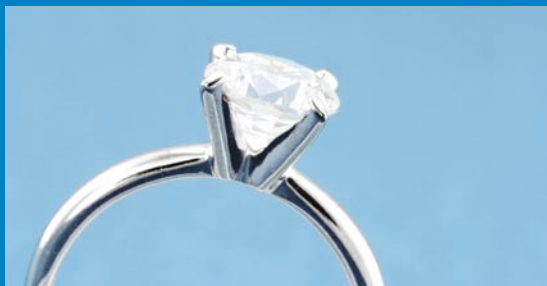




Wawanesa
Earning Your Trust Since 1896

Your
Personal
Insurance Policy



INTRODUCTION

Thank you for choosing **The Wawanesa Mutual Insurance Company** as your Insurer.

We are proud to offer you this product through Canada's Insurance Broker network.

Please read this booklet and Declarations carefully and keep them in a safe place. If you have any questions we encourage you to contact your Insurance Broker.

Your booklet has been written in plain language to make it easier for you to understand the insurance protection you have purchased.

HOW TO READ AND UNDERSTAND YOUR POLICY

Your policy consists of this booklet, the Declarations which contain information that is unique to your insurance policy and which indicates the coverages you have purchased, and any other forms that are attached to and consequently form part of your Declarations. Together, these represent the legal contract of indemnity between you and us.

This booklet, the Declarations, and any attached forms define in detail all of the coverages you have been provided by Wawanesa.

In order to determine what coverage you have, simply read your Declarations and then find the listed coverages, either in this booklet or in any attached form.

SECTION I - of this booklet describes the insurance on your property. Where an Amount of Insurance is shown in the Declarations for **COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES, COVERAGE C - PERSONAL PROPERTY** and/or **COVERAGE D - ADDITIONAL LIVING EXPENSE** you have that coverage as it is defined and limited in this booklet.

Your Declarations will also indicate if you have additional coverages on such things as Boats, Fine Arts, etc.

SECTION II - of this booklet describes the insurance coverage you have in case you are legally responsible for an injury to another person or damage to someone else's property. Where an Amount of Insurance is shown in the Declarations for **COVERAGE E - LEGAL LIABILITY** and/or **COVERAGE F - VOLUNTARY MEDICAL PAYMENTS** you have that coverage as it is defined and limited in this booklet. Your Declarations will also indicate if coverage has been extended to include coverage which would otherwise be excluded (such as operating a Day Care in your home, etc).

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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.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered.

Only claims that occur while the policy is in force will be covered. Under no circumstances will "we" entertain any claim that occurred prior to the POLICY PERIOD inception date (FROM), or which occurred after the earliest of the POLICY PERIOD expiry date (TO) shown in the Declarations or the date the coverage was terminated.

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

Words and phrases shown in "quotations" have special meaning, either as defined in this booklet under DEFINITIONS, or as otherwise specifically defined within the applicable form.

DEFINITIONS

“Actual Cash Value” will take into consideration such things as the cost of replacement less any depreciation.

In determining depreciation “we” will consider such things as:

- (1) the condition of the property;
- (2) the resale value of the property;
- (3) the normal life expectancy of the property; and
- (4) the use of the property;

immediately before the loss or damage.

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

“Business” means a trade, profession or occupation. Business does not include “farming”.

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

“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 or other account.

“Civil Authority” referred to in COVERAGE D - ADDITIONAL LIVING EXPENSE in SECTION I PROPERTY COVERAGES shall mean any person acting under the authority of the Governor General in Council of Canada or the Lieutenant Governor in Council of a Province, and/or any person acting with authority under a Federal, Provincial or Territorial legislation with respect to the protection of persons and property in the event of an emergency.

“Computer Equipment” means the central processing unit and any auxiliary equipment including, but not limited to mice, monitors, keyboards, printers, speakers, scanners, disk and tape drives, modems, routers, cassette tape recorders, word processing equipment, and any associated connecting cables.

“Computer System” means:

- (1) “your” “computer equipment” described in the Declarations; and any
- (2)
 - (a) “media”;
 - (b) “software” electronically stored on “computer equipment” or “media”; and
 - (c) “data” electronically stored on “computer equipment” or “media”;all as described in the Declarations and which are being used in conjunction with “your” “computer equipment” described in the Declarations.

“Condominium Corporation” means a condominium or strata corporation established under Provincial Legislation.

“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”.

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

“Dwelling”:

- (1) if “you” are a building or mobile home owner, means a building or mobile home occupied principally as a private residence;
- (2) if “you” are a tenant, means the portion of a building occupied principally as a private residence;
- (3) if “you” are a condominium unit owner, means the structure occupied as a condominium unit for private residence purposes or the portion of the structure occupied as a condominium unit for private residence purposes.

“Farming” means the ownership, maintenance or use of premises for the production of crops or the raising or care of livestock, including all necessary operations.

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

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

“Identity Fraud” means the act of using, without lawful authority, “your” identifying information, to commit any unlawful activity that constitutes a crime or violation of any federal, provincial, territorial, municipal or local law.

“Insured” means a “Named Insured” and, while living in the same household:

- (1) his or her spouse;
- (2) the relatives of either; and
- (3) any person under the age of 21 years in their care.

Spouse includes:

- (1) either of two persons who are married to each other or who have together entered into a marriage that is voidable or void; or
- (2) either of two persons who are living together in a conjugal relationship outside marriage and have so lived together continuously for a period of 3 years or, if they are the natural or adoptive parents of a child, for a period of 1 year.

In addition, a student who is enrolled in and actually attends a school, college or university and who is dependent on a “Named Insured” or his or her spouse for support and maintenance is also insured even if temporarily residing away from “your” principal residence stated in the Rating Information section of the Declarations.

In addition, an Insured or parent of an Insured who is dependent on the “Named Insured” or his or her spouse for support and maintenance, is also insured while living in a nursing home.

Only a “Named Insured” may take legal action against “us”.

Under SECTION II LIABILITY COVERAGE Insured also means:

- (1) any person or organization legally liable for damages caused by a watercraft owned by “you”, and to which this insurance applies. This does not include anyone using or having custody of the watercraft in the course of any “business” or “farming” operation or without the owner’s permission;
- (2) any person or organization legally liable for damages caused by an animal(s) owned by “you”, and to which this insurance applies. This does not include anyone using or having custody of the animal(s) in the course of any “business” or “farming” operation or without the owner’s permission;
- (3) a “residence employee” while performing duties in connection with the ownership, use or operation of motorized vehicles and trailers for which coverage is otherwise provided in this policy;
- (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 “premises”;
- (5) any person who is insured by this policy at the time of “your” death and who continues residing on the “premises”.

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

“Media” means materials on which “software” and/or “data” are electronically recorded such as, but not limited to, magnetic tapes, memory sticks, diskettes, digital versatile discs (DVD’s), compact discs (CD’s), disc packs and cassettes, whether containing any “software” or “data” or not.

“Named Insured” means a person designated as an Insured in the Declarations.

“Occurrence” means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

“Our” means The Wawanesa Mutual Insurance Company.

“Premises” means:

- (1) the premises where “you” reside and which is shown as “your” principal residence in the Rating Information section of the Declarations. If “you” own that residence, premises also means the grounds appurtenant to it. If “you” reside in rented premises or a condominium unit, premises means the portions of the location shown in the Declarations which are used or occupied exclusively by “your” household for residential purposes;
- (2) other residential premises specified in the Declarations, except “business property” and farms.

Under SECTION II LIABILITY COVERAGE premises also means:

- (1) individual or family cemetery plots or burial vaults;
- (2) “vacant” land in Canada owned by or rented to “you”, other than farm land;
- (3) land in Canada owned by or rented to “you” on which an independent contractor is building a one, two or three-family residence to be occupied by “you”;
- (4) premises “you” are using or where “you” are temporarily residing if “you” do not own such premises;
- (5) 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 term expires or is terminated;
 - (c) the date upon which specific liability insurance is arranged for such premises.

“Property Damage” means physical injury to, or destruction of tangible property, including the loss of use of this property.

“Replacement Cost” means the lower of:

- (1) the cost of repairing the property with materials of similar kind and quality; or
- (2) the cost of new articles of similar kind, quality and usefulness;

on the date of loss or damage, without any deduction for depreciation.

“Residence Employee” means a person employed by “you” to perform duties in connection with the maintenance or use of insured “premises”, as stated in the Declarations. This includes persons who perform household or domestic services or duties of a similar nature for “you”. This does not include:

- (1) any “Named Insured”;
- (2) the spouse of any person described in (1) above. Spouse includes:
 - (a) either of two persons who are married to each other or who have together entered into a marriage that is voidable or void; or
 - (b) either of two persons who are living together in a conjugal relationship outside marriage and have so lived together continuously for a period of 3 years or, if they are the natural or adoptive parents of a child, for a period of 1 year;
- (3) the relatives of any person referred to in either (1) or (2) above while the relative is living in the same household as the “Insured”;
- (4) any person under the age of 21 years in the care of any person referred to in (1), (2) or (3) above and who is living in the same household as the “Insured”;
- (5) persons while performing duties in connection to “your” “business” or “farming” operation.

“Software” means programs and instructions stored on “computer equipment” or “media”.

“Specified Perils” means the following perils as described and limited, subject to losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED:

- (1) FIRE OR LIGHTNING.
- (2) EXPLOSION.
- (3) SMOKE.

This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.

- (4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building.

- (5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

- (6) RIOT.

(7) VANDALISM OR MALICIOUS ACTS.

This peril does not include loss or damage:

- (a) occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
- (b) caused by "you";
- (c) caused by theft, including damage caused by attempted theft.

(8) WATER DAMAGE.

This peril means loss or damage:

- (a) to a system from which the water or steam escapes, but only for damage caused by the freezing of any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";
- (b) caused by the sudden and accidental escape of water from a water main;
- (c) caused by the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";
- (d) caused by the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing; or
- (e) caused by water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE;

but under no circumstances will "we" insure loss or damage:

- (f) caused by freezing during the usual heating season:
 - (i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:
 - 1) taken reasonable care to maintain the heat in the building or structure;
 - 2) shut off the water supply and have drained the system and appliance of water;
 - 3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.
 - (ii) within an unheated portion of "your" "dwelling";
- (g) caused by continuous or repeated seepage or leakage of water;
- (h) caused by the backing up or escape of water from a sewer, sump, or septic tank;
- (i) caused by "ground water" or the rising of the water table;
- (j) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";
- (k) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
- (l) to a water main;
- (m) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

(9) WINDSTORM OR HAIL.

This peril does not include loss or damage to the interior of a building, or the personal property inside a building, caused by rain, hail, snow, sleet, sand or dust, unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening.

(10) WEIGHT OF ICE, SNOW OR SLEET.

This peril means the weight of ice, snow or sleet which causes damage to property contained in the building.

(11) COLLAPSE OF A BUILDING OR ANY PART OF A BUILDING.

This peril does not include settling, cracking, shrinking, bulging, expansion, or the falling of ceiling or wall plaster.

(12) ELECTRICITY.

This peril means sudden and accidental damage from artificially generated electrical current.

(13) DAMAGE CAUSED BY BEARS.

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

“Surface Waters” means water or natural precipitation temporarily diffused over the surface of the ground, including but not limited to “flood”.

“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.

“Us” means The Wawanesa Mutual Insurance Company.

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

(1) all occupants have moved out with no intention of returning and no new occupant has taken up residence; or

(2) in the case of a newly constructed house, 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.

“We” means The Wawanesa Mutual Insurance Company.

“You” or **“Your”** refers to the “Insured”.

SECTION I

PROPERTY COVERAGES

COVERAGE A - DWELLING BUILDING

"We" insure:

- (1) the "dwelling" on the "premises" described in the Declarations and all attached structures;
- (2) permanently installed outdoor equipment on the "premises", used principally for the service of the "dwelling";
- (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 the "dwelling" or private structures on the "premises";
- (5) building fixtures and fittings used principally for the service of the "dwelling" while temporarily removed from the "premises" for repair or seasonal storage.

COVERAGE B - PRIVATE STRUCTURES

"We" insure private structures, on the "premises", separated from the "dwelling" by a clear space or connected to the "dwelling" by only a fence, utility line or similar connection.

PROPERTY NOT INSURED

"We" do not insure private structures used in whole or in part for "business" or "farming" purposes.

COVERAGE C - PERSONAL PROPERTY

"We" insure:

- (1) personal property "you" own, wear or use, while on "your" "premises". If "you" wish, "we" will include personal property of others while it is on that portion of "your" "premises" which "you" occupy.
- (2) "your" personal property while it is temporarily away from "your" "premises" anywhere in the world. If "you" wish, "we" will include personal property belonging to others while it is in "your" possession or belonging to a "residence employee" travelling for "you".

