

# Your Premium Home Insurance Policy from HTM Insurance Company

Peace of mind



**HTM**  
You're with family.

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# YOUR PREMIUM HOME INSURANCE POLICY

## A GUIDE TO YOUR POLICY

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

Words and phrases shown in “quotations” have special meaning, either as defined under Special Definitions of this Coverage, General Definitions or as otherwise specifically defined within the policy.

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

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

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

## AGREEMENT

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

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

## SECTION 1 PROPERTY COVERAGES

### ALL THE STATUTORY AND ADDITIONAL CONDITIONS, GENERAL DEFINITIONS AND GENERAL LOSS OR DAMAGE NOT INSURED ALSO APPLY TO THIS COVERAGE

#### COVERAGES

The amounts of insurance are shown on the “declaration page” for the coverages “you” have purchased. These amounts include the cost of removal of debris of the property insured by this policy as a result of an Insured Peril. When the damage to the property plus the cost of cleanup and removal of debris exceed the limit of insurance for the damaged property, an additional 5% of the limit of insurance on the damaged “Dwelling” and Detached Private Structures will be available to cover debris removal expenses.

If “you” must remove insured property from “your” “premises” to protect it from loss or damage, it is insured by this policy for 90 days or until “your” policy term ends - whichever occurs first. The amount of insurance will be divided in the proportions that the value of the property removed bears to the value of all property at the time of loss.

#### 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:** “You” may apply up to 10% of the amount of insurance on “your” “dwelling” to insure building fixtures and fittings temporarily removed from the “premises” for repair or seasonal storage.

**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 “water mains” or outdoor plumbing systems is not insured.

#### COVERAGE B - DETACHED PRIVATE STRUCTURES

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

Boathouses and docks, within 30 meters of “your” “premises”, are considered detached private structures.

#### COVERAGE C - PERSONAL PROPERTY

“We” insure your Personal Property as follows:

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

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

2. **OFF PREMISES:** “We” insure “your” personal property while it is temporarily away from “your” “premises”, anywhere in the world. This includes personal property newly acquired by “you” and in “your” possession when there has not been an opportunity to take such property to “your” “premises”.

- (a) Personal property normally kept at any other location “you” own, rent or occupy is not insured.
- (b) Personal property stored in a warehouse is fully insured for the first 90 days. After the 90 day period, “your” personal property will continue to be insured, but only for loss or damage caused by the peril of theft. To extend coverage for this property in storage for a further period, “we” must be notified in writing and endorse “your” policy as required.
- (c) If “you” wish, “we” will include uninsured personal property belonging to others while it is in “your” possession or belonging to a “residence employee” traveling for “you”.
- (d) Personal property of “students” residing away from home is insured up to a limit of \$10,000 for each “student”.
- (e) Personal property of a parent or family member who is dependent on “you” for support and maintenance, while residing in a nursing home or other healthcare facility, is insured up to a limit of \$10,000.
- (f) Personal property belonging to others while it is in your possession while you are acting as a volunteer is limited to \$1,000.
- (g) Personal property that “you” are moving to a new principal residence in the province of Ontario is insured while in transit and while at “your” new principal residence for up to 30 consecutive days beginning the day “you” start “your” move. The amount of insurance will be divided in the proportion that the value of the property at each “premises” and in transit bears to the value of all “your” personal property, at the time of loss.

### **Property Not Included As Personal Property**

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

- (a) motorized wheelchairs;
- (b) scooters having more than 2 wheels and specifically designed for the carriage of a person with a physical disability and not subject to motor vehicle registration;
- (c) “personal transporters”;
- (d) watercraft;
- (e) motorized lawn mowers, lawn and garden tractors up to 22 kW (30 HP), other gardening equipment or snow blowers;
- (f) golf carts not subject to motor vehicle registration;
- (g) electric bicycles maximum speed 32km/h and not subject to motor vehicle registration;
- (h) electric powered children’s toys, maximum 10km/h and not subject to vehicle registration.

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

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

Unless a different limit is shown on the “Declaration Page”, “we” insure:

- (a) Jewelry, watches, gems, fur garments and garments trimmed with fur up to \$10,000 in all;
- (b) Numismatic property (such as coin collections and bank note collections), stamps and philatelic property (such as stamp collections), sports cards, sports memorabilia and comic book collections, up to \$5,000 in all;

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

Unless a different limit is shown on the “Declaration Page”, “we” also insure:

- (c) Securities, books of account, deeds, evidences of debt or title, letters of credit, notes other than bank notes, manuscripts, passports, tickets and documents or other evidence to establish ownership or the right to claim a benefit for an amount up to \$5,000 in all;
- (d) Money, bullion, or “cash cards” up to \$1,000 in all;
- (e) Lawn and garden tractors and golf carts including attachments and accessories up to \$15,000 in all;
- (f) Watercraft, their furnishings, equipment, accessories and motors up to \$3,000 in all. Loss or damage from windstorm or hail is insured only if they were inside a fully enclosed building. Canoes and rowboats are also insured while in the open;
- (g) Computer software, including “digital assets” up to \$5,000 in all including the cost of gathering or assembling lost information or “data”;
- (h) Parts for motorized vehicles that are not installed yet up to \$3,000 in all;

- (i) Bicycles, electric bicycles and “Personal transporters” and their related equipment up to \$2,000 for any one item or unattached piece of equipment;
- (j) Utility trailers up to \$3,000 in all;

## COVERAGE D - ADDITIONAL LIVING EXPENSES

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

1. **Additional Living Expense:** If damage to “your” “dwelling” by an insured peril makes it unfit for occupancy, or “you” have to move out while repairs are being made, “we” insure any necessary increase in living expenses including moving expenses incurred by “you”, so that “your” household can maintain its normal standard of living. Payment shall be for the reasonable time required to repair or rebuild “your” “dwelling” or, if “you” permanently relocate, the reasonable time required for “your” household to settle elsewhere.
2. **Fair Rental Value:** If declared on the “Declaration Page” that “your” home is rented out, and damage to “your” “dwelling” or detached private structures by an insured peril makes that part of the “dwelling” or detached private structure rented to others or held for rental by “you” unfit for occupancy, “we” insure its Fair Rental Value. Payment shall be for the reasonable time required to repair or replace that part of the “dwelling” or detached private structure rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the “dwelling” or detached private structure rented or held for rental is unfit for occupancy.
3. **Civil Authority Prohibits Access:** If, as the direct result of damage to neighbouring “premises” by an insured peril, a civil authority prohibits access to “your” “dwelling” “we” insure any resulting Additional Living Expense and Fair Rental Value for a period not exceeding 30 days.
4. **Emergency Evacuation:** “We” will pay any necessary and reasonable increase in living expense incurred by “you” while access to “your” “dwelling” is prohibited by order of “civil authority”, but only when such order is given for evacuation as a direct result of a sudden and accidental emergency.

