

**YOUR MUTUAL RESIDENTIAL  
INSURANCE POLICY**



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## TENANT COMPREHENSIVE PACKAGE POLICY

### A GUIDE TO YOUR POLICY

This policy consists of the "Declaration Page" and this policy form wording, which may include Property Coverage, Liability Coverage, Miscellaneous Coverages and Endorsements to "your" policy.

The "Declaration Page" will show the insurance coverage that "You" have purchased.

This policy form consists of three sections:

- SECTION I – Property Coverage, which outlines the insurance coverage provided for "your" property;
- SECTION II – Liability Coverage, which outlines the insurance coverage provided for "your" "Legal Liability" to others and includes certain voluntary payment options; and
- SECTION III – Statutory and Additional conditions, which outlines the conditions which apply to SECTION I and II, as noted.

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

Words and phrases shown in "quotations" have special meaning, either as defined under Definitions, or as otherwise specifically defined within the policy.

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 that has been designed for "You", based on the occupancy, use, services, utilities, and other circumstances pertinent to "your" property that "You" disclosed to "your" broker or agent at the time "You" completed "your" application. When there is a change to any of these circumstances, be sure to notify "your" broker or agent immediately.

In the event of loss or damage to "your" property, notify "your" broker or agent or "us" immediately.

All conditions, statutory and additional, apply to this policy.

### AGREEMENT

"We" provide the insurance described in this policy in return for payment of the premium and subject to the terms and conditions set out. The "Declaration Page" summarizes the coverages and amounts of insurance "We" have agreed to provide and the period for which they are provided. Failure to comply with any term or condition may result in the denial of a claim under this policy.

All amounts of insurance, premiums, and other amounts as expressed in this policy are in Canadian currency.

### DEFINITIONS

"Action" means a civil proceeding in a Canadian Court in which "Compensatory Damages" because of "Bodily Injury" or "Property damage" to which this insurance applies are alleged.

"Action" includes:

- a) an arbitration proceeding in Canada in which such "Compensatory Damages" are claimed and to which the named insured(s) must submit or does submit with "our" consent; or
- b) any other alternative dispute resolution proceeding in which such "Compensatory Damages" are claimed and to which the named insured(s) submits with "our" consent.

**“Actual Cash Value”** will consider the cost to repair or replace the lost or damaged property, whichever is less, with new materials of similar kind, quality, and usefulness, but with proper deduction for depreciation.

In determining the proper deduction for depreciation, “We” will consider:

- the condition of the property immediately before the loss or damage;
- the use of the property and its obsolescence;
- its resale value; and
- its normal life expectancy.

**“Bodily Injury”** means bodily injury, sickness or disease or resulting death sustained by a person.

**“Business”** means any full-time or part-time activity or pursuit; including occasional activities of any kind, undertaken for financial gain including a trade, profession, or occupation.

“Business” shall not include:

- a) activities during the course of “your” trade, profession or occupation which are ordinarily incidental to non-“Business” pursuits;
- b) the temporary or part-time “Business” activities or pursuits of a person(s) insured under the age of 21 years;
- c) the rental of part of “your” “Dwelling” where “You” live, provided there are no more than 2 roomers or boarders; or
- d) if it is “your” seasonal “Dwelling”; the occasional rental of “your” entire “Dwelling”, for not more than 30 days per policy period.

**“Business Premises”** means:

- 1) all “Premises” on which a “Business” other than that specifically declared on the “Declaration Page” is conducted; and
- 2) all “Premises” rented in whole or in part to others or held for rental, except as specifically declared on the “Declaration Page”.

“Business Premises” shall not include:

- a) the holding for rental of “your” primary residence “Premises” less than 14 days per year;
- b) the rental in whole or in part to others of a one, two or three-family “Dwelling” usually occupied in part by “You” as a primary residence, unless such rental is for the accommodation of more than two roomers or boarders;
- c) the rental or holding for rental of a part of “your” primary residence “Premises” as an incidental office, school, or studio.

**“Cash Cards”** means any card designed to store or record a cash value by electronic means for use as a mode of payment, including pre-paid credit and debit cards, gift cards, and e-gift cards, without a personal identification number and without direct access to a bank account or other account.

**“Civil Authority”** means any person acting under the authority of the Governor General in Council of Canada or the Lieutenant Governor in Council of a Province, and/or any person acting with authority under a Federal, Provincial or Territorial legislation with respect to the protection of persons and property in the event of an emergency.

**“Communicable Disease”** means any disease, illness, infection, sickness, or syndrome which can be transmitted, either directly or indirectly, by any substance or agent between or from any organism to another organism (whether of the same or any other species) where:

- a) the substance or agent includes, is comprised of, or contains any virus, bacterium, prion, parasite or other organism or microorganism, or any variation, mutation, or evolution thereof whether living or not, and
- b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

- c) the disease, illness, infection, sickness, syndrome, substance or agent can or does:
- i. cause or threaten to cause damage to human health or human welfare; or
  - ii. cause or threaten to cause damage to, deterioration of, loss of value of, marketability of or loss of use of any property; or
  - iii. otherwise cause or threaten to cause any loss of revenue, income, market share, or patronage of any kind.

**"Computer Software" and "Software"** means computer programs and/or instructions stored on "Electronic Media" but does not include video games of any kind.

**"Computer System"** means any computer, hardware, media, electronic or digital "Data", "Software", communications or networking system, electronic device (including but not limited to smart phones, laptops, tablets, wearable devices, connected home device), server, cloud or microcontroller including any similar system or configuration of the aforementioned and including any associated input, output, "Data" storage device, networking equipment or back-up facility.

**"Condominium Corporation"** means a condominium or strata corporation, or legal entity, established under provincial legislation to represent unit owners, that manages the premises, including the building and common elements.

**"Condominium Unit Owner"** means an owner of a residential condominium standard unit forming part of property owned by a condominium, strata lot corporation or an exclusive portion as a private residence as described in the building's Condominium Declaration or Co-ownership Declaration.

**"Compensatory Damages"** means damages due or awarded in payment for actual injury or economic loss. "Compensatory Damages" does not include punitive or exemplary damages.

**"Cryptocurrency"** means an encrypted "Data" string that denotes a unit of digital or virtual currency that is secured by "Cryptography". It is not reliant on a central issuing or regulating financial authority and uses a decentralized peer-to-peer network system called a blockchain.

**"Cryptography"** means the enciphering and deciphering of messages in secret code or cipher, also the computerized encoding and decoding of information.

**"Cyber Incident"** means:

- a) unauthorized access to or use of any "Computer System";
- b) malicious code, virus or any other harmful code that is directed at, enacted upon or introduced to any "Computer System" (including "Data") and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use, or prevent or restrict access to or the use of any part of any "Computer System" or otherwise disrupt its normal functioning or operation; or
- c) denial of service attack which disrupts, prevents, or restricts access to or use of any "Computer System" or otherwise disrupts its normal functioning or operation.

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

**"Data Problem"** means:

- a) erasure, destruction, corruption, misappropriation, or misinterpretation of "Data";
- b) error in creating, amending, entering, deleting, or using "Data";
- c) inability to receive, transmit or use "Data"; or
- d) damage to electronic "Data" processing equipment or other related "Computer System" or device.

**"Declaration Page"** means the Section of "your" Insurance Policy containing basic information such as "your" name and address, the description and location of the insured property, the policy term, the amount of coverage, and premium amounts.

**"Detached Private Structure(s)"** means buildings or structures separated from the "Dwelling" by a clear space, on "your" "Premises" but not insured under Coverage A (if applicable). 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.

**"Digital Assets"** means electronic files, for which a fee has been paid, that are downloaded and stored on home "Computer Systems". "Digital Assets" does not include downloaded files pertaining to "your" "Business", non-fungible tokens (NFTs) or "Cryptocurrency".

**"Domestic Fuel Tank"** means a permanently installed, above-ground fuel tank(s) that is part of a heating system for the insured "Dwelling" or for the insured "Detached Private Structure(s)". This includes equipment, apparatus or piping which forms part of the permanent "Domestic Fuel Tank" installation. A permanently installed "Domestic Fuel Tank(s)" located in the basement of an insured "Dwelling" or an insured "Detached Private Structure(s)" on the "Premises" is deemed to be above-ground.

