



Enhanced Home Insurance Policy



HOMEOWNERS ENCLAVE FORM

A GUIDE TO YOUR POLICY

This form consists of three sections:

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

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

Section III describes conditions required by law on property policies.

IMPORTANT

Words and phrases in bold have special meaning as defined under “**Definitions**”.

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

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

If we broaden coverage while the policy is in effect, you will receive the benefit of the increased coverage at no additional charge.

AGREEMENT

We provide the insurance described in this policy in return for payment of the premium and subject to the terms and conditions set out. All amounts of insurance, premiums, and other amounts expressed in this policy are in Canadian currency.

The Coverage Summary that forms part of this policy summarizes the coverages and amounts of insurance we have agreed to provide and the period for which they are provided.

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

SECTION I – PROPERTY COVERAGES

DEFINITIONS

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

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

Coverage Summary Page means the Coverage Summary and/or the Declarations.

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

Data Problem means:

- erasure, destruction, corruption, misappropriation or misinterpretation of **data**;
- error in creating, amending, entering, deleting or using **data**; or
- inability to receive, transmit or use **data**.

Digital Assets means electronic files for which a fee has been paid that are downloaded and stored on home electronic equipment, computers or mobile phones.

Domestic Fuel Tank means a device or apparatus, including its equipment or piping, for containing fuel oil as part of the permanent installation of a functioning heating unit used on the premises, which is located above-ground or in the basement of the **dwelling** or detached private structure.

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

Drug Operations means cultivation, harvesting, processing, manufacture, distribution or sale of cannabis (commonly known as marijuana) or any product derived from or containing cannabis or any substance falling within the Controlled Drugs and Substances Act, S.C. 1996, C19.

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

Farm means any area of land or buildings used for the growing of crops and/or housing of animals.

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

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

Home Equipment means property:

- that generates, transmits or utilizes energy; or
- which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

Home Equipment may utilize conventional design and technology or new or newly commercialized design and technology. Home Equipment does not include:

- supporting structure, cabinet or compartment;
- insulating material associated with Covered Home Equipment;

- water piping other than boiler feedwater piping, boiler condensate return piping or water piping connected to a heating or air conditioning system;
- wastewater piping or piping forming a part of a fire protective sprinkler or irrigation system;
- buried or encased piping or buried vessels, however, interior buried or encased piping connected to a heating or air conditioning system is considered Home Equipment;
- software or electronic data; or
- riding lawn mowers or tractors.

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

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

In addition, the following are also insured:

- a student who is enrolled in and actually attends a school, college or university and who is dependent on the Named Insured or his or her **spouse** for support and maintenance is also insured even if temporarily residing away from the principal residence stated on the **Coverage Summary Page**;
- a named insured, his or her **spouse** or the parent(s) of either, while residing in a nursing home or care facility.

Personal Transporter means a self-balancing, electric-powered transportation device able to turn in place and designed for one person.

Pollutant means any solid, liquid, gas or thermal irritant or contaminant, including vapour, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

Premises means the land, buildings and related structures contained within the lot lines on which the **dwelling** is located.

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

Service Line means underground piping and wiring, including permanent connections, valves or attached devices, as described and limited below. A Service Line must be one of the following:

- water piping that connects from the **dwelling** or detached private structure to a:
 - public water supply system;
 - private well system;
 - cistern or retention pond; or
- heating system located outside the **dwelling** or detached private structure.
- steam piping that connects from the **dwelling** or detached private structure to a heating system located outside the **dwelling** or detached private structure;
- ground loop piping that connects to a heat pump;
- sewer piping that connects from the **dwelling** or detached private structure to a:
 - public sewer system; or
 - private septic system;
- drain piping that drains water away from the **dwelling** or detached private structure;
- power line or electrical wiring; or
- communication or data transmission wiring, including but not limited to telephone, cable, internet and fiber optic wiring.

The Service Line must be located on the premises; and owned by you or you must be legally liable for its repair or replacement. Service Line does not include:

- that part of piping or wiring that runs through or under a body of water, including but not limited to a swimming pool, pond or lake;
- that part of piping or wiring that runs through or under the **dwelling** or detached private structure;
- piping that is connected to outdoor property, including but not limited to sprinklers, irrigation systems, swimming pools, hot tubs and decorative ponds; or
- piping or wiring that is not connected and ready for use.

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 means either of two 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 one year; or
- considered spouses under the Family Law Act, or its equivalent, in the jurisdiction in which the policy was issued.

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

Terrorism means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

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

- all occupants have moved out with no intention of returning and no new occupant has taken up residence; or
- in the case of a newly constructed house, no occupant has yet taken up residence.

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

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

You or **your** refers to the **Insured**.

SINGLE AMOUNT OF INSURANCE

This section of your policy provides insurance for your **dwelling** building, private detached structures, personal property and additional living expenses under a single **amount of insurance**.

This amount is shown on the **Coverage Summary Page** and is the maximum we will pay for loss or damage under one or more of the coverages provided under this section in respect of one accident or occurrence, unless stated otherwise.

The single **amount of insurance** does not apply to personal property described under “**Personal Property With Special Limits of Insurance**”.

COVERAGE A – DWELLING BUILDING

We insure:

1. The **dwelling** and attached structures;
2. Permanently installed outdoor equipment on the **premises**;
3. Outdoor swimming pool and attached equipment on the **premises**;
4. Materials and supplies located on or adjacent to the **premises** intended for use in construction, alteration or repair of your **dwelling** or private structures on the **premises**. We insure against the peril of theft only when your **dwelling** is completed and ready to be occupied.

Building Fixtures and Fittings

We also insure building fixtures and fittings temporarily removed from the **premises** for repair or seasonal storage.

COVERAGE B – DETACHED PRIVATE STRUCTURES

We insure private structures or buildings detached on your **premises** separated from the **dwelling** by a clear space, but not insured under “**Coverage A**”. If they are connected to the **dwelling** by a fence, utility line or similar connection only, or if they are located off the shoreline from your **premises**, they are considered to be detached structures.

COVERAGE C – PERSONAL PROPERTY

Personal Property On Your Premises

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

If you wish, we will include uninsured personal property of others while it is on that portion of your premises which you occupy but we do not insure property of roomers or boarders who are not related to you.

Personal Property Temporarily Away From Your Premises

We insure your personal property 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**.

If you wish, we will include personal property belonging to others while it is in your possession or belonging to a **residence employee** traveling for you to a maximum of \$5,000.