“You” are insured for a period not exceeding 30 days from the date of the order of evacuation, or \$3,000, whichever is the lesser.

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

- (a) “flood”, this exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but “you” are still insured for ensuing loss or damage which results directly from fire or explosion;
- (b) earthquake;
- (c) war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
- (d) nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
- (e) contamination by radioactive material;
- (f) “terrorism” or by any activity or decision of a government agency or other entity to prevent, respond to or terminate “terrorism” regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but “you” are still insured for ensuing loss or damage which results directly from fire or explosion.

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

## SPECIAL ADDITIONAL COVERAGES

### 1. Loss Assessment Charges:

"We" will pay for "your" share of any special assessment if:

- (a) the assessment is valid under the "Condominium Corporation's" governing rules, and it's made necessary by:
  - a. a direct loss to the collectively owned condominium property caused by an Insured Peril in Section 1 of this policy; or
  - b. occurrences to which Section 2 – Liability Coverage applies.

The maximum "we" will pay is \$25,000.

### 2. By-Law Coverage:

In the event of direct damage caused by an insured peril, "we" will pay an additional amount up to 5% of the dwelling limit for the increased cost of demolition, construction, or repair to comply with any law regulating the zoning, demolition, repair or construction of buildings and their related services. Coverage is extended to pay for:

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

"We" will not pay:

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

## PERILS INSURED

"We" insure "your" "dwelling", detached private structures, and "your" personal property, against direct physical loss or damage, subject to the exclusions, limitations, terms and conditions included or referred to in this form:

### EXCLUSIONS

#### Property Excluded

"We" do not insure loss or damage to:

1. "your" insured property when "your" "dwelling" has to "your" knowledge, been "vacant" for more than 30 consecutive days;
2. buildings or structures used in whole or in part or designed for farming, commercial or "business" purposes unless declared on the "Declaration Page" whether it is in use, unoccupied, or "vacant";
3. household pets except as provided under Additional Coverages - Premium #13;
4. sporting equipment where the loss or damage is due to its use;
5. property at any fairground, exhibition or display for the purpose of exhibition or sale;
6. retaining walls not constituting part of any insured building, except for Fire, Lightning, Impact by Land Vehicle or Aircraft or Vandalism and Malicious Acts;
7. livestock;
8. books, tools and instruments pertaining to a "business", profession or occupation including samples and goods held for sale except as provided for under Additional Coverages #4.

## Perils Excluded

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

1. by, or resulting from, contamination or pollution or the release, discharge or dispersal of contaminants or "pollutants", except damage to the "dwelling" caused by the sudden and accidental escape of fuel from a permanently installed "domestic fuel tank" (including any attached equipment, apparatus or piping) that is part of a heating unit for the insured "dwelling" or detached private structure or as included under Additional Coverages - Premium #2;
2. by wear, tear, gradual deterioration, latent defect or mechanical breakdown, rust, corrosion, extremes of temperature, wet or dry rot, condensation "fungi" or spore(s), or contamination;
3. by scratching or marring of any property or breakage of any fragile or brittle articles unless caused by a "Specified Peril" or by theft or attempted theft;
4. by birds, bats, rodents, (such as squirrels and rats), insects ( such as moths and termites), vermin (such as skunks and raccoons), or household pets, except loss or damage to building glass; or as included under Additional Coverages – Premium #13 and #14;
5. by settling, expansion, contraction, moving, bulging, buckling, or cracking except resulting damage to building glass;
6. by smoke from agricultural smudging or industrial operations;
7. by buildup of smoke. Smoke damage must be sudden and accidental;
8. by any earth movement including, but not limited to, earthquake, landslide, snowslide, or iceslide. If any of these results in fire or explosion, "we" will pay only for the resulting loss or damage;
9. by collapse of:
  - (a) outside property such as awnings, fences, or trellises unless resulting from structural collapse of foundations, walls, floors or roof of a building;
  - (b) patios, driveways, walks or retaining walls, outdoor radio and/or television antennae, towers, satellite receivers and their attachments;
10. by "water" unless the loss or damage directly resulted from:
  - (a) the sudden and accidental escape of "water" from within a "water main", swimming pool or equipment attached;
  - (b) the sudden and accidental escape of "water" or steam from within a heating, sprinkler, air conditioning or plumbing system, "domestic water container" or waterbed which is located inside "your" "dwelling";
  - (c) the sudden and accidental escape of "water" from outdoor plumbing systems, or "domestic water container", which is located outside "your" "dwelling", and on "your" "premises";
  - (d) "water" which enters through an opening which has been created suddenly and accidentally by a peril not otherwise excluded;
  - (e) "water" from the accumulation of ice or snow on the roof or eavestrough, which enters the "dwelling" through the roof as a result of "ice damming";

But "we" do not cover loss or damage:

- i) caused by continuous or repeated "seepage" or "leakage" of "water";
- ii) caused by "flood", this exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but "you" are still insured for ensuing loss or damage which results directly from fire or explosion;
- iii) caused by backing up or escape of "water" from a sewer or drain, sump or septic tank;
- iv) caused by "ground water" or rising of the water table;
- v) caused by "surface waters", unless the "water" escapes from a "water main" "domestic water container" located outside "your" "dwelling";
- vi) to "water mains", heating, sprinkler, air conditioning or plumbing system, or a "domestic water container" from which the "water" escaped;
- vii) to outdoor plumbing systems, "domestic water containers" and attached equipment located outside "your" "dwelling", and on "your" "premises caused by freezing, "water", or rupture;
- viii) occurring while the "dwelling" is "under construction" or "vacant", even if permission for construction or vacancy has been given by "us";
- ix) caused by freezing of any part of a heating, sprinkler, air conditioning or plumbing system or "domestic water container" unless it happens within a "dwelling" heated during the usual heating season and "you" have not been away from "your" "premises" for more than four (4) consecutive days. However, if "you" had arranged for a competent person to enter "your" "dwelling" daily to ensure that heating was being maintained or if "you"

had shut off the “water” supply and had drained all the pipes and appliances; and or have “your” heating system connected to an automatic monitoring system or an automatic water shut off device permanently installed. “you” would still be insured;

- x) caused by freezing in an unheated portion of the “dwelling”.
11. by change of temperature unless the loss or damage:
    - (a) is to personal property kept in “your” “dwelling”; and
    - (b) is the result of physical damage to “your” “dwelling” or equipment caused by a peril not otherwise excluded;
  12. by vandalism or malicious acts caused by “you” or any members of “your” household, or “your” employees, or by any tenant, employee or member of the tenant’s household;
  13. by vandalism or malicious acts or theft or glass breakage occurring while “your” “dwelling” is “under construction” or “vacant” even if permission for construction or vacancy has been given by “us”;
  14. by theft or attempted theft by any tenant, members of a tenant’s household or employees of the tenant;
  15. by shoreline ice build-up or by impact of waterborne objects(including ice), all whether driven by wind or not.

