



Wawanesa
Insurance

Your
Farm
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.

HOW TO READ AND UNDERSTAND YOUR POLICY

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

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

Your policy consists of:

- **THE DECLARATIONS** which contain information that is unique to your insurance policy and which indicates the coverages you have purchased.
- **THE POLICY** that is contained in this booklet.
- **OPTIONAL FORMS** and **ENDORSEMENTS** that are included in this booklet or attached to your Declarations.
- **THE STATUTORY CONDITIONS** which apply to all forms and are required by Provincial Law.

All of these items represent the legal contract of indemnity between you and us.

This policy consists of three sections:

SECTION I – PROPERTY COVERAGE of this booklet describes the insurance on your property. It also includes Loss Of Use and/or Fair Rental Value coverage as shown in the booklet.

SECTION II – LIABILITY COVERAGE of this booklet 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 in certain other circumstances.

SECTION III – FARM PROPERTY COVERAGES of this booklet describes the insurance on your farm buildings, machinery, produce, livestock, and farm income. You will have purchased either FIRE and LIGHTNING or FIRE and EXTENDED COVERAGE. These coverages may vary by item. You may also have purchased SPECIAL COVERAGE on your buildings, contents, mobile farm machinery, or equipment, tools and parts.

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

TABLE OF CONTENTS

INTRODUCTION	0
HOW TO READ AND UNDERSTAND YOUR POLICY	0
TABLE OF CONTENTS	1
AGREEMENT	4
DEFINITIONS	4
SECTION I PROPERTY COVERAGE	9
COVERAGE A – DWELLING BUILDING	9
COVERAGE B – PRIVATE STRUCTURES	9
COVERAGE C – PERSONAL PROPERTY	9
PERSONAL PROPERTY ON YOUR PREMISES	9
PERSONAL PROPERTY AWAY FROM YOUR PREMISES	9
MOVING TO ANOTHER HOME	9
SPECIAL LIMITS OF INSURANCE	9
PROPERTY NOT INSURED	9
COVERAGE D – LOSS OF USE	10
ADDITIONAL LIVING EXPENSE	10
FAIR RENTAL VALUE	10
PROHIBITED ACCESS	10
ADDITIONAL COVERAGES	10
1. OUTDOOR TREES, PLANTS AND SHRUBS	10
2. PROPERTY REMOVED	10
3. CHANGE OF TEMPERATURE	11
4. TEAR OUT	11
5. DEBRIS REMOVAL	11
6. CREDIT OR DEBIT CARDS, FORGERY AND COUNTERFEIT CURRENCY	11
7. FOOD SPOILAGE	11
8. FIRE DEPARTMENT CHARGES	11
9. LOCK REPLACEMENT	11
10. ARSON CONVICTION REWARD	11
11. GRAVE MARKERS	11
12. AUTOMATIC PRINCIPAL RESIDENCE COVERAGE	11
13. DATA	12
14. EXHIBITION COVERAGE	12
15. FARM OFFICE FURNISHINGS AND FARM OFFICE EQUIPMENT	12
ADDITIONAL COVERAGES – CONDOMINIUM UNIT OWNERS	12
1. CONDOMINIUM LOSS ASSESSMENT	12
2. CONDOMINIUM ADDITIONAL COVERAGE	12
3. CONDOMINIUM UNIT OWNER IMPROVEMENTS	12
4. CONDOMINIUM DEDUCTIBLE ASSESSMENT	12
ADDITIONAL COVERAGES – TENANTS	12
1. TENANT IMPROVEMENTS	12
2. DAMAGE TO DWELLING	12
SPECIAL FORM	12
BROAD FORM	13
BASIC DWELLING FORM	15
SPECIAL CONDOMINIUM UNIT OWNERS FORM	15
BROAD CONDOMINIUM UNIT OWNERS FORM	16
SPECIAL TENANTS FORM	17
BROAD TENANTS FORM	18
SEASONAL HOMEOWNERS FORM	19
BROAD SEASONAL DWELLING FORM	19
BASIC SEASONAL DWELLING FORM	20
SECTION I OPTIONAL COVERAGES	20
BOAT AND MOTOR COVERAGE – FORM 1110	20
COMPUTER COVERAGE – FORM 962	21
GLASS BREAKAGE COVERAGE – FORM 1017	21
MOTORIZED VEHICLE COVERAGE – FORM 965	21
PERSONAL ARTICLES COVERAGE – FORM 1014	21
EARTHQUAKE COVERAGE – FORM 991	22
CONDOMINIUM UNIT OWNERS EARTHQUAKE COVERAGE – FORM 991C	22
BUILDING BYLAWS COVERAGE – FORM 1053	23
IDENTITY FRAUD EXPENSE COVERAGE – FORM 1054	23
SECTION I LOSS OR DAMAGE NOT INSURED	23
SECTION I CONDITIONS	24
BASIS OF SETTLEMENT	24

