damaged "covered home equipment" within 24 months after the date of the "home system breakdown," then "we" will pay only the smaller of:

1. The cost it would have taken to repair or replace at the time of the “home system breakdown”; or
2. The actual cash value at the time of the “home system breakdown.”

**3. Other insurance Clause**

If there is other insurance that applies to a loss or claim, or would have applied if this coverage did not exist, this coverage will be considered excess insurance and there will be no payment for any loss or claim until the amount of such other insurance is used up.

## **GUARANTEED REBUILDING COST ENDORSEMENT – GRE**

### **Coverage A – Dwelling Building**

If the Declaration Page shows that GUARANTEED REBUILDING COST ENDORSEMENT applies, the building designated for this coverage, is not limited by the amount of insurance shown, provided: in the event the dwelling is destroyed by an insured peril, the Insurer will rebuild, repair or replace the building, whichever costs the least, up to the policy limits on Coverage A plus 50% in accordance with the wording of the policy.

If the Insured elects not to rebuild, the Insurer will pay the actual cash value of the damaged or destroyed building, up to the limits of coverage stated in Coverage A.

### **Conditions**

1. This extension applies only to the building occupied as the Insured's principal residence.
2. The insured will maintain insurance on the building to 100% of the estimated replacement cost.
3. The insured will advise the Insurer within 30 days of any addition, alterations or improvements to the building, which increase the estimated replacement cost of the building by \$5,000 or more.
4. The building is built on the same site with due diligence and dispatch.

In all other respects, the policy provisions and limits of liability remain unchanged.

## **PERSONAL ARTICLES ENDORSEMENT – PAE**

If the Declaration Page shows that PERSONAL ARTICLES ENDORSEMENT applies, we insure your Personal Articles shown on the Declaration Page for this coverage against risks of direct physical loss or damage, subject to the terms and conditions below.

We will pay up to the amount shown for each item.

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

#### **Property Excluded**

We do not insure loss or damage to:

1. any property illegally acquired, kept, stored, imported or transported or any property subject to forfeiture;
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;
4. buildings and/or structures and their contents, where the loss or damage arises directly or indirectly from the growing, manufacturing, processing, storing, possession or distribution by anyone of any drug, narcotic or illegal substances or items of any kind, whether or not you are 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 by:

1. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. **terrorism**;
3. any nuclear incident as defined in the Nuclear Liability Act, nuclear **explosion** or contamination by radioactive material;
4. contamination or pollution or the release, discharge or dispersal of contaminants or **pollutants**;
5. wear, tear, gradual deterioration, inherent vice, latent defect, mechanical breakdown, **fungi**, or **spores**;
6. birds, moths, vermin (such as raccoons, bats and skunks), rodents (such as squirrels and rats) or insects;
7. your intentional or criminal acts.

## **SPECIAL CONDITIONS**

**Stamp and Coin Collections:** We will pay for loss or damage to your collection in the proportion that the amount of insurance on your collection bears to its cash market value at the time of loss. We will not pay more than \$250 on any single article of your collection. A single article means any one stamp, coin or other individual article or pair, strip, block, series, sheet, cover, frame, card or the like. This condition does not apply to articles listed on the Declaration Page.

**Newly Acquired Articles:** If you acquire any additional articles of the type for which an Amount of Insurance is shown, we will automatically insure these under this coverage provided you notify us within thirty (30) days. We will not pay more than \$5,000 under this extension.

**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 Declaration Page.

Any loss or damage will not reduce the amount of insurance provided by this coverage. If, following payment of a claim, you acquire any articles to replace those which were lost or damaged, you must tell us within thirty (30) days of acquisition.

## **SERVICE LINE COVERAGE – EO-0935-0316**

### **AGREEMENT:**

If the “Declaration Page” shows that the SERVICE LINE COVERAGE applies “we” will provide the insurance described in this form in compliance with all applicable provisions (including but not limited to Conditions, Definitions and Exclusions) of “your” residential insurance policy. The most “we” will pay for loss, damage or expense under this form arising from any “one service line failure” is \$10,000. There is a waiting period for coverage. No claim incurred during the first thirty (30) days following the effective date is covered under the coverage provided by this form.