Personal property at any other location "you" own, rent or occupy is not insured, except while "you" are temporarily living there.

Personal property while in storage, including property in a safety deposit box, is insured.

Personal property of a student who is enrolled in and actually attends a school, college or university and who is dependent on a "Named Insured" or his or her spouse for support and maintenance, while temporarily residing away from "your" principal residence stated in the Rating Information section of the Declarations, is covered up to \$10,000.

Personal property of an "Insured" or parent of an "Insured" who is dependent on the "Named Insured" or his or her spouse for support and maintenance, while residing in a nursing home, is covered up to \$10,000.

- (3) "your" personal property while "you" are moving from the "premises" shown in the Declarations to a new "dwelling" anywhere in Canada;
 - (a) for a period of 30 days commencing on the date "you" started moving; or
 - (b) until "your" policy term expires or is terminated;whichever occurs first.

SPECIAL LIMITS OF INSURANCE

"We" insure:

- (1) books, tools and instruments pertaining to a "business", but only while on "your" "premises", and only for an amount up to \$5,000. Other property pertaining to a "business", including samples and goods held for sale, is not insured;
- (2) securities up to \$5,000 in all;
- (3) money including "cash cards", or bullion, up to \$500 in all;
- (4) watercraft, their furnishings, equipment, accessories and motors up to \$3,000 in all. These are insured only for "specified perils" and theft, including damage caused by attempted theft;
- (5) lawn mowers, snow blowers, garden tractors, or other motorized garden equipment, and motorized golf carts, up to \$10,000 in all;

- (6) spare automobile parts up to \$1,000 in all.

The following SPECIAL LIMITS OF INSURANCE do not apply to any claim caused by any of the "specified perils".

"We" insure:

- (7) jewellery, watches, gems, fur garments and garments trimmed with fur up to \$6,000 in all;
- (8) numismatic property (such as coin collections) up to \$500 in all;
- (9) manuscripts, stamps and philatelic property (such as stamp collections) up to \$1,500 in all;
- (10) up to \$1,000 for each bicycle, including its equipment and accessories.

PROPERTY NOT INSURED

"We" do not insure:

- (1) property of roomers or boarders who are not related to "you";
- (2) (a) motorized vehicles or their equipment (except for watercraft, lawn mowers, other gardening equipment, snow blowers, motorized golf carts, electric power assisted bicycles, wheelchairs, or scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability);
(b) camper units, truck caps, trailers, or their equipment;
(c) aircraft or their equipment.

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

Toys or hobby items such as model aircraft or children's battery powered all terrain vehicles using no more than a 12 volt battery or that can attain speeds no greater than 8 kilometers per hour (5 miles per hour) are not considered motorized vehicles or aircraft.

- (3) sporting equipment where the loss or damage is due to its use;
- (4) breakage of eyeglasses, glassware, statuary, marbles, bric-a-brac, porcelain, and similar fragile articles (other than jewellery, gems, watches, bronzes, precious and semi-precious stones, cameras and photographic lenses) unless the loss or damage is caused by:
 - (a) any of the "specified perils";
 - (b) collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer, or of any conveyance of a common carrier, in which the insured property is being carried; or
 - (c) theft, including damage caused by attempted theft;
- (5) animals, birds or fish unless the loss or damage is caused by any of the "specified perils" other than IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE;
- (6) property at any fairground, exhibition or exposition, for the purpose of exhibition;
- (7) evidences of debt or title.

COVERAGE D - ADDITIONAL LIVING EXPENSE

The Amount of Insurance for COVERAGE D - ADDITIONAL LIVING EXPENSE 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 this policy.

(1) ADDITIONAL LIVING EXPENSE

If because of an insured loss, "your" "dwelling" is unfit for occupancy or "you" have to move out while repairs are being made, "we" insure any necessary increase in living expenses, including moving expenses, incurred by "you", so that "your" household can maintain its normal standard of living. Payment shall be for the reasonable time required to repair or rebuild "your" "dwelling", or if "you" permanently relocate, the reasonable time required for "your" household to settle elsewhere.

(2) FAIR RENTAL VALUE

If an insured loss makes that part of the “dwelling” or private structures rented to others or held for rental by “you” unfit for occupancy, “we” insure its Fair Rental Value. Payments shall be for the reasonable time required to repair or replace that part of the “dwelling” or private structures rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the “dwelling” or private structures rented or held for rental is unfit for occupancy.

(3) PROHIBITED ACCESS

If a “civil authority” prohibits access to “your” “premises”:

- (a)** as a direct result of damage to neighbouring “premises” by an INSURED PERIL in this policy, “we” insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding two weeks; or
- (b)** by order for mass evacuation as a direct result of a sudden and accidental event within Canada or the United States of America, “we” insure any resulting necessary and reasonable increase in living expense incurred by “you” for the period access is prohibited, not exceeding two weeks.

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

- (i)** losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;
- (ii)** “flood”;
- (iii)** earthquake.

“We” do not insure loss or expense due to the cancellation of a lease or agreement.

ADDITIONAL COVERAGES

All ADDITIONAL COVERAGES are subject to the SECTION I Deductible stated in the Declarations unless the terms of the ADDITIONAL COVERAGES state otherwise.

(1) OUTDOOR TREES, PLANTS AND SHRUBS

(NOT APPLICABLE TO ANY SEASONAL DWELLINGS)

“You” may use up to 5% of either the COVERAGE A - DWELLING BUILDING or COVERAGE C - PERSONAL PROPERTY Amount of Insurance to cover any trees, plants and shrubs on “your” “premises”.

“We” insure these items against loss caused by FIRE OR LIGHTNING, EXPLOSION, VANDALISM OR MALICIOUS ACTS, or IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE all as described and limited in “specified perils”.

“We” do not insure lawns, items grown for commercial purposes, or items located more than 75m (250 ft) from the “dwelling”.

If the amount payable for loss to property insured under COVERAGE A - DWELLING BUILDING and COVERAGE C - PERSONAL PROPERTY including “your” trees, plants and shrubs, is greater than the combined Amount of Insurance shown in the Declarations for COVERAGE A - DWELLING BUILDING and COVERAGE C - PERSONAL PROPERTY at the described location, then an additional 5% of that amount will be available to cover any trees, shrubs and plants at that described location.

“We” will not pay more than \$1,000 for any one tree, shrub or plant, including its debris removal expense.

(2) CONDOMINIUM UNIT OWNERS LOSS ASSESSMENT COVERAGE

If “you” are a condominium unit owner, “we” will pay for an additional amount of up to 250% of the Amount of Insurance on COVERAGE C - PERSONAL PROPERTY for “your” share of any special assessment if:

- (a)** the assessment is valid under the governing rules of the “Condominium Corporation”; and
- (b)** it is made necessary by a direct loss to the collectively owned condominium property caused by an INSURED PERIL “you” are covered for in “your” Condominium policy.

“We” will pay up to \$25,000 for that part of an assessment made necessary by a deductible in the insurance policy of the “Condominium Corporation”.

(3) CONDOMINIUM ADDITIONAL COVERAGE

If "you" are a condominium unit owner and a Condominium Additional Coverage Amount of Insurance is indicated in the Declarations, "we" insure "your" unit, excluding "your" improvements to it, if the "Condominium Corporation" has no insurance or its insurance is inadequate or is not effective. Inadequate includes a deductible in the "Condominium Corporation's" property insurance policy, but only where the "Condominium Corporation's" governing rules specifically permit it to place the responsibility for any portion of the Master Policy Deductible on an individual unit owner.

SPECIAL FORM INSURED PERILS apply to this coverage.

(4) TENANT OR CONDOMINIUM UNIT OWNER IMPROVEMENTS

If "you" are a tenant or condominium unit owner, "we" also insure improvements to the "dwelling" made by "you" or acquired at "your" expense, including:

- (a) any private structure(s) or swimming pool on the "premises";
 - (b) materials and supplies located on or adjacent to the "premises" for use in such improvements.
- If "you" are a tenant, payment under this coverage reduces the COVERAGE C - PERSONAL PROPERTY Amount of Insurance by the sum paid. If "you" are a condominium unit owner, "we" will pay for an additional amount of up to 100% of the Amount of Insurance on COVERAGE C - PERSONAL PROPERTY.

(5) DAMAGE TO DWELLING

If "you" are a tenant, "you" may use up to \$2,000 of "your" Amount of Insurance on COVERAGE C - PERSONAL PROPERTY to pay for damage, not including FIRE damage:

- (a) to the "dwelling" directly caused by theft, including damage caused by attempted theft;
- (b) to the interior of the "dwelling" directly caused by VANDALISM OR MALICIOUS ACTS as described and limited in "specified perils".

If the amount payable for loss to property insured under COVERAGE C - PERSONAL PROPERTY including any loss payable under this ADDITIONAL COVERAGE is greater than the Amount of Insurance shown in the Declarations for COVERAGE C - PERSONAL PROPERTY, then up to an additional \$2,000 will be available to cover any loss payable under this ADDITIONAL COVERAGE.

(6) PROPERTY REMOVED

If "you" must remove insured property from "your" principal residence stated in the Rating Information section of the Declarations, to protect it from loss or damage, it is insured by this policy:

- (a) for a period of 90 days commencing on the day "you" begin removing the property; or
 - (b) until the policy term expires or is terminated;
- whichever occurs first.

This coverage does not increase the Amount of Insurance applying to the property being removed.

(7) CHANGE OF TEMPERATURE

"We" will pay for "your" personal property covered under COVERAGE C - PERSONAL PROPERTY if that property is damaged by change of temperature resulting from physical damage to "your" "dwelling" or equipment by any of the INSURED PERILS. This only applies to personal property kept in the "dwelling".

This ADDITIONAL COVERAGE does not increase the Amount of Insurance applicable to property insured under COVERAGE C - PERSONAL PROPERTY.

(8) TEAR OUT

- (a) Homeowners and Mobile Home Owners:

If "you" are a homeowner or mobile home owner and any walls, ceilings or other parts of insured buildings or structures must be torn apart before covered water damage can be repaired, "we" will pay the costs of such work and its restoration.

This ADDITIONAL COVERAGE does not increase the Amount of Insurance applicable to property insured under COVERAGE A - DWELLING BUILDING.

- (b) Tenants or Condominium Unit Owners:

If "you" are a tenant or condominium unit owner and any of "your" improvements must be torn apart before covered water damage can be repaired, "we" will pay the costs of such work and its restoration.

This ADDITIONAL COVERAGE does not increase the Amount of Insurance applicable to property insured under COVERAGE C - PERSONAL PROPERTY.

The cost of tearing out and replacing property to repair damage related to outdoor swimming pools or public water mains is not insured.

(9) DEBRIS REMOVAL

"We" will pay the reasonable expenses incurred by "you" in the removal of debris of insured property as a result of an INSURED PERIL.

If the amount payable for loss, including expense for removal of debris, is greater than the Amount of Insurance applicable to the lost or damaged property, then an additional 5% of that amount will be available to cover "your" debris removal expense.

(10) CREDIT OR DEBIT CARDS, FORGERY AND COUNTERFEIT MONEY

(a) "We" will pay up to \$5,000 for:

- (i) "your" legal obligation to pay because of the theft or unauthorized use of credit cards issued to "you" or registered in "your" name;
- (ii) loss caused by theft of "your" debit or automated teller cards;
- (iii) loss caused by forgery or alteration of any cheque or negotiable instrument; and
- (iv) loss sustained through acceptance in good faith of counterfeit Canadian or United States paper currency.

(b) "We" do not pay for loss:

- (i) unless "you" have complied with all the conditions under which the cards have been issued;
- (ii) caused by the use of "your" cards by a resident of "your" household or by a person to whom cards have been entrusted.

At "our" option and expense "we" may defend any claim against "you" under (a)(i), (a)(ii) and (a)(iii) above.

This is additional insurance.

No deductible applies to this coverage.

(11) HOME FREEZER AND FOOD SPOILAGE

"We" will pay up to \$3,000 in all for loss or damage to "your" food freezer(s) and "your" frozen food contained in the freezer(s).

SPECIAL FORM INSURED PERILS apply to "your" food freezer(s) and "your" frozen food contained in the freezer(s).

In addition, "your" frozen food contained in the freezer(s) is insured for spoilage caused by:

- (a) a power failure originating on or off "your" "premises"; and
- (b) the mechanical breakdown of "your" food freezer(s).

This ADDITIONAL COVERAGE is in addition to the Amount of Insurance applicable to property insured under COVERAGE C - PERSONAL PROPERTY.

No deductible applies to this coverage.