We insure the personal property of:

- a student, who is insured by this policy but is temporarily living away from home for the purpose of attending a school, college or university;
- a parent or family member who is dependent on you for support and maintenance, while residing in a nursing home or other healthcare facility.

Personal property normally kept at any other location you own, rent or occupy is insured up to \$20,000 in all.

Personal property stored in a warehouse is only insured for 60 days unless the loss or damage is caused by theft.

Moving Your Personal Property to Another Home

We insure your personal property while in transit to and at another location within Canada which is to be occupied by you as your principal residence. Coverage applies for 60 consecutive days commencing on the date personal property is removed from your principal residence, but not beyond the date the policy expires or is terminated. This coverage does not increase the amounts of insurance.

Personal Property With Special Limits of Insurance

For the following types of property, we will not pay more than the stated limits for that part of any loss or damage which exceeds the deductible amount:

- business property (meaning books, tools and instruments pertaining to a **business**, profession or occupation) up to \$10,000 in all while on your **premises** or, up to \$5,000 in all while away from your **premises**. Other property used for **business**, including **digital assets**, samples and goods held for sale, is not insured;
- securities and evidences of debt or title up to \$10,000 in all;
- money, bullion and cash cards (meaning cards designed to store a cash value by electronic means for use as a mode of payment, without a personal identification number and without direct access to a bank or other account) up to \$1,000 in all;
- golf carts, lawn and garden tractors including attachments and accessories up to \$25,000 in all;
- watercraft, their trailers, furnishings, equipment, accessories and motors up to \$7,500 in all;
- computer software, including **digital assets**, up to \$5,000 in all including the cost of gathering or assembling lost information or data;
- spare automobile parts up to \$3,000 in all;
- camper units, truck caps, and trailers not used with watercraft up to \$5,000 in all;
- each **personal transporter** its equipment and accessories, up to \$3,500 in all.

The following special limits of insurance apply if loss or damage to the items described below is caused by theft or attempted theft, or mysterious disappearance:

- jewelry, watches, gems, fur garments and garments trimmed with fur up to \$20,000 in all;
- numismatic property (such as coin collections), medals and bank note collections up to \$1,000 in all;
- manuscripts and philatelic property (such as stamp collections) up to \$5,000 in all;
- collectible cards (such as sports personality cards), up to \$5,000 in all;
- each bicycle, its equipment and accessories, up to \$3,000 in all.

Personal Property Not Insured

We do not insure:

1. property at any fairground, exhibition or exposition for the purpose of exhibition or sale;
2. sporting equipment where the loss or damage is due to its use;
3. animals, birds, fish (except household pets are covered for loss or damage caused by a “**Specified Peril**” other than impact by aircraft or land vehicle);
4. a) motorized vehicles or their equipment (except for watercraft, lawn mowers, other gardening equipment, snow blowers, wheelchairs or scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability, golf carts, **personal transporters** not capable of exceeding 20 km/h);
b) aircraft or their equipment.

Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft. Equipment does not include spare automobile parts.

COVERAGE D – ADDITIONAL LIVING EXPENSES

The periods of time stated below are not limited by the expiration of the policy.

Additional Living Expense

If, as a result of damage by an Insured Peril, your **dwelling** is 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.

Fair Rental Value

If an Insured Peril makes that part of the **dwelling** or detached private structures 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 structures 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 structures rented or held for rental is unfit for occupancy.

Prohibited Access

If a civil authority prohibits access to your **dwelling**:

- a) as a direct result of damage to neighbouring **premises** by an Insured Peril under this form, we insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding 30 days; or
- b) by order for emergency evacuation as a direct result of a sudden and accidental event within Canada or the United States of America, we insure any resulting necessary and reasonable increase in living expense incurred by you for the period access is prohibited, not exceeding 30 days.

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

1. flood, meaning waves, tides, tidal waves or the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made;
2. earthquake;
3. war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
4. **terrorism**;
5. any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
6. contamination by radioactive material.

The term “civil authority” referred to in Coverage D shall mean 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.

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

ADDITIONAL COVERAGES

The coverages listed under this section are payable in addition to the single **amount of insurance** which is stated on the **Coverage Summary Page**.

Alternate Watering Expenses

If loss or damage to your alternate water system is insured under this policy, we will pay any additional incurred expense:

- to replace the water; or

- for the increased cost of watering the grounds of the **premises**;
- while the alternative water system is under repair or being replaced.

If the loss is to the sprinkler heads only, there is no coverage. This coverage is not subject to a deductible.

Change of Temperature

We insure your personal property damaged by change of temperature resulting from physical damage to your **dwelling** or equipment by an Insured Peril. This only applies to personal property kept in the **dwelling**.

Credit, Debit or Account Cards, Forgery and Counterfeit Money

We will pay up to \$15,000 in all for:

1. your legal obligation under Canadian Law because of the unauthorized use by any person other than an insured of credit cards, library cards and video cards issued to you or registered in your name provided you have complied with all the conditions under which the card was issued;
2. loss caused by theft of debit 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;
3. loss to you caused by forgery or alteration of cheques, drafts or other negotiable instruments;
4. loss arising from your acceptance in good faith of counterfeit Canadian or United States paper currency up to \$5,000 for any one transaction.

We will not pay under 1 or 2 above for your obligation arising from the use of a card by any person living in your household or any person entrusted with the card.

This coverage is not subject to a deductible.

Debris Removal

We will pay the reasonable expenses incurred in the removal of debris resulting from loss or damage to the **dwelling** or private detached structures insured by this policy as a result of an “**Insured Peril**”, up to an additional 10% of the single **amount of insurance** as shown on the **Coverage Summary Page**.

Emergency Services Forced Entry

We will pay for loss or damage caused to the **dwelling** or detached private structure(s) when the fire, police or ambulance service has to force entry to the building(s) because of an emergency or perceived emergency involving you or your family.

This coverage is not subject to a deductible.

Excavation Costs

We will pay up to \$25,000 for reasonable expenses incurred by you to excavate, replace or stabilize land under or around your **dwelling** or other private buildings or structures on your **premises**, as a result of an “**Insured Peril**”.

Fire Department Charges

We will pay up to \$25,000 to reimburse you for fire department charges incurred for attending your **premises** to save or protect insured property from loss or damage, or further loss or damage insured against by this form.

This coverage is not subject to a deductible.