### **DEFINITIONS:**

The following definitions are added:

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

1. A “covered service line” must be one of the following:
  - (a) “water” piping that connects from the “dwelling” or detached private structure to a:
    - i) public “water” supply system;
    - ii) private well system;
    - iii) cistern or retention pond; or
    - iv) heating system located outside the “dwelling” or detached private structure;
  - (b) steam piping that connects from the “dwelling” or detached private structure to a heating system located outside the “dwelling” or detached private structure;
  - (c) ground loop piping that connects to a heat pump;
  - (d) sewer piping that connects from the “dwelling” or detached private structure to a:
    - i) public sewer system; or
    - ii) private septic system;
  - (e) drain piping that drains “water” away from the “dwelling” or detached private structure;
  - (f) power line or electrical wiring; or
  - (g) communication or data transmission wiring, including but not limited to telephone, cable, internet and fiber optic wiring.
2. The “covered service line” must be:
  - (a) located on the “premises”; and
  - (b) owned by “you” or “you” must be legally liable for its repair or replacement.

3. "Covered service line" does not include:
  - (a) that part of piping or wiring that runs through or under a body of "water", including but not limited to a swimming pool, pond or lake;
  - (b) that part of piping or wiring that runs through or under the "dwelling" or detached private structure;
  - (c) piping that is connected to outdoor property, including but not limited to sprinklers, irrigation systems, swimming pools, hot tubs and decorative ponds; or
  - (d) piping or wiring that is not connected and ready for use.

**"Earth Movement"** means:

1. earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
2. landslide, mudslide or mudflow;
3. subsidence or sinkhole collapse;
4. tsunami or volcanic action; or
5. any other naturally occurring earth movement including earth sinking, rising or shifting.

**"One Service Line Failure"** means: If an initial "service line failure" causes other "service line failures," all will be considered "one service line failure." All "service line failures" that are the result of the same event will be considered "one service line failure."

**"Service Line Failure"** means a leak, break, tear, rupture, collapse or arcing of a "covered service line". "Service line failure" does not include blockage or low pressure of a "covered service line".

#### **COVERAGES:**

The following coverages are added, subject to the limit provided under the Agreement section of this form:

##### **(a) Damages to "Covered Service Line"**

"We" will pay for physical damage to "your" "covered service line" that is the direct result of a "service line failure."

##### **(b) Excavation Costs**

With respect to "your" "covered service line" that is damaged as the result of a "service line failure," "we" will pay the necessary and reasonable excavation costs that are required to repair or replace the damaged "covered service line."

##### **(c) Expediting Expenses**

With respect to "your" "covered service line" that is damaged as the result of a "service line failure," "we" will pay the reasonable extra cost to:

- a. make temporary repairs; and

- b. expedite permanent repairs or permanent replacement.

**(d) Additional Living Expenses**

Coverage for Additional Living Expenses and Fair Rental Value, as described under Coverage D, is extended to the coverage provided by this Service Line Coverage.

**(e) Outdoor Property**

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

**EXCLUSIONS:**

1. The following exclusions are added:

(a) “We” will not pay for loss or damage to:

- i) septic systems, including leach fields, septic tanks, pumps, motors or piping that runs from the septic tank to the leach fields;
- ii) “water” wells, including well pumps or motors;
- iii) heating and cooling systems, including heat pumps; or
- iv) irrigation or sprinkler systems.

(b) “We” will not pay for loss or damage to a “covered service line” that is damaged while it is being installed, dismantled or repaired. However, this exclusion shall not apply if a covered “service line failure” necessitated such installation, dismantling or repair.

(c) “We” will not pay to clean up or remove pollutants, hazardous waste or sewage.

(d) “We” will not pay for loss or damage caused by or resulting from any of the following perils:

- i) fire; or “water” or other means used to extinguish a fire;
- ii) explosion;
- iii) lightning; windstorm or hail; smoke; aircraft; riot or civil commotion; theft; breakage of glass;
- iv) “flood”, surface “water”, waves, tides, tidal waves, overflow of any body of “water”, or their spray, all whether driven by wind or not; or “water” that backs up or overflows from a sewer, drain or sump; or
- v) “earth movement,” except for “earth movement” that results from the ground thawing after a freeze.

**DEDUCTIBLE:**

Subject to the limit provided under the Agreement section of this form, “we” will pay only that part of the loss that exceeds \$500 or the deductible indicated on the declaration page. No other deductible applies to this coverage.

