

Homeowners Comprehensive Form

How to read your policy

Your policy is written in language designed to make it easier for you to understand your insurance protection. This policy is a legal contract between you and us.

It consists of:

- The Coverage Summary page(s)
- The policy form contained in this booklet
- Optional forms and endorsements contained in this booklet or attached but only those shown on the Coverage Summary page apply
- The Statutory Conditions which apply to all forms and are required by provincial law
- The Standard Mortgage Clause which applies where there is a mortgagee shown on the Coverage Summary page

This policy form consists of four sections:

SECTION I - PROPERTY COVERAGES describes the insurance on your dwelling and personal property. It also includes additional living expenses and/or fair rental value.

SECTION II – PERSONAL LIABILITY PROTECTION describes the insurance for your legal liability for bodily injury to others or damage to property of others arising out of your premises or your personal actions. It also includes benefits following injury or damage to property of others.

SECTION III – ADDITIONAL COVERAGES describes additional coverages.

SECTION IV - CONDITIONS describes conditions required by provincial law on property policies

IF WE BROADEN COVERAGE WHILE THE POLICY IS IN EFFECT, YOU WILL RECEIVE THE BENEFIT OF THE INCREASED COVERAGE AT NO ADDITIONAL CHARGE.

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

The Coverage Summary page summarizes the coverages and amounts of insurance we have agreed to provide and the period for which they are provided.

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

SECTION I – PROPERTY COVERAGES

DEFINITIONS

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

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

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

Business Property means property pertaining to a business, trade, profession or occupation.

Data means representations of information or concepts in any form.

Data Problem means:

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

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

Drain means a fixture or device located within or on the insured dwelling or additional buildings on your premises, connected to the waste water and/or sewer drainage piping system, for the purpose of removing water or sewage from the dwelling. This does not include weeping tile or a perimeter drainage system.

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

E-bike (electric bicycle) means a two- or three-wheeled bicycle equipped with handlebars and operable pedals, an attached electric motor of 500W or less, and a maximum speed capability of 32 km/h from the motor over level ground. E-bikes and e-bike riders must meet all the requirements of the province or territory in which they reside.

Flood includes, but is not limited to, waves, tide, tidal wave, tsunami, dam break, seiche, or the rising of, the breaking out or the overflow of, any body of water or watercourse, 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, underground streams and percolating water.

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

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

Spouse means a person:

- who is married to or has entered into a civil union with another person and is living with that person; or
- who has been living with another person of the opposite or the same sex and has been publicly represented as that person's spouse for at least two years or, in the following cases, for at least one year if:
 - a child has been born or is to be born of their union, or
 - they have adopted a child together; or
 - one of them has adopted a child of the other.

In addition, a student who is enrolled in and actually attends a school, college or university and who is dependent on the Named Insured or his or her spouse for support and maintenance is also insured even if temporarily residing away from the principal residence stated on the Coverage Summary page.

Insured Peril means a cause of loss or damage insured under the coverage form stated on the Coverage Summary page.

Occurrence means a loss to insured property caused by one or more of the insured perils.

Policy Limit is equal to the sum of the amounts shown on your Coverage Summary page for Dwelling Building, Additional Buildings, Personal Property and Loss of Use of Your Dwelling.

Premises means the land and building(s) contained within the lot lines on which the dwelling is situated.

Residence Employee means a person employed by you to perform household or domestic services or duties of a similar nature in connection with the maintenance or use of the insured premises but not persons performing duties in connection with any business you conduct.

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

Sump means a sump pit, well or basin, lined with concrete or other liner, located within your dwelling or additional buildings on your premises, connected to a mechanical or gravity feed evacuation pump system, for the purpose of collecting and removing water. A sump pit, well or basin not equipped with a mechanical pump or gravity feed evacuation system is not a sump.

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

Terrorism means an ideologically motivated unlawful act or acts, included 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.

Tornado means a violently rotating column of air extending between a cloud base and the surface. It must be a confirmed finding by Environment Canada.

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

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

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

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

You or your refers to the insured.

SINGLE AMOUNT OF INSURANCE

This policy provides a Single Amount of Insurance which may be applied to any insured loss or damage to the property insured in this section of your policy, except for personal property under "Personal Property With Special Limits of Insurance".

The single amount of insurance is the sum of the amounts shown on the Coverage Summary page for Dwelling Building, Additional Buildings, Personal Property and Loss of Use of Your Dwelling and this is the maximum amount we will pay for insured loss or damage in any one occurrence, unless stated otherwise.

COVERAGE A – DWELLING BUILDING

We insure:

- your dwelling and attached structures;
- permanently installed outdoor equipment on the premises;
- outdoor domestic water containers, including swimming pools, hot tubs, saunas and attached equipment on the premises;
- materials and supplies located on or adjacent to the premises intended for use in construction, alteration or repair of your dwelling or additional buildings/structures on the premises. We insure against theft only when your dwelling is completed and ready to be occupied.

Building Fixtures And Fittings

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

Outdoor Trees, Shrubs, Plants and Lawns

You may apply up to 5% in all of the amount of insurance on your dwelling building as shown on the Coverage Summary Page to trees, plants, shrubs and lawns, on your premises, excluding cannabis plants.

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

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

We do not insure items grown for commercial purposes.

COVERAGE B – ADDITIONAL BUILDINGS

We insure private buildings or structures detached from the dwelling and which are on your premises, but not insured under the dwelling building. If they are connected to the dwelling by only a fence, utility line or similar connection, they are considered to be detached.