APPLICABLE TO COVERAGE A, COVERAGE B, COVERAGE C, AND COVERAGE D	24
1. INFLATION PROTECTION COVERAGE	24
2. ACTUAL CASH VALUE	24
3. DEDUCTIBLE	24
4. SINGLE INCLUSIVE LIMIT	25
5. FIRE FOLLOWING EARTHQUAKE	25
APPLICABLE TO COVERAGE A AND COVERAGE B	25
6. BUILDING	25
7. GUARANTEED REPLACEMENT COST – COVERAGE A	25
APPLICABLE TO COVERAGE C	25
8. REPLACEMENT COST ON PERSONAL PROPERTY	25
9. PAIRS AND SETS	26
10. PARTS	26
APPLICABLE TO CONDOMINIUM UNIT OWNERS AND TENANTS COVERAGE ONLY	26
11. IMPROVEMENTS OR UNIT DAMAGE	26
POLICY CONDITIONS	26
1. AMOUNTS NOT REDUCED	26
2. INSURANCE UNDER MORE THAN ONE POLICY	26
3. NOTICE TO AUTHORITIES	26
4. SUBROGATION	26
5. DECLARATION OF EMERGENCY – EXTENSION OF TERMINATION OR EXPIRY DATE	26
6. RECOVERY OF INNOCENT PERSONS	26
SECTION II LIABILITY COVERAGE	27
COVERAGE E – FARM LIABILITY	27
COVERAGE F – MEDICAL PAYMENTS	29
ADDITIONAL COVERAGES AND OPTIONAL COVERAGES	31
COMMON EXCLUSIONS	34
SUPPLEMENTARY PAYMENTS	36
WHO IS AN INSURED	36
AMOUNTS OF INSURANCE	37
CONDITIONS	38
DEDUCTIBLE	39
SECTION III FARM PROPERTY COVERAGES	39
COVERAGE G – BARNs, BUILDINGS AND STRUCTURES	39
1. BARNs, BUILDINGS AND STRUCTURES	39
2. CONTENTS OF BARNs, BUILDINGS AND STRUCTURES	40
COVERAGE H – FARM PERSONAL PROPERTY	40
1. MACHINERY, EQUIPMENT, TOOLS, PARTS	40
2. FEED, GRAIN, CHEMICALS, FERTILIZER, PRODUCE	41
3. LIVESTOCK	41
COVERAGE I – FARM INCOME AND EXTRA EXPENSE	42
FARM INCOME	42
EXTRA EXPENSE	42
EXTENDED FARM INCOME (PROFITS) – FORM 2025	42
ALTERATIONS AND NEW BUILDINGS	43
ACTION OF CIVIL AUTHORITY	43
AUDITORS' FEES	43
ELECTRONIC MEDIA AND RECORDS	43
LOSS OR DAMAGE NOT INSURED	43
BASIS OF SETTLEMENT	43
LOSS DETERMINATION – LOSS OF FARM INCOME	43
SECTION III ADDITIONAL COVERAGES	44
SECTION III OPTIONAL COVERAGES	50
CONSEQUENTIAL LOSS COVERAGE – FORM 2028	50
DUAL VALUATION CLAUSE – FORM 2021	50
LOSS OF USE COVERAGE – FORM 2027	50
MINIMUM LIVESTOCK CLAUSE – FORM 2026	50
REPLACEMENT COST COVERAGE ON MOBILE FARM MACHINERY AND MOBILE FARM EQUIPMENT – FORM 2020	50
SECTION III INSURED PERILS	51
FIRE AND LIGHTNING FORM	51
FIRE AND EXTENDED COVERAGE FORM	51
SPECIAL FORM	52
SECTION III LOSS OR DAMAGE NOT INSURED	52
SECTION III PLUS FARM PROPERTY ENHANCEMENT – FORM 1297	54
Schedule of Limits	54
SECTION III CONDITIONS	63
BASIS OF CLAIM PAYMENT	63

1.	REINSTATEMENT	63
2.	DEDUCTIBLE	63
3.	FARM BARNS, BUILDINGS AND STRUCTURES	63
4.	REBUILDING CLAUSE – FARM BARNS, BUILDINGS AND STRUCTURES	63
5.	REPLACEMENT COST – FARM BARNS, BUILDINGS AND STRUCTURES	63
6.	INSURANCE UNDER MORE THAN ONE POLICY	63
7.	NOTICE TO AUTHORITIES	63
8.	LOSS TO A PAIR OR SET	63
9.	LOSS TO PARTS	63
10.	PERMISSION	63

AGREEMENT

We provide the insurance described in this policy in return for payment of the premium when due and subject to the terms and conditions set out.

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

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

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

DEFINITIONS

Whenever the following words are used in the following sections, whether or not in quotations, they will be specifically defined as follows:

You and **Your** means the **Named Insured**.

We, us and **our** means **The Wawanesa Mutual Insurance Company**

In this policy 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.

"Abuse" means any act or threat involving molestation, harassment, corporal punishment or any other form of physical, sexual or mental "abuse".