**CONDITIONS:**

The following conditions are added:

**1. Environmental, Safety and Efficiency Improvements**

If a “covered service line” requires replacement due to a “service line failure,” “we” will pay “your” additional cost to replace with materials that are better for the environment, safer for people, or more energy or “water” efficient than the materials being replaced.

However, “we” will not pay to increase the size or capacity of the materials and “we” will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not increase the limit that applies to this form.

**2. Loss Settlement**

Losses under this form will be settled as follows:

- a. Our payment for damaged covered property will be the smallest of:
  - (1) The limit of liability that applies to this form;
  - (2) The cost to repair the damaged property;
  - (3) The cost to replace the damaged property on the same “premises”; or
  - (4) The necessary amount actually spent to repair or replace the damaged property.
- b. Except as described in Environmental, Safety and Efficiency Improvements above, “you” are responsible for the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.
- c. “You” are responsible for the extra cost to alter or relocate “covered service lines,” unless such alteration or relocation is required by law or ordinance.

If any of the following causes of loss are excluded by “your” policy, then those exclusions do not apply to this form:

- a. Wear and tear, marring, deterioration or hidden decay;
- b. Rust or other corrosion;
- c. Mechanical breakdown, latent defect or inherent vice;
- d. Weight of equipment, animals or people;
- e. Artificially generated electrical current; or

f. Freezing.

3. **Other Insurance Clause:** If there is other insurance that applies to a loss or claim, or would have applied if this coverage did not exist, this coverage will be considered excess insurance and there will be no payment for any loss or claim until the amount of such other insurance is used up.

## **SEWER BACKUP ENDORSEMENT – EO-1025-0716**

### **Insuring Agreement**

If the “Declaration Page” shows that the SEWER BACKUP ENDORSEMENT applies, it is agreed that coverage is extended to include direct loss or damage to insured property caused by the peril provided by this endorsement, subject to the limit shown on the “Declaration Page” for the peril.

### **Perils Insured**

“You” are insured against direct physical loss or damage to insured property caused by the sudden and accidental backing up or escape of “water” or sewage within “your” “dwelling” or detached private structures on “your” “premises” from a sewer, septic system, sump pit or drain.

### **Exclusions**

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

- a) by flood, which shall mean the rising of, the breaking out or overflow of any interior body of water whether natural or man-made;
- b) by coastal flooding including but not limited to waves, tides, tidal waves, tsunami, storm surge, or seiche;
- c) by continuous or repeated “seepage” or “leakage” of “water” or sewage;
- d) from any earth movement including, but not limited to, earthquake, landslide, snow slide, or ice slide;
- e) occurring while the “dwelling” or detached private structure is “under construction” or “vacant”, even if permission for construction or vacancy has been given by “us”; or
- f) if “**surface waters**” enter “your” “dwelling” or detached private structure on “your” “premises”.

### **Deductible**

“We” will only pay the amount by which the insured loss or damage exceeds the deductible shown on the “Declaration Page”.

## **SHORT TERM RENTAL ENDORSEMENT – STR-0103-0818**

If the “Declaration Page” shows that the SHORT TERM RENTAL ENDORSEMENT applies, this coverage is added under Section I – Property Coverage and Section II – Liability Coverage and is subject to the exclusions, limitations and conditions of this policy.

### **1. DEFINITIONS**

Where used in this endorsement, the following terms have the definitions stated below:

“primary residence” shall mean the property listed on the “declarations”, where “you” reside during the majority of “your” policy term.

“short term rental” shall mean the renting out, in whole or in part a furnished “primary residence” or “seasonal residence”, on a temporary basis.

“guest(s)” shall mean the individual named on the rental agreement who booked the accommodation for the period during which we have agreed to under the declarations.

### **2. INSURED PERILS**

“You” are insured against all risks of direct physical loss or damage to “your” dwelling building, detached private structures and personal property caused by an individual who is renting the specified residence premises in whole or in part as a “short term rental”, except as described in section 6 of this endorsement and subject to exclusions and conditions stipulated in the base policy to which this endorsement has been added.

### **3. ADDITIONAL COVERAGE - PROPERTY**

#### **Theft, including Damage Caused by Attempted Theft**

“We” will pay for loss or damage to insured property in that part of the “primary residence” rented to a “short term rental” “guest” caused by theft or attempted theft by a “short term rental” “guest” or an employee or member of the “short term rental” “guest(s)” household.