COVERAGE C – PERSONAL PROPERTY

Personal Property On Your Premises

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

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

Personal Property Temporarily Away From Your Premises

We also insure 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 traveling for you.

We insure the personal property of any student insured by this policy, who is temporarily living away from home for the purpose of attending a school, college or university.

The student must be dependent on the Named Insured or his or her spouse for support and maintenance in order for this coverage to apply.

Personal property stored in a warehouse is insured, but for 90 days only, if the loss or damage is caused by an Insured peril. Coverage will cease, except for loss by theft or attempted theft for the duration of the policy term unless we have been notified within the first 90 days and endorse your policy accordingly.

Personal property normally kept in a safety deposit box is insured.

Personal property normally kept at any other location you own is not insured.

Moving Your Personal Property To Another Home

We insure your personal property while in transit to and at another location within Canada which is to be occupied by you as your principal dwelling. Coverage applies for 90 consecutive days commencing on the date personal property is removed from your principal dwelling, but not beyond the date the policy expires or is terminated. This coverage does not increase the amounts of insurance.

Personal Property With Special Limits of Insurance

Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence.

For all insured losses	Limit
Money or cash cards*, bullion	\$1,000
Business property, but only while on your premises	\$5,000
Securities	\$7,500
Watercraft, their furnishings, equipment, accessories and motors	\$3,000
Utility trailers	\$2,000
Spare automobile parts	\$2,000
Cannabis in all consumable forms and cannabis plants, except for medicinal use	\$500

* "Cash cards" mean cards designed to store a cash value by electronic means for use as a mode of payment, without a personal identification number and without direct access to a bank account or other account.

For theft or mysterious disappearance losses	Limit
Jewellery, watches, gems and furs	\$10,000
Coin or banknote collections	\$1,000
Stamp collections	\$2,500
Each bicycle, its equipment and accessories	\$3,000
Luggage, pet carriers and handbags, including but not limited to, purses, wallets, totes, clutches, carrier bags and other items of a similar nature	\$10,000
Collectible cards (such as sports personality cards) and comic books	\$5,000

Personal Property Not Insured

We do not insure:

- data;
- business property, other than as shown under Personal Property with Special Limits of Insurance;
- samples and goods held for sale;
- evidences of debt or title;
- cryptocurrencies;
- sporting equipment where the loss or damage is due to its use;
- property in any fairground, exhibition or exposition for the purpose of exhibition or sale;
- any property illegally acquired, kept, stored, or transported, or the proceeds of crime;
- any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- animals, birds or fish unless the loss or damage is caused by fire, lightning, explosion, riot, theft or attempted theft, vandalism and malicious acts or collision of an automobile or common carrier in which the animal is being transported;
- a) motorized vehicles or their equipment (except wheelchairs or scooters having more than two wheels and specifically designed for the carriage or a person who has a physical disability, e-bikes, golf carts, watercraft, lawn mowers, garden tractors including attachments and accessories or snow blowers, other than those used for compensation or hire);
- b) camper units, truck caps, or their equipment;
- c) unmanned aircraft or their equipment, including drones weighing more than 1 kg;
- d) trailers, other than as shown under Personal Property with Special Limits of Insurance.

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

"Equipment" does not include spare automobile parts.

COVERAGE D – LOSS OF USE OF YOUR DWELLING

The amount of insurance for Coverage D is the total amount for any one or a combination of the following coverages. The periods of time stated below are not limited by the expiration of the policy.

Additional Living Expenses

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

Fair Rental Value

If an Insured Peril makes that part of the dwelling rented to others or held for rental by you unfit for occupancy, we insure its Fair Rental Value. Payment shall be for the reasonable time required to repair or replace that part of the dwelling rented or held for rental.

Fair Rental Value shall not include any expense that does not continue while that part of the dwelling rented or held for rental is unfit for occupancy.

Prohibited Access By Civil Authority

If a civil authority prohibits access to your premises as a direct result of damage to neighbouring premises by an Insured Peril under this policy we insure any resulting Additional Living Expense and Fair Rental Value for a period not exceeding 30 days.

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

ADDITIONAL COVERAGES

Freezer Foods

We will pay for loss or damage to foods while contained in a freezer on your premises resulting from the failure of the freezer's refrigeration equipment caused by:

- mechanical breakdown of the unit;
- the accidental interruption of electrical power on or off the premises.

This coverage also includes loss or damage to the freezer itself resulting from spoilage of the foods contained within.

We do not insure:

- loss or damage caused by your failure to use reasonable means to save the food from spoilage or to arrange restoration of the power supply;
- loss or damage caused by any process of refinishing, renovating or repairing the appliance;
- loss or damage resulting from the manual or accidental disconnection of the appliance from the dwelling power supply;
- expenses incurred in the acquisition of the food.

Change of Temperature

While your personal property is in your dwelling, it is covered for loss or damage due to a change of temperature resulting from damage to your dwelling building(s) or equipment caused by an Insured Peril.

Credit, Debit Or Automated Teller Cards, Depositors Forgery And Counterfeit Paper Money

1. Coverages

We will pay for:

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

2. Exclusions

We do **not** insure:

- a) losses caused by your dishonesty;
- b) losses arising out of your business pursuits;
- c) losses caused by the use of your credit card or automated teller card by a resident of your household or by a person to whom you have entrusted the card.