(12) FIRE DEPARTMENT CHARGES

"We" will pay up to \$3,000 to reimburse "you" if "you" are charged for fire fighting services incurred in response to an occurrence caused by an INSURED PERIL at "your" "premises", provided a fire department was also called to respond.

This is additional insurance.

No deductible applies to this coverage.

(13) LOCK REPLACEMENT COVERAGE

(NOT APPLICABLE TO SEASONAL DWELLINGS)

"We" will pay up to \$1,000 to replace or re-key, at "our" option, locks on the "premises" described in the Declarations, if "your" keys are stolen.

This ADDITIONAL COVERAGE is in addition to the Amount of Insurance applicable to property insured under COVERAGE A - DWELLING BUILDING.

No deductible applies to this coverage.

(14) ARSON CONVICTION REWARD

"We" will pay \$1,000 for information which leads to a conviction for arson in connection with a fire loss to property insured by this policy. The \$1,000 limit will not be increased regardless of the number of persons providing information.

This ADDITIONAL COVERAGE may increase the amount otherwise applicable to the loss.

No deductible applies to this coverage.

(15) GRAVE MARKERS

"We" will pay up to \$3,000 for loss or damage to grave markers and mausoleums that mark the grave of a spouse, child, parent or grandparent of an "Insured", caused by any of the "specified perils".

This is additional insurance.

No deductible applies to this coverage.

(16) AUTOMATIC PRINCIPAL RESIDENCE COVERAGE

When "you" purchase a "dwelling" in Canada to replace "your" principal residence as shown in the Rating Information section of the Declarations, and "you" notify "us" within 30 days of the title registration to "you", the insurance afforded to your principal residence by this policy is extended to cover both residences:

- (a) for a period of 30 days before or after that registration; or
 - (b) until the policy term expires or is terminated;
- whichever occurs first.

This is additional insurance, however we will not pay more for either residence than the principal residence Amount of Insurance stated in the Declarations.

The following do not apply to this ADDITIONAL COVERAGE:

- (a) SINGLE INCLUSIVE LIMIT - FORM 1050; and
- (b) GUARANTEED REPLACEMENT COST - COVERAGE A - DWELLING BUILDING.

Any applicable vacancy restrictions, as described and limited in this policy, will apply to both residences.

SPECIAL FORM

If the Rating Information section of "your" Declarations indicates that a location is a Homeowners Special Form (Forms Applicable - SPEC H), Special Condominium Form (Forms Applicable - SPEC C), Special Mobile Home (Forms Applicable - SPEC M), Special Rented Dwelling (Forms Applicable - SPEC R) or Tenants Special Form (Forms Applicable - SPEC T), "your" covered property at that location is insured against the following perils:

INSURED PERILS

Where the Declarations indicate an Amount of Insurance for COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and/or COVERAGE C - PERSONAL PROPERTY, that covered property is insured against all risks of direct physical loss or damage except:

- (1) losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;
 - (2) settling, expansion, contraction, moving, bulging, buckling, cracking, or the falling of ceiling or wall plaster. If loss or damage to building glass results, "we" will pay only for that resulting damage;
- loss or damage caused by or resulting from:
- (3) smoke from agricultural smudging or industrial operations;
 - (4) theft, including damage caused by attempted theft of property in or from a "dwelling" under construction, or of materials and supplies for use in the construction, until the "dwelling" is completed and ready to be occupied;
 - (5) theft, including damage caused by attempted theft from the part of the "dwelling" rented to others, committed by any tenant, tenant's employee or member of the tenant's household;
 - (6) hail, whether driven by wind or not, to the outer metal cover of any mobile home, unless the cover is punctured by the hail;
 - (7) vandalism or malicious acts or glass breakage occurring while "your" "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
 - (8) water:
 - (a) damage to a system from which the water or steam escapes, except for damages caused by freezing to any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";
 - (b) unless the loss or damage resulted from the sudden and accidental escape of water from a water main;
 - (c) unless the loss or damage resulted from the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";
 - (d) unless the loss or damage resulted from the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing;
 - (e) unless the loss or damage resulted from water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE; or
 - (f) unless the loss or damage resulted from water that enters "your" "dwelling" through a roof due to the accumulation of ice or snow on the exterior of the roof or eaves trough;but under no circumstances will "we" insure loss or damage:
 - (g) caused by freezing during the usual heating season:
 - (i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:
 - 1) taken reasonable care to maintain the heat in the building or structure;
 - 2) shut off the water supply and have drained the system and appliance of water;
 - 3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.
 - (ii) within an unheated portion of "your" "dwelling";
 - (h) caused by continuous or repeated seepage or leakage of water other than in (8)(f) above;
 - (i) caused by the backing up or escape of water from a sewer, sump, or septic tank;
 - (j) caused by "ground water" or the rising of the water table;

- (k) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";
 - (l) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
 - (m) to a water main;
 - (n) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.
- (9) snowslide, earthquake, landslide, or any other earth movement. If any of these results in fire or explosion, "we" will pay only for the resulting loss or damage;
- (10) (a) freezing;
- (b) thawing; or
- (c) pressure or weight of water, ice, snow or sleet, whether driven by wind or not; to any fence, deck, patio, pavement, swimming pool or attached equipment, water main, foundation, retaining wall, bulkhead, pier, wharf or dock;
- (11) fuel oil leakage, unless the loss or damage is caused by or resulting from the sudden and accidental escape of fuel oil from a permanently installed domestic fixed fuel tank, any attached equipment, apparatus or piping;
- but "we" do not insure:
- (a) loss or damage caused by prior fuel oil leakage; or;
 - (b) loss or damage caused by or resulting from continuous or repeated seepage or leakage of fuel oil.

BROAD FORM

If the Rating Information section of "your" Declarations indicates that a location is a Homeowners Broad Form (Forms Applicable - BROAD H), Condominium Package Broad Form (Forms Applicable - BROAD C), Broad Mobile Home (Forms Applicable - BROAD M) or Tenants Package Broad Form (Forms Applicable - BROAD T), "your" covered property at that location is insured against the following perils:

INSURED PERILS FOR COVERAGE A - DWELLING BUILDING AND COVERAGE B - PRIVATE STRUCTURES

Where the Declarations indicate an Amount of Insurance for COVERAGE A - DWELLING BUILDING and/or COVERAGE B - PRIVATE STRUCTURES, that covered property is insured against all risks of direct physical loss or damage except:

- (1) losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;
 - (2) settling, expansion, contraction, moving, bulging, buckling, cracking, or the falling of ceiling or wall plaster. If loss or damage to building glass results, "we" will pay only for that resulting damage;
- loss or damage caused by or resulting from:
- (3) smoke from agricultural smudging or industrial operations;
 - (4) theft, including damage caused by attempted theft of property in or from a "dwelling" under construction, or of materials and supplies for use in the construction, until the "dwelling" is completed and ready to be occupied;
 - (5) theft, including damage caused by attempted theft from the part of the "dwelling" rented to others, committed by any tenant, tenant's employee, or member of the tenant's household;
 - (6) hail, whether driven by wind or not, to the outer metal cover of any mobile home, unless the cover is punctured by the hail;
 - (7) vandalism or malicious acts or glass breakage occurring while "your" "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
 - (8) water:
 - (a) damage to a system from which the water or steam escapes, except for damages caused by freezing to any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";
 - (b) unless the loss or damage resulted from the sudden and accidental escape of water from a water main;
 - (c) unless the loss or damage resulted from the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";
 - (d) unless the loss or damage resulted from the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing;
 - (e) unless the loss or damage resulted from water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE; or
 - (f) unless the loss or damage resulted from water that enters "your" "dwelling" through a roof due to the accumulation of ice or snow on the exterior of the roof or eaves trough;but under no circumstances will "we" insure loss or damage:
 - (g) caused by freezing during the usual heating season:
 - (i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:
 - 1) taken reasonable care to maintain the heat in the building or structure;
 - 2) shut off the water supply and have drained the system and appliance of water;
 - 3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.
 - (ii) within an unheated portion of "your" "dwelling";
 - (h) caused by continuous or repeated seepage or leakage of water other than in (8)(f) above;
 - (i) caused by the backing up or escape of water from a sewer, sump, or septic tank;
 - (j) caused by "ground water" or the rising of the water table;

- (k) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";
 - (l) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
 - (m) to a water main;
 - (n) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.
- (9) snowslide, earthquake, landslide, or any other earth movement. If any of these results in fire or explosion, "we" will pay only for the resulting loss or damage;
- (10) (a) freezing;
- (b) thawing; or
- (c) pressure or weight of water, ice, snow or sleet, whether driven by wind or not; to any fence, deck, patio, pavement, swimming pool or attached equipment, water main, foundation, retaining wall, bulkhead, pier, wharf or dock;
- (11) fuel oil leakage, unless the loss or damage is caused by or resulting from the sudden and accidental escape of fuel oil from a permanently installed domestic fixed fuel tank, any attached equipment, apparatus or piping;
- but "we" do not insure:
- (a) loss or damage caused by prior fuel oil leakage; or;
 - (b) loss or damage caused by or resulting from continuous or repeated seepage or leakage of fuel oil.

INSURED PERILS FOR COVERAGE C - PERSONAL PROPERTY

Where the Declarations indicate an Amount of Insurance for COVERAGE C - PERSONAL PROPERTY, that covered property is insured against direct loss or damage caused by the following perils as described and limited, subject to losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED:

- (1) FIRE OR LIGHTNING.
- (2) EXPLOSION.
- (3) SMOKE.

This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.

- (4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building.

- (5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

- (6) RIOT.

- (7) VANDALISM OR MALICIOUS ACTS.

This peril does not include loss or damage:

- (a) occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";

- (b) caused by "you";

- (c) caused by theft, including damage caused by attempted theft.

- (8) WATER DAMAGE.

This peril means loss or damage:

- (a) to a system from which the water or steam escapes, but only for damage caused by the freezing of any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";

- (b) caused by the sudden and accidental escape of water from a water main;

- (c) caused by the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";

- (d) caused by the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing;
- (e) caused by water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE; or
- (f) caused by water that enters "your" "dwelling" through a roof due to the accumulation of ice or snow on the exterior of the roof or eaves trough;

but under no circumstances will "we" insure loss or damage:

- (g) caused by freezing during the usual heating season:
 - (i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:
 - 1) taken reasonable care to maintain the heat in the building or structure;
 - 2) shut off the water supply and have drained the system and appliance of water;
 - 3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.
 - (ii) within an unheated portion of "your" "dwelling";
- (h) caused by continuous or repeated seepage or leakage of water other than in (8)(f) above;
- (i) caused by the backing up or escape of water from a sewer, sump, or septic tank;
- (j) caused by "ground water" or the rising of the water table;
- (k) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";
- (l) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
- (m) to a water main;
- (n) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

(9) WINDSTORM OR HAIL.

This peril does not include loss or damage to the interior of a building or the personal property inside a building, caused by rain, hail, snow, sleet, sand or dust unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening.

(10) BREAKAGE OF GLASS.

This peril means breakage of glass which is part of a building or private structure (if "you" are a homeowner, bareland condominium unit owner or mobile home owner), or part of "your" improvements (if "you" are a tenant or condominium unit owner), on "your" "premises" including glass in storm windows and doors.

This peril does not include loss or damage occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us".

(11) TRANSPORTATION.

This peril means loss or damage to "your" personal property while it is temporarily away from "your" "premises", caused by collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer, or of any conveyance of a common carrier, in which the insured property is being carried.

This peril does not include loss or damage to any watercraft, their furnishings, equipment, accessories and motors.

(12) THEFT, INCLUDING DAMAGE CAUSED BY ATTEMPTED THEFT.

This peril does not include loss or damage:

- (a) caused by theft from the part of the "dwelling" rented to others, caused by theft or attempted theft committed by any tenant, tenant's employee or member of the tenant's household;
- (b) to property in or from a "dwelling" under construction, or of materials and supplies for use in the construction, until the "dwelling" is completed and ready to be occupied.

(13) WEIGHT OF ICE, SNOW OR SLEET.

This peril means the weight of ice, snow or sleet which causes damage to property contained in the building.

(14) COLLAPSE OF A BUILDING OR ANY PART OF A BUILDING.

This peril does not include settling, cracking, shrinking, bulging, expansion, or the falling of ceiling or wall plaster.

(15) ELECTRICITY.

This peril means sudden and accidental damage from artificially generated electrical current.

(16) FUEL LEAKAGE.

This peril means loss or damage is caused by or resulting from the sudden and accidental escape of fuel oil from a permanently installed domestic fixed fuel tank, any attached equipment, apparatus or piping;

but "we" do not insure:

(a) loss or damage caused by prior fuel oil leakage; or;

(b) loss or damage caused by or resulting from continuous or repeated seepage or leakage of fuel oil.