## BASIS OF CLAIM PAYMENT

When coverage applies, “we” will pay for insured loss or damage up to “your” financial interest in the property but not exceeding the applicable amount(s) of insurance for any loss or damage arising out of one occurrence.

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

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

**Deductible:** In any one occurrence, “we” are responsible only for the amount by which the insured loss or damage exceeds the amount of the deductible shown on the “Declaration Page”. If one occurrence could lead to the application of more than one deductible, or more than one policy insured with “us”, only the largest deductible will apply.

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

**Loyalty bonus:** We will waive 10% of “your” average deductible for:

- (a) each year “you” have been insured with “us”; or
- (b) each year since “your” last claim;

whichever is the shortest period.

**Dwelling Building:** “we” will pay for insured loss or damage if “you” repair or replace the damaged or destroyed Dwelling Building on the same location with materials of similar quality using current building techniques within a reasonable amount of time after the damage.

“You” may choose as the basis of loss settlement either (A) or (B) below; otherwise settlement will be as in (B).

- A.** The cost of repairs or replacement (whichever is less) without deduction for depreciation up to the applicable amount of insurance shown on the “Declaration Page” for the dwelling building.

### **Additional Amount available**

If the amount of insurance for the Dwelling Building is inadequate to rebuild “your” damaged or destroyed “dwelling”, “we” will pay an additional amount of up to 25% of the limit shown for the Dwelling Building to cover additional costs to rebuild the Dwelling Building provided:

1. The amount of insurance shown on the “Declaration Page” for the Dwelling Building represents 100% of the cost to rebuild the insured “dwelling” on the same site with materials of similar quality as determined by a building valuation guide acceptable to “us”;
2. “You” agree to accept each annual adjustment in the amounts of insurance as recommended by “us” and pay the additional premium; and

3. "You" notify "us" within 30 days of the start of any additions or other physical changes to the building(s), which may increase the rebuilding cost of the structure by 5% or more, and pay any resulting additional premium.

If Guaranteed Replacement Cost coverage is shown on the "Declaration Page", there is no limit applied for the additional amount required to rebuild the insured "dwelling".

- B.** The "Actual Cash Value" of the damage at the date of the occurrence.

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

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

**Personal Property:** "We" agree to pay any loss insured for Personal Property based on "replacement cost" provided that:

- (a) the property, at the time of loss, was useable for its original purpose and is not obsolete;
- (b) "you" have repaired or replaced the property promptly;
- (c) "electronic media" is reproduced from duplicates or from originals of the previous generation of the media ("we" will not pay the cost of gathering or assembling information or "data" for reproduction except as provided under "Special limits of some personal property" point "(h)");
- (d) records, including books of account, drawings or card index systems are transcribed or copied from duplicates;

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

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

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

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

## SPECIAL DEFINITIONS

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

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

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

**"Cash Cards"** means 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 account or other account.

**"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. "Digital assets" does not include downloaded files pertaining to "your" "business".

**"Dwelling"** means the building described on the "Declaration Page" occupied by "you" as a private residence.

**"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.

“**Personal Transporter**” means a self-balancing, electric-powered transportation device able to turn in place and designed for one person, with a top speed of 20km/h.

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

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

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

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

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

“**Student**” means any “student” insured by this policy, who is temporarily living away from home for the purpose of attending a school, college or university. The “student” must be dependent on the person(s) named as Insured on the “Declaration Page” or his or her “spouse” for support and maintenance in order for coverage on this policy to extend to him/her.

“**Tenant**” means one who rents property from another for private dwelling purposes.

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

“**You**” or “**your**” means the person(s) named as Insured on the “Declaration Page” and, while living in the same household, his or her “spouse”, the relatives of either or any person under the age of 21 in their care. This also includes any “student” insured by this policy, who is temporarily living away from home for the purpose of attending a school, college or university.

## SECTION 1

### ADDITIONAL COVERAGES – PREMIUM

(Words and phrases that appear in quotation marks have special meaning. Refer to the General Definitions of this policy. This coverage must be shown on the “Declaration Page” of “your” policy for it to apply.)

The amount recoverable under any Additional Coverage in this form shall apply only as excess insurance over any coverage in this or any other form or endorsement made a part of this policy. All the underlying coverages, exclusions provisions and conditions apply to these additional coverages. Unless otherwise specified on the “Declaration Page”, the limits shown under each coverage apply.

#### SUMMARY OF ADDITIONAL COVERAGES

This table shows the title and maximum limit, if applicable, for each extension provided by this form. It is for reference purposes only. You must refer to each extension described in the following pages for exact details.

DESCRIPTION OF EXTENSION	LIMIT (If applicable)
1. Lawns, Outdoor Trees, Shrubs and Plants	5% of the limit, maximum of \$2,500 per item
2. Pollution Damage - Insured Premises	\$25,000
3. Credit or Debit Cards and Forgery and Counterfeit Money	\$5,000
4. Property used for a “Business”, Profession or Occupation	\$10,000
5. Inflation Protection	included
6. Safety Deposit Box	\$10,000
7. Lock Replacement	\$1,000
8. Refrigerator or Freezer Foods	\$3,000
9. Fire Department Charges	\$10,000
10. Arson or Theft Conviction Reward	\$1,000
11. Identity Fraud	\$25,000
12. Emergency Services Forced Entry	\$5,000
13. Domestic Animal Coverage	\$5,000
14. Non-Domestic Animal Coverage	\$20,000
15. Monuments	\$10,000

### **1. Lawns, Outdoor Trees, Shrubs and Plants:**

"You" may apply up to 5% of the amount of insurance on "your" personal property to lawns, trees, shrubs and plants that "you" own, which are on "your" "premises". "We" will not pay more than \$2,500 for any, tree, shrub or plant, or "your" lawn including debris removal expenses.

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

"We" will also reimburse "you" for up to \$500 in total for removal of trees due to a peril not covered.

Items grown for commercial purposes are not insured.