"Action" means a civil proceeding in which "compensatory damages" because of "bodily injury" or "property damage" to which this insurance applies are alleged. "Action" includes:

- a. an arbitration proceeding in which such "compensatory damages" are claimed and to which the "Insured" must submit or does submit with our consent; or
- b. any other alternative dispute resolution proceeding in which such "compensatory damages" are claimed and to which the "Insured" submits with our consent.

"Actual Cash Value" is the cost of replacing the damaged property of similar kind, capacity, size, quality and function less depreciation however caused. In determining depreciation consideration will be given to such items as age, condition, and normal life expectancy of the property.

"Aircraft" means any contrivance used or designed for flight, including any parts whether or not attached to the aircraft. Aircraft includes but is not limited to airplanes, helicopters, hot air balloons, drones, unmanned aerial vehicles and hovercraft.

"Automobile" means a land motor vehicle, trailer or semitrailer that is required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, including attached machinery or equipment.

"Bodily Injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

"Business" means any continuous or regular pursuit undertaken for financial compensation, including any trade, profession or occupation. "Business" does not include "farming operations".

"Business Premises" 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" means any person acting under the authority of Federal, Provincial or Territorial, or Municipal legislation with respect to the protection of persons and property in the event of an emergency.

"Compensatory Damages" means damages due or awarded in payment for actual injury or economic loss. "Compensatory damages" does not include punitive or exemplary damages or the multiple portion of any multiplied damage award.

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

"Computer Software" and **"Software"** means computer programs and instructions stored on electronic "media", excluding video games of any kind.

"Computer System" means:

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

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

"Coverage Territory" means:

- a. Canada and the United States of America (including its territories and possessions);
- b. international waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between places included in a. above.
- c. all other parts of the world if the injury or damage arises out of:
 - (1) goods or products made or sold by you in the territory described in a. above;
 - (2) the activities of an "Insured" person whose home is in the territory described in a. above, and is away for a short time on your business; provided the "Insurer's" responsibility to pay "compensatory damages" is determined in an "action" on the merits, in the territory describe in a. above or in a settlement we agree to; or
- d. solely with respect to any person added as an "Insured" by paragraph 5. or 6. under SECTION II – WHO IS AN INSURED:
 - (1) your personal actions anywhere in the world.

"Custom Farming" means the use of your farm machinery or equipment, away from your "premises" to farm for others, for a fee under any agreement(s) or contract(s) where your annual receipts equal or exceed \$10,000. Occasional farm work that you do for others in return for their work for you will not be considered "custom farming".

"Custom Farming" does not include crop spraying.

"Data" means information, facts or programs stored as or on, created or used on, or transmitted to or from "computer software", including but not limited to systems and application "software", hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other "media" which are used with electronically controlled equipment.

"Data Problem" means:

- a. erasure, destruction, corruption, misappropriation or misinterpretation of "data";
- b. error(s) in creating, amending, entering, deleting or using "data"; or
- c. inability to receive, transmit or use "data".

"Domestic Water Container" means a device or apparatus for containing, heating, chilling or dispensing water for personal use.

"Dwelling" means:

- a. if you are a building or mobile home owner, the building or mobile home described on the Declarations wholly or partially occupied by you as a private residence;

- b. if you are a tenant, the portion of the building occupied by you principally as a private residence;
- c. if you are a condominium unit owner, 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.

"Employee" includes a "farm employee", a "residence employee" a "leased worker" or a "temporary worker".

"Executive Officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar government document.

"Farming Operations" means the ownership, maintenance or use of "premises" for the production of crops or the raising or care of livestock, including all necessary operations. "Farming operations" also includes the operation of roadside stands and farmers' markets principally for the sale of your own farm products.

"Farm Employee" means a person employed by you to perform duties principally connected with the conduct of your "farming operations":

"Farm employee" does not include:

- a. any "Named Insured";
- b. any person added as an "Insured" by paragraph 6. under SECTION II – WHO IS AN INSURED;
- c. a "residence employee"; or
- d. any person while performing duties not in connection with the conduct of your "farming operations".

"Farm Income" means:

- a. the net income (net profit or loss before income taxes earned or incurred) derived from "farming operations"; and
- b. any normal, continuous operating expenses incurred, including payroll.

"Fissionable Substance" means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.

"Flood" includes but is not limited to, waves, tides, tidal waves, tsunami, dam breaks, 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 waters.

"Hostile Fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

"Impaired Property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

- a. it incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. you have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- (1) the repair, replacement, adjustment or removal of "your product" or "your work"; or
- (2) your fulfilling the terms of the contract or agreement

"Incidental Medical Malpractice Injury" means "bodily injury" arising out of the rendering of, or failure to render, during the POLICY PERIOD, the following services:

- a. medical, surgical, dental, x-ray or nursing services or treatment or furnishing of food or beverages in connection therewith; or
- b. the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;

by any "insured" or any indemnitee causing the "incidental medical malpractice injury" who is not engaged in the business or occupation of providing any of the services described in a. or b. above.