**"Domestic Water Container"** means a device or apparatus for personal use on the "Premises" for containing, heating, chilling, or dispensing "Water". It does not include plumbing, heating, cooling, or sprinkler systems.

**"Dwelling"** means:

- a) if "You" are a building owner, the building described on the "Declaration Page", wholly or partially occupied by "You" as a private residence; or
- b) if "You" are a tenant, the portion of the building described on the "Declaration Page" occupied by "You" as a private residence. This includes any other structures, or portion of the "Premises" which "You" have control of as a tenant. This does not include common areas that "You" have access to as a tenant but do not control nor are part of the insured "Premises"; or
- c) if "You" are a "Condominium Unit Owner", the portion of the building described on the "Declaration Page" occupied by "You" as a private residence. This includes any other structures or portion of the "Premises" which "You" have control of as a "Condominium Unit Owner". This does not include common areas that "You" have access to as a "Condominium Unit Owner" but do not control nor are part of the insured "Premises" or that is insured under a "Condominium Corporation" insurance policy.

**"Electronic Media"** means media that uses electronics or electromechanical devices to access content (opposite of print media) such as; video and audio recordings, multimedia presentations, CDs, DVDs, and online virtual cloud storage.

**"Farm(s)" or "Farming"** means an area of land and buildings for the growing of crops and/or raising of animals.

**"Flood"** includes, but is not limited to waves, tides, tidal waves, tsunamis, storm surges, seiches, "Coastal Flooding", or "Shoreline Flooding"; the rising of, the breaking out or overflow of any inland body of "Water", whether natural or man-made; regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

**"Coastal Flooding"** means flooding that occurs along the coasts of saltwater oceans or seas.

**"Shoreline Flooding"** means flooding that occurs along the shoreline of any of the "Great Lakes".

**"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.

**"Great Lakes"** means the lakes known as Lake Erie, Lake Huron, Lake Michigan, Lake Ontario, and Lake Superior.

**“Ground Water”** means “Water” below the surface of the ground, including that which exerts pressure on or flows, seeps, or leaks through sidewalks, driveways, foundations, walls, basement, or other floors, or through doors, windows or any other openings in such sidewalks, driveways, foundations, walls, or floors.

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

**“Identity Fraud”** means the act or acts of knowingly transferring or using, without lawful consent or authority, “your” means of identity which constitutes a violation of any federal, provincial, territorial, or municipal law. “Identity Fraud” does not include the fraudulent alteration of account profile information, such as the address to which statements are sent. “Identity Fraud” does not include the unauthorized use of valid credit cards, credit accounts or bank accounts. “Identity Fraud” does not include the fraudulent use of a “Business” name, trade name, or brand identity or other method of identifying a “Business” activity.

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

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

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

**“Pollutant(s)”** means any solid, liquid, gaseous, or thermal irritant or contaminant, including but not limited to vapour, soot, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed. “Pollutant(s)” do not mean fuel oil that is contained in a “Domestic Fuel Tank” apparatus or pipes used to heat the “Dwelling”.

**“Premises”** means:

a) the “Dwelling”, the land, building(s), related structures and private approaches reserved for “your” use or occupancy contained within the lot lines on which the “Dwelling” is located.

Under SECTION II- LIABILITY COVERAGE, “Premises” also means all “Premises” where the person(s) named as insured on the “Declaration Page”, or his or her “Spouse(s)”, maintains a residence. It also includes:

1. seasonal and other residential “Premises”, provided such “Premises” are specified on the “Declaration Page”; except “Business Premises” or “farm(s)”;
2. individual or family cemetery plots or burial vaults;
3. vacant land in Canada “You” own or rent, but does not include “Farm(s)” land;
4. owned docks, boathouses and other “Detached Private Structure(s)” located on the shoreline of the insured “Premises”.
5. land in Canada where an independent contractor is building a one, two, or three-family residence to be occupied by “You”;
6. “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 90 consecutive days;
7. any site “You” own or rent for the recreational use or seasonal storage of any trailer;
8. “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. 45 consecutive days;
  - b. the date the policy expires or is terminated;
  - c. the date upon which specific liability insurance is arranged for such “Premises”.
9. “Premises” in Canada, leased or rented for a student who is dependent on the named insured or their “Spouse(s)” for support and maintenance when temporarily residing away from home, while enrolled in and attending a school, college, or university.

**"Property damage"** means:

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

**"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 contractors or sub-contractors. This does not include persons while performing duties in connection with "your" "Business" or "Farming" operation.

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

Loss of or damage to items and articles that, by their inherent nature, cannot be replaced with a comparable article; or for which their age or history substantially contributes to their value, such as:

- fine arts, antiques, paintings;
- memorabilia, souvenirs, and collector's items;
- property that has not been maintained in good or workable condition; or
- property that is no longer used for its original purpose;

will not be settled on a "Replacement Cost" basis.

If the loss or damage is not replaced or repaired within a reasonable time, "We" will pay the "Actual Cash Value" of the loss or damage at the date of the occurrence.

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

**"Specified Peril(s)"** means, subject to the exclusions and conditions in this policy:

1. fire;
2. lightning;
3. explosion;
4. smoke due to a sudden, unusual, and faulty operation of any heating or cooking unit in or on the "Premises";
5. falling object which strikes the exterior of the "Dwelling" or building;
6. impact by aircraft or land vehicle;
7. riot;
8. vandalism or malicious acts, not including loss or damage caused by theft or attempted theft;
9. "Water" escape meaning:
  - a. the sudden and accidental escape of "Water" from within a "Water main", swimming pool or equipment attached;
  - b. the sudden and accidental escape of "Water" or steam from within a heating, sprinkler, air conditioning or plumbing system, or a "Domestic Water Container" which is located inside "your" "Dwelling";
  - c. the sudden and accidental escape of "Water" from a "Domestic Water Container" located outside "your" "Dwelling" or inside "your" "Detached Private Structure(s)". However, such damage is not covered when the escape of "Water" is caused by or arises out of freezing;
  - d. "Water" which enters through an opening which has been created suddenly and accidentally by an insured peril;
10. windstorm or hail; or
11. transportation meaning loss or damage caused by collision, upset, overturn, derailment, stranding, or sinking of any automobile or attached trailer in which the insured property is being carried. This would also apply to any vehicle of a common carrier but does not include loss or damage to property in a vacation or home trailer which is owned by "You".

**“Spore(s)”** includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from, or arising out of any “Fungi”.

**“Spouse(s)”** means either of 2 persons who are:

- married to each other or who have together entered into a marriage that is voidable or void; or
- living together in a conjugal relationship outside marriage and have so lived together continuously for a period of 3 years or, if they are the natural or adoptive parents of a child, for a period of 1 year; or
- considered “Spouse(s)” under the Family Law Act, or its equivalent, in the jurisdiction in which the policy was issued.

**“Surface waters”** means “Water” or natural precipitation temporarily diffused over the surface of the ground where “Water” does not usually accumulate. It does not include accumulation caused by “Flood” or escape of “Water” from a “Domestic Water Container” or “Water main”.

**“Terrorism”** means an ideologically motivated unlawful act or acts, including but not limited to the use 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.

**“Under Construction”** means construction from the foundation, or any alteration or repairs, including major renovations, to the “Dwelling” or “Detached Private Structure(s)” which result in the piercing of an exterior wall or the roof for more than 24 hours, or which necessitates “your” temporary relocation. It also includes the period of time commencing from the date site preparation is initiated and continuing through, excavation, demolition, removal, or weakening of any structural support, laying of foundations and the assembly of components; concluding when the “Dwelling” or “Detached Private Structure(s)” is completed and ready for “your” occupancy.

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

- all occupants have moved out with no intention of returning to reside continuously in the “Dwelling” and no new occupant has taken up residence or moved in; or
- in the case of a newly constructed or acquired “Dwelling”, no occupant has yet taken up residence or moved in.

**“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.

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

**“You”** or **“your”** means the person(s) named as Insured on the “Declaration Page” and, while living in the same household;

- a) his or her “Spouse(s)”;
- b) the relatives of either;
- c) any person under the age of 21 and in your care; and
- d) any student who is enrolled in and attends a school, college, or university and who is dependent on the named insured or their “Spouse(s)” for support and maintenance; even if temporarily residing away from the principal residence stated on the “Declarations Page”.