(17) DAMAGE CAUSED BY BEARS.

BASIC DWELLING FORM

If the Rating Information section of "your" Declarations indicates that a location is a Basic Dwelling (Forms Applicable - 1008) or Secondary Residence (Forms Applicable - 1008), "your" covered property at that location is insured against the following perils:

INSURED PERILS

Where the Declarations indicate an Amount of Insurance for COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and/or COVERAGE C - PERSONAL PROPERTY, that covered property is insured against direct loss or damage caused by the following perils as described and limited, subject to losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED:

(1) FIRE OR LIGHTNING.

This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.

(4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building.

(5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

(6) RIOT.

(7) WATER DAMAGE.

This peril means loss or damage:

(a) to a system from which the water or steam escapes, but only for damage caused by the freezing of any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";

(b) caused by the sudden and accidental escape of water from a water main;

(c) caused by the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";

(d) caused by the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing; or

(e) caused by water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE;

but under no circumstances will "we" insure loss or damage:

(f) caused by freezing during the usual heating season:

(i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:

1) taken reasonable care to maintain the heat in the building or structure;

2) shut off the water supply and have drained the system and appliance of water;

3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.

(ii) within an unheated portion of "your" "dwelling";

(g) caused by continuous or repeated seepage or leakage of water;

(h) caused by the backing up or escape of water from a sewer, sump, or septic tank;

(i) caused by "ground water" or the rising of the water table;

(j) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";

(k) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;

(l) to a water main;

(m) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

(8) WINDSTORM OR HAIL.

This peril does not include loss or damage:

- (a)** to the interior of a building or the personal property inside a building, caused by rain, hail, snow, sleet, sand or dust unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening;
- (b)** due to weight or pressure or melting of ice or snow, or "flood", all whether driven by wind or not;
- (c)** to the outer metal cover of any mobile home caused by hail, whether driven by wind or not, unless the cover is punctured by the hail.

(9) VANDALISM OR MALICIOUS ACTS.

This peril does not include loss or damage:

- (a)** occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
- (b)** caused by "you", any tenant, tenant's employee or member of the tenant's household;
- (c)** to glass which forms part of a building;
- (d)** caused by theft, including damage caused by attempted theft.

(10) BURGLARY.

This peril means theft of "your" personal property from the "premises" following illegal and forcible entry or exit, leaving visible marks at the point of forced entry or exit. Damage to the "dwelling" is included.

"We" do not insure loss or damage:

- (a)** occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
- (b)** caused by any tenant, tenant's employee or member of the tenant's household.

(11) ROBBERY.

This peril means theft by violence or threat of violence to any person.

(12) DAMAGE CAUSED BY BEARS.

(13) ELECTRICITY.

This peril means sudden and accidental damage from artificially generated electrical current.

BASIC SEASONAL DWELLING FORM

If the Rating Information section of "your" Declarations indicates that a location is a Basic Seasonal Dwelling (Forms Applicable - 1009), "your" covered property at that location is insured against the following perils:

INSURED PERILS

Where the Declarations indicate an Amount of Insurance for COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and/or COVERAGE C - PERSONAL PROPERTY, that covered property is insured against direct loss or damage caused by the following perils as described and limited, subject to losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED:

- (1) FIRE OR LIGHTNING.
- (2) EXPLOSION.
- (3) SMOKE.

This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.

- (4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building.

- (5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

- (6) RIOT.

- (7) WATER DAMAGE.

This peril means loss or damage:

(a) to a system from which the water or steam escapes, but only for damage caused by the freezing of any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";

(b) caused by the sudden and accidental escape of water from a water main;

(c) caused by the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";

(d) caused by the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing; or

(e) caused by water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE;

but under no circumstances will "we" insure loss or damage:

(f) caused by freezing during the usual heating season:

(i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:

- 1) taken reasonable care to maintain the heat in the building or structure;
- 2) shut off the water supply and have drained the system and appliance of water;
- 3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.

(ii) within an unheated portion of "your" "dwelling";

(g) caused by continuous or repeated seepage or leakage of water;

(h) caused by the backing up or escape of water from a sewer, sump, or septic tank;

(i) caused by "ground water" or the rising of the water table;

(j) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";

(k) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;

(l) to a water main;

(m) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

(8) WINDSTORM OR HAIL.

This peril does not include loss or damage:

- (a)** to the interior of a building or the personal property inside a building, caused by rain, hail, snow, sleet, sand or dust unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening;
- (b)** due to weight or pressure or melting of ice or snow, or "flood", all whether driven by wind or not;
- (c)** to the outer metal cover of any mobile home caused by hail, whether driven by wind or not, unless the cover is punctured by the hail.

(9) ELECTRICITY.

This peril means sudden and accidental damage from artificially generated electrical current.

BROAD SEASONAL DWELLING FORM

If the Rating Information section of "your" Declarations indicates that a location is a Broad Seasonal (Forms Applicable - 1010) or Seasonal Dwelling Broad Form (Forms Applicable - 1010), "your" covered property at that location is insured against the following perils:

INSURED PERILS

Where the Declarations indicate an Amount of Insurance for COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and/or COVERAGE C - PERSONAL PROPERTY, that covered property is insured against direct loss or damage caused by the following perils as described and limited, subject to losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED:

(1) FIRE OR LIGHTNING.

(2) EXPLOSION.

(3) SMOKE.

This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.

(4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building.

(5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

(6) RIOT.

(7) WATER DAMAGE.

This peril means loss or damage:

(a) to a system from which the water or steam escapes, but only for damage caused by the freezing of any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";

(b) caused by the sudden and accidental escape of water from a water main;

(c) caused by the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";

(d) caused by the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing; or

(e) caused by water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE;

but under no circumstances will "we" insure loss or damage:

(f) caused by freezing during the usual heating season:

(i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:

1) taken reasonable care to maintain the heat in the building or structure;

2) shut off the water supply and have drained the system and appliance of water;

3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.

(ii) within an unheated portion of "your" "dwelling";

(g) caused by continuous or repeated seepage or leakage of water;

(h) caused by the backing up or escape of water from a sewer, sump, or septic tank;

(i) caused by "ground water" or the rising of the water table;

(j) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";

(k) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;

(l) to a water main;

(m) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

(8) WINDSTORM OR HAIL.

This peril does not include loss or damage:

- (a)** to the interior of a building or the personal property inside a building, caused by rain, hail, snow, sleet, sand or dust unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening;
- (b)** due to weight or pressure or melting of ice or snow, or "flood", all whether driven by wind or not;
- (c)** to the outer metal cover of any mobile home caused by hail, whether driven by wind or not, unless the cover is punctured by the hail.

(9) VANDALISM OR MALICIOUS ACTS.

This peril does not include loss or damage:

- (a)** occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
- (b)** caused by "you", any tenant, tenant's employee or member of the tenant's household;
- (c)** to glass which forms part of a building;
- (d)** caused by theft, including damage caused by attempted theft.

(10) BURGLARY.

This peril means theft of "your" personal property from the "premises" following illegal and forcible entry or exit, leaving visible marks at the point of forced entry or exit. Damage to the "dwelling" is included.

"We" do not insure loss or damage:

- (a)** occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
- (b)** caused by any tenant, tenant's employee or member of the tenant's household.

(11) ROBBERY.

This peril means theft by violence or threat of violence to any person.

(12) DAMAGE CAUSED BY BEARS.

(13) ELECTRICITY.

This peril means sudden and accidental damage from artificially generated electrical current.

SEASONAL HOMEOWNERS FORM

If the Rating Information section of "your" Declarations indicates that a location is a Seasonal Homeowners (Forms Applicable - 93), "your" covered property at that location is insured against the following perils:

INSURED PERILS

Where the Declarations indicate an Amount of Insurance for COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and COVERAGE C - PERSONAL PROPERTY, that covered property is insured against direct loss or damage caused by the following perils as described and limited, subject to losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED:

(1) FIRE OR LIGHTNING.

This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.

(4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building.

(5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

(6) RIOT.

(7) WATER DAMAGE.

This peril means loss or damage:

(a) to a system from which the water or steam escapes, but only for damage caused by the freezing of any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";

(b) caused by the sudden and accidental escape of water from a water main;

(c) caused by the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";

(d) caused by the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing; or

(e) caused by water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE;

but under no circumstances will "we" insure loss or damage:

(f) caused by freezing during the usual heating season:

(i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:

1) taken reasonable care to maintain the heat in the building or structure;

2) shut off the water supply and have drained the system and appliance of water;

3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.

(ii) within an unheated portion of "your" "dwelling";

(g) caused by continuous or repeated seepage or leakage of water;

(h) caused by the backing up or escape of water from a sewer, sump, or septic tank;

(i) caused by "ground water" or the rising of the water table;

(j) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";

(k) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;

(l) to a water main;

(m) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

(8) WINDSTORM OR HAIL.

This peril does not include loss or damage:

- (a)** to the interior of a building or the personal property inside a building, caused by rain, hail, snow, sleet, sand or dust unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening;
- (b)** due to weight or pressure or melting of ice or snow, or "flood", all whether driven by wind or not;
- (c)** to the outer metal cover of any mobile home caused by hail, whether driven by wind or not, unless the cover is punctured by the hail.

(9) VANDALISM OR MALICIOUS ACTS.

This peril does not include loss or damage:

- (a)** occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
- (b)** caused by "you", any tenant, tenant's employee or member of the tenant's household;
- (c)** to glass which forms part of a building;
- (d)** caused by theft, including damage caused by attempted theft.

(10) DAMAGE CAUSED BY BEARS.

(11) THEFT, INCLUDING DAMAGE CAUSED BY ATTEMPTED THEFT.

This peril does not include loss or damage:

- (a)** caused by any tenant, tenant's employee or member of the tenant's household;
- (b)** to property in or from a "dwelling" under construction, or of materials and supplies for use in the construction, until the "dwelling" is completed and ready to be occupied.

(12) BREAKAGE OF GLASS.

This peril means breakage of glass which is part of a building or private structure on "your" "premises" including glass in storm windows and storm doors.

This peril does not include loss or damage occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us".

(13) TRANSPORTATION.

This peril means loss or damage to "your" personal property while it is temporarily away from "your" "premises", caused by collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer, or any conveyance of a common carrier, in which the insured property is being carried.

This peril does not include loss or damage to any watercraft, their furnishings, equipment, accessories and motors.

(14) COLLAPSE OF A BUILDING OR ANY PART OF A BUILDING.

This peril does not include loss to an awning, fence, deck, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock unless the loss is a direct result of the collapse of a building. Collapse does not include settling, cracking, shrinking, bulging, expansion, or the falling of ceiling or wall plaster.

(15) ELECTRICITY.

This peril means sudden and accidental damage from artificially generated electrical current.

SECTION I

OPTIONAL COVERAGES

The following OPTIONAL COVERAGES are subject to all terms and conditions applicable to SECTION I of this policy and the provisions of these coverages.

All OPTIONAL COVERAGES are subject to the SECTION I Deductible stated in the Declarations unless the terms of the OPTIONAL COVERAGE state otherwise.

BOAT AND MOTOR COVERAGE - FORM 1110

INSURED PROPERTY

If the Declarations indicate that BOAT AND MOTOR COVERAGE - FORM 1110 is included, "we" insure only the following items for which an Amount of Insurance is also stated in the Declarations.

- (1) the boat(s) described in the Declarations including its permanently attached equipment (except outboard motors);
- (2) the motor(s) described in the Declarations including fuel containers and electric starting equipment or controls supplied as integral equipment by the manufacturer;
- (3) boat equipment not included in (1) or (2) above, including batteries, oars, oarlocks, anchors, boat covers, cushions, life preservers, fire extinguishers, extra gasoline tanks, horns, pumps, and similar property, while such property is attached to or contained in or on the boat(s) covered by this insurance;
- (4) the trailer(s) described in the Declarations.

PROPERTY NOT INSURED

"We" do not insure any property:

- (1) used as a public or livery conveyance for carrying passengers for compensation;
- (2) while rented to others;
- (3) while operated in any official race or speed test. This exclusion does not apply to sailboats.

INSURED PERILS

"We" insure "your" boat(s), motor(s), boat equipment and trailer(s) described in the Declarations against all risks of direct physical loss or damage subject to the exclusions of this coverage and conditions of this policy and coverage.

LOSS OR DAMAGE NOT INSURED

"We" do not insure loss or damage caused by or resulting from:

- (1) losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;
- (2) marine life, marine borers, electrolysis, denting, weathering, or in consequence of freezing;
- (3) dishonesty of persons to whom the insured property is entrusted. This exclusion does not apply where the person entrusted is a carrier for hire.