"Insured"

Under SECTION I – PROPERTY COVERAGE and SECTION III – FARM PROPERTY COVERAGES "Insured" means a "Named Insured" and while living in the same household;

- a. his or her "spouse";
- b. the relatives of either;
- c. a registered domestic partner; and
- d. any person under the age of 21 years and in your care.

In addition, a student who is enrolled and 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 an insured even if temporarily residing away from your principal residence as shown on the Declarations.

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

Only a "Named Insured" may take legal action against us.

Under SECTION II – LIABILITY COVERAGE "Insured" also means any person or organization qualifying as such under SECTION II – WHO IS AN INSURED.

"Insured Contract" means:

- a. a contract for lease of "premises". However, that portion of the contract for a lease of "premises" that indemnifies any person or organization for damage to "premises" while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. a sidetrack agreement;
- c. an easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
- d. any other easement agreement;
- e. an obligation, as required by ordinance or bylaw, to indemnify a municipality, except in connection with work for a municipality;
- f. an elevator maintenance agreement;
- g. that part of any contract or agreement pertaining to your "business" or "farming operations" (including indemnifications of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "compensatory damages" because of "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph g. does not include that party of any contract or agreement:

- (1) that indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (2) preparing, approving, or failing to prepare or approve, maps, shop drawings, opinion, reports, surveys, field orders, change orders or drawings and specifications; or
 - (3) giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (4) under which the "Insured", if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the "Insured's": rendering or failure to render "professional services", including those listed in (1) above and supervisory, inspection, architectural or engineering activities.
- h. solely with respect to any person added as an "Insured" by paragraph 5. or 6. Under SECTION II – WHO IS AN INSURED, liability you have assumed under a written contract for claims made against you for the tort liability of another party to pay for "compensatory damages" because of "bodily injury" or "property damage" in relation to your "premises".

"Leased Worker" means a person leased to you by a labour leasing firm under an agreement between you and the labour leasing firm, to perform duties related to the conduct of your "business" or "farming operations". "Leased worker" does not include a "temporary worker".

"Loading or Unloading" means the handling of property:

- a. after it is moved from the place where it is accepted for movement into or onto an "aircraft", watercraft or "automobile"; or
- b. while it is or on any "aircraft", watercraft or "automobile" to the place where it is finally delivered;
- c. while it is being moved from an "aircraft", watercraft or "automobile" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the "aircraft", watercraft or "automobile".

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

"Media" means material on which "data" is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.

"Money" means currency, coins and bank notes in current use and having a face value.

"Named Insured" means only those persons or organizations:

- a. designated in NAME AND ADDRESS OF INSURED on the Declarations; and
- b. that have been added by paragraph 3. under SECTION II – WHO IS AN INSURED.

"Nuclear Energy Hazard" means the radioactive, toxic, explosive, or other hazardous properties of "radioactive material".

"Nuclear Facility" means:

- a. any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
- b. any equipment designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (ii) processing or packaging waste;
- c. any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope of uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the "Insured" at the "premises" where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235
- d. any structure, base, excavation, "premises" or place prepared or used for the storage or disposal of waste "radioactive material";

and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all "premises" used for such operations.

"Occurrence" means:

Under SECTION I – PROPERTY COVERAGE and SECTION III – FARM PROPERTY COVERAGES "Occurrence" means a loss to insured property during the policy period, caused by one or more of the insured perils.

Under SECTION II – LIABILITY COVERAGE "Occurrence" means an accident, including continuous or repeated exposure to the same general harmful conditions, and occurring during the policy period.

"Period of Restoration" means the period of time that:

- a. begins with the date of direct physical loss or damage caused by or resulting from any insured peril at the described "premises"; and
- b. ends on the date when the property at the described "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of Restoration" does not include any increased period of time required due to the enforcement of any ordinance or law that:

- a. regulates the construction, use or repair, or requires the tearing down of any property; or
- b. requires any "Insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "Period of Restoration".

"Pollutant(s)" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to fuel oil, vapour, soot, chemicals, pesticides, herbicides, waste and smoke from agricultural smudging or industrial operations.

"Premises"

Under SECTION I – PROPERTY COVERAGE and SECTION III – FARM PROPERTY COVERAGES "Premises" means:

- a. the farm "premises" specified on the Declarations;
- b. the location where you reside and the land contained within the lot lines where the "dwelling" is situated;
- c. if you are a tenant or the owner of a condominium unit, "premises" means the portion of the location which you occupy exclusively for your residential purposes;
- d. other residential "premises" specified on the Declarations, except "business premises".

Under SECTION II – LIABILITY COVERAGE "Premises" includes:

- a. land you use for "farming operations" and any new farm "premises" acquired during the policy period;
- b. individual or family cemetery plots or burial vaults;
- c. "vacant" land in Canada owned by or rented to you, other than farm land;
- d. 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;
- e. the "premises" where you are residing temporarily or which you are using temporarily, provided you are not:
 - (1) the owner of the "premises"; or
 - (2) the lessee or tenant of the "premises" under any agreement which is longer than 90 consecutive days; and
- f. "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:
 - (1) 30 consecutive days;
 - (2) the date the policy term expires or is terminated; or
 - (3) the date upon which specific liability insurance is arranged for such "premises".