### **2. Pollution Damage - Insured Premises:**

If a sudden and unintentional event occurs during the policy term resulting in pollution or contamination of property of the insured "premises", which is required to be reported to any provincial authority, "we" will pay up to \$25,000 in any one policy year, subject to the policy deductible, for costs to remove and restore property of the insured "premises".

### **3. Credit or Debit Cards and Forgery and Counterfeit Money:**

"We" will pay for:

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

"We" do not cover:

- a) losses caused by a resident of "your" household;
- b) losses caused by a person to whom the card has been entrusted;
- c) losses arising out of "your" "business" pursuits.

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

No deductible applies to this Additional Coverage.

### **4. Property used for a "Business", Profession or Occupation:**

"We" insure "your" books, tools and instruments pertaining to a "business", profession or occupation for an amount up to \$10,000 in all.

Other "business" property, including samples and goods held for sale, is not insured;

### **5. Inflation Protection:**

If there is a loss insured under Section 1 during the term of this policy, "we" will automatically increase the amounts of insurance shown on the "declaration page" under Section 1 by amounts, which are solely attributable to the inflation increase:

- (a) since the inception date of this policy; or
- (b) the latest renewal date; or
- (c) from the date of the most recent change to the amounts of insurance shown on the "Declaration Page";

whichever is the latest.

On the renewal date of "your" policy, if required, "we" will automatically increase the amounts of insurance shown on the "declaration page" under Section 1, by amounts which are solely attributable to the inflation increases since the inception date of this policy or the latest renewal date.

### **6. Safety Deposit Box:**

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

## **7. Lock Replacement:**

"We" will pay up to \$1,000 for the replacement of locks or lock rekeying on the principal residence "dwelling" or "unit" if the keys are stolen.

No deductible applies to this Additional Coverage.

## **8. Refrigerator or Freezer Foods:**

"We" insure foodstuffs while contained in any refrigerator or food freezer unit(s) located within (or on) "your" "premises" for loss up to \$3,000 per occurrence when caused by a power failure or mechanical breakdown of such unit(s). "You" may apply a part of this limit to any reasonable expenses incurred, excluding repair or replacement parts, to reduce or avert the loss.

"We" do not insure loss or damage:

- (a) due to deliberate manual disconnection of the electrical power supply on the "premises";
- (b) due to inherent vice and/or natural spoilage;
- (c) due to "your" failure to take all reasonable steps to prevent further loss or damage to the insured property.

No deductible applies to this Additional Coverage.

## **9. Fire Department Charges:**

"We" will reimburse "you" for up to \$10,000 or the amount shown on the "declaration page", for any "extraordinary expenses" incurred by the fire department for attending the "premises" to save or protect insured property from loss or damage, or further loss or damage insured against, by this policy.

"Extraordinary Expenses" means the cost to procure or obtain any extra equipment, apparatus or specialized fire suppression products of any description, which is not owned, leased or otherwise in the possession and control of the responding fire department. It also includes the expense of extra personnel retained by the department, in addition to the normal complement of department personnel, to transport, repair, operate or use the extra equipment, apparatus or specialized suppression products.

No deductible applies to this Additional Coverage.

## **10. Arson or Theft Conviction Reward:**

"We" will pay up to \$1,000 for information which leads directly to the conviction of any person or persons who rob from any person insured under this policy, or steal, vandalize, burglarize or commit arson to any covered property insured by this policy. The \$1,000 maximum payment under this section applies regardless of the number of persons providing information.

No deductible applies to this Additional Coverage.

## **11. Identity Fraud:**

"We" will pay up to \$25,000, or the limit shown on the "Declaration Page", for the following reasonable costs and expenses incurred by an insured person because 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:

- (a) reasonable costs associated with registered mail to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors;
- (a) fees for the re-application of loans which had been declined as a result of incorrect or erroneous information;
- (b) the reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits for financial institutions, credit agencies, credit grantors or similar lenders;
- (c) 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;
- (d) long distance telephone expenses to discuss an actual "Identity Fraud Occurrence" to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors;
- (e) 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 \$300 per day, or the maximum daily limit shown on the "Declaration Page" for each "Identity Fraud Occurrence";
- (f) reasonable costs, fees or expenses associated with the replacing of Canadian or Provincial Government issued documents as a result of an "Identity Fraud Occurrence";
- (g) reasonable legal fees incurred directly as a result of an "Identity Fraud Occurrence" with prior notice to "us" for:

- i) the removal of any criminal or civil judgments wrongly entered against “you”;
  - ii) to challenge the information in “your” consumer credit report;
  - iii) the defence of lawsuits brought against “you” by businesses or their collection agencies.
- (h) 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:

- (a) “your” fraudulent, dishonest, or criminal acts;
- (b) “your” own use of “your” identity;
- (c) “your” commercial or “business” pursuits;
- (d) “your” intentional misuse of “your” identity;
- (e) fraudulent, dishonest, criminal or intentional misuse of “your” identity by an resident of “your” household;
- (f) any losses covered under the **Credit or Debit Cards and Forgery and Counterfeit Money** coverage described under Additional Coverages #3 of this form;
- (g) 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.

## **12. Emergency Services Forced Entry:**

“We” will pay up to \$5,000 in all for loss or damage caused to the “dwelling”, “unit” 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.

No deductible applies to this Additional Coverage.

## **13. Domestic Animal Coverage:**

“We” will pay up to \$5,000 in all for the following expenses “you” incur following an insured loss:

1. If “your” household pet is injured by a “specified peril” or by theft or attempted theft, “we” will pay:
  - (a) veterinary charges to treat “your” injured household pet;
  - (b) charges to bury or cremate “your” deceased household pet;
  - (c) costs associated with replacing “your” deceased household pet with one of a similar breed and pedigree;
2. If there is insured loss or damage to “your” “dwelling” or “unit”, “we” will pay the reasonable boarding of “your” household pet while repairs are being made;

“We” will also pay for damage caused by domestic animals up to \$2,500 in all, for reasonable costs and expenses incurred.

## **14. Non-Domestic Animal Coverage:**

“We” will pay up to \$20,000 in all, for reasonable costs and expenses for loss or damage caused by skunks, squirrels and raccoons to property insured by this policy.

## **15. Monuments**

“We” will pay up \$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.

**ALL THE STATUTORY AND ADDITIONAL CONDITIONS, GENERAL DEFINITIONS AND GENERAL LOSS OR DAMAGE NOT INSURED ALSO APPLY TO THIS COVERAGE**

## **GENERAL DEFINITIONS RESIDENTIAL**

(The following definitions apply to “Your” policy)

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

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

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

“**Business**” means any full time or part time pursuit undertaken for financial gain including a trade, profession, job or occupation.