The most we will pay under this coverage during the term of this policy is **\$10,000**.

This coverage is **not** subject to a deductible.

Debris Removal

The single amount of insurance includes the cost of removing debris caused by loss or damage to property insured by this policy as a result of an Insured Peril.

However, when the amount payable for loss or damage to property equals the single amount of insurance, we will pay up to an additional 5% of the single amount for debris removal expenses provided that the replacement of the building(s) takes place on the same site.

Fire Department Charges

We will reimburse you for charges incurred if a fire department charges for attending your home because of an Insured Peril.

This coverage is **not** subject to a deductible.

Inflation Protection

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

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

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

Lock Repair or Replacement

We will pay up to \$1,000 in all to replace or rekey, at our option, the locks on your dwelling or your private passenger automobile(s) including the ignition, if your keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft.

This coverage is **not** subject to a deductible.

Mass Evacuation Additional Living Expense

We will pay any necessary and reasonable increase in living expense incurred by you while access to your dwelling is prohibited by order of civil authority but only when such order is given for mass evacuation as a direct result of a sudden and accidental event within Canada or the United States of America.

You are insured for a period not exceeding 30 days from the date of the order of evacuation.

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

- flood;
- earthquake;
- war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
- 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;
- contamination from radioactive material.

The term "civil authority" 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.

Permission To Remove Property

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

Tear Out

If any walls, ceilings or other parts of insured buildings or structures must be torn apart before water damage covered by this form can be repaired, we will pay the cost of such work and its restoration.

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

Arson or Theft Conviction Reward

We will pay up to \$1,000 to any person, excluding law enforcement officers or agencies, for information which leads to a conviction for either arson or theft in connection with loss or damage to property insured by this policy. This coverage may increase the amount payable under the policy. However, the \$1,000 limit is the maximum we will pay regardless of the number of persons providing the information.

This coverage is **not** subject to a deductible.

Declaration of Emergency Endorsement - Extension of Termination or Expiry Date

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

1. The "emergency" must have a direct effect or impact on:

- i) the Insured, the insured site or insured property located in the declared emergency area; or
 - ii) the operations of the Insurer or its agent/broker located in the declared emergency area.
2. a. Any time limitation described in the Termination condition of this policy, with respect to termination of this policy by the Insurer, will not continue to run until the "emergency" is terminated plus the lesser of:
- i) 30 days; or
 - ii) the number of days equal to the total time the "emergency" order was in effect.
- b. If this policy is due to expire during an "emergency", it will continue in force until the "emergency" is terminated plus the lesser of:
- i) 30 days; or
 - ii) the number of days equal to the total time the "emergency" order was in effect.
3. In no event shall the total term of this extension exceed 120 consecutive days

The Insured agrees to pay the pro rata premium earned for the additional time the Insurer remains on risk as a result of the above.

"Emergency" means the first statutory declaration of an emergency:

- a) with respect to a situation or an impending situation that constitutes a danger of major proportions that could result in serious harm to persons or substantial damage to property and that is caused by the forces of nature, a disease or other health risk, an accident or an act whether intentional or otherwise; or
- b) as provided for by the relevant governing legislation if different from a);

but does not include any subsequent statutory declaration(s) that may be issued relating to the same event.

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

By-Laws Coverage

Insuring Agreement

1. We will pay the additional cost of demolition, construction or repairs which is required to comply with any law regulating demolition, construction or repairs of the buildings for insured loss or damage, up to \$30,000, unless a specific amount for this coverage is shown on your Coverage Summary page.
2. This includes:
 - loss resulting from the demolition of any undamaged portion of the building or structure; or cost of demolishing and clearing the site of any undamaged portion of the building or structure; or
 - any increase in the cost of repairing, replacing, or constructing the buildings or structures on the same site and for the same use or occupancy.
3. We will not pay:
 - (a) more than \$30,000, unless a specific amount for this coverage is shown on your Coverage Summary page;
 - (b) more than the minimum amount required to comply with any law;
 - (c) the additional cost, unless your property is actually repaired, rebuilt or replaced on the same site, even if the by-law, regulation, ordinance or law prohibits rebuilding on the same site.

INSURED PERILS

You are insured against **All Risks** of direct physical loss or damage subject to the exclusions and conditions of this policy.

LOSS OR DAMAGE NOT INSURED

We do not insure loss or damage:

1. to buildings or structures used, in whole or in part, for business or farming purposes unless declared on the Coverage Summary Page;
2. to personal property undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
3. occurring after your dwelling has, to your knowledge, been vacant, for more than 30 consecutive days;
4. resulting from any intentional or criminal act or failure to act, by any person insured by this policy or at the direction of any person insured by this policy. However, this exclusion does not apply to any person insured by this policy, but only to the extent of their proportional interest in the lost or damaged property, who:
 - a) has not committed and was not a party to the intentional or criminal act or failure to act; or
 - b) has not abetted or colluded in the intentional or criminal failure to act; or
 - c) has not consented to the intentional or criminal act or failure to act and neither knew nor ought to have known that the intentional or criminal act or failure to act would cause loss or damage;
5. caused by any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
6. caused by contamination from radioactive material;
7. caused by war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;