"Products-Completed Operations Hazard":

- a. includes all "bodily injury" and "property damage" occurring away from "premises" you own or rent and arising out of "your product" or "your work" except:
 - (1) products that are still in your physical possession; or
 - (2) work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) when all of the work called for in your contract has been completed;
 - (b) when all of the work to be done at the job site has been completed if your contract calls for work at more than one job site;
 - (c) when that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- b. Does not include "bodily injury" or "property damage" arising out of:

- (1) the transportation of property, unless the injury or damage arises out of a condition in or on a vehicle that is not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any "Insured"; or
- (2) the existence of tools, uninstalled equipment or abandoned or unused materials.

"Professional Services" will include, but not be limited to:

- a. medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection there with;
- b. any "professional service" or treatment conducive to health;
- c. "professional service" of a pharmacist;
- d. the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
- e. the handling or treatment of deceased human bodies including autopsies, organ donations or other procedures;
- f. any cosmetic, body piercing, tonsorial, massage, physiotherapy, chiropody, hearing aid, optical or optometrical services or treatments;
- g. the preparation or approval of maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications;
- h. supervisory, inspection, architectural, design or engineering services;
- i. accountant's, advertiser's, notary's (Quebec), public notary's, paralegal's, lawyer's, real estate broker's or agent's, insurance broker's or agent's, travel agent's, financial institution's, or consultant's, professional advice or activities;
- j. any computer programming or re-programming, consulting, advisory or related services; or
- k. claim, investigation, adjustment, appraisal, survey or audit services.

"Property Damage" means:

- a. physical injury to tangible property, including all resulting loss of use of that property. All such loss of use will be deemed to occur at the time of the physical injury that caused it; or
- b. loss of use of tangible property that is not physically injured. All such loss of use will be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, "data" is not tangible property.

"Radioactive Material" means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements, and any other substances which may be designated by any nuclear liability act, law or statute, or any law amendatory thereof, as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy.

"Residence Employee" means a person employed by you to perform duties in connection with the maintenance or use of the insured "premises". This includes person(s) who perform household or domestic services or duties of a similar nature for you. This does not include any person(s) while performing duties in connection to your "business" or "farming operations".

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

1. **FIRE**
2. **LIGHTNING**
3. **EXPLOSION**
4. **SMOKE**

This peril means smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the "premises".

5. **FALLING OBJECT**

This peril means a falling object which strikes the exterior of a "dwelling" and/or private structure.

6. **IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE**

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

7. **RIOT**

8. **VANDALISM OR MALICIOUS ACTS**

This peril does not include loss or damage:

- a. caused by you and/or at your direction;
- b. occurring while the "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy";
- c. caused by theft or damage from an attempted theft.

9. **WATER DAMAGE**

We insure:

- a. the sudden and accidental escape of water or steam from within a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container", which is located within your "dwelling" and/or private structures;
- but under no circumstances do we insure any loss or damage:

- (1) caused by freezing during the usual heating season;
 - (i) within a heated portion of your "dwelling" and/or private structures if you have been away from your "premises" for more than 4 consecutive days, but you will still be insured if you have taken any of the following precautions:
 - a) arranged for a competent person to enter your "dwelling" and/or private structures once every 3 days you were away to ensure that heating was being maintained;
 - b) shut off the water supply to your "dwelling" and/or private structures and had drained all of the pipes and "domestic water containers";
 - c) connected your heating system to an alarm which is monitored 24 hours a day by a central monitoring service;
 - (ii) within an unheated portion of your "dwelling" and/or private structures;
 - (2) caused by continuous or repeated leakage or discharge of water;
 - (3) caused by seepage;
 - (4) caused by the backing up or escape of water or sewage from any sewer, septic system or sump;
 - (5) to a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container" from which the water escaped;
 - (6) occurring while the "dwelling" and/or private structure is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy". This exclusion applies immediately upon your "dwelling" and/or private structures becoming "vacant" or commencing construction;
- b. the sudden and accidental escape of water from a "domestic water container" which is located outside your "dwelling" and/or private structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing;
 - c. the sudden and accidental escape of water from a "watermain" located outside your "dwelling" and/or private structures;

- d. water which enters your "dwelling" and/or private structures through an opening which has been created suddenly and accidentally by a "Specified Peril" other than WATER DAMAGE.

Regardless of paragraphs a., b., c. and d. above, we do not insure any loss or damage caused by:

- (a) "surface waters";
- (b) "ground water" or rising of the water table;
- (c) shoreline ice build-up or waterborne ice or other waterborne objects, all whether driven by wind or not;
- (d) "flood". This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage which results directly from fire or explosion.

10. WINDSTORM

This peril does not include loss or damage caused by or resulting from the weight of ice or snow, including, but not limited to shoreline ice build-up or waterborne ice or other objects, whether driven by wind or not.