#### **Vandalism or Malicious Acts**

“We will pay for loss or damage to insured property in that part of the “primary residence” rented to a “short term rental” “guest(s)” caused by vandalism or malicious acts by a “short term rental” guest(s)” or employee or member of the “short term rental” guest(s)” household.

#### **Intentional or Criminal Act to Failure to Act**

“We will pay for loss or damage to insured property in that part of the “primary residence” rented to a “short term rental” “guest(s)” caused by an intentional or criminal act or failure to act by a “short term rental” guest(s)” or employee or member of the “short term rental” guest(s)” household.

#### **4. MAXIMUM RENTAL TERM**

A "short term rental" of a "primary residence" may not exceed a total of 14 consecutive days per guest/per booking, nor may it be rented for a term exceeding 180 days during the prior or next 365 days.

#### **5. SPECIAL CONDITIONS**

In order for coverage to be applicable, all legislation, bylaws and municipal regulations must be followed.

#### **6. DEDUCTIBLE**

Any loss or damage caused by theft or attempted theft committed by any guest, guest's employee or member of the guest's household will be subject to a minimum deductible of \$2,500 unless otherwise stated. For all other types of insured losses "we" will pay only that portion of the loss that exceeds the deductible shown on the Declarations.

#### **7. 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, this policy will be considered excess insurance and "we" will not pay any loss or claim until the amount of such other insurance is used up.

**SPECIAL LIMITS INCREASE ENDORSEMENT – SLIE-0720**

If the “Declaration Page” shows the SPECIAL LIMITS INCREASE ENDORSEMENT is included, the following sections are amended.

Coverage for the following types of personal property is subject to the SPECIAL LIMITS OF INSURANCE as shown below. These limits are the most "we" will pay for any loss or damage in any one "occurrence".

<b>Coverage</b>	<b>Coverage Section</b>	<b>Original Amount of Insurance</b>	<b>New amount of Insurance</b>
Personal Property belonging to others while in your possession, or belong to a residence employee traveling for you	Coverage C – Personal Property	\$3,000	\$6000
Personal Property of a Student	Coverage C – Personal Property	\$10,000	\$20,000
Personal property of an “Insured’ or parent of an “Insured’ residing in an assistant living facility and dependent on you	Coverage C – Personal Property	\$2,500	\$5,000
“Business” property on “your” “premises”	Special Limits	\$3,000	\$6,000
Personal Property away from your premises	Coverage C – Personal Property	Greater of \$3,000 or 10%	Greater of \$6,000 or 10%
Personal property belonging to other which is in your possession while you are acting as a volunteer	Coverage C – Personal Property	\$1,000	\$2,000
Jewelry, Watches, Gems, Fur Garments and Garments trimmed with fur	Special Limits	\$10,000	\$12,000
Numismatic Property	Special Limits	\$500	\$1,000

Manuscripts, sports memorabilia collections, stamps and philatelic property	Special Limits	\$3,000	\$6,000
Silverware, silver-plated ware, goldware, gold-plated ware and pewterware	Special Limits	\$10,000	\$15,000
Bicycles and related equipment as per policy	Special Limits	\$1,000	\$2,000
Guns	Special Limits	\$3,000	\$6,000
Golf Clubs	Special Limits	\$2,000	\$4,000
Books, tools and instruments pertaining to a business	Special Limits	\$3,000	\$6,000
Securities	Special Limits	\$5,000	\$10,000
Money or Bullion	Special Limits	\$500	\$1,000
Lawn and Garden Tractors and Golf Carts including attachments and accessories of not more than 22KW(30HP)	Special Limits	\$20,000	\$25,000
Watercraft, their furnishings, equipment, accessories and motors	Special Limits	\$2,000	\$4,000
Computer Software (data exclusion remains)	Special Limits	\$3,000	\$6,000
Parts for Motor Vehicles that are not installed yet	Special Limits	\$3,000	\$6,000
Utility Trailers	Special Limits	\$2,000	\$4,000
Fire Department Charges	Additional Coverages – Section I	\$1,000	\$2,000
Freezer Contents	Additional Coverages – Section I	\$2,000	\$3,000
Lawn, Trees, Shrubs, Plants	Additional Coverages – Section I	\$500	\$1,000
Credit or Debit Cards, Automated Teller Cards	Additional Coverages – Section I	\$2,500	\$5,000