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

“**Data Problem**” means:

1. erasure, destruction, corruption, misappropriation or misinterpretation of “data”;
2. error in creating, amending, entering, deleting, or using “data”, or
3. inability to receive, transmit, or use “data”, or
4. damage to electronic data processing equipment or other related component, system, process, device or cloud storage.

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

“**Domestic Fuel Tank**” means a permanently installed, above-ground “domestic fuel tank(s)” that is part of a heating unit for the insured “dwelling” or for the insured detached private structure(s). The “domestic fuel tank” includes equipment, apparatus or piping which forms part of the permanent “domestic fuel tank” installation. A permanently installed “domestic fuel tank(s)” located in the basement of an insured “dwelling” or an insured detached private structure(s) is to be deemed to be above-ground.

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

“**Dwelling**” means the building described on the “Declaration Page” occupied by “you” as a private residence.

“**Earthquake**” means snow slide, ice slide, landslide or other earth movements occurring concurrently with and directly resulting from an “earthquake” shock.

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

- (i) “Outdoor Property”;
- (ii) Solar Power panels and related equipment, but this does not include solar equipment used to heat water.

“**Flood**” includes, but is not limited to waves, tides, tidal waves, tsunami, storm surge, or seiche; the overflow of any body of “water”, whether natural or man-made, breakage or overflow of man-made dikes, flood walls, levees or similar “water” control measures.

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

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

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

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

**“Pollutants”** means any solid, liquid, gaseous or thermal irritant, or contaminants including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**“Premises”** in this Policy means buildings as named on the “Declaration Page” including the land immediately surrounding and belonging to it.

**“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 farming operation.

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

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

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

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

**“Surface waters”** means “water” or natural precipitation temporarily diffused over the surface of the ground not caused by “flood” or escape of “water” from a “domestic water container” or “water main”.

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

**“Unmanned Air Vehicle System”** means a power-driven aircraft that is operated without a flight crew member onboard, with its flight controlled either autonomously by onboard computers or by the remote control of an operator. This includes the airframe, motor, propellers, rotors, battery, spare parts, vehicle navigation system or flight controller, and ground control systems.

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

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

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

**“Water main”** means a pipe forming part of a “water” distribution system, which conveys consumable “water” but not wastewater.

**“Water”** means the chemical element defined as H<sub>2</sub>O in any of its three natural states, liquid, solid and gaseous.

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

**“You” or “your”** means;

1. the person(s) named as insured on the “Declaration Page” and, while living in the same household, his or her “spouse”, and the relatives of either or any person under the age of 21 years in their care; and
2. a corporation, if such entity is shown on the “Declaration Page” of this policy.

Only the person or entity named on the “Declaration Page” may take legal action against “us”.

## GENERAL LOSS OR DAMAGE NOT INSURED

### Applicable to Sections 1,3,4

(Words and phrases that appear in quotation marks have special meaning. Refer to the General Definitions of this policy.)

#### PROPERTY EXCLUDED

"We" do not insure loss or damage to:

1. an insured "dwelling" or "building" after it has, to "your" knowledge, been "vacant" for more than 30 consecutive days; however "farm buildings" which are in a seasonal state of vacancy due to normal farming operations are not considered "vacant", shut down or unoccupied;
2. "dwellings", "buildings" or detached private structures while being moved or transported;
3. lawns, outdoor trees, shrubs or plants unless coverage is specifically provided for under this policy;
4. any property illegally acquired or kept, stored or transported;
5. electrical devices or appliances caused by electrical current unless specific coverage is included in "your" policy;
6. property while undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
7. books of account and evidences of debt or title unless coverage is specifically provided for under this policy;
8. any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
9. automobiles, trucks, motorcycles or similar equipment designed or licensed for highway use or any vehicle subject to motor vehicle registration, aircraft, portable saw mills, or "machinery and equipment" used in logging and forestry operations or the equipment and attachments of all of them, unless specifically listed;
10. "Machinery and equipment, "dwellings", "buildings" and/or structures, and their contents, used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution or sale of marijuana or any product derived from, or containing, marijuana or any other substance falling within the Schedules of the Controlled Drugs and Substances Act, whether or not "you" are aware of such use of the property.

#### PERILS EXCLUDED

"We" do not insure loss or damage:

1. caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. 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;
3. caused by contamination by radioactive material;
4. caused by or resulting from contamination or pollution, or the release, discharge or dispersal of contaminants or "pollutants" unless coverage is specifically provided for under this policy;
5. caused by wear, tear, gradual deterioration, latent defect or mechanical breakdown, rust, corrosion, extremes of temperature, wet or dry rot, condensation, "fungi" or spore(s), or contamination;
6. caused by, birds, moths, vermin (such as skunks and racoons), rodents (such as squirrels or rats) or insects or bats unless specific coverage is included in "your" policy;
7. caused by the cost involved to correct faulty material, workmanship, or design;
8. caused by mechanical or electrical breakdown or failure, or repairing or maintenance operations unless fire ensues and then only for the for the loss or damage caused directly by the ensuing fire;
9. resulting from intentional or criminal acts or failure to act by "you", "your" employees or anyone to whom the damaged or lost property is entrusted, or any other person at the direction of any person insured by this policy;
10. because of the voluntary parting with title or ownership, whether or not induced to do so by any fraudulent scheme, trick, device or false pretences;
11. caused by loss or shortage disclosed on taking inventory or by mysterious disappearance;
12. caused in whole or in part by "terrorism", or by any activity or decision, of a government agency or other entity to prevent, respond to or terminate "terrorism" regardless of any other cause or event that contributes concurrently

or in any sequence to the loss or damage, but “you” are still insured for ensuing loss or damage which results directly from fire or explosion;

13. caused by earthquake, except for ensuing loss or damage which results directly from fire, explosion, smoke or leakage from fire protective equipment;
14. caused by “flood”, but this exclusion does not apply to leakage from a water main.
15. caused by centrifugal force, mechanical or electrical breakdown or derangement in or on the premises unless fire ensues and then only for the loss or damage caused directly by such ensuing fire;
16. caused by smoke from agricultural smudging or industrial operations;
17. caused by delay loss of market or loss of use or occupancy;
18. to buildings, caused by snowslide, landslide, subsidence or other earth movement except for ensuing loss or damage which results directly from fire, explosion, smoke or leakage from fire protective equipment;
19. by shoreline ice build-up or by impact of waterborne objects(including ice), all whether driven by wind or not;
20. arising in consequence of or contributed to by the enforcement of any by-law, regulation, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures, which by-law, regulation, ordinance or law makes it impossible to repair or reinstate the property as it was immediately prior to the loss unless coverage is specifically provided for under this policy.
21. intentional or criminal act or failure to act by:
  - (a) “you” or any person insured by this policy; or
  - (b) any other person at the direction of any person insured by this policy; or
  - (c) “your” employees or anyone to whom the damaged or lost property was entrusted.