Under SECTION II- LIABILITY COVERAGE, “You” or “your” also means:

1. any person 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", "Farming" operation, or without the owner's permission;
2. a "Residence Employee" while performing their duties for "You" in connection with the ownership, use, maintenance, or operation of motorized vehicles or trailers for which coverage is otherwise provided in this policy;
3. "your" legal representative having temporary custody of the insured "Premises", if "You" die while insured by this policy, but only with respect to "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";
5. if the "Premises" is situated on leased land, the owner of leased land in which "your" "Premises" is situated; but only with respect to "Legal Liability" arising out of ownership, use, or occupancy of the insured "Premises" by "You"; or
6. any named insured designated on the "Declaration Page" in the Estate Of, a corporation, partnership, or an organization, but only with respect to "Legal Liability" arising out of use or occupancy of the insured "Dwelling" or "Premises" by "You". If you are a legal entity, such as a corporation, partnership, or society, by "You" or "your", we strictly mean your legal entity.

Only the person(s) named on the "Declaration Page" may take legal "Action" against "us".

## SECTION I- PROPERTY COVERAGE

### COVERAGES

The amounts of insurance are shown on the "Declaration Page" for the coverages "You" have purchased. These amounts include the cost of removal of debris of the property insured by this policy 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 of COVERAGE A, B or C, whichever is applicable, will be available to cover debris removal expenses for the damaged property.

### COVERAGE C - PERSONAL PROPERTY

The description of Personal Property 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 "your" "Dwelling". If "You" wish, "We" will include uninsured personal property of others, while it is on "your" "Premises", but "We" do not insure property of tenants, roomers, or boarders who are not related to "You".
2. **OFF PREMISES:** "We" insure "your" personal property while it is temporarily away from "your" "Premises", anywhere in the world.

This includes:

- Personal property newly acquired by "You" and in "your" possession when there has not been an opportunity to take such property to "your" "Premises".
- Personal property normally kept at any other location "You" own, rent or occupy is not insured.
- Personal property stored in a warehouse is only insured for 30 days unless the loss or damage is caused by theft. To extend coverage for this property in storage for a further period "We" must be notified in writing and endorse "your" policy as required.
- If "You" wish, "We" will include uninsured personal property belonging to others while it is in "your" possession or belonging to a "Residence Employee" travelling for "You" to a maximum of \$3,000.
- Personal property of students residing away from home is insured up to a limit of \$10,000 for each student.
- Personal property of a parent or family member who is dependent on "You" for support and maintenance, while residing in a nursing home or health-care facility, is insured up to a limit of \$7,000 each.
- 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 within Ontario is insured while in transit and while at "your" new principal residence for up to 30 consecutive days beginning the day "You" start "your" move. The amount of insurance will be divided in the proportion that the value of the property at each premise and in transit bears to the value of all "your" personal property, at the time of loss.

### Property Not Included As Personal Property

"We" do not insure loss or damage to motorized vehicles, trailers, aircraft, unmanned air vehicles, drones, or their equipment, except:

- motorized wheelchairs and scooters having more than two wheels and specifically designed for the carriage of a person with a physical disability and are not subject to motor vehicle registration;
- watercraft (subject to Special Limits Applicable to Some Personal Property section of "your" policy);
- self-propelled lawn mowers, lawn and garden tractors up to 22 kW (30 HP), other gardening equipment or snow blowers;

- golf carts that are not subject to motor vehicle registration;
- electric power assisted cycles, with a maximum speed of 32km/h and are not subject to motor vehicle registration (subject to Special Limits Applicable to Some Personal Property section of “your” policy); and
- electric powered children’s toys, maximum 10km/h and are not subject to vehicle registration (subject to Special Limits Applicable to Some Personal Property section of “your” policy).

Equipment includes audio, visual, recording, or transmitting equipment powered by the electrical system of a motor vehicle, aircraft, unmanned air vehicle, or drone.

“We” do not insure loss or damage to “your” Personal Property, while it is being rented or leased to others by “You” for a payment.

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

The following Special Limits of Insurance apply to some Personal Property insured. The stated special limits are the maximum amounts that “We” will pay for insured loss or damage per occurrence; subject to the terms and conditions set out.

“We” insure:

1. jewellery, watches, gems, fur garments and garments trimmed with fur up to \$6,000 in all;
2. numismatic property (such as coin collections and bank note collections) up to \$1,000 in all;
3. collectibles, meaning specifically, sports cards, sports memorabilia, and comic book collections, up to \$2,500 in all;
4. stamps and philatelic property (such as stamp collections) up to \$2,000 in all; and
5. silverware, silver-plated ware, goldware, gold-plated ware, and pewterware up to \$10,000 in all.

The above limits do not apply to any loss or damage caused by the “Specified Perils” as defined.

“We” also insure:

6. books, tools, and instruments pertaining to a “Business”, profession or occupation for an amount up to \$10,000 in all, but only while on “your” “Premises”. Other “Business” property, including samples and goods held for sale, is not insured;
7. securities, books of account, deeds, evidences of debt or title, letters of credit, notes other than bank notes, manuscripts, passports, tickets and documents or other evidence to establish ownership or the right to claim a benefit for an amount up to \$6,000 in all;
8. legal tender money, bullion, or “Cash Cards” up to \$1,000 in all;
9. self-propelled lawn mowers, lawn and garden tractors, other gardening equipment, snow blowers and golf carts, including attachments and accessories up to \$15,000 in all;
10. watercraft, their furnishings, equipment, accessories, and motors up to \$3,000 in all. These are insured only for “Specified Peril(s)” and theft or attempted theft. Loss or damage from windstorm or hail is insured only if they were inside a fully enclosed building. Canoes, pedalos, and rowboats are also insured while in the open;
11. “Computer Software”, including “Digital Assets” up to \$5,000 in all, including the cost of gathering or assembling information;
12. antiques only for their depreciated value (antique value is not covered unless specifically scheduled);
13. parts for motorized vehicles that are not yet installed up to \$3,000 in all;
14. bicycles, tricycles, or unicycles; including those which are electric power assisted, that are not subject to motor vehicle registration, and their related equipment and accessories up to \$3,000 in all;
15. utility trailers up to \$1,000 in all;
16. wine or alcoholic beverage collections up to \$2,000 in all. “We” do not cover loss or damage caused by breakage or spoilage; and
17. “Your” legally owned cannabis seeds, plants, and cannabis in all consumable forms, whether for medicinal or recreational use; it’s related equipment and paraphernalia, is insured up to \$500 in all, but only while on “your” “Premises”. However, the following conditions apply:

- a) failure to comply, at any time, with any provincial or federal law relating to cannabis, will negate coverage under this Special Limit; and
- b) "Actual Cash Value" will be the basis of claim payment for this Personal Property.

## IMPROVEMENTS AND BETTERMENTS

"We" also insure improvements and betterments at the "Dwelling" made by "You" or acquired at "your" expense including:

- fittings and fixtures;
- any building, structure, swimming pool, hot tub, or sauna and their attached equipment on the "Premises";
- materials and supplies on the "Premises" for use in such improvements and betterments.

## COVERAGE D - ADDITIONAL LIVING EXPENSES

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

1. **Additional Living Expense:** If damage to "your" "Dwelling" by an insured peril makes it unfit for occupancy, or "You" have to move out while repairs are being made, "We" insure any necessary increase in living expenses including moving expenses incurred by "You", so that "your" household can maintain its normal standard of living. Payment shall be for the reasonable time required to repair or 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 Structure(s)" by an insured peril makes that part of the "Dwelling", or "Detached Private Structure(s)" rented to others or held for rental by "You" unfit for occupancy, "We" insure its Fair Rental Value. Payment shall be for the reasonable time required to repair or replace that part of the "Dwelling", or "Detached Private Structure(s)" rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the "Dwelling", or "Detached Private Structure(s)" 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 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 event within Canada or the United States of America. "You" are insured for a period not exceeding 30 days from the date of the order of evacuation, or \$3,000, whichever is the lesser.