Freezer Contents Caused by Interruption of Power

We will pay up to \$5,000 in all for loss or damage to food while contained in a freezer located on your **premises** caused by the accidental interruption of electrical power on or off the **premises**. This coverage includes damage to the freezer when it is due to the insured food spoilage and also reasonable expenses incurred by you to save and preserve the food from spoilage while your freezer is being repaired.

We do not insure:

- loss from spoilage caused by the operation of an electrical circuit breaker or fuse or by intentional disconnection of the power supply in the building containing the freezer;
- expenses incurred in the acquisition of frozen food.

This coverage is not subject to a deductible.

Green Choice

For loss or damage other than described under “**Additional Coverages – Service Line Coverage and Home System Protection**”, we will pay up to \$50,000 in all to repair or replace with materials that are better for the environment, safer for people, or more energy or water efficient than the materials being repaired or replaced.

This coverage is not subject to a deductible.

Home System Protection

We will pay up to \$50,000 for loss, damage or expense arising from any one home system breakdown that is a direct result of a sudden or accidental mechanical breakdown, electrical breakdown or bursting, cracking or splitting of **home equipment** that results in direct physical damage and requires repair or replacement of all or part of the damaged covered **home equipment**. If an initial home system breakdown causes other home system breakdowns, all will be considered one home system breakdown. All home system breakdowns that are the result of the same event will be considered one home system breakdown.

We will pay:

- for direct physical damage to **home equipment** that is the result of a home system breakdown that occurs on or off the residence **premises**;
- the reasonable extra cost to make temporary repairs and expedite permanent repairs or permanent replacement to your **home equipment** that is damaged as a result of a home system breakdown;
- up to \$5,000 in all for loss or damage due to spoilage of refrigerated food that is the result of a home system breakdown; and any reasonable expenses incurred by you to save and preserve the food from spoilage;
- the coverage for Additional Living Expense and Fair Rental Value, as described under “**Coverage D - Additional Living Expense**”.

There is a waiting period for coverage. No claim incurred during the first thirty (30) days following the inception date of the policy is covered.

The following are added to “**Exclusions – Section I**” for this coverage:

1. We will not pay for loss, damage or expense caused by or resulting from:
 - a) Electrical power surge or brown out, whether or not caused by lightning. However, with respect to “**Coverage C – Personal Property**”, we will pay for loss, damage or expense to tubes, transistors, electronic components or circuitry that are a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus, caused by or resulting from artificially generated electrical current.
 - b) Any of the following, whether the excluded peril occurs on or off the residence **premises**:
 - i) Fire (including fire resulting from a home system breakdown); or water or other means used to extinguish a fire;
 - ii) Explosion;

- iii) Lightning; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; breakage of glass; falling objects; weight of snow, ice or sleet; freezing (caused by cold weather); collapse;
 - iv) Vandalism, malicious mischief or theft;
 - v) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; mudslide or mudflow; or water that backs up or overflows from a sewer, drain or sump, and any other water damage including water damage resulting from a home system breakdown; or
 - vi) any earth movement including but not limited to earthquake, subsidence, sinkhole collapse, landslide earth sinking, tsunami or volcanic action.
2. We will not pay for any property that is not covered **home equipment** except for refrigerated property to the extent it is covered under Spoilage.
 3. None of the following is a home system breakdown:
 - a) rust, corrosion, erosion, deterioration or gradual loss of efficiency or functionality of covered **home equipment**;
 - b) leakage or seepage at or from any connection, valve, fitting, shaft or seal;
 - c) any programming error, programming limitation, computer virus, malicious code, loss of data, loss of access, loss of use, loss of functionality or other condition within or involving data or media of any kind;
 - d) complete or partial interruption of electrical power, fuel or water supply, whether deliberate or accidental;
 - e) any condition which can be corrected by resetting, recalibrating or by the performance of maintenance; or
 - f) cosmetic or other damage that does not impair functionality.

The following conditions apply to this coverage:

1. Environmental, Safety and Efficiency Improvements - If a **home equipment** requires replacement due to a home system breakdown, we will pay your additional cost to replace with equipment that is better for the environment, safer for people, or more energy or water efficient than the equipment being replaced. However, we will not pay to increase the size or capacity of the equipment and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not apply to the replacement of component parts or to any property to which actual cash value applies and does not increase any of the applicable limits.
2. Loss Settlement - Losses will be settled as follows:
 - a) Our payment for damaged covered property will be the smallest of:
 - i) The limit for this coverage;
 - ii) the cost to repair the damaged property;
 - iii) the cost to replace the damaged property with like kind, quality and capacity on the same residence **premises**; or
 - iv) the necessary amount actually spent to repair or replace the damaged property.
 - b) Except as described in Environmental, Safety and Efficiency Improvements above, you are responsible for the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.
 - c) If you do not repair or replace the damaged property within 24 months after the date of the home system breakdown, then we will pay only the smaller of:
 - i) The cost it would have taken to repair or replace at the time of the home system breakdown; or
 - ii) The actual cash value at the time of the home system breakdown.

Household Pet Expenses

We will pay up to \$10,000 in all for the following expenses you incur following an insured loss:

- boarding of your household pet while repairs of insured damage to the **dwelling** are being made,
- veterinary charges to treat, euthanize, bury or cremate your injured household pet;
- costs associated with replacing your deceased household pet with one of a similar breed and pedigree.

This coverage is not subject to a deductible.

Identity Fraud

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.

We will pay up to \$25,000 or the limit shown on the **Coverage Summary Page** in all, for the following reasonable costs and expenses incurred by an insured person as a result of Identity Fraud that occurs, or is discovered during the policy period. The limit applies regardless of the number of insured persons involved or affected.

- reasonable costs associated with registered mail to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors;
- fees for the re-application of loans which had been declined as a result of incorrect or erroneous information;
- the reasonable costs or expenses (including mileage, associated parking costs, taxi cabs fees or public transit fees) incurred for notarizing affidavits for financial institutions, credit agencies, credit grantors or similar lenders;
- the reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits for law enforcement agencies;
- long distance telephone expenses to discuss an actual Identity Fraud Occurrence to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors;
- 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, or the maximum daily limit shown on the **Coverage Summary Page** for each Identity Fraud Occurrence;
- reasonable costs, fees or expenses associated with the replacing of Canadian or Provincial Government issued documents as a result of an Identity Fraud Occurrence;
- 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 defense of lawsuits brought against you by businesses or their collection agencies;
- 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:

1. your fraudulent, dishonest, or criminal acts;

2. your own use of your identity;
3. your commercial or **business** pursuits;
4. your intentional misuse of your identity;
5. fraudulent, dishonest, criminal or intentional misuse of your identity by a resident of your household;

Nor do we insure the following:

6. any losses covered under the Credit, Debit or Account Cards and Forgery and Counterfeit Money coverage described under “**Additional Coverages – Credit, Debit or Account Cards, Forgery and Counterfeit Money**”
7. 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.