### **SWIMMING POOL ENDORSEMENT – SPE-0318**

If the “Declaration Page” shows SWIMMING POOL ENDORSEMENT, In consideration of the additional premium charged, this endorsement insures against direct physical loss or damage caused by or resulting from freezing, thawing or pressure or weight of water, ice, snow or sleet, whether driven by wind or not to the swimming pool at the location specified on the Declaration Page. However we will not pay more than the Actual Cash Value of the loss or damage at the date of occurrence for the pool liner. Coverage under this endorsement is subject to policy deductible and the limit shown on the Declaration Page.

## **TOOL FLOATER – EO-0160-0318**

### **PROPERTY INSURED:**

If the “Declaration Page” shows that the TOOL FLOATER applies, this policy insures tools and equipment of the Insured being the property of the Insured and listed on the “Declarations Page” or on the schedule known to the Insurer or the property of others for which the Insured is legally liable anywhere in Canada or the continental United States of America (excluding Alaska).

### **PERILS INSURED:**

This policy insures against direct physical loss or damage to the property insured from any external cause except as hereinafter excluded.

**PROPERTY EXCLUDED:** This policy does not insure:

- a. Property illegally acquired, kept, stored or transported, or property seized or confiscated for breach of any law or by order to any public authority;
- b. Automobile or similar vehicles subject to registration in the jurisdiction in which the insured resides, aircraft, watercraft;
- c. Money, notes, securities, accounts, bills, evidence of debt or valuable papers, plans, blueprints, designs or specifications;
- d. Property insured which is regularly rented to others;
- e. Tires or tubes unless the loss or damage is caused by fire or theft or is coincident with other loss or damage insured by this policy;
- f. Property while located underground, in caissons or underwater;
- g. Property which has become a permanent part of any structure;
- h. Property while waterborne from the commencement of loading until the completion of discharge except that this policy insures, while on a ferry, railway car or transfer barge, all in connection with land transportation.

### **PERILS EXCLUDED:**

This policy does not insure against loss or damage resulting from, contributed to or caused directly or indirectly by:

- a. mechanical or electrical breakdown, wear and tear, rust or corrosion, gradual deterioration, hidden or latent defect or any quality in the insured property that causes it to destroy itself, unless the loss or damage is caused directly by a resultant peril not otherwise excluded in this form;
- b. electrical currents, other than lightning, to electrical appliances of any kind including wiring, unless fire ensues and then for loss by fire only;

- c. work being done on the insured tool or equipment unless fire or explosion ensues and then only for loss or damage caused by such ensuing fire or explosion;
- d. misappropriation, secretion, conversion, infidelity or any dishonest act on the part of the Insured or other party of interest, his or their employees or agents or any person or persons to whom the property may be entrusted (bailees for hire excepted);
- e. subsidence or breaking through ice, or by sinking in muskeg, swamp, sand or other soft ground;
- f. explosion to any pressure vessel or internal combustion engine in which the explosion originates;
- g. the weight of load imposed on any machine exceeding the rated lifting capacity for which the machine was designed;
- h. blasting or dynamiting operation conducted by or under the control of the Insured.

NOR will we insure:

- a. the cost of making good faulty or improper material, faulty or improper workmanship, faulty or improper design unless the loss or damage is caused directly by a resultant peril not otherwise excluded in this form;
- b. mysterious disappearance, or shortage of tools or equipment disclosed on taking inventory or while conducting an appraisal;
- c. loss or damage occasioned by the neglect of the insured to use all reasonable means to save and preserve the insured property;
- d. loss or damage to the insured property while waterborne, except while being transported on any regular ferry or in or on railway cars or transfers in connection therewith;
- e. loss, if at the time of loss or damage, there is any other insurance which would attach if this insurance had not been effected, except that this insurance shall apply only as excess and in no event as contributing insurance and then only after all other insurance has been exhausted.

## **WATER PROTECTION BASIC – EO-1032-0716**

### **Insuring Agreement**

If the “Declaration Page” shows that the “WATER PROTECTION BASIC” applies, it is agreed that coverage is extended to include direct loss or damage to insured property caused by the peril provided by this endorsement, subject to the limit shown on the “Declaration Page” for the peril.