"You" are not insured for any claim arising from evacuation resulting from, in whole or in part by:

- a) "Flood", this exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but "You" are still insured for ensuing loss or damage which results directly from fire or explosion;
- b) earthquake;
- c) occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority;
- d) nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning, or explosion of natural, coal or manufactured gas;

- e) contamination by radioactive material;
- f) "Terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism" regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but "You" are still insured for ensuing loss or damage which results directly from fire or explosion; or
- g) caused by or arising out of any "Communicable Disease".

#### **ADDITIONAL COVERAGES – SECTION I:**

The following ADDITIONAL COVERAGES do not increase the amounts of insurance in this policy, unless otherwise stated and are subject to the exclusions, limitations, and conditions of this policy.

1. **Lawns, Outdoor Trees, Shrubs, and Plants:** "You" may apply up to 5% of the amount of insurance on "your" Personal Property to lawns, trees, shrubs, and plants owned by "You" on "your" "Premises". "We" will not pay more than \$2,500 for any one lawn, 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, or malicious acts, as described under Insured Perils.

"We" do not insure cannabis plants; or any items grown for commercial purposes.

2. **Tear out:** If any walls, ceilings, or other parts of the insured "Dwelling" or "Detached Private Structure(s)", including improvements or betterments made by "You" or acquired by "You", must be torn apart before "Water" damage covered by this form can be repaired, "We" will pay the cost of such work and its restoration.

The cost of tearing out and replacing property to repair damage related to public "Water mains", sewers or outdoor swimming pools and outdoor plumbing systems is not insured.

3. **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".

4. **Credit or Debit Cards and Forgery and Counterfeit Money:**

"We" will pay for:

- a) "your" legal obligation under the applicable provincial or Canadian law to pay because of the theft or unauthorized use of credit or debit cards, or automated teller 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:

- (a) losses caused by a resident of "your" household;
- (b) losses caused by a person to whom the card has been entrusted;
- (c) losses arising out of "Cash Cards" or "Cryptocurrency";
- (d) losses arising out of "your" "Business" pursuits.

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

No deductible applies to this Additional Coverage.

5. **Inflation Protection:**

If there is a loss insured under SECTION I during the term of this policy, "We" will automatically increase the amounts of insurance shown on the "Declaration Page" under SECTION I by amounts which are solely attributable to the inflationary increase:

- since the inception date of this policy, or

- the latest renewal date; or
- from the date of the most recent change to the amounts of insurance shown on the "Declaration Page",

whichever is the latest.

On the renewal date of "your" policy, if required, "We" will automatically increase the amounts of insurance shown on the "Declaration Page" under SECTION I, by amounts which are solely attributable to the inflationary increases since the latest renewal date.

6. **Safety Deposit Box:** "We" will pay up to \$10,000 for loss or damage caused by any insured perils to "your" Personal Property while contained in a financial institution safety deposit box.
7. **Lock Replacement:** "We" will pay up to \$500 for the replacement or rekeying, whichever is less or at "our" option, the locks for "your" principal residence "Dwelling" if "your" keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft.

No deductible applies to this Additional Coverage.

8. **Refrigerator and Freezer Foods:** "We" insure food and medication while contained in any refrigerator or food freezer unit(s) located within, or on "your" "Premises" for loss up to \$3,000 per occurrence when caused by a power failure or mechanical breakdown of such unit(s). "You" may apply a part of this limit to any reasonable expenses incurred but does not include repair or replacement parts; to reduce or avert the loss.

"We" do not insure loss or damage:

- a) due to accidental or deliberate manual disconnection of the appliance from the electrical power supply on "your" "Premises";
- b) due to inherent vice and/or natural spoilage;
- c) due to "your" failure to take all reasonable steps to prevent further loss or damage to the insured property; or
- d) due to expenses incurred in the acquisition of the food.

No deductible applies to this Additional Coverage.

9. **Fire Department Charges:** "We" will reimburse "You" for up to \$5,000 per occurrence if "You" are legally obligated to pay "your" municipal fire department resulting from charges incurred for attending "your" "Premises" to save or protect insured property from loss or damage, or further loss or damage, due to an insured peril.

No deductible applies to this Additional Coverage.

10. **Reward Benefit:** "We" will pay up to \$1,000 for information which leads directly to the conviction of any person who robs from any person insured under this policy, or steals, vandalizes, burglarizes, or commits arson to any covered property insured by this policy. This reward is not payable to law enforcement or security officers or agencies. The \$1,000 maximum payment under this section applies regardless of the number of persons providing information.

No deductible applies to this Additional Coverage.

11. **Emergency Services Forced Entry:** "We" will pay up to \$5,000 in all for loss or damage caused to the insured "Dwelling" or "Detached Private Structure(s)" when the fire, police or ambulance service has to force entry because of an emergency or perceived emergency involving "You" or "your" family.

No deductible applies to this Additional Coverage.

12. **By-Law Coverage:** In the event of direct damage caused by an insured peril, "We" will pay an additional amount up to \$10,000 for the increased cost of demolition, construction, or repair to comply with any law or by-law regulating the zoning, demolition, repair or construction of buildings and their related services. Coverage is extended to pay for:

- a) loss resulting from the demolition of any undamaged portion of the "Dwelling"; or
- b) the cost of demolishing, and clearing the site of, any undamaged portion of the "Dwelling"; or
- c) any increase in the cost of repairing, replacing, constructing, or reconstructing the "Dwelling" 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 law, by-law, regulation, or ordinance which:
  - i) regulates zoning or the demolition, repair or construction of damaged buildings or structures; and
  - ii) is in force at the time of such loss or damage.

"We" will not pay:

- a) more than the minimum amount required to comply with an enforceable law, by-law, regulation, or ordinance;
- b) any cost incurred in the acquisition of land; or
- c) the additional costs caused by the enforcement of any law, by-law, regulation, or ordinance which prohibits "You" from rebuilding or repairing on the same site or an adjacent site or prohibits continuance of like occupancy.

13. **Identity Fraud:** "We" will pay up to \$10,000, for the following reasonable costs and expenses incurred by "You" as a result of an "Identity Fraud Occurrence". The limit applies regardless of the number of insured persons involved or affected.

- 1) Reasonable costs or expenses (including mileage, associated parking costs, registered mail, long distance telephone expenses, taxi cab fees or public transit fees) incurred for notarizing affidavits, or communicating with law enforcement agencies, financial institutions, credit agencies, credit grantors, businesses, or similar credit grantors;
- 2) Fees for the re-application of loans which had been declined as a result of incorrect or erroneous information;
- 3) 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 \$250 per day, for each "Identity Fraud Occurrence";
- 4) Reasonable costs, fees, or expenses associated with the replacing of Canadian or Provincial Government issued documents as a result of an "Identity Fraud Occurrence";
- 5) Reasonable legal fees incurred directly as a result of an "Identity Fraud Occurrence" with prior notice to "us" for:
  - a) the removal of any criminal or civil judgments wrongly entered against "You";
  - b) to challenge the information in "your" consumer credit report;
  - c) the defence of lawsuits brought against "You" by businesses or their collection agencies.
- 6) Reasonable costs associated with 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.

"You" must promptly notify an applicable law enforcement agency of the "Identity Fraud Occurrence".

"We" do not insure:

- i) "your" fraudulent, dishonest, or criminal acts;
- i) "your" own use of "your" identity;
- ii) "your" commercial or "business" pursuits;
- iii) "your" intentional misuse of "your" identity; or
- iv) fraudulent, dishonest, criminal, or intentional misuse of "your" identity by a resident of "your" household;

Nor do "We" insure the following:

- v) any losses covered under the Credit or Debit Cards and Forgery and Counterfeit Money coverage; or
- vi) any losses covered by credit card insurance, bank insurance or other coverage available to "You". Other insurance will be considered primary and this additional coverage will only apply once other insurance available to "You" has been exhausted.

14. **Grave Markers and Mausoleums:** "We" agree to apply up to \$7,000 in all for sudden and accidental loss of or damage caused by a "Specified Peril(s)" to the grave markers or mausoleums of "your" deceased "Spouse(s)", child, parent, or grandparent; or owned by "You" in Canada.

15. **LIMITED EXTENSION OF TERMINATION or EXPIRY DATE – DECLARED EMERGENCY**

**SITUATION:** The effective date of the termination or expiry date of this policy is extended, subject to the conditions and definitions set out below, when an "emergency" is declared by a Canadian public authority designated by statute for the purpose of issuing such an order.