Inflation Protection

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

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

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

Lock Replacement:

We will pay up to \$1,500, to replace or re-key, at our option, the locks on your principal residence if your keys are lost or stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft.

This coverage is not subject to a deductible.

Monuments

We will pay up to \$10,000 in all for loss or damage caused by a “**specified peril**” to tombstones or mausoleums that mark the grave of your **spouse**, child, parent or grandparent.

Mortgage Rate Protector

If loss or damage insured under this policy renders your **dwelling** a total loss and your mortgagor calls in the original mortgage and you have to arrange a new mortgage with a higher rate of interest, we will pay:

1. the legal fees you incur to obtain a new mortgage, but we will not pay for other costs such as judgments or service charges;
2. the additional cost of repayment on the balance of your outstanding mortgage amount, calculated as the difference in interest between the old and the new payment amounts each month until:
 - a) the maturity date of the original mortgage agreement, or
 - b) you relinquish title to or interest in your **dwelling**, or
 - c) a maximum of two years.

whichever is less.

We do not cover any expense if the new mortgage does not have the same terms and conditions, other than interest rate, as the original mortgage agreement.

This coverage is not subject to a deductible.

Outdoor Trees, Plants, Shrubs and Lawns

Up to 5% in all of the **amount of insurance** on “**Coverage A – Dwelling Building**” may be applied to outdoor trees, plants, shrubs and lawn on your **premises**. We will not pay more than \$1,500 for any one tree, plant or shrub including debris removal expenses.

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

We do not insure items grown for commercial purposes.

Pollution Remediation Expenses

We will pay up to \$20,000 in any one policy year, towards removal, remediation, or restoration expenses incurred, if a sudden and unintentional event occurs during the policy term resulting in a release, discharge or dispersal of a **pollutant** into the **premises**, that is required to be reported to the provincial authority and would otherwise be an excluded peril under this policy.

Property Removed

If you must remove insured property from your **premises** to protect it from loss or damage, it is insured by this form 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 insured property at the time of loss.

Reward and Security Protection

If any person or persons commit a criminal act against the property or persons insured by this policy, we will pay up to \$10,000 in all, to reimburse you for the following costs and expenses incurred:

- Reward of \$5,000 to any individual or organization who provides us with information leading directly to the arrest and conviction of any person or persons who committed the criminal act;
- Professional security guard services, up to a maximum of \$5,000;
- Security improvements, such as added security bars on windows, alarm system improvements, up to a maximum of \$2,000;
- Counselling or psychiatric expenses in excess of any provincial health plan, up to a maximum of \$1,000;
- Lost wages occurring within 90 days, up to \$250 per day to a maximum of \$1,500.

We do not insure direct or indirect loss or damage, in whole or in part:

1. caused by or arising out of domestic violence involving persons insured by this policy;
2. caused by or arising out of the illegal actions of any person insured by this policy;
3. regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

The limits apply regardless of the number of insured persons involved or affected. You must promptly notify an applicable law enforcement agency of the event. This coverage is not subject to a deductible and your policy deductible which would normally be applied to any repairs to your **dwelling** is waived.

Safe Deposit Box

We will pay up to \$25,000 in all for loss or damage caused by an Insured Peril to **your** Personal Property while contained in a Bank (or Trust Company) safe deposit box.

Service Line Coverage

We will pay up to \$10,000 for loss, damage or expense arising from any one service line failure that is a direct result of a leak, break, tear, rupture, collapse or arcing of a **service line**. Service line failure does not include blockage or low pressure of a **service line**. If an initial service line failure causes other service line failures, all will be considered one service line failure. All service line failures that are the result of the same event will be considered one service line failure.

We will pay:

- for physical damage to your **service line** that is the direct result of a service line failure,
- for your outdoor property, including but not limited to trees, plants, shrubs, lawns, walkways and driveways, that is damaged as a result of a service line failure or that is damaged during the excavation of your **service line** following a service line failure,
- the necessary and reasonable excavation costs that are required to repair or replace the damaged **service line**,
- the reasonable extra cost to:
 - a) make temporary repairs; and
 - b) expedite permanent repairs or permanent replacement,
- the coverage for Additional Living Expenses and Fair Rental Value, as described under “**Coverage D – Additional Living Expense**”.

There is a waiting period for coverage. No claim incurred during the first thirty (30) days following the inception date of the policy is covered.

The following causes of loss are insured under this coverage, even if excluded elsewhere in the policy:

- wear and tear, marring, deterioration or hidden decay;
- rust or other corrosion;
- mechanical breakdown, latent defect or inherent vice;
- weight of equipment, animals or people;
- artificially generated electrical current, or
- freezing.

The following are added to “**Exclusions – Section I**” for this coverage:

1. We will not pay for loss or damage to:
 - a) septic systems, including leach fields, septic tanks, pumps, motors or piping that runs from the septic tank to the leach fields;
 - b) water wells, including well pumps or motors;
 - c) heating and cooling systems, including heat pumps; or
 - d) irrigation or sprinkler systems.
2. We will not pay for loss or damage to a **service line** that is damaged while it is being installed, dismantled or repaired. However, this exclusion shall not apply if a service line failure necessitated such installation, dismantling or repair.
3. We will not pay to clean up or remove **pollutants**, hazardous waste or sewage.
4. We will not pay for loss or damage caused by or resulting from any of the following perils:
 - a) Fire, or water or other means used to extinguish a fire;
 - b) explosion;
 - c) lightning, windstorm or hail, smoke, aircraft; riot or civil commotion, theft, breakage of glass;
 - d) flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not, or water that backs up or overflows from a sewer, drain or sump,
 - e) earth movement (meaning earthquake, including land shock waves or tremors before, during or after a volcanic eruption; landslide, mudslide or mudflow; subsidence or sinkhole collapse; tsunami or volcanic action; or any other naturally occurring earth movement including earth sinking, rising or shifting), except that results from ground thawing after a freeze.