### **Perils Insured**

“You” are insured against direct physical loss or damage to insured property from water that accumulates upon or submerges land which is usually dry, resulting from the unusual and rapid accumulation, runoff of water, natural precipitation, or “surface waters” not caused by escape from a “domestic water container” or “watermain”.

### **Exclusions**

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

- a) by flood, which shall mean the rising of, the breaking out or overflow of any interior body of water whether natural or man-made;
- b) by the rising of, breaking out or overflow of any body of salt water, whether natural or manmade. This includes, but is not limited to: waves, spray, tides, tidal waves, tsunami, storm surge, or seiche, breakage or overflow of man-made dikes, flood walls, levees or similar “water” control measures; all whether driven by wind or not;
- c) by the entrance of water through foundations, basement walls or basement floors, unless caused by a peril insured against under this form.
- d) from any earth movement including, but not limited to, earthquake, landslide, snow slide, or ice slide;
- e) occurring while the “dwelling” or detached private structure is “under construction” or “vacant”, even if permission for construction or vacancy has been given by us; or
- f) by “ground water” or rising of the water table.
- g) shoreline ice build-up or water borne ice or other waterborne objects, all whether driven by wind or not.
- h) loss or damage excluded under SECTION I – LOSS OR DAMAGE NOT INSURED
- i) caused by backing up or escape of “water” from a sewer, drain, sump, or septic tank resulting from or contributed to by perils insured against under this form, where there is no evidence that water by perils insured against under this form has entered.
- j) by perils insured against under this form, where such peril is caused or contributed to as a result of the intentional breach of any man made structure constructed for the purpose of holding back, containing or controlling any body of water or watercourse. These structures includes but are not limited to dams, dikes or levees.

**Deductible**

“We” will only pay the amount by which the insured loss or damage exceeds the deductible shown on the “Declaration Page”.

**Extended Coverage****1. Emergency Evacuation**

Coverage provided by Coverage D – Additional Living Expenses in the Policy to which this endorsement is attached is extended to respond to the peril insured by this endorsement as defined and limited.

## **WATER PROTECTION PLUS – EO-1030-0118**

### **Insuring Agreement:**

If the “Declaration Page” shows that the “WATER PROTECTION PLUS” applies, it is agreed that coverage is extended to include direct loss or damage to insured property caused by the perils provided by this endorsement, subject to the limits shown on the “Declaration Page” for this coverage.

### **Definitions:**

For the purposes of this Endorsement:

**“Flood”** means the rising of, the breaking out or overflow of any inland body of water whether natural or man-made.

### **Perils Insured:**

“You” are insured against direct physical loss or damage to insured property caused by:

- 1) “flood”;
- 2) water that accumulates upon or submerges land which is usually dry, resulting from the unusual and rapid accumulation, runoff of water, natural precipitation, or “surface waters” not caused by escape from a “domestic water container” or “watermain”.

### **Exclusions:**

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

- a) by the rising of, breaking out or overflow of any body of salt water, whether natural or manmade. This includes, but is not limited to waves, spray, tides, tidal waves, tsunami, storm surge, or seiche, breakage or overflow of man-made dikes, flood walls, levees or similar “water” control measures; all whether driven by wind or not;
- b) by the entrance of water through foundations, basement walls or basement floors, unless caused by a peril insured against under this form.
- c) from any earth movement including, but not limited to, earthquake, landslide, snow slide, or ice slide;
- d) occurring while the “dwelling” or detached private structure is “under construction” or “vacant”, even if permission for construction or vacancy has been given by us; or
- e) by “ground water” or rising of the water table.
- f) shoreline ice build-up or water borne ice or other waterborne objects, all whether driven by wind or not.
- g) loss or damage excluded under SECTION I – LOSS OR DAMAGE NOT INSURED

- h) caused by backing up or escape of “water” from a sewer, drain, sump, or septic tank resulting from or contributed to by perils insured against under this form, where there is no evidence that water by perils insured against under this form has entered.
- i) by perils insured against under this form, where such peril is caused or contributed to as a result of the intentional breach of any man made structure constructed for the purpose of holding back, containing or controlling any body of water or watercourse. These structures includes but are not limited to dams, dikes or levees.

**Deductible**

“We” will only pay the amount by which the insured loss or damage exceeds the deductible shown on the “Declaration Page”.