BASIS OF CLAIM PAYMENT

- (1) VALUED PROPERTY.

Where VALUED appears beside an item, that item is valued for the amount shown. "We" will pay the cost of repairs without deduction, new for old, except that claims for loss or damage to sails and protective covers of fabric or similar material shall be adjusted on the basis of the "actual cash value" at the time of loss or damage. "We" may elect to repair any damaged property or replace any lost or damaged property with other of similar quality.

- (2) TOTAL LOSS.

"We" will not pay for a total loss of insured property unless the expense of recovering or replacing the insured property shall exceed the Amount of Insurance.

DEDUCTIBLE

"We" are responsible only for the amount by which the loss or damage caused by any of the INSURED PERILS exceeds the amount of the Deductible shown in the Declarations for this coverage. No other deductible applies to this OPTIONAL COVERAGE.

SPECIAL CONDITIONS

(1) SOUND CONDITION.

"You" warrant that the insured property is in sound condition at the time of attachment of this insurance.

(2) REPAIR CLAUSE.

Plywood, plastic, fiberglass, and molded hull boats shall be repaired according to the manufacturer's specifications or accepted repair practice. "Our" liability shall be limited to an amount not in excess of the cost of making such repairs.

(3) SAILBOAT LAY UP WARRANTY.

"You" warrant that the insured sailboat(s) will only be used during the navigational period stated in the Declarations, otherwise the sailboat shall be laid up and out of commission.

(4) ACQUISITION CLAUSE

If you acquire another boat or motor to replace the described property, we will insure the newly acquired property for a period not exceeding 30 days from date of acquisition. We shall be liable only for the Amount of Insurance on the property disposed of or the invoice cost of the new property, whichever is less.

BUILDING BYLAWS COVERAGE - FORM 1053

If the Declarations indicate that BUILDING BYLAWS COVERAGE - FORM 1053 is included coverage is provided for the specified location(s) to pay the additional cost of demolition, construction or repair which is required to comply with any law regulating demolition, construction or repair of buildings damaged by an INSURED PERIL.

"We" will not pay:

- (1)** more than the Amount of Insurance shown on the Declarations page;
- (2)** more than the minimum amount required to comply with any law;
- (3)** the additional cost, unless "your" property is actually repaired, rebuilt or replaced on the same location.

Payment under this coverage is in addition to the COVERAGE A - DWELLING BUILDING Amount of Insurance on the specified location.

All other terms and conditions of the policy to which this endorsement applies remain unchanged.

COMPUTER COVERAGE - FORM 962

INSURED PROPERTY

If the Declarations indicate that COMPUTER COVERAGE - FORM 962 is included, "we" insure "your" "computer system" described in the Declarations, while located anywhere in the world.

"You" may use up to 25%, but not more than \$10,000 of the Amount of Insurance shown in the Declarations for COMPUTER COVERAGE, to insure similar property held by "you" but belonging to others. This does not increase the Amount of Insurance on this OPTIONAL COVERAGE.

PROPERTY NOT INSURED

"We" do not insure:

- (1)** property rented to others;
- (2)** unlicensed "software", or any "data" or "software" which has been acquired illegally;
- (3)** accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents, unless they have been converted into electronic "data" and then only in that form.

INSURED PERILS

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

LOSS OR DAMAGE NOT INSURED

"We" do not insure:

- (1)** Loss or damage caused by or resulting from losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;

- (2) loss or damage caused by any change in electrical power supply, such as interruption, power surge or brownout, if the change originates more than 30 m (100 feet) away from the "premises" containing the "computer system";
- (3) loss or damage caused by or resulting from dishonesty of any person to whom the property is entrusted. Property in the custody of a bailee hired by "you" is insured;
- (4) the cost to gather or assemble information required for the re-creation of any "data".

DEDUCTIBLE

No deductible applies to this OPTIONAL COVERAGE.

EARTHQUAKE COVERAGE - FORM 990

If the Declarations indicate that EARTHQUAKE COVERAGE - FORM 990 is included, "you" are insured against direct loss or damage, caused by Earthquake, to property insured under COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES, COVERAGE C - PERSONAL PROPERTY and CONDOMINIUM ADDITIONAL COVERAGE in SECTION I PROPERTY COVERAGES - ADDITIONAL COVERAGES.

- (1) One or more earthquake shocks that occur within a one hundred and sixty-eight hour period shall constitute a single earthquake.
- (2) "We" will pay only that part of the loss that exceeds the deductible shown in the Declarations for this coverage. This deductible shall apply separately to loss under COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES, COVERAGE C - PERSONAL PROPERTY and the CONDOMINIUM ADDITIONAL COVERAGE in SECTION I PROPERTY COVERAGES - ADDITIONAL COVERAGES. This deductible amount shall not be less than \$500 in any one loss. No other deductible applies to this OPTIONAL COVERAGE.
- (3) "We" do not insure loss or damage caused directly or indirectly by "flood" of any nature, whether or not caused by, resulting from, contributed to or aggravated by earthquake.

This coverage does not increase the Amounts of Insurance stated in this policy.

GLASS BREAKAGE COVERAGE - FORM 1017

If the Declarations indicate that GLASS BREAKAGE COVERAGE - FORM 1017 is included, "we" insure glass that forms part of a building(s) insured, including glass in storm doors and storm windows, against accidental breakage.

"We" do not insure loss or damage occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us".

"We" are responsible only for the amount by which the loss or damage exceeds the amount of the deductible for this coverage, shown in the Declarations, in any one "occurrence".

No other deductible applies to this OPTIONAL COVERAGE.

IDENTITY FRAUD EXPENSE COVERAGE - FORM 1054

If the Declarations indicate that IDENTITY FRAUD EXPENSE COVERAGE - FORM 1054 is included, "you" are insured for the following:

COVERAGE

"We" agree to pay the following expenses "you" actually incur resulting from "identity fraud":

1. Earnings lost by "you" as a result of unpaid time off work which must be taken to complete fraud affidavits, meet with law enforcement agencies, credit agencies, merchants or legal counsel;
2. Loan application fees for reapplying for loan(s) due to the rejection of the original application because the lender received incorrect credit information;
3. Costs for notarizing affidavits or similar documents for law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
4. Costs for sending certified mail to law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
5. Telephone expenses for calls to businesses, law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
6. Reasonable fees incurred, with prior notice to and approval by "us", if "you" hire a fraud mitigation professional to assist "you" in restoring the accuracy of "your" identifying information;
7. Reasonable lawyer fees incurred, with prior notice to and approval by "us", for:

- (a) "your" defense against any suit(s) by businesses or their collection agencies;
 - (b) the removal of any criminal or civil judgments wrongly entered against "you"; and
 - (c) any challenge to the information in "your" consumer credit report;
- which is required to restore "your" identifying information.

The expenses must result from an act of "identity fraud" that was discovered during the policy term.

EXCLUSIONS

"We" do not insure any expenses:

- (1) which are caused or contributed to, in whole or in part, directly or indirectly by:
 - (a) fraudulent, dishonest or criminal acts committed by:
 - (i) "you";
 - (ii) any person acting with "you"; or
 - (iii) any person acting as "your" authorized representative;whether acting alone or in collusion with others;
 - (b) "your" "business" or commercial pursuits;
 - (c) "your" own use of "your" identity or credit; or
 - (d) "your" intentional misuse of "your" identity or credit.
- (2) that do not arise directly and solely as a result of an act of "identity fraud" and the subsequent steps required to restore the accuracy of "your" identifying information.

This endorsement does not apply to losses covered under CREDIT OR DEBIT CARDS, FORGERY AND COUNTERFEIT MONEY in SECTION I PROPERTY COVERAGES - ADDITIONAL COVERAGE.

AMOUNT OF INSURANCE

The IDENTITY FRAUD EXPENSE COVERAGE Amount of Insurance shown in the Declarations is the most "we" will pay for covered expenses from all "identity fraud" acts discovered in any one policy period, regardless of the number of acts discovered or the number of "Insureds" affected.

DEDUCTIBLE

"We" are responsible only for the amount by which covered expenses exceeds \$250 in any one policy period. No other deductible applies to this coverage.

ADDITIONAL CONDITIONS

- (1) "You" must comply with all the terms and requirements stipulated with the issuance of any bank card or credit card including secure storage of PINs (Personal Identification Numbers) and personal information. If "you" do not, "you" will not be entitled to any coverage.
- (2) Upon discovering an act of "identity fraud" "you" must immediately notify "us" and an applicable law enforcement agency so steps can be initiated to restore the accuracy of "your" identifying information. If "you" do not, "you" will not be entitled to any coverage.

MOTORIZED VEHICLE COVERAGE - FORM 965

INSURED PROPERTY

If the Declarations indicate that MOTORIZED VEHICLES COVERAGE - FORM 965 applies, "we" insure "your" motorized vehicle(s) that are specifically described in the Declarations.

PROPERTY NOT INSURED

"We" do not insure any property:

- (1) used as a public or livery conveyance for carrying passengers for compensation;
- (2) while rented to others;
- (3) while operated in any official race or speed test;
- (4) which is licensed or is subject to motor vehicle registration.

INSURED PERILS

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

LOSS OR DAMAGE NOT INSURED

"We" do not insure loss or damage:

- (1) caused by or resulting from losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;
- (2) caused by or resulting from the dishonesty of persons to whom the insured property is entrusted. This exclusion does not apply where the person entrusted is a carrier for hire;
- (3) to tires and tubes unless caused by fire, theft, vandalism or malicious acts or unless the same accident causes other insured loss under this coverage.

DEDUCTIBLE

"We" are responsible only for the amount by which the loss or damage caused by any of the INSURED PERILS exceeds the amount of the deductible shown in the Declarations for this coverage.

No other deductible applies to this OPTIONAL COVERAGE.

PERSONAL ARTICLES COVERAGE - FORM 1014

INSURED PROPERTY

If the Declarations indicate that PERSONAL ARTICLES COVERAGE - FORM 1014 applies, "we" insure "your" Personal Articles listed in the Declarations anywhere in the world.

PROPERTY NOT INSURED

"We" do not insure any musical instrument played for a fee unless "we" have given "our" written permission.

INSURED PERILS

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

LOSS OR DAMAGE NOT INSURED

"We" do not insure loss or damage caused by or resulting from losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED.

SPECIAL CONDITIONS

(1) STAMP, COIN OR OTHER COLLECTIONS

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

(2) NEWLY ACQUIRED ARTICLES

This condition replaces BASIS OF CLAIM PAYMENT (16) NEWLY ACQUIRED PERSONAL PROPERTY in SECTION I CONDITIONS.

If "you" acquire any additional articles of the type for which an Amount of Insurance is shown, "we" will automatically insure the newly acquired property under this coverage provided "you" notify "us" within 30 days of their acquisition. "We" will not pay more than \$5,000 under this extension.

DEDUCTIBLE

No deductible applies to this OPTIONAL COVERAGE.

SEWER BACK-UP/WATER DAMAGE COVERAGE - FORM 1019

If the Declarations indicate that SEWER BACK-UP/WATER DAMAGE - FORM 1019 is included, "you" are insured against direct loss or damage to property insured under COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and COVERAGE C - PERSONAL PROPERTY caused by the backing up or escape of water from a sewer, sump, or septic tank.

Where this endorsement applies to a building insured by the BASIC DWELLING FORM, BASIC SEASONAL DWELLING FORM, BROAD SEASONAL DWELLING FORM, or a SEASONAL HOMEOWNERS FORM, "you" are also insured against direct loss or damage to property insured under COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and/or COVERAGE C - PERSONAL PROPERTY caused by water that enters the "dwelling" through a roof due to the accumulation of ice or snow on the exterior of the roof or eaves trough.

This coverage does not apply to loss or damage:

- (1) caused by freezing during the usual heating season:
 - (a) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:
 - (i) taken reasonable care to maintain the heat in the building or structure;
 - (ii) shut off the water supply and have drained the system and appliance of water;
 - (iii) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service;
 - (b) within an unheated portion of "your" "dwelling";
- (2) caused by continuous or repeated seepage or leakage of water;
- (3) caused by "ground water" or the rising of the water table;
- (4) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";
- (5) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
- (6) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

SINGLE INCLUSIVE LIMIT - FORM 1050

If the Declarations indicate SINGLE INCLUSIVE LIMIT - FORM 1050 is included, "we" agree that in the event of loss, should the Amount of Insurance specified in the Declarations for any one or more of the following coverages become depleted, "you" may apply any unused limits from the remainder of the following coverages until the total limits for all of the coverages listed below have been exhausted:

- (1) COVERAGE A - DWELLING BUILDING;
- (2) COVERAGE B - PRIVATE STRUCTURES;
- (3) COVERAGE C - PERSONAL PROPERTY; or
- (4) COVERAGE D - ADDITIONAL LIVING EXPENSE.