This exclusion applies only to the claim of a person:

- i) whose act or omission caused the insured loss or damage;
- ii) who abetted or colluded in the act or omission;
- iii) who consented to the act or omission and knew or ought to have known that the act or omission would cause the insured loss or damage; or
- iv) who is in a class prescribed by regulation.

An insured person to whom this exclusion does not apply:

- i) must co-operate with “us” in respect of the investigation of the loss or damage, including without limitation by:
  1. submitting to an examination under oath, if requested by “us”;
  2. producing for examination at a reasonable time and place designated by “us”, documents specified by “us” that relate to the loss or damage; and
  3. permitting extracts and copies of such documents to be made, all at a reasonable time and place designated by “us”.
- ii) cannot recover more than their proportionate interest in the lost or damaged property.

## **DATA EXCLUSION**

This policy does not insure:

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

However, if loss or damage caused by “Data Problem” results in the occurrence of further loss or damage to property insured that is directly caused by “Named Perils” as defined in this policy, the resulting damage is covered.

# CONDITIONS REQUIRED BY LAW

## STATUTORY AND ADDITIONAL CONDITIONS

With respect to Section 2 - Liability Coverage, Statutory Conditions 1, 3, 4, 5 and 15 only apply. Otherwise, all of the Conditions set forth under the titles Statutory Conditions and Additional Conditions apply with respect to all of the perils insured by this policy except as these Conditions may be modified or supplemented by the Forms or Endorsements attached.

## STATUTORY CONDITIONS

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

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

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

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

### 5. TERMINATION

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

### 6. REQUIREMENTS AFTER LOSS

- 1) Upon the occurrence of any loss of or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11,
  - a) forthwith give notice thereof in writing to the Insurer;
  - b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
    - i. giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
    - ii. stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,
    - iii. stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured,
    - iv. showing the amount of other insurances and the names of other Insurers,

- v. showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,
  - vi. showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
  - vii. showing the place where the property insured was at the time of loss.
- c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;
  - d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
- 2) The evidence furnished under clauses (1) (c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

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

8. **WHO MAY GIVE NOTICE AND PROOF.** Notice of loss may be given and proof of loss may be made by the agent of the Insured named in the contract in case of absence or inability of the Insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the Insured refuses to do so, by a person to whom any part of the insurance money is payable.

#### 9. **SALVAGE**

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

10. **ENTRY, CONTROL, ABANDONMENT.** After loss or damage to insured property, the Insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the Insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the Insurer is not entitled to the control or possession of the insured property, and without the consent of the Insurer there can be no abandonment to it of insured property.

11. **APPRAISAL.** In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the Insurance Act before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand 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 him or by registered mail addressed to him at his latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.

## ADDITIONAL CONDITIONS

1. **NOTICE TO AUTHORITIES.** Where the loss is due to a malicious act, burglary, robbery, theft or attempt thereat, or is suspected to be so due, you must notify the police or other authority immediately.
2. **NO BENEFIT TO BAILEE.** This insurance does not apply directly or indirectly to the benefit of any carrier or other bailee.
3. **PAIR AND SET.** In the case of loss or damage to any article or articles, whether scheduled or unscheduled, which are a part of a set, we will pay only a reasonable and fair proportion of the total value of the set, and such loss or damage will not be understood to mean total loss of the set.
4. **PARTS.** In the case of loss of or damage to any part of the insured property whether scheduled or unscheduled, consisting, when complete for use, of several parts, we will not pay for more than the insured value of the part lost or damaged, including the cost of installation.
5. **YOUR DUTY AFTER LOSS.** It is your duty in the event that any property insured by this policy is lost to take all reasonable steps to recover such property. We will contribute pro rata towards any reasonable and proper expenses in connection with such efforts according to the respective interests of the parties.
6. **TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US.**  
Your rights to recover any part of your loss, for which we have made or agreed to make payment under this policy, are transferred to us. You must not impair those rights and must help us enforce them. When the net amount recovered after deducting the costs of recovery is not enough to provide a complete indemnity for the loss or damage suffered, that amount will be divided between you and us in the proportion in which the loss or damage has been borne by you and us.
7. **REBUILDING CLAUSE.** If the Declaration Page shows that the Rebuilding Clause applies, to the building(s) specified on the Declaration Page, this clause applies to those specified buildings. In the event an insured peril damages or destroys any of the buildings to which this rebuilding clause applies, you must complete and submit a 'Proof of Loss' form to us. Upon receipt of the Proof of Loss form, we will make a first payment of only fifty percent of the amount of loss payable on the damaged or destroyed building(s).

The amount of loss payable will be the lesser of:

- a) the actual amount of the damage; or
- b) the limit of insurance applicable to the damaged or destroyed buildings.

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

- a) If you notify us of your intention to repair, rebuild or replace the damaged building(s) within three hundred feet (90 metres) of its original site on lands you own at the time of the loss with a building(s) of like use and you provide us with satisfactory proof within eighteen months of the date of loss, that you spent or contracted to spend an amount not less than the total amount of all insurance payable in doing so, we will pay the balance of the amount of loss payable under this policy within thirty days.
- b) If you notify us of your intention to rebuild or replace any building(s) which have been damaged or destroyed with a building(s) of like use on lands you own at the time of the loss within the Province of Ontario but at a distance of more than three hundred feet from the site of the damaged or destroyed building(s) sought to be replaced, and provide us with satisfactory proof within eighteen months of the date of loss that you spent or contracted to spend an amount not less than the total amount of all insurance payable, in doing so, we will pay you the balance of funds within thirty days up to seventy-five percent of the amount of loss payable under this policy.
- c) If due to any regulation or law applying to construction or repair you are prohibited from repairing or rebuilding the damaged building(s) on the same site, and notify us of your intention to rebuild or replace the destroyed building(s) with a building(s) of like use on land you own on other than the same site within the Province of Ontario and you provide us with satisfactory proof within eighteen months of the date of loss, that you spent or contracted to spend an amount not less than the total amount of all insurance payable in doing so, we will pay you the balance of the amount of loss payable under this policy, within thirty days.
- d) If you do not comply with the conditions of Clauses (a) or (b) or (c), the first payment will be the only payment for the loss.

If two or more items are subject to this clause, it will apply separately to each item.