**Extended Coverage:**

**1. Emergency Evacuation**

Coverage provided by Coverage D – Additional Living Expenses in the Policy to which this Endorsement is attached is extended to respond to the perils insured by this Endorsement as defined and limited.

## **WATERCRAFT AND OUTBOARD MOTOR COVERAGE BROAD FORM EO-0810-1120**

### **Insuring Agreement**

If the "Declaration Page" shows that WATERCRAFT AND OUTBOARD MOTOR COVERAGE BROAD FORM applies "we" insure "your" "Watercraft", "Outboard Motor(s)" and "Miscellaneous Equipment" listed on the "Declaration Page" for this coverage, against risks of direct physical loss or damage, subject to the terms and conditions below.

You're insured within the territorial limits of Canada and the continental United States of America.

### **Definitions**

**"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 "spore(s)" or resultant mycotoxins, allergens, or pathogens.

**"Miscellaneous Equipment"** means the on board accessories and equipment that are not permanently attached to the "Watercraft" "we" insure and pertain to its use and safety. "Miscellaneous Equipment" does not include water skis or other related sports equipment.

"Miscellaneous Equipment" does include boat covers, anchors, life preservers, lines, fire extinguishers, seat cushions, flares, hors, flaps, batteries, boxes, battery chargers, pumps, sails and similar equipment.

**"Outboard Motors"** means the outboard motor shown on the "Declaration Page" including its fuel tanks, battery and electric starting equipment.

**"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".

**"Watercraft"** means the pleasure craft shown on the "Declaration Page" including accessories and equipment permanently attached.

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

#### **Property Excluded**

"We" do not insure loss or damage to any "watercraft", motors or equipment:

1. illegally acquired, kept, stored or transported, or any property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
2. which is used for carrying people or property for compensation or which is chartered, leased or used for any commercial purpose;
3. which is used in any illegal trade or transportation or while being operated in any official race or speed test;
4. used outside the territorial limits described;
5. 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 by:

1. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
3. contamination or pollution or the release, discharge or dispersal of contaminants or “pollutants”;
4. wear, tear, gradual deterioration (including damage by marine life), mechanical defects or breakdown, scratching, denting, chipping, electrolysis, rust, corrosion, dampness or dryness of atmosphere or weathering or by any “fungi” or “spore(s)”;
5. birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels and rats) or insects;
6. any process of refinishing, renovating, repairing, servicing or maintenance;
7. ice, freezing or extremes of temperature;
8. any intentional or criminal acts or failure to act by “you”, “your” employees or anyone to whom the damaged or lost property is entrusted, or any other person at the direction of any person insured by this policy;
9. infidelity of others who borrow or use the property insured.

### **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 “Named Perils” as defined in this policy, this exclusion (b) shall not apply to such resulting loss or damage.

“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.

## **SPECIAL CONDITIONS**

**Newly Acquired Equipment:** If “you” acquire any additional “watercraft”, “outboard motors” or “miscellaneous equipment” while this coverage is in effect, “we” will automatically insure it provided “you” tell us within 14 days of acquisition. Under this condition “we” will not pay more than 25% of the total limit of insurance provided by this coverage.

It is specifically understood and agreed, however, that this coverage will cease to cover such items if they are not reported to us within the said 14-day period.

Any loss or damage will not reduce the amounts of insurance provided by this coverage. If, following payment of a claim, “you” acquire any articles to replace those which were lost or damaged, “you” must tell us within 14 days of acquisition.

## **BASIS OF CLAIM PAYMENT**

### **Replacement Cost**

“We” agree to make settlement on the basis of the cost of repairs or replacement cost (whichever is the lesser) of the insured item without deduction for depreciation subject to the policy conditions and exclusions and the following provisions:

- a. the item is in use for it’s original purpose and has been maintained in good physical condition and insured to 100% of the replacement cost of the item;
- b. the repair or replacement must be made within a reasonable time after the damage
- c. loss or damage to tires and batteries and betterment resulting from the necessary repair or replacement of prior damage that was not repaired shall be settled on an Actual Cash Value basis;
- d. “we” will pay the lesser of:
  - i. the cost to repair with materials of similar kind and quality; or
  - ii. the cost of new items of similar kind, quality and usefulness without any deduction for depreciation; or
  - iii. the applicable limit of insurance for this item as stated on the “Declaration Page”,

Otherwise the basis of claim payment will be Actual Cash Value.