11. HAIL

12. ELECTRICITY

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

13. TRANSPORTATION

This peril means loss or damage to your personal property caused by collision, upset, overturn, derailment, stranding or sinking of any "automobile" or attached trailer, in which the insured property is being carried. This would also apply to any conveyance of a common carrier, but does not include loss or damage to personal property in a vacation or home trailer which you own.

14. ICE DAMMING

This peril means loss or damage caused by water that enters the "dwelling" or unit through a roof due to the accumulation of ice or snow on the exterior of the roof or eavestrough.

15. DAMAGE CAUSED BY BEARS

"Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or property and includes

- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value meter) in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money". Lottery tickets held for sale are not securities.

"Social Media" means a form of electronic communication including but not limited to, networking, blogging or microblogging, through which you create or share information, ideas, personal messages, photographs, videos and other content using online communities.

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

"Spouse" means a person:

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

"Surface Waters" means water or natural precipitation temporarily diffused over the surface of the ground, not caused by "flood" or escape of water from a "domestic water container" or "watermain".

"Temporary Worker" means a person who is furnished to you to substitute for a permanent "farm employee" on leave or to meet seasonal or short-term workload conditions.

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

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

- a. all occupants have moved out with no intention of returning to reside continuously in the "dwelling" or perform operations in the farm barn, building or structure and no new occupant has taken up residence or occupancy of the farm barn, building or structure; or
- b. in the case of a newly constructed or acquired "dwelling" or farm barns, buildings or structures, no occupant has yet taken up residence of the "dwelling" or occupancy of the farm barn, building or structure.

"Volunteer worker" means a person who is not your "farm employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

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

"Your Product"

- a. means:
 - (1) any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (i) you;
 - (ii) others trading under your name; or
 - (iii) a person or organization whose business or assets you have acquired; and
 - (2) containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
- c. does not include vending machines or other property rented to or located for the use of others but not sold.

"Your Work"

- a. means:
 - (1) work or operations performed by you or on your behalf; and
 - (2) materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

SECTION I PROPERTY COVERAGE

COVERAGE A – DWELLING BUILDING

We insure:

- a. the "dwelling" on the "premises" described on the Declarations and its attached structures;
- b. permanently installed outdoor equipment on the "premises" used principally for the service of the "dwelling";
- c. outdoor "domestic water containers", including swimming pool(s), spas, hot tubs and their attached equipment on the "premises";
- d. materials and supplies located on or adjacent to the "premises" intended for use in construction, alteration or repair of the "dwelling" and/or private structures on the "premises";
- e. 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 but not insured under COVERAGE A. If they are connected to the "dwelling" by a fence, utility line or similar connection only, they are considered to be private structures.

PROPERTY NOT INSURED

We do not insure private structures originally built and previously used for "farming operations" regardless of their current use unless otherwise endorsed in this form.

COVERAGE C – PERSONAL PROPERTY

PERSONAL PROPERTY ON YOUR PREMISES

We insure:

- a. the contents of your "dwelling" and other personal property you own, wear or use which is usual to the ownership, maintenance or use of your "dwelling"; and
- b. if you wish we will include uninsured personal property of others while it is on that portion of your "premises" which you occupy, but we do not insure personal property of roomers or boarders.

PERSONAL PROPERTY AWAY FROM YOUR PREMISES

We insure:

- a. your personal property while it is temporarily away from your "premises" anywhere in the world. If you wish we will include uninsured personal property belonging to others while it is in your possession or belonging to a "residence employee" traveling with you;
- b. personal property while in storage, including in a safety deposit box;
- c. personal property of a student who, while temporarily residing away from your principal residence is covered up to \$25,000 provided the student:
 - (1) is enrolled in and attending a school, college or university; and
 - (2) is dependent on a "Named Insured" or his or her "spouse" for support and maintenance;
- d. 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 or assisted living facility is covered up to \$25,000.

MOVING TO ANOTHER HOME

We insure your personal property while you are moving from the "premises" shown on the Declarations to a new "dwelling" in Canada:

- a. for a period of 30 days commencing on the date you began moving; or
- b. until your policy term expires or is terminated;

whichever occurs first.

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

SPECIAL LIMITS OF INSURANCE

Coverage for the following types of personal property is subject to the SPECIAL LIMITS OF INSURANCE as shown below. These limits are the most we will pay for any loss or damage in any one "occurrence".

For all insured losses	Limit
"Business" property on your "premises"	\$5,000
Securities	\$5,000
Money, "cash cards", bullion	\$1,000
Watercraft, their furnishings, equipment, motors and accessories	\$3,000
Motorized garden equipment and golf carts	\$10,000
Spare "automobile" parts	\$1,000

The following SPECIAL LIMITS OF INSURANCE only apply to losses caused by theft or mysterious disappearance.