However, where a building insured under COVERAGE A - DWELLING BUILDING is also insured for GUARANTEED REPLACEMENT COST - COVERAGE A - DWELLING BUILDING and the building loss exceeds the limit shown in the Declarations under COVERAGE A - DWELLING BUILDING, this SINGLE INCLUSIVE LIMIT will only apply to the coverages listed in (2), (3) and (4) above.

TRAILER COVERAGE - FORM 995

INSURED PROPERTY

If the Declarations indicate that TRAILER COVERAGE - FORM 995 applies "we" insure only "your" trailer(s) for which an Amount of Insurance and a specific description is shown in the Declarations.

PROPERTY NOT INSURED

"We" do not insure:

- (1)
 - (a) motorized vehicles;
 - (b) motors;
 - (c) aircraft;
 - (d) watercraft; or
 - (e) other conveyances,or their furnishings, equipment or appurtenances;
- (2) property while waterborne except while being transported by regular ferries;
- (3) property rented or leased to others.

ADDITIONAL COVERAGES

- (1) ADDITIONAL LIVING EXPENSES.

If an INSURED PERIL makes "your" trailer(s) unfit for occupancy while it is actually being used, or intended to be used, "we" insure any necessary increase in living expenses incurred by "you" so that "you" may maintain "your" intended vacation.

These expenses may include loss of irrecoverable prepaid deposits, reasonable rental expense for a substitute trailer and expenses incurred to return "your" trailer to "your" residence "premises" stated in the Rating Information section of the Declarations.

"We" will pay up to \$150 per day, subject to a maximum of \$1,500 in any one "occurrence".

No deductible applies to this coverage.

(2) EMERGENCY ROAD SERVICE EXPENSE.

If "your" trailer becomes disabled and "you" incur emergency road service expenses, "we" will reimburse "you" upon presentation of receipted bills and acceptable evidence of loss.

This coverage does not extend to the towing vehicle, nor do "we" pay for parts, tires or supplies.

"We" will pay up to \$250 in any one "occurrence".

No deductible applies to this coverage.

(3) DEBRIS REMOVAL.

"We" will pay the reasonable expense incurred by "you" in the removal of debris of insured property as the result of an INSURED PERIL.

"We" will pay up to \$1,000 in any one "occurrence".

This Amount of Insurance is in addition to the Amount of Insurance on "your" trailer(s).

No deductible applies to this coverage.

(4) PERSONAL PROPERTY IN A TRAILER.

"You" may extend the insurance on "your" personal property insured by the COVERAGE C - PERSONAL PROPERTY of "your" principal residence stated in the Rating Information section of the Declarations to cover that property while it is located at or being used in conjunction with any trailer described in the Declarations. This coverage is subject to the perils insured by this coverage form.

Temporary attachments of the trailer are included as personal property under this COVERAGE C - PERSONAL PROPERTY extension of coverage.

This coverage does not increase the Amount of Insurance shown in the Declarations for COVERAGE C - PERSONAL PROPERTY.

INSURED PERILS

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

LOSS OR DAMAGE NOT INSURED

"We" do not insure loss or damage caused by or resulting from:

- (1) losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;
- (2) dishonesty of persons to whom the insured property is entrusted. This exclusion does not apply where the person entrusted is a carrier for hire.

BASIS OF CLAIM PAYMENT

Trailers: If an INSURED PERIL causes a total loss to "your" trailer "we" will pay for the insured loss to "your" trailer on the basis of full "replacement cost" regardless of the Amount of Insurance shown in the Declarations.

This applies only if:

- (1) the loss occurs within 24 months since the trailer was first purchased new by "you";
- (2) the trailer is insured to 100% of its original "replacement cost";
- (3) replacement is made promptly with a trailer of similar kind, quality and usefulness.

Otherwise the BASIS OF CLAIM PAYMENT in SECTION I CONDITIONS will apply.

DEDUCTIBLE

"We" are responsible only for the amount by which loss or damage caused by any of the INSURED PERILS exceeds the amount of the deductible shown in the Declarations for this coverage.

ADDITIONAL CONDITION

ACQUISITION CLAUSE

If you acquire another trailer to replace the described property, we will insure the newly acquired property for a period not exceeding 30 days from date of acquisition. We shall be liable only for the Amount of Insurance on the property disposed of or the invoice cost of the new property, whichever is less.

SECTION I

LOSS OR DAMAGE NOT INSURED

"We" do not insure:

- (1) loss or damage caused by:
 - (a) wear and tear, gradual deterioration, extremes of temperature, latent defect, or any quality in property that causes it to damage or destroy itself;
 - (b) mechanical breakdown, except for property insured under COMPUTER COVERAGE - FORM 962, ADDITIONAL COVERAGES (2) EMERGENCY ROAD SERVICE EXPENSE under TRAILER COVERAGE - FORM 995, and "your" frozen food, as insured in (11) HOME FREEZER AND FOOD SPOILAGE under ADDITIONAL COVERAGES in SECTION I PROPERTY COVERAGES;
 - (c) marring and scratching, rust or corrosion, condensation, dampness of atmosphere, wet or dry rot, contamination, "fungi" or "spores", except for property insured under FINE ARTS COVERAGE - FORM 1013 or PERSONAL ARTICLES COVERAGE - FORM 1014;
 - (d) vermin or rodents, including but not limited to raccoons, squirrels, and ground-hogs;
 - (e) birds; or
 - (f) insects including but not limited to termites and moths;however, resulting loss or damage caused by "specified perils", theft, including damage caused by attempted theft, or resulting damage to building glass is insured;
- (2) loss or damage to personal property undergoing any process or being worked on where damage results from such process or work, but resulting damage to other property is insured;
- (3) loss or damage occurring after "your" "dwelling" has, to "your" knowledge, been "vacant" for more than 30 consecutive days;
- (4) loss or damage to structures or buildings used in whole or in part for "business" or "farming" purposes;
- (5) loss or damage resulting directly or indirectly from:
 - (a) 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;
 - (b) contamination by radioactive material;
 - (c) war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, or military power;
- (6) loss or damage resulting from "your" intentional or criminal acts;
- (7) any property illegally acquired, kept, stored, or transported, or property subject to forfeiture;
- (8) any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- (9) loss or damage resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud;
- (10) any loss or damage resulting from any illegal activity:
 - (a) of the "Insured";
 - (b) of any tenant of the "Insured"; or
 - (c) the relatives or "residence employees" of either;arising directly or indirectly from the growing, cultivating, harvesting, processing, manufacture, distribution, or sale of any drug, including but not limited to cannabis, or any non-prescription controlled substance or illegal substance or items of any kind, the possession of which constitutes a criminal offense, whether or not "you" have any knowledge of such activity or are able or unable to control such illegal activity.

This includes any alteration of the "premises" to facilitate such illegal activity.

- (11) any loss or damage caused directly or indirectly, in whole or in part, by "Terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism" regardless of any other 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;
- (12) (a) "data" except for electronically stored "data" insured under COMPUTER COVERAGE - FORM 962 in SECTION I OPTIONAL COVERAGES;
- (b) any loss or damage caused directly or indirectly by a "data problem". However, if loss or damage caused by a "data problem" results in the "occurrence" of further loss of or damage to property insured that is directly caused by "specified perils", this exclusion (b) shall not apply to such resulting loss or damage.
- (13) the cost of making good, faulty design, material or workmanship, or any damage that occurs due to any such fault except that resulting damage by any of the INSURED PERILS is insured;
- (14) loss occurring while "your" mobile home is being moved, except in an emergency to protect it when endangered by any of the INSURED PERILS. Moving begins with the commencement of the removal of leveling jacks/blocks and/or the disconnection of utilities, and continues until the mobile home has been fully installed and is ready for occupancy at its new location.

SECTION I **CONDITIONS**

BASIS OF CLAIM PAYMENT

"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". This applies even if more than one person or organization has an insurable interest in the property insured.

(1) REINSTATEMENT

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

(2) DEDUCTIBLE

"We" are responsible only for the amount by which the loss or damage caused by any of the INSURED PERILS exceeds the amount of the deductible shown in the Declarations in any one "occurrence".

If "your" claim involves personal property on which the SPECIAL LIMITS OF INSURANCE in COVERAGE C - PERSONAL PROPERTY apply, the limitations apply to losses exceeding the deductible amount.

(3) BUILDING

If "you" repair or replace the damaged or destroyed building(s) on the same location, with building(s) of the same size and occupancy, constructed with materials of similar quality, within a reasonable 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 cost to replace the damaged or destroyed building(s) on the same location, with building(s) of the same size and occupancy constructed with materials of similar quality at the time of loss, but not exceeding the actual cost incurred.

(b) The "actual cash value" of the loss or damage at the time of loss.

In determining the cost of repairs or replacement "we" will not pay or include the increased costs of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services.

(4) GUARANTEED REPLACEMENT COST - COVERAGE A - DWELLING BUILDING

If the Declarations indicate GUARANTEED REPLACEMENT COST - COVERAGE A, "we" will pay for the insured loss to "your" "dwelling" building on the basis of full "replacement cost" regardless of the Amount of Insurance shown in the Declarations, provided "you":

(a) insure "your" "dwelling" for 100% of its replacement value as of the original inception date of this policy as well as of the effective date of all subsequent renewal terms. For the purposes of this coverage, "we" will consider a "dwelling" insured to 100% of its replacement value if "you" provide "us" with a replacement cost calculator acceptable to "us", every 5 years, beginning with the original inception date of the policy, and also allow the "dwelling" Amount of Insurance to be increased annually, on renewal, by an inflationary percentage established by "us";

(b) repair, rebuild or replace the "dwelling" building on the same location, with a building of the same size, and occupancy, constructed with material of similar quality;

(c) notify "us" within 90 days of the start of work if "you" make additions or improvements to "your" "dwelling" building that will increase its "replacement cost" by \$10,000 or more.

Otherwise the basis of claim payment in the policy will apply as if this coverage had not been in effect.

In determining the cost of repairs or replacement "we" will not pay or include the increased costs of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services.

(5) PERSONAL PROPERTY

(a) "Software".

"We" will only pay for the cost of replacing licensed "software" and only from duplicates or from licensed originals of the lost or damaged version of the "software".

(b) Electronic "data".

"We" will pay the cost of replacing electronic "data" from backup copies or duplicates, but "we" will not pay for the cost of gathering or assembling any of the information required to reproduce the electronic "data".

(c) Non-electronic records including financial statements, books of account, legal documents such as mortgage documents and wills, transcripts, drawings, or card index systems.

"We" will not pay the cost of research to reproduce these documents, but "we" will pay the cost of blank books, pages, cards, or other materials, plus the cost of transcribing or copying the records from duplicates.

(d) Additional personal property subject to "actual cash value".

"We" will only pay for the "actual cash value" of the following personal property:

(i) articles that cannot be replaced with new articles because of their inherent nature, including antiques, fine arts, paintings, and statuary;

(ii) articles with an age or history that substantially contributes to their value, such as memorabilia, souvenirs, and collector's items;

(iii) property that has not been maintained in good or workable condition;

(iv) property that is no longer used for its original purpose.

(e) All other personal property.

All other personal property will be paid for on an "actual cash value" basis unless the Declarations indicate otherwise.

(6) REPLACEMENT COST ON CONTENTS

If the Declarations indicate that REPLACEMENT COST ON CONTENTS is included, "we" will pay for loss or damage to the following property on a "replacement cost" basis:

(a) all property insured under COVERAGE C - PERSONAL PROPERTY, other than property listed in (5)(a), (5)(b), (5)(c) or (5)(d) above; and

(b) any item specifically described in the Declarations under any one of the SECTION I OPTIONAL COVERAGES, other than personal property insured under one of the following:

(i) BOAT AND MOTOR COVERAGE - FORM 1110;

(ii) FINE ARTS COVERAGE - FORM 1013; or

(iii) HORSE COVERAGE - FORM 970 (item 1 only);

but only if the loss or damage insured by the OPTIONAL COVERAGE is also insured under COVERAGE C - PERSONAL PROPERTY. Property specifically insured under the TRAILER COVERAGE - FORM 995 will be insured on a "replacement cost" basis if the Declarations indicate that REPLACEMENT COST ON CONTENTS applies.

Coverage will apply only up to the Amount of Insurance specified in the Declarations for that item.

"We" will pay on the basis of "replacement cost" only if the lost or damaged property is repaired or replaced as soon as reasonably possible. Otherwise "we" will pay on the basis of "actual cash value".