**Coinsurance:** “We” will only be liable for no greater proportion of any loss than the amount of insurance bears to 100% of the replacement cost value of the insured property.

**Deductible:** “We” are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the “Declaration Page” in any one occurrence.

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

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

## **WATERCRAFT AND OUTBOARD MOTOR COVERAGE STANDARD FORM – E0-0810-0113**

### **Insuring Agreement**

If the “Declaration Page” shows that WATERCRAFT AND OUTBOARD MOTOR COVERAGE STANDARD FORM applies “we” insure “your” “Watercraft”, “Outboard Motor(s)” and “Miscellaneous Equipment” listed on the “Declaration Page” for this coverage, against risks of direct physical loss or damage, subject to the terms and conditions below.

You're insured within the territorial limits of Canada and the continental United States of America.

### **Definitions**

**“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 “spore(s)” or resultant mycotoxins, allergens, or pathogens.

**“Miscellaneous Equipment”** means the on board accessories and equipment that are not permanently attached to the “Watercraft” “we” insure and pertain to its use and safety. “Miscellaneous Equipment” does not include water skis or other related sports equipment.

“Miscellaneous Equipment” does include boat covers, anchors, life preservers, lines, fire extinguishers, seat cushions, flares, hors, flaps, batteries, boxes, battery chargers, pumps, sails and similar equipment.

**“Outboard Motors”** means the outboard motor shown on the “Declaration Page” including its fuel tanks, battery and electric starting equipment.

**“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”.

**“Watercraft”** means the pleasure craft shown on the “Declaration Page” including accessories and equipment permanently attached.

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

#### **Property Excluded**

“We” do not insure loss or damage to any “watercraft”, motors or equipment:

1. illegally acquired, kept, stored or transported, or any property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
2. which is used for carrying people or property for compensation or which is chartered, leased or used for any commercial purpose;
3. which is used in any illegal trade or transportation or while being operated in any official race or speed test;
4. used outside the territorial limits described;
5. 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 by:

1. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
3. contamination or pollution or the release, discharge or dispersal of contaminants or “pollutants”;
4. wear, tear, gradual deterioration (including damage by marine life), mechanical defects or breakdown, scratching, denting, chipping, electrolysis, rust, corrosion, dampness or dryness of atmosphere or weathering or by any “fungi” or “spore(s)”;
5. birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels and rats) or insects;
6. any process of refinishing, renovating, repairing, servicing or maintenance;
7. ice, freezing or extremes of temperature;
8. any intentional or criminal acts or failure to act by “you”, “your” employees or anyone to whom the damaged or lost property is entrusted, or any other person at the direction of any person insured by this policy;
9. infidelity of others who borrow or use the property insured.

### **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 “Named Perils” as defined in this policy, this exclusion (b) shall not apply to such resulting loss or damage.

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

“Data Problem” means:

- (v) erasure, destruction, corruption, misappropriation or misinterpretation of “Data”;

- (vi) error in creating, amending, entering, deleting or using “Data”; or
- (vii) inability to receive, transmit or use “Data”; or
- (viii) damage to electronic data processing equipment or other related component system, process or device.

### **SPECIAL CONDITIONS**

**Newly Acquired Equipment:** If “you” acquire any additional “watercraft”, “outboard motors” or “miscellaneous equipment” while this coverage is in effect, “we” will automatically insure it provided “you” tell us within 14 days of acquisition. Under this condition “we” will not pay more than 25% of the total limit of insurance provided by this coverage.

It is specifically understood and agreed, however, that this coverage will cease to cover such items if they are not reported to us within the said 14-day period.

Any loss or damage will not reduce the amounts of insurance provided by this coverage. If, following payment of a claim, “you” acquire any articles to replace those which were lost or damaged, “you” must tell us within 14 days of acquisition.

### **BASIS OF CLAIM PAYMENT**

#### **Actual Cash Value**

“We” will pay the Actual Cash Value of insured loss or damage up to “your” financial interest in the property but not exceeding the applicable amount(s) of insurance for any loss or damage arising out of one occurrence.

The 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.

**Coinsurance:** “We” will only be liable for no greater proportion of any loss than the amount of insurance bears to 100% of the actual cash value of the insured property.

**Deductible:** “We” are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the “Declaration Page” in any one occurrence.

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

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