For theft or mysterious disappearance losses	Limit
Jewellery, watches, gems	\$10,000
Fur garments and garments trimmed with fur	\$6,000
Numismatic, coin or banknote collections	\$1,000
Manuscripts, stamps and stamp collections	\$1,500
Collectibles, including sports cards, memorabilia and comic books	\$250 per item; \$5,000 total

PROPERTY NOT INSURED

We do not insure:

- a. property of roomers or boarders who are not related to you;
- b. personal property normally kept at any other location you own, rent or occupy;
- c. motorized vehicles or their equipment except:

- (1) electric power assisted bicycles;
- (2) wheelchairs or scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability, that can attain speeds no greater than 32 kilometers per hour;
- (3) watercraft;
- (4) lawn mowers, snow blowers and other motorized gardening equipment; and
- (5) motorized golf carts;
- d. camper units, truck caps, trailers, or their equipment;
- e. "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 10 kilometers per hour are not considered motorized vehicles or "aircraft";

- f. sporting equipment where the loss or damage is due to its use;
- g. 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:
 - (1) any of the "Specified Perils"; or
 - (2) theft, or attempted theft;
- h. 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;
- i. property at any fairground, exhibition or exposition, for the purpose of exhibition, trade or sale, except as provided in 14 EXHIBITION COVERAGE in ADDITIONAL COVERAGE;
- j. evidence of debt or title; or
- k. samples and goods held for sale.

COVERAGE D – LOSS OF USE

The Amount of Insurance for COVERAGE D – LOSS OF USE is the total amount for any one or a combination of the following coverages. The periods of time shown below are not limited by the expiration of this policy.

ADDITIONAL LIVING EXPENSE

As a result of an insured peril, if 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 a 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" and/or private structure rented to others or held for rental by you unfit for occupancy, we insure its Fair Rental Value.

Payment shall be for the reasonable time required to repair or replace that part of the "dwelling" and/or private structure rented or held for rental.

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

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:

- (1) losses excluded under **SECTION I – LOSS OR DAMAGE NOT INSURED**;
- (2) "flood";
- (3) earthquake, unless EARTHQUAKE COVERAGE – FORM 991 or CONDOMINIUM UNIT OWNERS EARTHQUAKE COVERAGE – FORM 991C is shown on the Declarations;
- (4) overland water, unless OVERLAND WATER COVERAGE – FORM 3115 is shown on the Declarations.

No deductible applies to Prohibited Access coverage.

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

ADDITIONAL COVERAGES

The following ADDITIONAL COVERAGES do not increase the Amounts of Insurance in this policy, unless otherwise stated, and are subject to the exclusion, limitations and conditions of this policy.

1. OUTDOOR TREES, PLANTS AND SHRUBS

(Not Applicable To Any Seasonal Dwellings)

You may apply up to 5% of either the COVERAGE A or COVERAGE C Amount of Insurance shown on the Declarations to cover any trees, plants and shrubs on your "premises". We insure these items against loss caused by FIRE, 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 and/or items grown for commercial purposes.

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

If the amount payable for loss under COVERAGE A or COVERAGE C is greater than the Amount of Insurance applicable, then an additional 5% of the COVERAGE A or COVERAGE C Amount of Insurance will be available to cover your Outdoor Trees, Plants or Shrubs.

For the purposes of this ADDITIONAL COVERAGE the amount of COVERAGE A or COVERAGE C will not be increased as a result of the application of the GUARANTEED REPLACEMENT COST.

2. PROPERTY REMOVED

If you must remove your personal property from your "premises" in order to protect it from loss or damage from an insured peril, it is insured:

- 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 comes first.

3. CHANGE OF TEMPERATURE

We will pay for your personal property normally kept on the "premises" that is damaged by a change of temperature resulting from physical damage to your "dwelling" or equipment by any of the insured perils.

4. TEAR OUT

If any of the walls, ceilings or other parts of your "dwelling" and/or private structures must be torn apart before insured WATER DAMAGE 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, "domestic water containers", including swimming pools, spas, hot tubs or any "watermain" is not insured.

5. DEBRIS REMOVAL

We will pay the reasonable expenses incurred by you for the removal of debris of insured property as a result of an insured peril.

If the amount payable for loss, including expenses for removal of debris, is greater than the Amount of Insurance applicable to the lost or damaged property, then an additional 5% of the COVERAGE A or COVERAGE C limit as indicated on the Declarations will be available to cover your debris removal expenses.

This additional coverage does not apply to the following forms:

- EARTHQUAKE COVERAGE – FORM 991
- CONDOMINIUM EARTHQUAKE COVERAGE – FORM 991C
- LIMITED SEWER BACK UP COVERAGE – FORM 3114 or 3114A
- OVERLAND WATER COVERAGE – FORM 3115 or 3115L

For the purposes of this ADDITIONAL COVERAGE, the amount of COVERAGE A or COVERAGE C will not be increased as a result of the application of the GUARANTEED REPLACEMENT COST.