"You" may choose to settle the loss to property eligible for REPLACEMENT COST ON CONTENTS COVERAGE on an "actual cash value" basis initially. If "you" do, "you" may still make an additional claim for the difference between the "actual cash value" and "replacement cost" basis provided such claim is made within 180 days after the date of loss or damage.

(7) INFLATION PROTECTION COVERAGE

During the term of this policy, "we" will automatically increase the Amount of Insurance on COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES, COVERAGE C - PERSONAL PROPERTY and COVERAGE D - ADDITIONAL LIVING EXPENSE by a pro rata proportion of the annual percentage shown in the Declarations. The pro rata proportion will be based on the number of days the policy term has been in effect.

If, at "your" request, "we" change the Amount of Insurance on COVERAGE A - DWELLING BUILDING or COVERAGE C - PERSONAL PROPERTY, "we" will apply this Inflation Protection Coverage on the changed amounts of insurance from the date the change is made.

(8) IMPROVEMENTS OR UNIT DAMAGE

- (a) If “you” are a tenant, or condominium unit owner, and, within a reasonable time after damage, “you” replace or repair loss or damage to “your” improvements with materials of similar quality, “we” will pay for the actual cost of repairs or replacement (whichever is less) without deduction for depreciation.
- (b) If 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 time of loss.

“We” will pay for insured loss or damage to “your” unit on the basis of loss settlement described in (a) and (b) above, less any amount recoverable from any insurance covering the collective interest of the unit owners.

(9) 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 rateable proportion of the loss or claim.

(10) NOTICE TO AUTHORITIES

Where loss or damage:

- (a) is, or is suspected to be, due to malicious acts, burglary, robbery, theft or attempted theft;
- (b) is due to the sudden and accidental escape of fuel from a permanently installed domestic fixed fuel tank, any attached equipment, apparatus or piping;

“you” must give immediate notice of the incident to the police or other enforcement agency having jurisdiction.

(11) NO BENEFIT TO BAILEE

No person or organization having custody of the property, and to be paid for services, shall benefit from this insurance.

(12) LOSS TO A PAIR OR SET

In case of loss to a pair or set, “we” may elect to:

- (a) repair or replace any part to restore the pair or set to its value before the loss; or
- (b) pay the difference between the value of the property before and after the loss.

(13) LOSS TO PARTS

In case of a loss to any part of the insured property, consisting of several parts when complete, “we” shall pay for the value of the part lost or damaged, including the cost of installation.

(14) CONDOMINIUM UNIT OWNER WAIVER OF SUBROGATION

If “you” are a condominium unit owner, “we” agree to waive “our” rights to any claim against the “Condominium Corporation”, its Directors, Property Managers, agents and employees, except for arson, fraud and vehicle impact. “We” shall not consider independent contractors as being agents or employees of the “Condominium Corporation”, its Directors, Property Managers, or of the unit owners.

(15) PERMISSION

“You” are permitted to make alterations, additions or repairs.

(16) NEWLY ACQUIRED PERSONAL PROPERTY

If “you” acquire personal property to replace the property that is specifically described in the Declarations, “we” will insure the newly acquired property for a period not exceeding 30 days from the date of acquisition. “We” will be liable only for the Amount of Insurance on the property disposed of, or the invoice cost of the new property, whichever is less.

(17) TERRITORIAL LIMITS

Unless stated otherwise in the coverage form, “we” insure the property only while within Canada or the continental United States.

SECTION II

LIABILITY COVERAGE

COVERAGES

This insurance applies:

- (1) only to "bodily injury" or "property damage" which occurs during the policy period; and
- (2) separately to each "insured" against whom the claim is made or action is brought.

The COVERAGE E - LEGAL LIABILITY and COVERAGE F - VOLUNTARY MEDICAL PAYMENTS Amounts of Insurance shown in the Declarations are the most "we" will pay regardless of the number of:

- (1) "Insureds";
- (2) claims made or actions brought; or
- (3) persons or organizations making claims or bringing actions.

COVERAGE E - LEGAL LIABILITY

"We" will pay all sums which "you" become legally liable to pay as compensatory damages because of "bodily injury" or "property damage" to which this insurance applies. "We" will defend any action against "you" alleging "bodily injury" or "property damage" and seeking those compensatory damages, even if it is groundless, false or fraudulent. "We" reserve the right to select legal counsel, investigate, negotiate and settle any claim or action if "we" decide this is appropriate. "Our" obligation to defend ends when "we" have used up the applicable Amount of Insurance in the payment of judgments or settlements.

The COVERAGE E - LEGAL LIABILITY Amount of Insurance stated in the Declarations is the maximum amount "we" will pay, under one or more sections of COVERAGE E - LEGAL LIABILITY, for all compensatory damages in any one "occurrence".

"You" are insured for claims made or actions brought against "you" for:

(1) PERSONAL LIABILITY

"Bodily injury" or "property damage" arising out of "your" personal activities anywhere in the world.

(2) PREMISES LIABILITY

"Bodily injury" or "property damage" arising out of "your" ownership, use or occupancy of the "premises".

(3) TENANTS' LEGAL LIABILITY

"Property damage" to "premises", or their contents, which "you" are using, renting, or have in "your" custody or control, caused by any of the INSURED PERILS covered under the SPECIAL FORM as described and limited in SECTION I.

"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) CONTRACTS OR AGREEMENTS LIABILITY

"Bodily injury" or "property damage" for which "you" are obligated to pay compensatory damages by reason of assumption of liability in a written contract or agreement.

"You" are not insured for liability assumed in any contract or agreement in connection with "your" "business" or "farming" operation.

(5) EMPLOYERS' LIABILITY

"Bodily injury" to "residence employees" arising out of and in the course of their employment by "you".

"You" are not insured for:

- (a) claims made or actions brought against "you" arising out of the ownership, maintenance, use or operation of aircraft while being operated or maintained by "your" employee;
- (b) liability imposed upon or assumed by "you" under any workers' compensation, disability benefits, or unemployment compensation, or any similar law.

(6) WATERCRAFT LIABILITY

"Bodily injury" or "property damage" arising out of:

- (a) WATERCRAFT YOU OWN.

The ownership, maintenance, use or operation of watercraft equipped with an outboard motor or motors of not more than 19kW (25 hp) in total when used with or on a single watercraft. "You" are also insured if "your" watercraft has an inboard or an inboard-outboard motor of not more than 38kW (50 hp).

"You" are not insured for any type of watercraft that is more than 8 m (26 feet) in length.

If "you" own any motor(s) or watercraft larger than those stated above, "you" are insured only if they are described in the Declarations and the Declarations also indicate that "you" have Watercraft Liability. 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.

(b) WATERCRAFT YOU DO NOT OWN.

"Your" use or operation of watercraft which "you" do not own, but not for "property damage" to the watercraft itself.

(7) MOTORIZED VEHICLE LIABILITY

"Bodily injury" or "property damage" arising out of:

(a) VEHICLES YOU OWN.

The ownership, maintenance, use or operation of the following motorized vehicles provided they are not subject to motor vehicle registration or used for compensation or hire:

- (i)** self-propelled wheelchairs, including self-propelled scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability, electric power assisted bicycles;
- (ii)** lawn mowers, snow blowers, farm or garden-type tractors of not more than 38 kW (50 hp), trailers or implements, used or operated mainly on "your" property;
- (iii)** motorized golf carts but only while used for golfing purposes;
- (iv)** other self-propelled land motor vehicles, trailers or semi-trailers used solely on the "premises".

If "you" own any motorized vehicles other than those stated above, "you" are insured only if they are described in the Declarations and the Declarations also indicate that "you" have Motorized Vehicle Liability.

(b) VEHICLES YOU DO NOT OWN.

"Your" use or operation of any self-propelled land vehicle, amphibious vehicle or air cushion vehicle which "you" do not own, provided that:

- (i)** the vehicle is not subject to land motor vehicle registration and is designed primarily for use off public roads;
- (ii)** "you" are not using it for "business", "farming", or organized racing.

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

(8) TRAILER LIABILITY

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or operation of any utility, boat, camp or home trailer or its equipment, provided that such trailer is not being towed by, attached to, or carried on, a motorized vehicle subject to land motor vehicle registration.

(9) BUSINESS AND BUSINESS PROPERTY LIABILITY

"Bodily injury" or "property damage" arising out of:

- (a)** "your" work for someone else as a sales representative, collector, messenger, clerk, or teacher, provided the claim does not involve physical disciplinary action to a student or injury to a fellow employee;
- (b)** the occasional rental to others of the portion of the "dwelling" usually occupied by "you" as a private residence;
- (c)** the rental to others of portions of "your" one, two, or three-family "dwelling" usually occupied in part by "you" as a private residence, provided that no family unit includes more than two roomers or boarders;
- (d)** the rental of residential buildings containing not more than six family "dwelling" units provided the properties are listed in the Declarations and the Declarations also indicate that liability has been extended to the location;
- (e)** the rental of space in "your" residence to others for incidental office, school or studio occupancy;

- (f) the rental to others, or holding for rent, of not more than three car spaces or stalls in garages or stables;
- (g) activities during the course of "your" trade, profession or occupation which are not related directly to "your" trade, profession or occupation;
- (h) the temporary or part time "business" pursuits of an "insured" person under the age of 21 years.

(10) VOLUNTEER LIABILITY

"You" are insured for claims made or actions brought against "you" for activities "you" perform as a "volunteer". However, if "you" are a doctor, any professional services "you" perform as a doctor, "volunteer" or otherwise are not insured.

EXCLUSIONS

"You" are not insured for claims made or actions brought against "you" for:

- (1) "bodily injury" or "property damage" arising out of the ownership, maintenance, use, operation or entrustment to others of any:
 - (a) land motor vehicle, trailer or semi-trailer;
 - (b) amphibious vehicle; or
 - (c) air cushion vehicle or watercraft;

except those for which coverage is provided in this policy.

This exclusion does not apply to (5) EMPLOYERS' LIABILITY under COVERAGE E - LEGAL LIABILITY.

- (2) "property damage" to:
 - (a) property "you" own;
 - (b) property:
 - (i) "you" use, occupy, lease; or
 - (ii) in "your" care, custody or control.

This exclusion does not apply to (3) TENANTS' LEGAL LIABILITY under COVERAGE E - LEGAL LIABILITY;

- (c) personal property or fixtures as a result of work done on them by "you" or anyone on "your" behalf;

- (3) "bodily injury" to "you" or to any person residing in "your" household other than a "residence employee";
- (4) the personal actions of a "Named Insured" who does not reside on the "premises" described in the Declarations. This exclusion does not apply to a "Named Insured" who is living in a nursing home.
- (5) "bodily injury" or "property damage" due to war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- (6) "bodily injury" or "property damage" which is required to be insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of insurers;
- (7) "bodily injury" or "property damage" arising out of "your" "business" or "farming" operation or any "business" or "farming" use of "your" "premises" except as provided for in this policy or as specified in the Declarations;
- (8) "bodily injury" or "property damage" arising out of the rendering of, or failure to render, any professional service;
- (9) "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 person at the direction of any person insured by this policy.
- (10) "bodily injury" or "property damage" arising out of the ownership, maintenance, use, operation or entrustment to others of any aircraft.

This exclusion does not apply to (5) EMPLOYERS' LIABILITY under COVERAGE E - LEGAL LIABILITY.

- (11) "bodily injury" or "property damage" arising out of the ownership, existence, maintenance, use or operation, by "you" or on "your" behalf, of any "premises" for the purpose of an airport or aircraft landing facility;

- (12) (a) "bodily injury" or "property damage" caused by any communicable disease, or
- (b) "bodily injury" or "property damage" arising out of the failure to take steps to prevent the transmission or spread of any communicable disease;
- (13) (a) sexual, physical, psychological or emotional abuse, molestation or harassment, including corporal punishment by, at the direction of, or with the knowledge of any person insured by this policy; or
- (b) failure of any person insured by this policy to take steps to prevent sexual, physical, psychological or emotional abuse, molestation or harassment or corporal punishment.
- (14) any claim that arises directly or indirectly, in whole or in part, out of "Terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism". This exclusion applies regardless of any contributing or aggravating cause or event that contributes concurrently or in any sequence to the claim.
- (15) (a) the:
 - (i) erasure, destruction, corruption, misappropriation, or misinterpretation of "data", or
 - (ii) erroneously creating, amending, entering, deleting, or using "data";
 including any loss of use arising from any of these actions or events; or
- (b) 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".

COVERAGE F - VOLUNTARY MEDICAL PAYMENTS

"We" will pay reasonable medical expenses, incurred within one year of the date of the accident, if "you" unintentionally injure another person or if they are accidentally injured on "your" "premises" even though "you" are not legally liable. Medical expenses include surgical, dental, hospital, nursing, ambulance services and funeral expenses. "You" may also use this coverage to reimburse "residence employees" for medical expenses.