8. caused by theft by any tenant, tenant's employee, or member of the tenant's household;
9. resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud;
10. caused by birds, vermin, insects, raccoons, bats, skunks or rodents, except loss or damage to building glass;
11. caused by animals owned by you or in your care, custody or control;
12. to buildings or structures or personal property contained in them, used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution, or sale of cannabis or any product derived from or containing cannabis, except as allowed by law;
13. caused by rust, corrosion, wet or dry rot, fungi or spores, bacteria, condensation, acid rain or contamination;
14. caused by smoke from agricultural smudging or industrial operations;
15. caused by snowslide, earthquake, landslide or any other earth movement. If any of these results in fire or explosion, we will pay only the resulting loss or damage;
16. caused by settling, expansion, contraction, moving, bulging, buckling or cracking, except resulting damage to building glass;
17. caused by theft or attempted theft of property in or from a dwelling under construction or of materials and supplies for use in the construction until the dwelling is completed and ready to be occupied;
18. caused by vandalism or malicious acts or glass breakage occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
19. caused by water;
20. caused by windstorm, except damage resulting from a tornado;
21. caused by hail;

nor do we insure:

22. wear and tear, inherent vice, latent defect, mechanical breakdown, deterioration;
23. i) data;
- ii) loss or damage caused directly or indirectly by data problem. However, if loss or damage caused by data problem results in the occurrence of further loss of or damage to property insured that is directly caused by fire, explosion, smoke, leakage from fire protective equipment, water damage, this exclusion shall not apply to such resulting loss or damage;
24. the cost of making good faulty material or workmanship;
25. scratching, abrasion or chipping of any personal property, or accidental breakage of any fragile or brittle articles;
26. 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;
27. loss or damage caused directly or indirectly by any of the following perils, whether or not caused by or attributable to earthquake: flood of any nature, waves, tidal waves, tsunamis, high water, waterborne objects or ice.

BASIS OF CLAIM SETTLEMENT

When Coverage Applies

We will pay claims for insured loss or damage up to your financial interest in the property, but not more than the applicable amount(s) of insurance for any loss or damage arising out of one occurrence.

Any payment for loss or damage will not reduce the amounts of insurance provided under Section I.

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

Deductible

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

We pay only the amount by which the insured loss or damage exceeds the applicable deductible amount in any one occurrence when the loss is \$100,000 or less. If the loss is more than \$100,000, we pay the full amount. Loss or damage occurring due to a fire resulting directly or indirectly from an earthquake is subject to the deductible, regardless of the amount of the loss.

If your claim involves **"Personal Property with Special Limits of Insurance"**, these limits apply only to the amount of loss exceeding the deductible.

Coverage A - Dwelling Building And Coverage B - Additional Buildings

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

We provide **Guaranteed Replacement Cost** on Coverage A - Dwelling Building which means:

we will pay the cost of repairs or replacement, on the same site, even if it is more than the principal dwelling replacement cost amount shown on the Coverage Summary page, provided:

- the principal dwelling replacement cost amount, shown on the Coverage Summary page on the inception date of the policy, or the most recent renewal date, or the increased amount under the inflation protection coverage on the date the increase took effect, was not less than 100% of the cost to replace the dwelling building, as determined by a valuation guide acceptable to us;
- the principal dwelling replacement cost amount has not been reduced below the amount determined by the valuation guide; and
- you notified us, within 90 days of the start of the work, if any improvement, extension or addition has been made to your dwelling that will increase the replacement value by more than \$10,000.

When this guarantee is applied on any principal dwelling claim, the total amount of insurance available for other insured coverages is the single amount minus the principal dwelling replacement cost amount shown on the Coverage Summary page.

If you decide not to repair or replace the damaged or destroyed building, we will pay the actual cash value of the damage at the date of the occurrence.

Coverage C - Personal Property

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

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

- repairing the personal property with materials of similar kind and quality; or,
- new articles of similar kind, quality and usefulness;

without any deduction for depreciation.

We will pay on the basis of replacement cost only if the property lost or damaged is repaired or replaced as soon as reasonably possible, but in no case more than 1 year after the date of loss. Otherwise, we will pay on the basis of actual cash value.

You may choose payment on the basis of actual cash value initially. If you later decide to replace any destroyed or stolen property, you may make an additional claim for the difference between the actual cash value and the replacement cost.

We will not pay more than the applicable limit under either the replacement cost or actual cash value basis for **"Personal Property With Special Limits of Insurance"**.

Actual Cash Value

The Actual Cash Value is what the property is worth and takes into account such things as the cost of replacement less any depreciation and obsolescence. In determining depreciation, we will consider the condition of the property immediately before the damage occurred, the resale value and the normal life expectancy.

Pair And Set

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

Parts

In the case of loss or damage to any part of the insured property, whether scheduled or unscheduled, consisting, when complete for use, of several parts, we will not pay for more than the insured value of the part lost or damaged, including the cost of installation.

Insurance Under More Than One Policy

If you have insurance on specifically described property, our policy will be excess insurance and we will not pay any loss or claim insured by this policy 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.

Notice to Authorities

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

Duties After Loss

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

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

Subrogation

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

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

SECTION II – PERSONAL LIABILITY PROTECTION**DEFINITIONS**

Amount Of Insurance in this Section has the same meaning as in Section I.

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

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

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

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

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

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

E-bike (electric bicycle) in this section has the same meaning as in Section I.

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

Occurrence means an accident to which this coverage applies occurring within the policy period, including continuous or repeated exposure to conditions neither expected nor intended.