- 1) The "emergency" must have a direct effect or impact on:
  - a) the insured, the insured site or insured property located in the declared emergency area; or
  - b) the operations of the insurer or its agent or broker located in the declared emergency area.
- 2) Any time limitation described in the Termination condition of this policy, with respect to termination of this policy by the Insurer, will not continue to run until the "emergency" is terminated plus the lesser of:
  - a) 30 days; or
  - b) the number of days equal to the total time the "emergency" order was in effect.
- 3) If the policy is due to expire during an "emergency", it will continue in force until the "emergency" is terminated plus the lesser of:
  - a) 30 days; or
  - b) the number of days equal to the total time the "emergency" order was in effect.
- 4) In no event shall the total term of this extension exceed 120 consecutive days;
- 5) The Insured agrees to pay the pro-rata premium earned for the additional time the Insurer remains on risk as a result of the above;
- 6) This coverage extension does not extend the indemnity period for any business interruption claim already in progress with the insurer;
- 7) This coverage extension does not extend the indemnity period for any business interruption claim arising from an insured loss that occurs during the time in which this endorsement has effect;
- 8) This coverage extension does not reinstate coverage for which the cancellation period has already expired; and
- 9) This coverage extension does not allow additional time for claims reporting provisions.

With respect to this Additional Coverage, "Emergency" means the first statutory declaration of an emergency:

- 1) With respect to a situation or an impending situation that constitutes a danger of major proportions that could result in serious harm to persons or substantial damage to property and that is caused by the forces of nature, a disease or other health risk, an accident, or an act whether intentional or otherwise; or
  - 2) Provided for by the relevant governing legislation if different from 1. above.
- but does not include any subsequent statutory declaration(s) that may be issued relating to the same event.

16. **Permission to Remove Property:** If "You" must remove insured property from "your" "Premises" to protect it from loss or damage by an insured peril, it is insured by this policy for 90 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.

17. **Damage to Dwelling:**

"You" may apply up to \$1,500 of the amount of insurance on "your" personal property insurance to pay for damage, not including fire damage:

- a) to the "Dwelling" directly caused by theft or attempted theft;
- b) to the interior of the "Dwelling" directly caused by vandalism or malicious acts;
- c) to the "Dwelling" directly caused by vehicle impact while the vehicle is being operated by "You";
- d) to the "Dwelling" caused unintentionally by "You" while repairing or maintaining the "Dwelling" or "Premises".

We also insure loss or damage to the doors and glass that form part of "your" residence, caused by an insured peril, if "You" are responsible under the terms of your leasing agreement.

## **INSURED PERILS - SECTION I**

### **COVERAGES C and D**

"We" insure "your" personal property and Improvements and Betterments against direct physical loss or damage, subject to the exclusions, limitations, and conditions of this form.

## **LOSS OR DAMAGE NOT INSURED – SECTION I**

### **Property Excluded:**

"We" do not insure loss or damage to:

1. "your" insured property when "your" "Dwelling" has to "your" knowledge, been "Vacant" for more than 30 consecutive days;
2. "Dwellings", buildings, or structures used in whole or in part or designed for "Farming", commercial or "Business" purposes unless declared on the "Declaration Page";
3. "Dwellings" or "Detached Private Structure(s)" while being moved or transported;
4. any property illegally acquired, used, kept, stored, transported, or property subject to forfeiture;
5. any property lawfully seized, forfeited, or confiscated unless such property is destroyed to prevent the spread of fire;
6. property resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud;
7. lawns, outdoor trees, shrubs, or plants except as provided under ADDITIONAL COVERAGES – SECTION I of this policy;
8. property undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
9. domestic pets, unless the loss or damage is caused by a "Specified Peril(s)" other than; by impact by aircraft or land vehicle, and other means of transportation, as defined in "Specified Peril(s)";
10. sporting equipment where the loss or damage is due to its use;
11. property at any fairground, exhibition, or exposition for the purpose of exhibition or sale;
12. retaining walls not constituting part of any insured building, unless loss or damage is caused by fire, lightning, impact by land vehicle or aircraft, or vandalism or malicious acts;
13. buildings and/or structures, and their contents, including any Personal Property, used in whole or in part for the illegal cultivation, harvesting, processing, manufacture, distribution or sale of cannabis or any product derived from, or containing, cannabis 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;
14. livestock; or
15. a) "Data"; or  
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 Peril(s)" as defined in this policy, this exclusion (b) shall not apply to such resulting loss or damage.

### **Perils Excluded:**

- “We” do not insure loss or damage resulting from, contributed to, or caused directly or indirectly:
16. or occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority;
  17. by any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning, or explosion of natural, coal or manufactured gas;
  18. by contamination by radioactive material;
  19. by or resulting from contamination or pollution or the release, discharge, or dispersal of contaminants or “Pollutant(s)”, except damage to the “Dwelling”, Personal Property, and if applicable, Improvements and Betterments, caused by the sudden and accidental escape of fuel from a permanently installed “Domestic Fuel Tank” (including any attached equipment, apparatus or piping) that is part of a heating unit for the insured “Dwelling” or “Detached Private Structure(s)” or as provided under ADDITIONAL COVEAGES -SECTION I;
  20. by wear, tear, gradual deterioration, latent defect or mechanical breakdown, rust, corrosion, extremes of temperature, wet or dry rot, “Fungi” or “Spore(s)”, or contamination;
  21. by scratching, marring, chipping or abrasion of any property or breakage of any fragile or brittle articles unless caused by a “Specified Peril(s)”, impact by watercraft, or theft or attempted theft;
  22. by birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels and rats), insects, bats, or domestic pets, except loss or damage to building glass;
  23. by an intentional or criminal act or failure to act by:
    - a) “You” or any person insured by this policy; or
    - b) any other person at the direction of any person insured by this policy; or
    - c) “your” employees or anyone to whom the damaged or lost property was entrusted.
    - 1) This exclusion applies only to the claim of a person:
      - i) whose act or omission caused the insured loss or damage;
      - ii) who abetted or colluded in the act or omission;
      - iii) who consented to the act or omission and knew or ought to have known that the act or omission would cause the insured loss or damage; or
      - iv) who is in a class prescribed by regulation.
    - 2) An insured person to whom this exclusion does not apply:
      - i) must co-operate with “us” in respect of the investigation of the loss or damage, including without limitation;
        - by submitting to an examination under oath, if requested by “us”;
        - by producing for examination at a reasonable time and place designated by “us”, documents specified by “us” that relate to the loss or damage; and
        - by permitting extracts and copies of such documents to be made, all at a reasonable time and place designated by “us”.
      - ii) cannot recover more than their proportionate interest in the lost or damaged property.
  24. by the cost involved to correct faulty or improper material, workmanship, or design;
  25. by impact of waterborne objects, including ice, whether driven by wind or not;
  26. by settling, expansion, contraction, moving, bulging, buckling, or cracking except resulting damage to building glass;
  27. by smoke from agricultural smudging or industrial operations;
  28. by buildup of smoke. Smoke damage must be sudden and accidental;
  29. by any earth movement whether natural or man-made occurring concurrently with and directly resulting from, but not limited to, earthquake, landslide, snowslide, or iceslide. If any of these results in fire or explosion, “We” will pay only for the resulting loss or damage;
  30. by collapse of:
    - a) outside property such as awnings, fences, fiberglass or plastic roof coverings, or trellises unless resulting from structural collapse of foundations, walls, floors, or roof of a building;
    - b) patios, driveways, walks or retaining walls, outdoor radio and/or television antennae, towers, satellite receivers and their attachments;