The following conditions apply to this coverage:

1. Environmental, Safety and Efficiency Improvements - If a **service line** requires replacement due to a service line failure, we will pay your additional cost to replace with materials that are better for the environment, safer for people, or more energy or water efficient than the materials being replaced. However, we will not pay to increase the size or capacity of the materials and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not increase the limit that applies.
2. Loss Settlement - Losses will be settled as follows:
 - a) Our payment for damaged covered property will be the smallest of:

- i) The limit for this coverage;
 - ii) The cost to repair the damaged property;
 - iii) The cost to replace the damaged property on the same **premises**; or
 - iv) The necessary amount actually spent to repair or replace the damaged property.
- b) Except as described in Environmental, Safety and Efficiency improvements above, you are responsible for the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.
 - c) You are responsible for the extra cost to alter or relocate **service lines**, unless such alteration or relocation is required by law or ordinance.

Tear out

If any walls, ceilings or other parts of insured buildings or structures 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 **watermains** or outdoor plumbing systems is not insured.

INSURED PERILS

You are insured against all risks of direct physical loss or damage subject to the exclusions and conditions of this form.

Exclusions – Section I

We do not insure loss or damage:

1. to buildings or structures used in whole or in part or designed for **business**, commercial or farming purposes unless declared on the **Coverage Summary Page**;
2. to any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
3. to any property illegally acquired, kept, stored, or transported, or property subject to forfeiture;
4. resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud;
5. occurring after your **dwelling** has, to your knowledge, been **vacant** for more than 30 consecutive days;
6. caused by vandalism or malicious acts or glass breakage occurring while your **dwelling** is under construction or **vacant** even if permission for construction or vacancy has been given by us;
7. caused by theft or attempted theft of property in or from a **dwelling** under construction or of materials and supplies for use in the construction until the **dwelling** is completed and ready to be occupied;
8. from the part of the **dwelling** rented to others, caused by theft or attempted theft by any tenant, tenant's employee, or member of a tenant's household;
9. resulting from any intentional or criminal act or failure to act by:
 - a) any person insured by this policy; or
 - b) any other person at the direction of any person insured by this policy;
10. caused directly or indirectly, in whole or in part, by **drug operations** or by any activity or decision of a government agency or other entity to prevent, respond to or terminate **drug operations** regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;
11. caused by war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
12. caused directly or indirectly, in whole or in part, by **terrorism** or by any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism** regardless of any other contributing or aggravating 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;
13. caused by any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;

14. caused by contamination by radioactive material;
15. resulting from the release, discharge or dispersal of contaminants or **pollutants**, except damage caused by the sudden and accidental escape of fuel oil from a **domestic fuel tank**;
16. caused by rust or corrosion, wet or dry rot, or **fungi** or **spores**;
17. caused by birds, vermin, rodents (other than chipmunks and squirrels), or insects, except loss or damage to building glass;
18. caused by smoke from agricultural smudging or industrial operations;
19. caused by snowslide, earthquake, landslide or any other earth movement. If any of these results in fire or explosion, we will pay only for the resulting loss or damage;
20. caused by settling, expansion, contraction, moving, bulging, buckling or cracking except resulting damage to building glass;
21. caused by water unless the loss or damage resulted from:
 - a) the sudden and accidental escape of water from a **watermain**;
 - b) the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system or **domestic water container**, which is located inside your **dwelling**;
 - c) the sudden and accidental escape of water from a **domestic water container** located outside your **dwelling**, but such damage is not insured when the escape of water is caused by freezing; or
 - d) water which enters your **dwelling** through an opening which has been created suddenly and accidentally by a "**Specified Perils**" other than Water Damage;
 - e) water which enters your **dwelling** through a roof resulting from the accumulation of ice or snow on the roof or eavestrough;
 but we do not insure loss or damage:
 - i) caused by freezing during the usual heating season:
 - 1) within a heated portion of your **dwelling** if you have been away from your **premises** for more than 4 consecutive days but you will still be insured if you had taken either of the following precautions:
 - taken reasonable care to make sure the heat was maintained, such as arranging for a competent person to enter your **dwelling** each day you were away , or
 - shut off the water supply and had drained all the pipes and **domestic water containers**,
 - 2) within an unheated portion of your **dwelling**;
 - ii) caused by continuous or repeated seepage or leakage of water;
 - iii) caused by the backing up or escape of water from a sewer, 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 **watermain** or from a **domestic water container** located outside your **dwelling**;
 - vi) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
 - vii) to a **watermain**;
 - viii) to a system or **domestic water container** from which the water escaped;
 - ix) occurring while the building is under construction or **vacant** even if we have given permission for construction or vacancy.

Nor do we insure:

22. wear and tear, deterioration, defect or mechanical breakdown;
23. the cost of making good faulty material or workmanship;
24. scratching, abrasion or chipping of any personal property or breakage of any fragile or brittle articles unless caused by "**Specified Perils**", impact by watercraft, or theft or attempted theft;
25. a) **data**; or
 - b) loss or damage caused directly or indirectly by a **data problem**, but you are still insured for ensuing loss or damage caused by "**Specified Perils**" as described.

Specified Perils

Subject to the exclusions and conditions in this policy, Specified Perils means:

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 damage meaning damage caused by:
 - a) the sudden and accidental escape of water from a **watermain**;
 - b) the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system or **domestic water container**, which is located inside your **dwelling**;
 - c) the sudden and accidental escape of water from a **domestic water container** located outside your **dwelling** but such damage is not insured when the escape of water is caused by freezing;
 - d) water which enters your **dwelling** through an opening which has been created suddenly and accidentally by an insured peril; or
10. windstorm or hail;
11. transportation meaning loss or damage caused by collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer in which the insured property is being carried. This would also apply to any conveyance of a common carrier, but does not include loss or damage to property in a vacation or home trailer which **you** own.

BASIS OF CLAIM PAYMENT – SECTION I

We will pay for insured loss of or damage to the **dwelling** and detached private structures and personal property as described below 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.

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

Deductible

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

If one occurrence could lead to the application of more than one deductible, including when there is a claim under this policy and an automobile policy insured by us, only the largest deductible will apply.

We are responsible only for the amount by which the loss or damage exceeds the amount of the deductible shown on the **Coverage Summary Page** in any one occurrence when the loss is \$25,000 or less. If the loss is more than \$25,000, we pay the full amount of the loss.

