

**PRIVATE RESIDENTIAL BUILDING UNDER CONSTRUCTION ENDORSEMENT
For Residential Homeowners Named Perils Policy**

INSURING AGREEMENT:

If the "Declaration Page" indicates that the Private Residential Building Under Construction endorsement applies, the SECTION I-PROPERTY COVERAGE and SECTION II- LIABILITY COVERAGE of the policy to which it is attached are amended as described herein.

This endorsement will have full force and effect for a period not to exceed from the effective date of this endorsement to the subsequent renewal date, or once the residential building is completed for the purpose it was intended and becomes wholly or partially occupied by "You"; whichever occurs first. The applicable coverage amendments under SECTION I and II of this endorsement will then cease to be in effect. Coverage and exclusions will revert to what is contained in the Residential Homeowners coverage indicated on the "Declaration Page". The additional premium charged for this endorsement is fully earned.

DEFINITIONS:

For the purposes of this endorsement:

"Dwelling" means the building "Under Construction" on the "Premises" described on the "Declaration Page", wholly or partially intended to be occupied by "You" as a private residence.

"Detached Private Structure(s)" means buildings or structure(s) "Under Construction" on the "Premises" intended to be used wholly or partially by "You" for personal or residential use. The "Detached Private Structure(s)" must be separated from the "Dwelling" by a clear space, on "your" "Premises" but not insured under COVERAGE A-DWELLING BUILDING. If they are connected to the "Dwelling" by a fence, utility line or similar connection only, they are considered to be "Detached Private Structure(s)". Owned docks and boathouses on the shoreline of "your" "Premises" are also included.

SECTION I-PROPERTY COVERAGE

DWELLING UNDER CONSTRUCTION

It is understood and agreed, that until such time that the "Dwelling" is completed and occupied, the Residential Homeowners Named Perils policy applies and is amended as follows:

Under COVERAGE A – DWELLING BUILDING (Item 4.)

The following sentence:

"Materials and supplies located on or adjacent to the 'Premises' intended for use in construction, alteration, or repair of 'your' 'Dwelling' or 'Detached Private Structure(s)' on the 'Premises'. 'We' insure against the peril of theft only when 'your' 'Dwelling' is completed and ready to be occupied."

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 Structure(s)' on the 'Premises'. These materials and supplies are also covered while in transit to the 'Premises'."

Under COVERAGE C-PERSONAL PROPERTY

Coverage under this section is suspended while this endorsement is still active within the specified period of "Under Construction" or until the "Dwelling" is wholly or partially occupied by "You".

Under COVERAGE D- Additional Living Expenses

Coverage under this section is suspended while this endorsement is still active within the specified period of "Under Construction" or until the "Dwelling" is wholly or partially occupied by "You".

DETACHED PRIVATE STRUCTURE(S) UNDER CONSTRUCTION

If the "Detached Private Structure(s)" is a separate construction project, it is understood and agreed, that until such time that the "Detached Private Structure(s)" is completed, the Residential Homeowners Named Perils policy applies and is amended as follows:

Under COVERAGE B- DETACHED PRIVATE STRUCTURE(S)

"If 'You' have more than one 'Detached Private Structure(s)', the amount of insurance under Coverage B will be proportioned among the structures, dependent upon 'your' choice of basis of loss settlement described under Basis of Claim Payment-SECTION I, at the time of loss."

Is amended to read:

"If 'You' have a 'Detached Private Structure(s)' on the 'Premises' which is 'Under Construction', the amount of insurance under Coverage B will be available for coverage described in this endorsement, dependent upon 'your' choice of basis of loss settlement described under Basis of Claim Payment-SECTION I, at the time of loss."

Under INSURED PERILS-SECTION I

The following perils in the Residential Homeowners Named Perils policy to which this endorsement is attached is amended as follows:

VANDALISM or MALICIOUS ACTS.

"This peril does not include:

- (a) loss or damage occurring while the 'Dwelling' is 'Under Construction' or 'Vacant' even if permission for construction or vacancy has been given by 'us'";

Exclusion part (a) is deleted.

GLASS BREAKAGE.

The sentence:

"This peril does not include loss or damage occurring while 'your' building is 'Under Construction' or 'Vacant' even if permission for construction or vacancy has been given by 'us'"

Is amended to read:

"This peril does not include loss or damage occurring while 'your' building is 'Under Construction' but glass coverage will apply at such time that the glass is properly installed, forming part of the 'Dwelling' or 'Detached Private Structure(s)'."

THEFT, INCLUDING DAMAGE CAUSED BY ATTEMPTED THEFT.

"This peril does not include loss or damage:

- (c) to property in or from a 'Dwelling' 'Under Construction' or of materials and supplies for use in the construction until the 'Dwelling' is completed and ready to be occupied."

Is amended to read:

"(c) to personal property in or from a 'Dwelling' or 'Detached Private Structure(s)' 'Under Construction'."

FUEL LEAKAGE.

This peril means the sudden and accidental escape of fuel from a permanently installed "Domestic Fuel Tank" (including any attached equipment, apparatus, or piping) that is part of a heating unit for the insured "Dwelling" or "Detached Private Structure(s)".

This insured peril is deleted.

COLLAPSE, INCLUDING COLLAPSE CAUSED BY THE WEIGHT OF ICE OR SNOW.

This peril means the structural collapse of foundations, walls, floors, or roof of a "Dwelling".

This peril does not include loss or damage caused directly or indirectly:

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

This insured peril is deleted.

Under LOSS OR DAMAGE NOT INSURED-SECTION I

Property Excluded:

"your" insured property when "your" "Dwelling" has, to "your" knowledge, been "Vacant" for more than 30 consecutive days;"

Is amended to read:

"your" insured property when "your" "Dwelling" or "Detached Private Structure(s)" "Under Construction" has, to "your" knowledge, been unattended or not worked on for more than 30 consecutive days;"

Additional Exclusions:

The following are added:

- "We" do not insure loss or damage to scaffolding, forms, tools, and equipment including spare parts and accessories usual to the building trade, whether owned by, loaned to, rented to, or leased to "You".
- "We" do not insure any loss or shortage disclosed on taking inventory or making appraisal, or any mysterious disappearance.

SECTION II – LIABILITY COVERAGE

The following Special Limitation and Additional Definition are added to this policy:

Special Limitation:

Private Dwelling or Detached Private Structure(s) Being Built for You: "You" are insured against claims arising from the construction activity of a residential "Dwelling" or "Detached Private Structure(s)", to be wholly or partially occupied or used 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 a "Volunteer"; and
- b) "your" acts or omissions in connection with the general supervision of the operations of independent contractors.

Additional Definition:

For the purposes of this endorsement, "Volunteer" in this section has the same meaning as the Residential Homeowner policy to which this endorsement is attached. In addition, the following persons are also insured:

- any person(s) participating as a volunteer labourer in the construction activity to which this endorsement applies.

All other terms, definitions, exclusions, and conditions of the policy to which this endorsement is attached apply and remain unchanged.