The COVERAGE F - VOLUNTARY MEDICAL PAYMENTS Amount of Insurance shown in the Declarations is the maximum amount "we" will pay for each person in respect of one accident.

"We" will not pay:

- (a) expenses covered by any medical, dental, surgical or hospitalization plan or law, or under any other insurance contract;
- (b) "your" medical expenses or those of persons residing with "you", other than "residence employees";
- (c) the medical expenses of any person covered by any workers' compensation, disability benefits, unemployment compensation, or any similar law;
- (d) medical expenses for "bodily injury" excluded under COVERAGE E - LEGAL LIABILITY.

ADDITIONAL COVERAGES

(1) SUPPLEMENTARY PAYMENTS

In addition to the Amount of Insurance under COVERAGE E - LEGAL LIABILITY, "we" will pay:

- (a) all expenses which "we" incur;
- (b) all costs charged against "you" in any action "we" defend except that "we" will pay only for the legal counsel "we" select;
- (c) any interest accruing after entry of judgment on that part of the judgment which is within the Amount of Insurance of COVERAGE E - LEGAL LIABILITY;
- (d) the cost of bonds to release attachments, but only for bond amounts within the Amount of Insurance of COVERAGE E - LEGAL LIABILITY. "We" do not have to furnish these bonds;
- (e) expenses which "you" have incurred for emergency medical or surgical treatment to others following an accident or "occurrence" insured by this policy;
- (f) all reasonable expenses incurred by "you" at "our" request, including actual loss of earnings up to \$150 a day because of time off from work.

(2) CONDOMINIUM UNIT OWNERS LOSS ASSESSMENT COVERAGE

If "you" are a condominium unit owner, "we" will pay up to a total of the limit of COVERAGE E - LEGAL LIABILITY in any one annual policy period for "your" share of special assessments if:

- (a) the assessments are valid under the governing rules of the "Condominium Corporation"; and

(b) the assessments are made necessary by "occurrences" to which this Section of the policy applies.

"We" will pay up to \$25,000 for any part of these assessments made necessary by a deductible in the insurance policy of the "Condominium Corporation".

(3) DAMAGE TO PROPERTY OF OTHERS

"We" will pay up to \$1,000 per "occurrence" for "property damage" to property of others caused by "you".

At "our" option, "we" will either:

- (a) pay the "actual cash value" of the property; or
- (b) repair or replace the property with other property of like kind and quality.

But "we" will not pay for "property damage":

- (a) caused intentionally by "you" if "you" are 13 years of age or over;
- (b) to property owned by or rented to "you" or "your" tenant;
- (c) caused by loss of use, disappearance or theft of property;
- (d) arising out of:
 - (i) "business" or "farming" pursuits, or professional services;
 - (ii) an act or omission in connection with any location (other than "premises" defined in DEFINITIONS) that is owned, rented or controlled by "you"; or
 - (iii) the ownership, maintenance, use or operation of any:
 - 1) land motor vehicle, trailer or semi-trailer;
 - 2) motorized bicycle or tricycle;
 - 3) farm machinery or equipment;
 - 4) aircraft; or
 - 5) watercraft.

(4) VOLUNTARY COMPENSATION BENEFITS FOR RESIDENCE EMPLOYEES

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

Provided however:

- (a) if "your" "residence employee" or any person acting on his or her behalf does not accept these benefits or sues "you", "we" may withdraw "our" offer, but this will not affect "your" liability insurance;
- (b) a "residence employee", or any person 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 "your" "residence employee's" injury or death;
- (c) that the injury or death of "your" "residence employee" was resulting from, and arising out of, the course of their employment by "you";
- (d) that "we" shall in no event be liable hereunder for any claims arising from hernia, however caused;
- (e) "we" will not pay benefits for injury or death caused by, or resulting from, any accident occurring prior to the inception of this policy;
- (f) that the EXCLUSIONS listed in SECTION II LIABILITY COVERAGE will apply;
- (g) that "we" do not insure "you" for costs recoverable from any other insurance plans.

ADDITIONAL DEFINITIONS.

"Weekly Indemnity" means two-thirds of "your" "residence employee's" weekly wage at the date of the accident, but not exceeding \$150 per week unless a higher weekly indemnity amount is shown on the Declarations.

SCHEDULE OF BENEFITS.

(a) Loss of Life

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

(i) a total of 100 times the "weekly indemnity" to those wholly dependent upon him or her. If there is more than one dependent the amount will be divided equally among them. This payment is in addition to any benefit for Temporary Total Disability paid up to the date of death;

(ii) actual funeral expenses, up to \$1,000.

(b) Temporary Total Disability

If "your" "residence employee" becomes totally disabled from injuries received in the accident within the following 14 days, and cannot work at any job, "we" will pay "weekly indemnity" up to 26 weeks while such disability continues. "We" will not pay for the first 7 days unless the disability lasts for 6 weeks or more.

(c) 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 100 weeks in addition to benefits provided under Temporary Total Disability.

(d) 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 the "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 100 weeks in total, even if the accident results in loss from more than one item.

For loss of:

(i) One or more of the following 100 weeks

- Hand
- Arm
- Foot
- Leg

(ii) One finger or toe 25 weeks

or

More than one finger or toe 50 weeks

(iii) One eye 50 weeks

or

Both eyes 100 weeks

(iv) Hearing of one ear 25 weeks

or

Hearing of both ears 100 weeks

(e) Medical Expenses

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

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

ADDITIONAL CONDITIONS.

(a) What you must do after an accident:

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

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

(ii) If requested by "us", "you" must arrange for the injured "residence employee" to:

- 1) submit to a physical examination at "our" expense by doctors "we" select as often as "we" may reasonably require;
- 2) authorize "us" to obtain medical and other records.

(b) Autopsy:

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

(c) Action against us:

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

All other terms and conditions of this policy remain in force.

SECTION II **CONDITIONS**

(1) NOTICE OF ACCIDENT OR OCCURRENCE

When an accident or "occurrence" takes place:

(a) "you" must promptly give "us" notice (in writing if required). The notice must include:

- (i) "your" name and policy number;
- (ii) the time, place and circumstances of the accident or "occurrence";
- (iii) the names and addresses of witnesses and potential claimants.

(b) "you" must also:

- (i) help "us" obtain witnesses, information and evidence about the accident or "occurrence" and cooperate with "us" in any legal action if "we" ask "you";
- (ii) immediately send "us" everything received in writing concerning the claim including legal documents.

(2) UNAUTHORIZED SETTLEMENTS - COVERAGE E - LEGAL LIABILITY

"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.

(3) ACTION AGAINST US - COVERAGE E - LEGAL LIABILITY

"You" shall not bring action against "us":

- (a) 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 a judgment against "you" or by an agreement which has "our" consent;
- (b) more than one year after either the date of an agreement which has "our" consent or of the final determination of the action against "you", including appeals, if any.

(4) PAYMENT OF CLAIM - COVERAGE F - VOLUNTARY MEDICAL PAYMENTS

Payment under this coverage is not an admission of liability by "you" or "us".

(5) DUTIES AFTER LOSS - COVERAGE F - VOLUNTARY MEDICAL PAYMENTS

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

- (a) give "us", as soon as possible, written proof of claim, under oath if requested;
- (b) submit to physical examination at "our" expense by doctors "we" select as often as "we" may reasonably require;
- (c) authorize "us" to obtain medical and other records.

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

(6) ACTION AGAINST US - COVERAGE F - VOLUNTARY MEDICAL PAYMENTS

"You" shall not bring action against "us" until "you" have fully complied with all the terms of this policy.

(7) INSURANCE UNDER MORE THAN ONE POLICY

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

SECTION I AND SECTION II **ADDITIONAL CONDITIONS**

In respect of SECTION II LIABILITY COVERAGE, only ADDITIONAL CONDITIONS (1), (3), (4), (5), (15), (16), (17), (18), (19) and (20) apply.

Otherwise all of the ADDITIONAL CONDITIONS apply with respect to all of the perils insured by this policy.

(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 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" voids 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 he desires the contract to continue in force, he 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

- (a) This contract may be terminated,
 - (i) by the Insurer giving to the "Insured" fifteen days notice of termination by registered mail or five days written notice of termination personally delivered;
 - (ii) by the "Insured" at any time on request.
- (b) Where this contract is terminated by the Insurer,
 - (i) the Insurer shall refund the excess of premium actually paid by the "Insured" over the pro rata premium for the expired time, but in no event, shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and
 - (ii) 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.
- (c) 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.
- (d) The refund may be made by money, postal or express company money order or cheque payable at par.
- (e) The fifteen days mentioned in clause (i) of subcondition (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

- (a) 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),
 - (i) forthwith give notice thereof in writing to the Insurer;

(ii) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,

- 1) 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,
- 2) 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,
- 3) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the "Insured",
- 4) showing the amount of other insurances and the names of other insurers,
- 5) 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,
- 6) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
- 7) showing the place where the property insured was at the time of loss;

(iii) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, and "actual cash value";

(iv) 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.

(b) The evidence furnished under clauses (iii) and (iv) of sub-paragraph (a) of this condition shall not be considered proofs of loss within the meaning of conditions (12) and (13).

(7) FRAUD

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

(8) WHO MAY GIVE NOTICE AND PROOF

Notice of loss may be given, and proof of loss may be made, by the agent of the "Insured" named in the contract in case of absence or inability of the "Insured" to give the notice or make the proof, and absence or inability being satisfactorily 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

(a) 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.

(b) The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the "Insured" and required under sub-paragraph (a) of this condition according to the respective interests of the parties.

(10) ENTRY, CONTROL, ABANDONMENT

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

(11) APPRAISAL

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

(12) WHEN LOSS PAYABLE

The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

(13) REPLACEMENT

- (a) 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.
- (b) 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, unless legislation provides otherwise.

In those jurisdictions where statute prescribes another period for right of action, every action or proceeding against the Insurer shall be commenced within such prescribed period and not afterwards.

* *Two years in the Province of Manitoba and the Yukon Territory.*

(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.

(16) CANADIAN CURRENCY

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

(17) SUBROGATION

"We" will be entitled to assume all "your" rights of recovery against others and may bring action in "your" name to enforce these rights when "we" make payment or assume liability under this policy. The amount recovered less the costs of recovery will be shared between "you" and "us" in proportion to the loss that each has borne. "You" shall sign and deliver all related papers and cooperate with "us" in any reasonable manner to secure such rights.

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

(18) INSURANCE UNDER MORE THAN ONE COVERAGE

In the event that more than one coverage, part or endorsement of this policy insures the same loss, damage or claim, payment shall not exceed the actual loss or damage sustained by "you".

(19) LIBERALIZATION CLAUSE

If "we" adopt any revision which would broaden coverage under this policy without any additional premium during the policy period, the broadened coverage will immediately apply to this policy.

(20) CHANGES IN POLICY

This policy contains all the agreements between "you" and "us" concerning the insurance afforded. No waiver or change of any provision of this policy may be made except by "us" in writing.

IN WITNESS WHEREOF, "we" have caused this policy to be signed by "our" President and C.E.O.



President & C.E.O.

August 2007

INQUIRY PROCEDURE

As your Insurer, we at The Wawanesa Mutual Insurance Company strive to maintain the highest standards of service at all times. If you have an inquiry regarding your policy we encourage you to first contact your Insurance Broker, who arranged your policy with us, for assistance.

If your Insurance Broker is unable to answer your inquiry, then you may contact the branch that issued your policy (a list of our branch offices is shown in the Declarations). To help us handle your inquiry promptly please be prepared with (or include in your letter) your policy number and details of your policy or claim.

If your inquiry is still not addressed to your satisfaction we encourage you to write directly to the Regional Vice President of the branch that issued your policy. Further details and links can be found on our website at www.wawanesa.com.

We will, of course, make every effort to resolve any problem in a fair and reasonable manner. However, should you feel the need for independent assistance, you certainly have the right to contact the Insurance Bureau of Canada, the General Insurance OmbudService (GIO), the Consumers' Bureau, the Insurance Branch (Superintendent or Ombudsperson) of your provincial or territorial government, or the Financial Consumer Agency of Canada, 6th floor, Enterprise Building, 427 Laurier Ave. West, Ottawa, ON, K1R 1B9.

With the compliments of your Insurance Broker



**Wawanesa
Insurance**

Earning Your Trust Since 1896

Branches at:

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PO Box 770
Moncton, NB E1C 8M9

8585 boul. Décarie
Mont-Royal, QC
H4P 2J4

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Toronto, ON
M2P 2B7

700 – 200 Main St
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PO Box 40
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R0K 2G0

100, 8657 – 51st Ave
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