Dwelling and Detached Private Structures

If you repair or replace the damaged or destroyed building on the same location with a building of the same occupancy constructed with materials of similar quality within a reasonable time after the damage, we will pay the costs of repairs or replacement (whichever is less) without deduction for depreciation.

We provide **Guaranteed Replacement Cost** on the **dwelling**, which means we will pay the cost of repairs or replacement to the principal **dwelling** on the same site, even if it is more than the **amount of insurance** for “**Coverage A**” provided:

- the **amount of insurance** for “**Coverage A**” shown on the **Coverage Summary Page** on the inception date of the policy, or the most recent renewal date or the increased amount under the inflation protection coverage on the date the increase took effect was not less than 100% of the cost to replace the **dwelling** building, as determined by a valuation guide acceptable us;
- the **amount of insurance** applicable to “**Coverage A**” has not been reduced below the amount determined by the valuation guide; and
- you notified us within 90 days of the start of the work if any improvement, extension or addition has been made to your **dwelling**.

When this guarantee is applied on any principal **dwelling** claim, the total **amount of insurance** available for other insured coverages is the single amount minus the **amount of insurance** for “**Coverage A**” shown on the **Coverage Summary Page**.

If you suffer a partial loss to the principal **dwelling** or a partial or total loss to any detached private structures and you decide not to repair or replace the damaged or destroyed building(s), we will not pay more than the actual cash value of the loss or damage at the date of the occurrence.

However, if the principal **dwelling** is completely destroyed and you decide not to repair or replace, we will pay up to the **amount of insurance** for “**Coverage A**” shown on the **Coverage Summary Page**.

By-Laws

In determining the cost of repairs or replacement, we will pay an additional amount up to 10% of the single **amount of insurance** for:

- the cost of demolition and removal of any undamaged portion of the **dwelling** building or detached private structures;
- the increase in cost of construction or repair of the **dwelling** building or detached private structures; or
- the cost of installation or repair of a sprinkler system;

in order to comply with the minimum requirements of any law regulating demolition, repair or construction of buildings or any by-law, regulation, ordinance or law requiring the installation of a sprinkler system.

We will not pay the additional cost, unless your building(s) is(are) actually repaired or replaced on the same site or an adjacent site with a building of the same occupancy, constructed with materials of similar quality, within a reasonable time after the damage.

If we insure more than one building under this policy, this coverage applies separately to each building. The by-law, regulation, ordinance or law must be in force at the time of such loss or damage.

Personal Property

1. For electronic media we will pay the cost of reproduction from duplicates or from originals of the previous generation of media. We will not pay the cost of gathering or assembling information or data for reproduction, except as described under “**Personal Property With Special Limits of Insurance**”.
2. For other records, including books of account, drawings or card index systems, we will pay the cost of blank books, pages, cards or other materials plus the cost of actually transcribing or copying the records.
3. We will pay on the basis of replacement cost for all other personal property except:
 - i) articles that cannot be replaced with new articles because of their inherent nature, including antiques, fine arts, paintings and statuary;
 - ii) articles for which their age or history substantially contributes to their value, such as memorabilia, souvenirs, and collectors’ items;
 - iii) property that has not been maintained in good or workable condition;
 - iv) property that is no longer used for its original purpose;for which we will pay only on the basis of actual cash value.

Replacement Cost means the cost, on the date of the loss or damage, of the lower of:

- repairing the property with materials of similar kind and quality; or
 - new articles of similar kind, quality and usefulness;
- without any deduction for depreciation.

For personal property described under “**Personal Property With Special Limits of Insurance**” we will not pay more than the applicable limit under either the replacement cost or actual cash value basis.

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

Amounts Not Reduced

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

Automotive Fuels

Any fuels used for automotive purposes must be stored in accordance with government regulations.

Duties After Loss

After submission of the Proof of Loss in respect of a loss which may be insured under Section I each of you may be required separately to:

- submit to examination under oath,
 - produce for examination all documents in your possession or control that relate to the application for insurance and Proof of Loss, and
 - permit extracts and copies of such documents to be made,
- all at a reasonable place and time designated by us.

Insurance Under More Than One Policy

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

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.

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.

Notice To Authorities

Where the loss is, or is suspected to be, due to malicious acts, burglary, robbery, theft, or attempted theft, you must give immediate notice of such loss to the police or other law enforcement agency having jurisdiction.

Pair and Set

In the case of loss or damage to any article(s) which is (are) part of a set the measure of loss of or damage to such article(s) will be reasonable and fair proportion of the total value of the set, but in no event will such loss or damage be construed to mean total loss of a set.

Parts

In the case of loss or damage to any part of the insured property 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.

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 thirty (30) consecutive days, or of any transfer of interest or increased hazard that shall come to his knowledge; and that every increase of hazard (not permitted by the policy) shall be paid for by the Mortgagee - on reasonable demand - from the date such hazard existed, according to the established scale of rates for the acceptance of such increased hazard, during the continuance of this insurance.
- (b) Right of Subrogation - Whenever the insurer pays the Mortgagee any loss award under this policy and claims that - as the Mortgagor or Owner - no liability therefore existed, it shall be legally subrogated to all rights of the Mortgagee against the Insured; but any subrogation shall be limited to the amount of such loss payment and shall be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer; or the insurer may as its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and shall 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 collectable 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.

Subrogation

We will be entitled to assume all your rights of recovery against others and bring action in your name to enforce these rights when we make payment or assume liability under this policy.

Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

Statutory Conditions

All of the conditions set out under the title Statutory Conditions apply with respect to all of the perils insured under Section I except that these conditions may be modified or supplemented by the provisions of the said Section I or by forms or endorsements which modify Section I.

SECTION II - LIABILITY COVERAGE

DEFINITIONS

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

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

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

Coverage Summary Page in this Section has the same meaning as in Section I.

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

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

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

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

Insured in this Section has the same meanings as in Section I. In addition, we will insure:

1. any person or organization legally liable for damages caused by a watercraft or animal owned by you, and to which this insurance applies. This does not include anyone using or having custody of the watercraft or animal in the course of any **business** or without the owner's permission;
2. a **residence employee** while performing duties in connection with the ownership, use or operation of motorized vehicles and trailers for which coverage is provided by this form;
3. your legal representative having temporary custody of the insured **premises**, if you die while insured by this form, for **legal liability** arising out of the **premises**;
4. any person who is insured by this form at the time of your death and who continues residing on the **premises**.