- c) the "Dwelling" while it is "Under Construction" or "Vacant", even if "We" have given permission for the policy to remain in force during construction or vacancy.
31. by "Water" unless the loss or damage directly resulted from:
- a) the sudden and accidental escape of "Water" from within a "Water main";
  - b) the sudden and accidental escape of "Water" or steam from within a heating, sprinkler, air conditioning or plumbing system, or a "Domestic Water Container" which is located inside "your" "Dwelling";
  - c) the sudden and accidental escape of "Water" from outdoor plumbing systems, or "Domestic Water Container", which is located outside "your" "Dwelling", and on "your" "Premises";
  - d) "Water" which enters through an opening which has been created suddenly and accidentally by a peril not otherwise excluded;
  - e) "Water" from the accumulation of ice or snow on the roof, downspout or eavestrough, which enters the "Dwelling" through the roof as a result of "Ice Damming".
- But "We" do not cover loss or damage:
- i) caused by continuous or repeated "Seepage" or "Leakage" of "Water";
  - ii) caused by "Flood", this exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but "You" are still insured for ensuing loss or damage which results directly from fire or explosion;
  - iii) caused by backing up or escape of "Water" from a sewer or drain, sump or septic tank;
  - iv) caused by "Ground Water" or rising of the water table;
  - v) caused by "Surface waters", unless the "Water" escapes from a "Water main" or "Domestic Water Container" located outside "your" "Dwelling";
  - vi) to "Water mains", heating, sprinkler, air conditioning or plumbing system, or a "Domestic Water Container" from which the "Water" escaped;
  - vii) to outdoor plumbing systems, "Domestic Water Containers" and attached equipment located outside "your" "Dwelling", and on "your" "Premises" caused by freezing, "Water", or rupture;
  - viii) occurring while the "Dwelling" is "Under Construction" or "Vacant", even if permission for construction or vacancy has been given by "us";
  - ix) caused by freezing of any part of a heating, sprinkler, air conditioning or plumbing system or "Domestic Water Container" 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 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;
  - x) caused by freezing in an unheated portion of the "Dwelling".
32. 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;
33. 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";
34. by or due to vandalism or malicious acts caused by "You" or any members of "your" household, or "your" employees, or by any tenant, roomer or boarder, employee or member of the tenant's household or their guest;
35. by theft or attempted theft by any roomer or boarder, tenant, employee, or members of a tenant's household or their guest;
36. in whole or in part by "Terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism" regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but "You" are still insured for ensuing loss or damage which results directly from fire or explosion;
37. by "Cyber Incident"; or
38. the transmission of any "Communicable Disease" by any person insured by this policy.
- 1) For the purpose of this exclusion, this policy does not insure any loss, damage, claim, fine, penalty, judgment, cost, expense, or other amount, directly or indirectly arising out of, caused by, resulting from, in consequence of, in connection with, contributed to by, attributable to, or in any

way involving (regardless of any other cause or event contributing concurrently or in any other sequence thereto):

- a) a "Communicable Disease";
  - b) the fear or threat (whether actual or perceived) of a "Communicable Disease"; or
  - c) any action taken in controlling, preventing, suppressing or in any way relating to any incidence, outbreak, epidemic or pandemic or threat of incidence, outbreak, epidemic or pandemic of a "Communicable Disease".
- 2) For the purposes of this exclusion, loss, damage, claim, fine, penalty, judgment, cost, expense, or other amount includes, but is not limited to, loss of revenue or income and/or "Replacement Costs" of, deterioration of, depreciation of, loss of value or marketability of, or loss of use of any property, as well as any cost to clean, sanitize, remediate, detoxify, remove, monitor, or test with respect to:
- a) for a "Communicable Disease", or
  - b) any property that is affected or may be affected by such "Communicable Disease".

## **BASIS OF CLAIM PAYMENT – SECTION I**

"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.

Insurance cannot be a source of profit.

**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".

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.

**Personal Property (On Premises or Off Premises):** "We" agree to pay any loss insured for Personal Property; and if applicable, Improvements and Betterments, on the basis of "Replacement Cost" provided that:

- a) the property, at the time of loss, was maintained and in good working condition, useable for its original purpose and is not obsolete;
- b) "You" have repaired or replaced the property promptly;
- c) "Electronic Media" is reproduced from duplicates or from originals of the previous generation of the media ("We" will not pay the cost of gathering or assembling information or "Data" for reproduction);
- d) records, including books of account, drawings, or card index systems are transcribed or copied from duplicates;

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

**"Actual Cash Value"** will consider the cost to repair or replace the lost or damaged property, whichever is less, with new materials of similar kind, quality, and usefulness, but with proper deduction for depreciation.

In determining the proper deduction for depreciation, "We" will consider:

- the condition of the property immediately before the loss or damage;
- the use of the property and its obsolescence;
- its resale value; and
- its normal life expectancy.

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

Loss of or damage to items and articles that, by their inherent nature, cannot be replaced with a comparable article; or for which their age or history substantially contributes to their value, such as:

- fine arts, antiques, paintings;
- memorabilia, souvenirs, and collector's items;
- property that has not been maintained in good or workable condition; or
- property that is no longer used for its original purpose;

will not be settled on a "Replacement Cost" basis.

If the loss or damage is not replaced or repaired within a reasonable time, "We" will pay the "Actual Cash Value" of the loss or damage at the date of the occurrence.

**Insurance Under More Than One Policy:**

If "You" have 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 ratable proportion of an insured loss.

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intentionally blank.

## SECTION II- LIABILITY COVERAGE

### COVERAGES

This insurance applies only to accidents or occurrences that 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.

If an insured location(s) described on the "Declaration Page" is not occupied by "You" as "your" principal "Dwelling", "You" are only insured for Coverage E- **Premises Liability** of that "Premises", but only with respect to its ownership, maintenance, use or operations necessary or incidental to the insured "Premises".

By principal "Dwelling", we mean the primary home address the named insured registers with the Canada Revenue Agency.

### COVERAGE E - LEGAL LIABILITY

"We" will pay all sums which "You" become legally liable to pay as "Compensatory Damages" because of unintentional "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 Defence, Settlement, Supplementary Payments.

"You" are insured for claims made against "You" arising from:

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

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

- a) the ownership, use or operation of any motorized vehicle, trailer, or watercraft, except those for which coverage is shown in this policy;
- b) damage to property "You" own, use, occupy or lease;
- c) damage to property in "your" care, custody, or control;
- d) damage to personal property or fixtures as a result of work done on them by "You" or anyone on "your" behalf; or
- 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 this policy. 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, lease, sell, give away or abandon;
- b) damage to property in "your" care, custody, or control;
- c) damage to personal property or fixtures as a result of work done on them by "You" or anyone on "your" behalf;
- d) "Bodily Injury" to "You" or to any person residing in "your" household other than a "Residence Employee".

3. **Tenants Legal Liability** – "Legal Liability" for "Property damage" to "Premises", or their contents, which "You" are using, renting or have in "your" custody or control caused by:

- a) fire,
- b) explosion,

- c) smoke due to a sudden, unusual, and faulty operation of any heating or cooking unit in or on the "Premises";
- d) "Water" escape from a heating, plumbing, sprinkler or air conditioning system or household appliance.

"You" are not insured for liability "You" have assumed by contract unless "your" "Legal Liability" would have applied even if no contract had been in force.

4. **Employers' Liability** – "Legal Liability" for "Bodily Injury" to "Residence Employees" arising out of and in the course of their employment by "You".  
"You" are not insured for claims made against "You" resulting from the ownership, use or operation of aircraft, unmanned air vehicles, drones, or their equipment, 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.

There are other exclusions and limits that apply to all coverages under SECTION II. Refer to SPECIAL LIMITATIONS-SECTION II and GENERAL EXCLUSIONS-SECTION II.

### **DEFENCE, SETTLEMENT, SUPPLEMENTARY PAYMENTS**

If a claim is made against "You" which alleges "Bodily Injury", or "Property damage" and seeks "Compensatory Damages" 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 or suit if "We" decide this is appropriate. "We" will pay only for 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 bonds to release any property that is being held as security, up to the amount of insurance, but "We" are not obligated to apply for or provide these bonds;
5. expenses which "You" have incurred for emergency medical or surgical treatment to others following an accident or occurrence insured by this policy; and
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 sum of \$5,000 is the maximum amount "We" will pay in respect of one accident or occurrence.

Payment under COVERAGE F is not an admission of liability by "You" or "us".

"We" will not pay:

1. expenses covered by any medical, dental, surgical, or hospitalization plan or law or under any other insurance contract;
2. "your" medical expenses or those of persons residing with "You", other than "Residence Employees";

3. medical expenses of any person covered by any workers' compensation statute;
4. 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; and
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 this policy, 12 years of age or under.

Payment under COVERAGE G is not an admission of liability by "You" or "us".

"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; or
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; or
3. \$2,000.