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

It also includes:

1. premises where you are residing temporarily or which you are using temporarily, as long as you are not:
 - a) the owner of the premises;
 - b) the lessee or tenant of the premises under any agreement which is longer than 180 consecutive days;
 - (i) this does not apply to a student as defined in Section I under definition of insured;
2. premises in Canada to be occupied by you as your principal residence from the date you acquire ownership or take possession but not beyond the earliest of:
 - a) 60 consecutive days;
 - b) the date the policy expires or is terminated;
 - c) the date upon which specific liability insurance is arranged for such premises;
3. individual or family cemetery plots or burial vaults;
4. vacant land in Canada you own or rent, other than farmland;
5. land in Canada where you or an independent contractor is building a one, two or three-family residence to be occupied by you.

Property Damage means:

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

Residence Employee in this Section has the same meaning as in Section I.

Short Term Rental is considered any rental contract less than 30 days in duration.

Terrorism in this section has the same meaning as in Section I.

We or Us or Our in this Section has the same meaning as in Section I.

You or Your in this Section has the same meaning as in Section I. In addition, we will insure:

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

COVERAGES

This insurance applies:

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

COVERAGE E – PERSONAL LIABILITY

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

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

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

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

If this policy and any other policy or coverage form issued to any insured by Intact Insurance Company or any of its affiliates apply to the same occurrence, the maximum limits under all such policies or coverage forms shall not exceed the highest applicable limit of liability available under any one location in any one policy or any coverage form. This condition does not apply to any other insurance issued by us or any of our affiliated companies specifically intended to apply as excess insurance over this policy.

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

We do not insure claims made against you arising from:

1. liability you have assumed by contract unless your legal liability would have applied even if no contract had been in force, but we do insure claims made against you for the legal liability of other persons in relation to your premises that you have assumed under a written contract;
2. damage to property you currently own or have ever owned;
3. damage to property used, occupied, leased or rented by or in the care, custody or control of an insured except for unintentional property damage to premises owned by others, or their contents, which you are using, renting or have in your custody or control caused by fire, explosion, water damage or smoke. Water Damage is as described in Section III and any attached Extended Water Damage Package;
4. damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
5. bodily injury to you or to any person residing in your household other than a residence employee;
6. the personal actions of a named insured who does not reside on the premises described on the Coverage Summary page.

We will not pay punitive or exemplary damages, meaning that part of an award by a court which is in excess of compensatory damages and is stated or intended to be a punishment to you.

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

Defence, Settlement, Supplementary Payments

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

We will also pay:

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

What You Must Do After An Accident Or Occurrence

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

Action Against Us

No suit may be brought against us:

1. until you have fully complied with all the terms of this Coverage, nor until the amount of your obligation to pay has been finally determined, either by a judgment against you or by an agreement which has our consent;
2. more than one year after either the date of an agreement which has our consent or of the final determination of the action against you, including appeals, if any.

Unauthorized Settlements

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

COVERAGE F – VOLUNTARY MEDICAL PAYMENTS

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

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

We will not pay

1. expenses covered by any medical, dental, surgical or hospitalization plan or law, or under any other insurance contract;
2. your medical expenses or those of persons residing with you, other than residence employees;
3. medical expenses of any person covered by an Workers' Compensation Statute.

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

What You Must Do After An Accident Or Occurrence

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

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

Action Against Us

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

COVERAGE G – VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY

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

We do not insure:

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

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

Basis Of Payment

We will pay whichever is the lower amount of:

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

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

What You Must Do After An Accident Or Occurrence

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

Action Against Us

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

COVERAGE H – VOLUNTARY COMPENSATION FOR RESIDENCE EMPLOYEES

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

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

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

Exclusion

We will not pay benefits for any hernia injury.

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

Schedule of Benefits**1. Loss of Life:**

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

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

2. Temporary Total Disability:

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

3. Permanent Total Disability:

If your residence employee becomes permanently and totally disabled from injuries received in the accident within the following 26 weeks and cannot work at any job, we will pay weekly indemnity for 100 weeks in addition to benefits provided under Temporary Total Disability.

4. Injury Benefits:

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

We will not pay more than 100 weeks in total even if the accident results in loss from more than one item.

For loss of:

- | | |
|---------------------------------|-----------|
| a) One or more of the following | 100 weeks |
| Hand | |
| arm | |
| foot | |
| leg | |
| b) One finger or toe | 25 weeks |
| or | |
| more than one finger or toe | 50 weeks |
| c) One eye | 50 weeks |
| or | |
| both eyes | 100 weeks |
| d) Hearing of one ear | 25 weeks |
| or | |
| hearing of both ears | 100 weeks |

5. Medical Expenses:

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

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

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

Weekly Indemnity

Weekly Indemnity means two thirds of your residence employee's weekly wage at the date of the accident but we will not pay more than \$100 per week.

What You Must Do After An Accident

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

Autopsy

In case of death, we can require a birth certificate, a death certificate and an autopsy before we make payment.

Action Against Us

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

SPECIAL LIMITATIONS**Watercraft And Motorized Vehicles You Own**

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

1. watercraft, including their attachments, equipped with an outboard motor or motors of not more than 19kW (25 H.P.) in total when used with or on a single watercraft;
2. watercraft, including their attachments, equipped with any other type of motor of not more than 38 kW (50 H.P.);
3. non-motorized watercraft, including their attachments, not more than 8 metres (26 feet) in length;
4. self-propelled lawn mowers, snow blowers, garden-type tractors of not more than 19kW (25 H.P.);
5. motorized golf carts while in use on a golf course;
6. motorized wheelchairs, including motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability;
7. e-bikes.