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

Personal Injury means:

- **bodily injury**;
- shock, mental anguish or mental injury;
- false arrest, false imprisonment or wrongful detention;
- wrongful entry or eviction;
- malicious prosecution or humiliation; and
- libel, slander, defamation of character or invasion of rights or privacy

Personal Transporter in this Section has the same meaning as in Section I.

Premises means all premises where the person(s) named as **Insured** on the **Coverage Summary Page**, or his or her **spouse** maintains a residence, including seasonal and other residences provided such **premises** are specifically described on the **Coverage Summary Page**.

It also includes:

1. premises where you are residing temporarily or which you are using temporarily, as long as you are not:
 - a) the owner of the premises;
 - b) the lessee or tenant of the premises under any agreement which is longer than 90 consecutive days;

2. premises in Canada to be occupied by you as your principal residence from the date you acquire ownership or take possession but not beyond the earliest of:
 - a) 30 consecutive days;
 - b) the date the policy expires or is terminated;
 - c) the date upon which specific liability insurance is arranged for such premises;
3. individual or family cemetery plots or burial vaults;
4. **vacant** land in Canada you own or rent, other than **farm** land;
5. land in Canada where an independent contractor is building a one, two or three-family residence to be occupied by you;
6. any site you own or rent for the recreational use or seasonal storage of a trailer;
7. premises in Canada, leased or rented under any agreement where a student who is dependent on the named **insured** or his or her **spouse** for support and maintenance, is temporarily residing 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 in this Section has the same meaning as in Section I.

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

We or **us** or **our** in this Section has the same meaning as Section I.

You or **Your** in this Section refer to the **Insured**.

COVERAGES

This insurance applies:

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

COVERAGE E – LEGAL LIABILITY

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

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

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

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

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

We do not insure claims made against you arising from:

1. liability you have assumed by contract unless your **legal liability** would have applied even if no contract had been in force, but we do insure claims made against you for the **legal liability** of other persons in relation to your **premises** that you have assumed under a written contract;
2. damage to property owned by an **insured**;
3. damage to property used, occupied, leased or rented by or in the care, custody or control of an **Insured**, except for unintentional **property damage** to **premises** owned by others, or their contents,

which you are using, renting or have in **your** custody or control caused by fire, explosion, water damage or smoke. This means smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the **premises**, but not smoke from fireplaces. Water damage has the same meaning as in Section I.

4. damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
5. **personal injury** to you or to any person residing in your household other than a **residence employee**;
6. the personal actions of a named **insured** who does not reside on the **premises** described on the **Coverage Summary Page**.

There are other exclusions that apply to all Coverages under Section II. Please refer to “**Exclusions-Section II**”.

Defense, Settlement, Supplementary Payments

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

We will also 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 form;
6. reasonable expenses including actual loss of income up to \$100 per day, which you incur at our request.

What you must do after an accident or occurrence

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

Action Against Us

No suit may be brought against us:

1. until you have fully complied with all the terms of this Coverage, nor until the amount of your obligation to pay has been finally determined, either by a 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.

Unauthorized Settlements

You shall not, except at your cost, voluntarily make any payment, assume any obligations or incur expenses, other than first aid expenses necessary at the time of accident.

COVERAGE F – VOLUNTARY MEDICAL PAYMENTS

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

The amount of insurance shown on the **Coverage Summary page** is the maximum amount we will pay for each person in respect of one accident or occurrence.

We will not pay:

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.

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

What you must do after an accident or occurrence

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

Action Against Us

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

COVERAGE G – VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY

We will pay for unintentional direct damage you cause to property even though you are not legally liable. You may also use this coverage to reimburse others for direct **property damage** caused intentionally by an **Insured**, 12 years of age or under.

We do not insure:

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

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

Basis of Payment

We will pay whichever is the lower amount of:

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

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

What you must do after an accident or occurrence

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

Action Against Us

No suit may be brought against us until:

1. you have fully complied with all the terms of this Coverage;
2. 60 days after the written proof of claim has been filed with us.

COVERAGE H – VOLUNTARY COMPENSATION FOR RESIDENCE EMPLOYEES

This coverage is automatically provided for all your occasional **residence employees**. It will be extended to your permanent **residence employees** if so stated on the **Coverage Summary page**.

Coverage

We offer to pay the benefits described below if **your residence employee** is injured or dies accidentally while working for you, even though you are not legally liable.

If your **residence employee** or any person acting on his or her behalf does not accept these benefits or sues you, we may withdraw our offer, but this will not affect your liability insurance.

A **residence employee** or anyone acting on his or her behalf who accepts these benefits must sign a release giving up any right to sue you. We have the right to recover from anyone, other than you, who is responsible for the **residence employee's** injury or death.

Exclusion

We will not pay benefits for any hernia injury.

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

Schedule of Benefits

1. Loss of Life:
If your **residence employee** dies from injuries received in the accident within the following 26 weeks, we will pay:
 - a) a total of 100 times the weekly indemnity to those wholly dependent upon him or her. If there is more than one dependent the amount will be divided equally among them. This payment is in addition to any benefit for Temporary Total Disability paid up to the date of death;
 - b) actual funeral expenses, up to \$500.
2. Temporary Total Disability:
If your **residence employee** 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 7 days unless the disability lasts for 6 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 if the accident results in loss from more than one item.

For loss of:

- | | |
|---------------------------------|-----------|
| a. One or more of the following | 104 weeks |
| • hand | |
| • arm | |
| • foot | |
| • leg | |
| 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 expenses including surgical, dental, hospital, nursing and ambulance expenses within the following 26 weeks, we will pay up to a maximum of \$1,000 in addition to all other benefits.

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

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

Weekly Indemnity

Weekly indemnity means two thirds of your **residence employee's** weekly wage at the date of the accident but we will not pay more than \$150 per week.

What you must do after an accident

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

Autopsy

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

Action against us

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

SPECIAL LIMITATIONS

Watercraft and Motorized Vehicles You Own

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

1. watercraft, including their attachments, equipped with an outboard motor or motors of not more than 19 kW (25H.P.) in total when used with or on a single watercraft;
2. watercraft, including their attachments, equipped with any other type of motor of not more than 38kW (50H.P.);
3. non-motorized watercraft, including their attachments, not more than 8 metres (26 feet) in length;
4. self-propelled lawn mowers, snow blowers, garden-type tractors of not more than 22kW (30H.P.);
5. motorized golf carts while in use on a golf course or your **premises**, or if shown on the **Coverage Summary Page** while in use anywhere;
6. **personal transporters** and motorized wheelchairs, including motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability;
7. any recreational vehicle while used on your **premises**, provided that the vehicle is not subject to motor vehicle registration and is designed primarily for use off public roads.