8. **AUTOMOTIVE FUELS.** Any fuels used for automotive purposes must be stored in accordance with government regulations.
9. **LIBERALIZATION CLAUSE.** During the term of this policy, if we adopt and publish for use any forms, endorsements or rules which would extend or broaden the insurance provided by this policy, without additional premium charge, either by endorsement or substitution, then such extended or broadened insurance will apply to loss occurring after the effective date of such adoption and publication as though such endorsement or substitution had been made.
10. **NON-WAIVER.** This policy is subject to the terms and conditions set forth in it together with such other terms and conditions as may be endorsed or added to it. No terms or condition of this policy will be deemed to be waived in whole or in part by us unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by us.
11. **EXAMINATION OF INSURED.** In the event of a claim under this policy, you must submit to examination under oath, at our request, and produce for examination at such reasonable place and time as designated by us or our representative, all documents in your possession or control that relate to the matters in question, and you must permit extracts and copies of such documents to be made.
12. **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 therefor existed, it shall be legally subrogated to all rights of the Mortgagee against the Insured; but any subrogation shall be limited to the amount of such loss payment and shall be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer; or the Insurer may as its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and shall thereupon receive a full assignment and transfer of the mortgage together with all securities held as collateral to the mortgage debt.
  - c) **Other Insurance** - If there be other valid and collectible insurance upon the property with loss payable to the Mortgagee - at law or in equity - then any amount payable thereunder shall be taken into account in determining the amount payable to the Mortgagee.
  - d) **Who May Give Proof Of Loss** - In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.
  - e) **Termination** - The term of this mortgage condition coincides with the term of the policy:  
Provided always that the Insurer reserves the right to cancel the policy as provided by Statutory condition but agrees that the Insurer will neither terminate nor alter the policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory condition.
  - f) **Foreclosure** - Should title or ownership to said property become vested in the Mortgagee and/or assigns as owner or purchaser under foreclosure or otherwise, this insurance shall continue until expiry or cancellation for the benefit of the said Mortgagee and/or assigns.

## SECTION 2 LIABILITY COVERAGE

This insurance applies only to accidents or occurrences, which take place during the term of this policy.

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

The amounts of insurance are shown on the "Declaration Page". Each person insured is a separate insured but this does not increase the limit of insurance.

### COVERAGE L - LEGAL LIABILITY

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

The amount of insurance is the maximum amount "we" will pay, under one or more Sections of Coverage L, for all "compensatory damages" in respect of one accident or occurrence other than as provided under Defense, Settlement, Supplementary Payments.

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

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

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

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

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

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

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

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

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

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

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

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

There are other exclusions that apply to all Coverages under Section 2. Refer to General Exclusions in this Section.

## **DEFENSE, SETTLEMENT, SUPPLEMENTARY PAYMENTS**

If a claim is made against “you” which alleges “bodily injury” or “property damage” and seeks “compensatory damages” for which “you” are insured under Coverage L, “we” will defend “you”, even if the claim is groundless, false or fraudulent. “We” reserve the right to select legal counsel, investigate, negotiate and settle any claim if “we” decide this is appropriate. “We” will pay only for the legal counsel “we” select.

In addition to the limit of insurance under Coverage L, “we” will pay:

1. all expenses which “we” incur;
2. all costs charged against “you” in any suit insured under Coverage L;
3. any interest accruing after judgment on that part of the judgment which is within the amount of insurance of Coverage L;
4. premiums for appeal bonds required in any insured law suit involving “you” and bonds to release any property that is being held as security, up to the amount of insurance, but “we” are not obligated to apply for or provide these bonds;
5. expenses which “you” have incurred for emergency medical or surgical treatment to others following an accident or occurrence insured by this policy;
6. reasonable expenses, including actual loss of income up to \$100 per day, which “you” incur at our request.

## **COVERAGE M - VOLUNTARY MEDICAL PAYMENTS**

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

The sum of \$5,000 is the maximum amount “we” will pay in respect of one accident or occurrence.

“We” will not pay:

1. expenses covered by any medical, dental, surgical or hospitalization plan or law or under any other insurance contract;
2. “your” medical expenses or those of persons residing with “you”, other than “residence employees”;
3. medical expenses of any person covered by any workers’ compensation statute;
4. for claims arising out of the ownership, use or operation of any motorized vehicle, trailer or watercraft, except those for which coverage is shown in this policy.

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

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

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

## **COVERAGE N - VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY**

“We” will pay for unintentional direct damage “you” cause to property even though “you” are not legally liable. “You” may also use this coverage to reimburse others for direct “property damage” caused intentionally by anyone included in the definition of “you” or “your” in Section 2 of this policy, 12 years of age or under.

“You” are not insured for claims:

1. resulting from the ownership, use or operation of any motorized vehicle, trailer or watercraft, except those for which coverage is provided by this policy;
2. for property “you” or “your” tenants own or rent;
3. which are insured under Section 1;
4. caused by the loss of use, disappearance or theft of property.

**Basis of Payment:** "We" will pay whichever is the least of the following:

1. the actual cash value of the property at the time of loss;
2. what it would cost to repair or replace the property with materials of similar quality at the time of loss;
3. \$2,000.

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

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

1. the amount, place, time and cause of loss;
2. the interest of all persons in the property affected;
3. the actual cash value of the property at the time of loss.

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

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

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

A "residence employee", or anyone acting on his or her behalf, who accepts these benefits must sign a release giving up any right to sue "you". "We" have the right to recover from anyone, other than "you", who is responsible for the "residence employee's" injury or death. If "your" "residence employee" does not accept these benefits or sues "you", "we" may withdraw "our" offer, but this will not affect "your" liability insurance.

"We" will not pay benefits for any hernia injury.

### **Weekly Indemnity**

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

### **Schedule of Benefits – Coverage O**

#### **1. Loss of Life:**

If "your" "residence employee" dies from injuries received in the accident within the following 26 weeks, "we" will pay:

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

#### **2. Temporary Total Disability:**

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

#### **3. Permanent Total Disability:**

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

#### **4. Injury Benefits:**

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

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

For loss of:

Description of body Part	Number of weeks benefit
<b>Loss of a Hand, arm, foot or leg</b>	104 weeks
<b>Loss of Hearing of both ears</b>	104 weeks
<b>Loss of both eyes</b>	104 weeks
<b>Loss of multiple fingers or toes</b>	52 weeks
<b>Loss of One Eye</b>	52 weeks
<b>Loss of Hearing of one ear</b>	26 weeks
<b>Loss of One finger or one toe</b>	26 weeks

#### 5. Medical Expenses:

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

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

#### Notice of Accident or Occurrence

When an accident occurs, "you" must promptly give "us" notice (in writing if requested). The notice must include:

- a) the identity of the "residence employee" and the date, time, place and circumstances of the accident;
- b) names and addresses of witnesses.