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

Watercraft And Motorized Vehicles You Do Not Own

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

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

provided that the motorized vehicle or watercraft is not owned by any person insured by this policy.

Watercraft And Motorized Vehicle Uses We Do Not Insure

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

1. used for carrying passengers for compensation;
2. used for business purposes;
3. used in any race or speed test, except for sailboats up to 8 metres in length in non-professional races organized by a yacht club of which you are a member;
4. rented to others;
5. being used or operated without the owner's consent if you are not the owner.

Trailers

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

Business And Business Property

We insure you against claims arising out of:

1. your personal actions during the course of your trade, profession or occupation which are not related directly to your trade, profession or occupation;
2. the occasional rental to others of the portion of the dwelling usually occupied by you as a private residence, excluding short-term rentals;
3. the rental to others of portions of your two or three-family dwelling usually occupied in part by you as a private residence provided no family unit includes more than 2 roomers or boarders, excluding short-term rentals;
4. the short-term rental of your dwelling or a portion of your dwelling for a total maximum of 30 days per year;
5. the rental of space in your residence to others for incidental office, school or studio occupancy;
6. the rental to others, or holding for rent, of not more than 3 car spaces or stalls in garages or stables;
7. the temporary or part time business pursuits of an insured person under the age of 21 years.

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

EXCLUSIONS – SECTION II

We do not insure claims arising from:

1. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. bodily injury or property damage which is required to be insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of insurers;
3. business pursuits or any business use of the premises except as provided under "**Business And Business Property**" in Section II;
4. the rendering or failure to render any professional service;
5. liability imposed upon or assumed by you under any workers' compensation statute;
6. bodily injury or property damage caused by any intentional or criminal act or failure to act by;

- a) any person insured by this policy; or
 - b) any other person at the direction of any person insured by this policy;
 - 7. 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;
 - 8. the transmission of any communicable or sexually transmitted disease, including Acquired Immune Deficiency Syndrome, by any person insured by this policy;
 - 9. the ownership, use or operation of any watercraft, motorized vehicle or trailer except as provided in Section II under “SPECIAL LIMITATIONS” for watercraft, motorized vehicles and trailers;
 - 10. the ownership, use or operation of:
 - a) any unmanned aircraft not being operated according to Transport Canada regulations, or weighing more than 1 kg. or while being operated in an official race or speed test;
 - b) premises used as an airport or landing facility;
 and all activities related to either;
 - 11. a) the failure of any computer to operate, or the failure, malfunction or inadequacy of any computer or other equipment, including embedded microchips, computer program or software to correctly read, recognize, process, distinguish, interpret or accept any date, time, or combined date/time data field. Such failure shall include any error in original or modified data entry or programming;
 - 11. b) any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you, or for you, to determine, rectify or test for any potential or actual problems described in a) of this exclusion;
 - 12. a) erasure, destruction, corruption, misappropriation, misinterpretation of data,
 - b) erroneously creating, amending, entering, deleting or using data, including any loss of use arising from either a) or b),
 - c) the distribution or display of data by means of an Internet Website, the Internet, an intranet, extranet, or similar device or system designed or intended for electronic communication of data;
- nor do we insure:
- 13. any claim that arises directly or indirectly, in whole or in part, out of Terrorism or out of 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 sequence to the claim;
 - 14. bodily injury or property damage arising out of your personal actions occurring on or in connection with any premises owned, used or occupied by any insured other than the premises defined in Section II.

Insurance Under More Than One Policy

If you have any other policy or coverage form issued by a company other than Intact Insurance Company or any of its affiliates which apply to the same occurrence or claim, or would have applied if this policy did not exist, this policy will be excess insurance over such other policy or coverage form, and we will not pay any loss or claim until the amount of such other insurance is used up.

SECTION III – ADDITIONAL COVERAGES

AGREEMENT

The coverages and forms in this section of the booklet apply only if shown on the Coverage Summary page of your policy.

The coverage provided by any such endorsement or form is subject to the terms and conditions of your policy, except where a term or condition has been modified by that endorsement or form, in which case the term or condition of that endorsement or form shall apply.

Windstorm Coverage

This extends your coverage to include loss or damage caused by the peril of windstorm. Windstorm does not include tornado as defined in Section I.

Amount of Insurance

The amount of insurance that is granted by this coverage is subject to the policy limit, unless a specific amount of insurance is shown on your Coverage Summary page for this coverage. This coverage does not increase the amount of insurance in Section I.

Basis of Claims Settlement

Deductible

The coverage provided is subject to the deductible shown on the Coverage Summary page for this coverage.

All other terms, conditions, provisions and exclusions of the policy to which this coverage applies remain unchanged.

Hail Coverage

This extends your coverage to include loss or damage caused by the peril of hail.

Amount of Insurance

The amount of insurance that is granted by this coverage is subject to the policy limit, unless a specific amount of insurance is shown on your Coverage Summary page for this coverage. This coverage does not increase the amount of insurance in Section I.

Basis of Claims Settlement

Deductible

The coverage provided is subject to the deductible shown on the Coverage Summary page for this coverage.

All other terms, conditions, provisions and exclusions of the policy to which this coverage applies remain unchanged.