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

Watercraft and Motorized Vehicles You Do Not Own

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

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

Watercraft and Motorized Vehicle Uses We Do Not Insure

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

1. used for carrying passengers for compensation;
2. used for **business** purposes;
3. used in any race or speed test, unless it is a sailboat;
4. rented to others;
5. being used or operated without the owner's consent if you are not the owner.

Trailers

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

Business and Business Property

We insure you against claims arising out of:

1. your personal actions during the course of your trade, profession or occupation which are not related directly to your trade, profession or occupation;
2. the occasional rental to others of the portion of the **dwelling** usually occupied by you as a private residence;
3. the rental to others of portions of your two or three-family **dwelling** usually occupied in part by you as a private residence provided no family unit includes more than 2 roomers or boarders;
4. the rental of space in your residence to others for incidental office, school or studio occupancy;
5. the rental to others, or holding for rent, of not more than 3 car spaces or stalls in garages or stables;
6. the temporary or part time **business** pursuits of an **insured** person under the age of 21 years;
7. your work for someone as a sales representative, collector, messenger or clerk, provided that the claim does not involve injury to a fellow employee;

8. **your** work as a teacher, provided the claim does not involve physical disciplinary action to a student or injury to a fellow employee.

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

Exclusions – Section II

We do not insure claims arising from:

1. war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
2. **bodily injury** or **property damage** which is required to be insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of insurers;
3. **business** pursuits or any **business** use of the **premises** except as provided under **business** and **business** property' in Section II;
4. the rendering or failure to render any professional service;
5. liability imposed upon or assumed by you under any workers' compensation statute;
6. **personal injury** or **property damage** caused by any intentional or criminal act or failure to act by:
 - a) any person insured by this policy; or
 - b) any other person at the direction of any person insured by this policy;
7. a) sexual, physical, psychological mental or emotional abuse, molestation or harassment, including corporal punishment, whether actual or alleged, by, at the direction of, or with the knowledge of any person insured by this policy; or
b) failure of any person insured by this policy to take steps to prevent sexual, physical, psychological or emotional abuse, molestation or harassment or corporal punishment;
8. the transmission or failure to take steps to prevent the transmission or spread of communicable disease by any person insured by this policy;
9. the ownership, use or operation of any watercraft, motorized vehicle or trailer except as provided under "**Special Limitations**" in Section II;
10. the ownership, use or operation of:
 - a) any aircraft;
 - b) **premises** used as an airport or landing facility;and all activities related to either.
11. a) the erasure, destruction, corruption, misappropriation or misinterpretation of **data**;
b) erroneously creating, amending, entering, deleting or using **data**;
c) the distribution or display of **data** by means of an Internet website, the internet, an intranet, extranet, or similar device or system designed or intended for electronic communication of **data**;
12. a) directly or indirectly from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of **Fungi**, or **Spores**, however caused, including any cost or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of **Fungi** or **Spores**; or
b) any supervision, instruction, 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;
13. from personal injury or property damage arising out of errors or omissions committed by you while acting as an officer or director of any corporation or organization, except non-profit corporations or organizations;
14. 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 contributing or aggravating cause or event that contributes concurrently or in any sequence to the claim.

Insurance Under More Than One Policy

If you have other insurance which applies to a loss or claim, or would have applied if this policy did not exist, this policy will be considered excess insurance and we will not pay any loss or claim until the amount of such other insurance is used up.

STATUTORY CONDITIONS

The following policy conditions, as modified or supplemented by the attached forms or endorsements, apply to all of the perils insured by this Policy (including fire) unless applicable legislation provides otherwise.

In respect of Section II – Liability Coverage, only Policy Conditions 1, 3, 4, 5 and 15 apply.

1. Misrepresentation

If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge of the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

2. Property of Others

Unless otherwise specifically stated in the contract, the insurer is not liable for loss or damage to property owned by any person other than the **insured**, unless the interest of the **insured** therein is stated in the contract.

3. Change of Interest

The insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act (Canada) or change of title by succession, by operation of law, or by death.

4. Material Change

Any change material to the risk and within the control and knowledge of the **insured** avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to the insurer or its local agent, and the insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the **insured** in writing that, if the **insured** desires the contract to continue in force, the **insured** must, within fifteen days of the receipt of the notice, pay to the insurer an additional premium, and in default of such payment the contract is no longer in force and the insurer shall return the unearned portion, if any, of the premium paid.

5. Termination

- 1) This contract may be terminated,
 - a) by the insurer giving to the **insured** fifteen days' notice of termination by registered mail or five days' written notice of termination personally delivered;
 - b) by the **insured** at any time on request.
- 2) Where this contract is terminated by the insurer,
 - a) the insurer shall refund the excess of premium actually paid by the **insured** over the proportionate premium for the expired time, but, in no event, shall the proportionate premium for the expired time be deemed to be less than any minimum retained premium specified;
 - b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
- 3) Where this contract is terminated by the **insured**, the insurer shall refund as soon as practicable the excess of premium actually paid by the **insured** over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
- 4) The refund may be made by money, postal or express company money order or cheque payable at par.
- 5) The fifteen days mentioned in clause (1) a) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

6. Requirements After Loss

- 1) Upon the occurrence of any loss of or damage to the insured property, the insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11,
 - a) forthwith give notice thereof in writing to the insurer;
 - b) deliver as soon as practicable to the insurer a proof of loss verified by a statutory declaration,
 - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,

- (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
 - (iii) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the insured,
 - (iv) showing the amount of other insurances and the names of other insurers,
 - (v) showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,
 - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
 - (vii) showing the place where the property insured was at the time of loss;
 - c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;
 - d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
- 2) The evidence furnished under clauses 1) c) and d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

7. Fraud

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

8. Who May Give Notice and Proof

Notice of loss may be given and proof of loss may be made by the agent 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 account 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 subcondition (1) of this condition according to the respective interests of the parties.

10. Entry, Control, Abandonment

After loss or damage to insured property, the insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the **insured** has secured the property, a further right of access and entry sufficient to enable them to make appraisal of 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

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