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.

There are other exclusions that apply to all Coverages under Section 2. Refer to Loss or Damage Not Insured in this Section.

### SPECIAL LIMITATIONS

#### Watercraft

**Watercraft You Own:** "You" are insured against claims arising out of "your" ownership, use or operation of watercraft provided the watercraft does not exceed 8 metres (26 feet) in length or is equipped with an outboard motor or motors of not more than 19kW (25 HP) in total when used with or on a single watercraft, or has an inboard or an inboard-outboard motor of not more than 38 kW (50 HP). If "you" own any motors or watercraft larger than those stated above, "you" are insured only if they are shown on the "Declaration Page". If they are acquired after the effective date of this policy, "you" will be insured automatically for a period of thirty days only from the date of their acquisition.

**Watercraft You Do Not Own:** "You" are insured against claims arising out of "your" use or operation of watercraft which "you" do not own, provided:

1. the watercraft is being used or operated with the owner's consent;
2. the watercraft is not owned by anyone included in the definition of "you" or "your" in Section 2 of this policy.

"You" are not insured for damage to the watercraft itself.

## Motorized Vehicles

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

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

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

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

"You" are not insured for damage to the vehicle itself.

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

**"Business" and "Business Premises":** "You" are insured against claims arising out of:

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

Claims arising from the following "business" pursuits are insured only if the properties or operations are declared on the "Declaration Page":

1. the rental of residential buildings containing not more than six "dwelling" units;
2. the use of part of "your" residence by "you" for incidental office, school or studio occupancy.

## GENERAL EXCLUSIONS OF SECTION 2

"You" are not insured for "bodily injury" or "property damage" resulting from, contributed to, or caused directly or indirectly from:

1. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. "bodily injury" or "property damage" which is also insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of Insurers regardless of exhaustion of such policy limits or its termination;
3. "your" "business" or any "business" use of "your" "premises" except as specified in this policy;

4. the rendering or failure to render any professional service;
5. "bodily injury" or "property damage" caused by any intentional or criminal act or failure to act by:
  - (a) any person insured by this policy; or
  - (b) any other person at the direction of any person insured by this policy;
6. the ownership, use or operation of any aircraft, unmanned air vehicles, drones or their equipment or "premises" used as an airport or landing strip, and all necessary or incidental operations;
7. the ownership, use or operation of any motorized vehicle, trailer or watercraft except those for which coverage is provided in this policy;
8. the ownership, use or operation of any watercraft during participation in any race or speed contest other than a sailboat;
9. the transmission of communicable disease by any person insured by this policy or arising out of the failure of any person insured by this policy to take steps to prevent the transmission or spread of any communicable disease;
10. the erasure, destruction, corruption, misappropriation or misinterpretation of "data";
11. erroneously creating, amending, entering, deleting or using "data";
12. the distribution or display of "data" by means of an Internet website, the internet, an intranet, extranet, or similar device or system designed or intended for electronic communication of "data";
13. (a) directly or indirectly from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of "Fungi" or "Spores", however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of "Fungi" or "Spores"; or
  - (b) any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with (a) above; or
  - (c) any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage referred to in (a) or (b) above;
14. any actual or alleged abuse or molestation, meaning any form of actual or threatened sexual, physical, psychological, mental and/or emotional abuse, molestation or harassment, including corporal punishment, directly or indirectly, by:
  - (a) any person or named insured who is insured by this policy;
  - (b) any person or named insured who is insured by this policy having knowledge of such an activity taking place;
  - (c) any person or named insured who is insured by this policy failing to prevent such activity from taking place;
  - (d) at the direction of any person or any named insured who is insured by this policy;
15. "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.

## SPECIAL DEFINITIONS OF SECTION 2

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

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

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

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

**"Premises"** means:

1. the "dwelling" and the land contained within the lot lines on which the "dwelling" is located;
2. other residential "premises" specified on the "Declaration Page", (this does not include "business premises" or "farms");
3. individual or family cemetery plots or burial vaults;
4. vacant land in Canada "you" own or rent, excluding "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. "premises" "you" are using or where "you" are temporarily residing if "you" do not own such "premises", as long as "you" are not the lessee or tenant of the "premises" under any agreement which is longer than 90 consecutive days;
7. any site "you" own or rent for the recreational use or seasonal storage of any trailer;
8. "premises" in Canada to be occupied by "you" as "your" principal residence from the date "you" acquire ownership or take possession but not beyond the earliest of:
  - (a) 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".
9. "premises" in Canada, leased or rented for a "student" who is dependent on the Named Insured or his/her "spouse" for support and maintenance is temporarily residing while enrolled in and attending a school, college or university.

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

**"You"** or **"your"** means:

1. the person(s) named as Insured on the "Declaration Page" and, while living in the same household, his or her "spouse", the relatives of either or any person under the age of 21 in their care. This also includes any "student" insured by this policy, who is temporarily living away from home for the purpose of attending a school, college or university.
2. 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;
3. a "residence employee" while performing their duties for "you";
4. "your" legal representative having temporary custody of the insured "premises", if "you" die while insured by this policy, for "legal liability" arising out of the insured "premises";
5. any person who is insured by this policy at the time of "your" death and who continues residing on the insured "premises".

Only the person named on the "Declaration Page" may take legal action against "us".

## CONDITIONS OF SECTION 2

**Notice of Accident or Occurrence:** When an accident or occurrence takes place, "you" must promptly give "us" notice (in writing if required). The notice must include:

1. "your" name and policy number;
2. the time, place and circumstances of the accident;
3. the names and addresses of witnesses and potential claimants.

**Co-operation:** "You" are required to:

1. help "us" obtain witnesses, information and evidence about the accident and co-operate with "us" in any legal action if "we" ask "you";
2. immediately send "us" everything received in writing concerning the claim including legal documents.

**Unauthorized Settlements-Coverage L:** "You" shall not, except at "your" cost, voluntarily make any payment, assume any obligations or incur expenses, other than first aid expenses necessary at the time of accident.

**Action Against Us Coverage L:** "You" shall not bring suit against "us" until "you" have fully complied with all the terms of this policy, nor until the amount of "your" obligation to pay has been finally determined, either by judgment against "you" or by an agreement which has our consent.

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

**Insurance Under More than One Policy:** If "you" have other insurance which applies to a loss or claim, or would have applied if this policy did not exist, our policy will be considered excess insurance and "we" will not pay any loss or claim until the amount of such other insurance is used up.