Water Damage Coverage

This extends your coverage to include loss or damage caused by water, but only when that damage is caused by:

- a) the sudden and accidental escape of water from a water main;
 - b) the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system or domestic water container, which is located inside your dwelling;
 - c) the sudden and accidental escape of water from a domestic water container located outside your dwelling but such damage is not covered when the escape of water is caused by freezing;
 - d) water which enters your dwelling through an opening which has been created suddenly and accidentally by an Insured Peril other than water damage;
 - e) water from the accumulation of ice or snow on the roof or eaves trough, which enters the dwelling through a roof;
 - f) water which enters your dwelling through the roof due to the accumulation and overflow of rain from the eaves trough.
- but we do not insure loss or damage:
- i. caused by freezing during the usual heating season:
 - 1. within a normally heated portion of your dwelling if the heat has been intentionally turned off by you or at your direction; or
 - 2. within a normally unheated portion of your dwelling;
 - ii. caused by continuous or repeated seepage or leakage of water;
 - iii. caused by the backing up or escape of water from a sewer, storm drain, drain, sump or septic tank;
 - iv. caused by ground water or rising of the water table, unless the water escapes from a water main or from a domestic water container located outside your dwelling;
 - v. caused by surface waters including flood, unless the water escapes from a water main or from a domestic water container located outside your dwelling;
 - vi. caused by shoreline ice build-up or by waterborne objects or ice, all whether driven by wind or not;
 - vii. to a water main;
 - viii. to a plumbing, heating, cooling, sprinkler or air conditioning system or domestic water container caused by freezing or from which the water escaped;
 - ix. occurring while the dwelling is under construction or vacant unless we have given permission for construction or vacancy.

Amount of Insurance

The amount of insurance that is granted by this coverage is subject to the policy limit, unless a specific amount of insurance is shown on your Coverage Summary page for this coverage. This coverage does not increase the amount of insurance in Section I.

Basis of Claims Settlement

Deductible

The coverage provided is subject to the deductible shown on the Coverage Summary page for this coverage.

All other terms, conditions, provisions and exclusions of the policy to which this coverage applies remain unchanged.

SECTION IV – CONDITIONS

Conditions Applicable To The Various Coverages Provided Herein

All of the Conditions set out under **STATUTORY CONDITIONS** in the Policy apply with respect to insurance provided under ALL OTHER FORMS except as they are modified or supplemented by the Forms or Endorsements attached. No term or condition of this Policy shall be deemed to have been waived by us in whole or in part unless the waiver is clearly stated in writing, signed by a person authorized for that purpose. Neither we nor you shall be deemed to have waived any term or condition of this Policy by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or to the investigation or adjustment of any claim under this Policy.

STANDARD MORTGAGE CLAUSE

(approved by The Insurance Bureau of Canada)

(All provinces except Quebec)

IT IS HEREBY PROVIDED AND AGREED THAT:

1. **BREACH OF CONDITIONS by MORTGAGOR, OWNER or OCCUPANT** - This insurance and every documented renewal thereof - AS TO THE INTEREST OF THE MORTGAGEE ONLY THEREIN - is and shall be in force notwithstanding any act, neglect, omission or misrepresentation attributable to the mortgagor, owner or occupant of the property insured, including transfer of interest, any vacancy or non-occupancy, or the occupation of the property for purposes more hazardous than specified in the description of the risk;
 PROVIDED ALWAYS that the Mortgagee shall notify forthwith the Insurer (if known) of any vacancy or non-occupancy extending beyond thirty (30) consecutive days, or of any transfer of interest or increased hazard THAT SHALL COME TO HIS KNOWLEDGE; and that every increase of hazard (not permitted by the policy) shall be paid for by the Mortgagee - on reasonable demand - from the date such hazard existed, according to the established scale of rates for the acceptance of such increased hazard, during continuance of this insurance.
2. **RIGHT OF SUBROGATION** - Whenever the Insurer pays the Mortgagee any loss award under this policy and claims that - as to the Mortgagor or Owner - no liability therefore existed, it shall be legally subrogated to all rights of the Mortgagee against the Insured; but any subrogation shall be limited to the amount of such loss payment and shall be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer; or the Insurer may at its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and shall thereupon receive a full assignment and transfer of the mortgage together with all securities held as collateral to the mortgage debt.
3. **OTHER INSURANCE** - If there be other valid and collectible insurance upon the property with loss payable to Mortgagee - at law or in equity - then any amount payable thereunder shall be taken into account in determining the amount payable to the Mortgagee.
4. **WHO MAY GIVE PROOF OF LOSS** - In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.
5. **TERMINATION** - The term of this Mortgage Clause coincides with the term of the policy; PROVIDED ALWAYS that the Insurer reserves the right to cancel the policy as provided by the Statutory provision but agrees that the Insurer will neither terminate nor alter the policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory provision.
6. **FORECLOSURE** - Should title or ownership to said property become vested in the Mortgagee and/or assigns as owner or purchaser under foreclosure or otherwise, this insurance shall continue until expiry or cancellation for the benefit of the said Mortgagee and/or assigns.

SUBJECT TO THE TERMS OF THIS MORTGAGE CLAUSE (and these shall supersede any policy provisions in conflict therewith BUT ONLY AS TO THE INTEREST OF THE MORTGAGEE), loss under this policy is made payable to the Mortgagee.