"We" may pay for the loss in money or may repair or replace the property and may settle any claim for loss of property either with "You" or the owner of the property. "We" may take over any salvage if "We" wish.

Within 60 days after the loss, "You" must submit to "us" (under oath if required) a Proof of Loss Form containing the following information:

1. the amount, place, time, and cause of loss;
2. the interest of all persons in the property affected; and
3. the "Actual Cash Value" of the property at the time of loss.

If necessary, "You" must help "us" verify the damage.

There are other exclusions that apply to Coverage G. Refer to EXCLUSIONS-SECTION II.

### **COVERAGE H - VOLUNTARY COMPENSATION FOR RESIDENCE EMPLOYEES**

"We" offer to pay the benefits described below if "your" "Residence Employee" is injured or dies accidentally while working for "You", even though "You" are not legally liable.

A "Residence Employee", or anyone acting on his or her behalf, who accepts these benefits must sign a release giving up any right to sue "You". "We" have the right to recover from anyone, other than "You", who is responsible for the "Residence Employee's" injury or death. If "your" "Residence Employee" does

not accept these benefits or sues "You", "We" may withdraw "our" offer, but this will not affect "your" liability insurance.

Payment under COVERAGE H is not an admission of liability by "You" or "us".

"We" will not pay benefits:

- a) unless "your" employee was performing duties for "You" when the accident happened;
- b) for any hernia injury; or
- c) to "You" for costs recoverable from other insurance plans.

**Weekly Indemnity**

Weekly indemnity means two thirds of "your" "Residence Employee's" gross weekly wage at the date of the accident but "We" will not pay more than \$150 per week or the amount indicated on the "Declaration Page", whichever is greater.

**Schedule of Benefits – Coverage H**

1. Loss of Life:

If "your" "Residence Employee" dies from injuries received in the accident within the following 26 weeks, "We" will pay:

- a) to those wholly dependent upon him or her, a total of 100 times the weekly indemnity in addition to any benefit for temporary total disability paid up to the date of death. If there is more than one dependent, the amount will be divided equally among them; and
- b) actual funeral expenses up to \$500.

2. Temporary Total Disability:

If "your" "Residence Employee" temporarily becomes totally disabled from injuries received in the accident within the following 14 days and cannot work at any job, "We" will pay weekly indemnity up to 26 weeks while such disability continues. "We" will not pay for the first seven days unless the disability lasts for six weeks or more.

3. Permanent Total Disability:

If "your" "Residence Employee" becomes permanently and totally disabled from injuries received in the accident within the following 26 weeks and cannot work at any job, "We" will pay weekly indemnity for 104 weeks in addition to benefits provided under Temporary Total Disability.

4. Injury Benefits

If, as a result of the accident, "your" "Residence Employee" suffers the loss of, or permanent loss of use of any of the following within 26 weeks of the accident, "We" will pay weekly indemnity for the number of weeks shown. These benefits will be paid in addition to Temporary Total Disability Benefits but no others.

"We" will not pay more than 104 weeks in total even in the accident results in loss of more than one item.

For loss of:

a) one or more of the following:

- i) hand
- ii) arm
- iii) foot
- iv) leg.....104 weeks

b) one finger or toe.....26 weeks

or  
more than one finger or toe.....52 weeks

c) one eye.....52 weeks

or  
both eyes.....104 weeks

d) hearing of one ear.....26 weeks

or  
hearing of both ears.....104 weeks

5. Medical Expenses:

If, as a result of the accident, "your" "Residence Employee" incurs medical expense including surgical, dental, hospital, nursing, and ambulance expenses within the following 26 weeks, "We" will pay up to a maximum of \$1,000 in addition to all other benefits.

"We" will pay for the cost of supplying or renewing artificial limbs or braces, made necessary by the accident, for up to 52 weeks after the accident, subject to a maximum of \$5,000.

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

#### **Notice of Accident or Occurrence**

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

#### **Autopsy**

In case of death "We" can require an autopsy before "We" make payment.

### **SPECIAL LIMITATIONS - SECTION II**

#### **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 metres (26 feet) in length or is equipped with an outboard motor or motors of not more than 19kW (25 HP) in total when used with or on a single watercraft, or has an inboard or an inboard- outboard motor of not more than 38kW (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 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 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, lawn and garden tractors, and snowblowers of not more than 22kW (30 HP), or implements used or operated mainly on "your" "Premises", 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 wheels and specifically designed for the carriage of a person with a physical disability; and
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 subject 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; and
  4. the vehicle is not owned by anyone included in the definition of "You" or "your" in 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 Premises":** "You" are insured against claims arising out of:

- 1) "your" work for someone else as a sales representative, collector, messenger, or clerk, provided that the claim does not involve injury to a fellow employee;
- 2) "your" work as a teacher, provided the claim does not involve physical disciplinary action to a student or injury to a fellow employee;
- 3) the occasional rental of "your" "Dwelling" 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) "your" personal actions during the course of "your" trade, profession or occupation which are not related directly to "your" trade, profession, or occupation;
- 8) the temporary or part-time "Business" pursuits of an insured person under the age of 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 occupancy.

## **GENERAL EXCLUSIONS-SECTION II**

"You" are not insured for "Bodily Injury" or "Property damage" resulting from, contributed to, or caused directly or indirectly from:

1. or occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.
2. "Bodily Injury" or "Property damage" which is also insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of Insurers regardless of exhaustion of such policy limits or its termination;
3. "your" "Business" or any "Business" use of "your" "Premises" except as specified in this policy;
4. the rendering or failure to render any professional service;
5. an intentional or criminal act or failure to act by:
  - a) "You" or 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, unmanned air vehicles, drones or their equipment, 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 as provided in SPECIAL LIMITATIONS-SECTION II;

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 any "Communicable Disease" by any person insured by this policy.
  - 1) For the purpose of this exclusion, this policy does not insure any loss, damage, claim, fine, penalty, judgment, cost, expense, or other amount, directly or indirectly arising out of, caused by, resulting from, in consequence of, in connection with, contributed to by, attributable to, or in any way involving (regardless of any other cause or event contributing concurrently or in any other sequence thereto):
    - a) a "Communicable Disease";
    - b) the fear or threat (whether actual or perceived) of a "Communicable Disease"; or
    - c) any action taken in controlling, preventing, suppressing or in any way relating to any incidence, outbreak, epidemic or pandemic or threat of incidence, outbreak, epidemic, or pandemic of a "Communicable Disease".
  - 2) For the purposes of this exclusion, loss, damage, claim, fine, penalty, judgment, cost, expense, or other amount includes, but is not limited to, loss of revenue or income and/or "Replacement Costs" of, deterioration of, depreciation of, loss of value or marketability of, or loss of use of any property, as well as any cost to clean, sanitize, remediate, detoxify, remove, monitor, or test with respect to:
    - a) for a "Communicable Disease", or
    - b) any property that is affected or may be affected by such "Communicable Disease".
10. a "Data Problem";
11. (a) directly or indirectly from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of "Fungi" or "Spore(s)" 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 "Spore(s)"; 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;
12. any actual or alleged 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) "You" or any person who is insured by this policy;
  - b) "You" or any person who is insured by this policy having knowledge of such an activity taking place;
  - c) "You" or any person who is insured by this policy failing to prevent such activity from taking place;
  - d) at the direction of "You" or any person who is insured by this policy.
13. arising from any type of actual or alleged discrimination, harassment or bullying of another person due to their gender, age, marital status, colour, race, creed, political affiliation, or national origin; directly or indirectly in person, electronically or virtually, caused by:
  - a) "You" or any person who is insured by this policy;
  - b) "You" or any person who is insured by this policy having knowledge of such an activity taking place;
  - c) "You" or any person who is insured by this policy failing to prevent such activity from taking place;
  - d) at the direction of "You" or any person who is insured by this policy.
14. "Terrorism", regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the claim;
15. by "Cyber Incident"; or
16. arising directly or indirectly from the illegal cultivation, harvesting, processing, manufacture, distribution, or sale of cannabis or any product derived from, or containing, cannabis or any 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 and related activities.

## CONDITIONS-SECTION II

**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":

1. 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;
2. more than one year after either the date of an agreement which has "our" consent or of the final determination of the "Action" against "You", including appeals, if any.