STATUTORY CONDITIONS

(BRITISH COLUMBIA, ALBERTA AND MANITOBA)

Statutory Conditions 1 to 14 inclusive apply as contract terms with respect to insurance on property. Only Statutory Conditions 1, 3, 4, 5 and 14 apply as contract terms with respect to Legal Liability, Voluntary Medical Payments and Voluntary Compensation for Damages to Property of others.

Misrepresentation

1. 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 the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

Property of others

2. The Insurer is not liable for loss or damage to property owned by a person other than the Insured unless
 - (a) otherwise specifically stated in the contract, or
 - (b) the interest of the Insured in that property is stated in the contract.

Change of interest

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

Material change in risk

4. (1) The Insured must promptly give notice in writing to the Insurer or its agent of a change that is
 - (a) material to the risk, and
 - (b) within the control and knowledge of the Insured.
 (2) If an Insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
 (3) If an Insurer or its agent is notified of a change under subparagraph (1) of this condition, the Insurer may
 - (a) terminate the contract in accordance with Statutory Condition 5, or
 - (b) notify the Insured in writing that, if the Insured desires the contract to continue in force, the Insured must, within 15 days after receipt of the notice, pay to the Insurer an additional premium specified in the notice.
 (4) If the Insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

Termination of insurance

5. (1) The contract may be terminated
 - (a) by the Insurer giving to the Insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
 - (b) by the Insured at any time on request.

- (2) If the contract is terminated by the Insurer,
 - (a) the Insurer must refund the excess of premium actually paid by the Insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
 - (b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
- (3) If the contract is terminated by the Insured, the Insurer must refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- (4) The 15 day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the Insured's postal address.

Requirements after loss

- 6. (1) On the happening of any loss of or damage to insured property, the Insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,
 - (a) immediately give notice in writing to the Insurer,
 - (b) deliver as soon as practicable to the Insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration,
 - (i) giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the amount of loss claimed,
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,
 - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured,
 - (iv) stating the amount of other insurances and the names of other insurers,
 - (v) stating the interest of the Insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
 - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
 - (vii) stating the place where the insured property was at the time of loss,
 - (c) if required by the Insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
 - (d) if required by the Insurer and if practicable,
 - (i) produce books of account and inventory lists,
 - (ii) furnish invoices and other vouchers verified by statutory declaration, and
 - (iii) furnish a copy of the written portion of any other relevant contract.
- (2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

Fraud

- 7. Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

Who may give notice and proof

- 8. Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made
 - (a) by the agent of the Insured, if
 - (i) the Insured is absent or unable to give the notice or make the proof, and
 - (ii) the absence or inability is satisfactorily accounted for, or
 - (b) by a person to whom any part of the insurance money is payable, if the Insured refuses to do so or in the circumstances described in clause (a) of this condition.

Salvage

- 9. (1) In the event of loss or damage to insured property, the Insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.
- (2) The Insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the Insured under subparagraph (1) of this condition.

Entry, control, abandonment

- 10. After loss or damage to insured property, the Insurer has
 - (a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
 - (b) after the Insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
 - (i) without the Insured's consent, the Insurer is not entitled to the control or possession of the insured property, and
 - (ii) without the Insurer's consent, there can be no abandonment to it of the insured property.

In case of disagreement

11. (1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the *Insurance Act*, whether or not the Insured's right to recover under the contract is disputed, and independently of all other questions.
- (2) There is no right to a dispute resolution process under this condition until
 - (a) a specific demand is made for it in writing, and
 - (b) the proof of loss has been delivered to the Insurer.

When loss payable

12. Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the Insurer.

Repair or replacement

13. (1) Unless a dispute resolution process has been initiated, the Insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
- (2) If the Insurer gives notice under subparagraph (1) of this condition, the Insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

Notice

14. (1) 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.
- (2) Written notice to the Insured may be personally delivered at, or sent by registered mail addressed to, the Insured's last known address as provided to the Insurer by the Insured.

STATUTORY CONDITIONS**(YUKON, NORTHWEST TERRITORIES AND NUNAVUT)**

Statutory Conditions 1 to 15 inclusive apply as contract terms with respect to insurance on property. Only Statutory Conditions 1, 3, 4, 5 and 15 apply as contract terms with respect to Legal Liability, Voluntary Medical Payments and Voluntary Compensation for Damages to Property of others.

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 avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to the Insurer or its local agent, and the Insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the Insured in writing that, if 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 a payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.

5. Termination

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

6. Requirements After Loss

- (1) Upon the occurrence of any loss of or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11:
 - a) forthwith give notice thereof in writing to the Insurer;
 - b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
 - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed;
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes;
 - (iii) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the Insured;
 - (iv) showing the amount of other insurances and the names of other insurers;
 - (v) showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property;
 - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract;
 - (vii) showing the place where the property insured was at the time of loss;
 - c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;
 - d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
- (2) The evidence furnished under clauses (c) and (d) of sub-paragraph (1) of the 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 declarations.

8. Who May Give Notice And Proof

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

9. Salvage

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

10. Entry, Control, Abandonment

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

11. Appraisal

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

12. When Loss Payable

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

13. Replacement

- (1) The Insurer, instead of making payment, may repair, rebuild or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.
- (2) In the 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 any claim under or by virtue of this contract is absolutely barred unless commenced within one year* next after the loss or damage occurs.

*Two years in 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.