**"Action" Against Us-Coverages F, G and H:** "You" shall not bring suit against "us" until "You" have fully complied with all the terms of this policy, nor until 60 days after the required Proof of Loss Form has been filed with "us".

**Insurance Under More Than One Policy:**

If "You" have other insurance which applies to a loss or claim or would have applied if this policy did not exist, "our" policy will be considered excess insurance and "We" will not pay any loss or claim until the amount of such other insurance is used up. In all other cases, "our" policy will pay its ratable proportion of an insured loss.

## SECTION III- STATUTORY AND ADDITIONAL CONDITIONS

### CONDITIONS REQUIRED BY LAW

All the conditions set forth under the titles Statutory Conditions and Additional Conditions apply with respect to all property coverage perils insured by this policy except as these conditions may be modified or supplemented by the forms or endorsements attached.

Statutory Conditions 1, 3, 4, 5 and 15 and Additional Conditions 6, 8, 9, 10, 11, 12, 14 and 15, also apply with respect to SECTION II-Liability Coverages insured by this policy except as these conditions may be modified or supplemented by the forms and endorsements attached.

### 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 and Insolvency 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 or delivered by prepaid courier if there is a record by the person who delivered it that the notice has been sent;
    - 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. The five days mentioned in clause (1) (a) of this condition commences to run on the day following the day there is a record by the person who delivered it that the notice has been sent.

**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 wilful act or neglect or the procurement, means or connivance of the Insured,
    - iv) showing the amount of other insurances and the names of other Insurers,
    - v) showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances, and other charges upon the property,
    - vi) showing any changes in title, use, occupation, location, possession, or exposures of the property since the issue of the contract,
    - vii) showing the place where the property insured was at the time of loss.
  - c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, "Actual Cash Value";
  - d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
- 2) The evidence furnished under clauses (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 wilfully 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 of the Insured named in the contract in case of absence or inability of the Insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the Insured refuses to do so, by a person to whom any part of the insurance money is payable.

**9. SALVAGE.**

- 1) The Insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.
- 2) The Insurer shall contribute 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 appraisalment or particular estimate of the loss or damage, but the Insurer is not entitled to the control

or possession of the insured property, and without the consent of the Insurer there can be no abandonment to it of insured property.

11. **APPRAISAL.** In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the Insurance Act before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.
12. **WHEN LOSS PAYABLE.** The loss is payable within sixty days after completion of the proof of loss unless the contract provides for a shorter period.
13. **REPLACEMENT.**
  - 1) The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.
  - 2) In that event, the Insurer shall commence to so repair, rebuild, or replace the property within forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.
14. **ACTION.** Every action or proceeding against the Insurer for the recovery of a claim under or by virtue of this contract is absolutely barred unless commenced within one year next after the loss or damage occurs.
15. **NOTICE.**
  - (1) Written notice may be given to the insurer in the following ways:
    1. It may be personally delivered at the chief agency or head office of the insurer in the Province.
    2. It may be sent by registered mail to the chief agency or head office of the insurer in the Province.
    3. It may be delivered by electronic means.
  - (2) Written notice may be given to the insured named in the contract in the following ways:
    1. It may be personally delivered.
    2. It may be delivered by prepaid courier to the latest address of the insured on the records of the insurer if there is a record by the person who has delivered it that the notice has been sent.
    3. It may be sent by registered mail to the latest address of the insured on the records of the insurer.
    4. It may be delivered by electronic means if the insured consents to delivery by electronic means.
  - (3) 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.** "We" will not recognize any assignment or provide any coverage for the benefit of any bailee, which includes any person or organization holding, storing, or transporting property for a fee regardless of any other provision of this policy.
3. **PAIR AND SET.** In the case of loss or damage to any article or articles, whether scheduled or unscheduled, which 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. **YOUR DUTY AFTER LOSS.** It is "your" duty in the event that any property insured by this policy is damaged or 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.
6. **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".
7. **REBUILDING CLAUSE.** If the "Declaration Page" shows that the Rebuilding Clause applies, to the building(s) specified on the "Declaration Page", this clause applies to those specified buildings. In the event an insured peril damages or destroys any of the buildings to which this rebuilding clause applies, "You" must complete and submit a 'Proof of Loss' form to "us". Upon receipt of the Proof of Loss form, "We" will make a first payment of only 50% of the amount of loss payable on the damaged or destroyed building(s). The amount of loss payable will be the lesser of a) the actual amount of the damage; or b) the limit of insurance applicable to the damaged or destroyed buildings.

The balance of the amount of loss payable is subject to the following:

- (a) If "You" notify "us" of "your" intention to repair, rebuild or replace the damaged building(s) within 300 feet (90 meters) of its original site on lands "You" own at the time of the loss with a building(s) of like use and "You" provide "us" with satisfactory proof within 12 months of the date of loss, that "You" spent an amount not less than the total amount of all insurance payable in doing so, "We" will pay the balance of the amount of loss payable under this policy within 30 days.
  - (b) If "You" notify "us" of "your" intention to rebuild or replace any building(s) which have been damaged or destroyed with a building(s) of like use on lands "You" own at the time of the loss within the Province of Ontario but at a distance of more than 300 (90 meters) feet from the site of the damaged or destroyed building(s) sought to be replaced, and provide "us" with satisfactory proof within 12 months of the date of loss that "You" spent an amount not less than the total amount of all insurance payable, in doing so, "We" will pay "You" the balance of funds within 30 days up to 75% of the amount of loss payable under this policy.
  - (c) If due to any regulation or law applying to construction or repair "You" are prohibited from repairing or rebuilding the damaged building(s) on the same site, and notify "us" of "your" intention to rebuild or replace the destroyed building(s) with a building(s) of like use on land "You" own on other than the same site within the Province of Ontario and "You" provide "us" with satisfactory proof within 12 months of the date of loss, that "You" spent an amount not less than the total amount of all insurance payable in doing so, "We" will pay "You" the balance of the amount of loss payable under this policy, within 30 days.
  - (d) If "You" do not comply with the conditions of Clauses (a) or (b) or (c), the first payment will be the only payment for the loss.  
If two or more items are subject to this clause, it will apply separately to each item.
8. **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.
  9. **NON-WAIVER.** "We" shall not be deemed to have waived any term or condition of this policy in whole or in part, unless "our" waiver is clearly stated and in writing and is signed by a person authorized to

do so. In addition, neither “We” nor “You” may be lawfully considered to have waived any term or condition of this policy by any act relating to the appraisal of the amount of a claim, the delivery or completion of proof, or the investigation of or adjustment of any claim under the policy.

10. **ASSIGNMENT.** Assignment of any interest by “You” under this policy shall not bind “us” without “our” consent.
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.
12. **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 ratable proportion of an insured loss.
13. **AUTOMOTIVE FUELS.** Any fuels used for automotive purposes must be stored in accordance with government regulations.
14. **ARBITRATION CLAUSE.** Should the parties to this insurance disagree as to the rights and obligations owed by “us” under the policy, including the effect of any applicable statutes or common law upon contractual obligations otherwise owed, either party may request that the dispute be resolved by mediation, failing which it shall be decided by binding arbitration. The parties shall submit any dispute or controversy arising out of or relating to this policy or the breach, termination or invalidity thereof to final and binding arbitration which shall be governed by the Arbitration Act in effect in the province or territory where the insured property is situated, or in the absence thereof, by an arbitration agreement entered into by the parties. In any such arbitration, each party will bear its own legal fees and expenses.
15. **SANCTIONS CLAUSE.** “We”, the Insurer, shall not be liable to pay any premium or claim or provide any benefit hereunder to the extent that the payment of such premium or claim or provision of such benefit would be in violation of any trade or economic sanctions, laws, or regulations imposed by Canadian authorities.
16. **STANDARD MORTGAGE CLAUSE.**

Mortgage Conditions: It is hereby provided and agreed that subject to the terms of this mortgage condition (and these shall supersede any policy conditions in conflict therewith 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 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 therefor existed, it shall be legally subrogated to all rights of the Mortgagee against the Insured; but any subrogation shall be limited

to the amount of such loss payment and shall be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer; or the Insurer may as its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and shall thereupon receive a full assignment and transfer of the mortgage together with all securities held as collateral to the mortgage debt.

- 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 condition 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.