6. CREDIT OR DEBIT CARDS, FORGERY AND COUNTERFEIT CURRENCY

We will pay up to \$5,000 for:

- a. your legal obligation to pay because of a theft or unauthorized use of credit card(s) issued to you or registered in your name; or
- b. loss caused by theft of your debit or automated teller cards.

We will not pay for loss under item a. or b. unless you have complied with all the conditions under which the cards are issued; nor will we pay for any loss caused by the use of your cards by a resident of your household or by a person to whom the cards have been entrusted.

- c. loss caused by forgery or alteration of any cheque or negotiable instrument;
- d. loss sustained by your acceptance in good faith of counterfeit paper currency.

At our option and expense we may defend any claim against you under a., b., and/or c. above.

This is additional insurance.

No deductible applies to this coverage.

7. FOOD SPOILAGE

We will pay up to \$3,000 for your food while contained in a refrigeration and/or freezer unit, located on your "premises", against loss or damage caused by or resulting from:

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

This coverage also includes damage to the refrigeration and/or freezer unit resulting from the insured spoilage of the foods contained within and reasonable expenses incurred by you to save and preserve the food from spoilage.

We do not insure:

- a. loss or damage from spoilage caused by the accidental or intentional disconnection of the power supply;
- b. expenses incurred in the acquisition of the food.

This is additional insurance.

No deductible applies to this coverage.

8. FIRE DEPARTMENT CHARGES

We will reimburse you up to \$10,000 for fire department charges incurred for attending your "premises" as a result of an insured peril.

This is additional insurance.

No deductible applies to this coverage.

9. LOCK REPLACEMENT

(Not applicable to Seasonal Dwellings)

We will pay up to \$1,000 to replace or re-key at our option, locks on your "premises" described on the Declarations, if your keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction.

This is additional insurance.

No deductible applies to this coverage.

10. ARSON CONVICTION REWARD

We will pay up to \$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 is additional insurance.

No deductible applies to this coverage.

11. 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.

12. AUTOMATIC PRINCIPAL RESIDENCE COVERAGE

When you purchase a "dwelling" in Canada to replace your principal residence as shown on 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 title registration; or

b. until the policy term expires or is terminated;
whichever occurs first.

However, the most we will pay for either residence is the Amount of Insurance as stated on the Declarations for COVERAGE A, regardless of the value of the new residence.

The following do not apply to this ADDITIONAL COVERAGE:

- a. SINGLE INCLUSIVE LIMIT; and
- b. GUARANTEED REPLACEMENT COST – COVERAGE A.

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

13. DATA

We will pay up to \$1,500 for duty or licensing fees for the cost of downloading or restoring "data", for which you have paid duty or license fees, when loss of "data" is caused by an insured peril.

We will not pay the cost of gathering or assembling information or "data".

"Data" pertaining to "business" use or "farming operations" is not covered.

14. EXHIBITION COVERAGE

We will pay up to \$5,000 for direct physical loss or damage to property insured under COVERAGE C while at any fairground, exhibition or exposition for the purpose of exhibition or sale, caused by an insured peril.

This is additional coverage.

15. FARM OFFICE FURNISHINGS AND FARM OFFICE EQUIPMENT

We will pay you to \$5,000 for your farm office furnishings and farm office equipment while located in an insured building on a "premises" described on the Declarations.

This is additional insurance.

ADDITIONAL COVERAGES – CONDOMINIUM UNIT OWNERS

1. CONDOMINIUM LOSS ASSESSMENT

We will pay up to the Amount of Insurance stated on the Declarations 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.

Special assessment does not include a deductible in the "Condominium Corporation's" property insurance policy.

2. CONDOMINIUM ADDITIONAL COVERAGE

We insure your unit, up to the Amount of Insurance stated on the Declarations, excluding your improvements to it, if the "Condominium Corporation" has no insurance or its insurance is inadequate or is not effective.

Inadequate insurance does not include a deductible in the "Condominium Corporation's" property insurance policy.

You are insured against all risks of direct physical loss or damage as outlined in SPECIAL FORM, subject to the exclusions, limitations and conditions of the policy.

3. CONDOMINIUM UNIT OWNER IMPROVEMENTS

If you are a condominium unit owner, we will pay up to the Amount of Insurance against loss or damage by an insured peril stated on the Declarations for 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.

4. CONDOMINIUM DEDUCTIBLE ASSESSMENT

We will pay up to the Amount of Insurance stated on the Declarations for:

- a. that part of an assessment made necessary by 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.

This includes:

- (1) a deductible assessment for loss or damage to the collectively owned condominium property by an insured peril; and
- (2) the damaged portion of your unit excluded under the "Condominium Corporation's" Master Policy Deductible Clause.

- b. We will pay up to \$2,500 if an assessment of a deductible is made necessary if loss or damage results from:

- (1) an earthquake and only if EARTHQUAKE COVERAGE – FORM 991C is indicated on the Declarations; or
- (2) fire that is caused directly or indirectly by earthquake.

No deductible applies to coverage.

ADDITIONAL COVERAGES – TENANTS

1. TENANT IMPROVEMENTS

If you are a tenant, we 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.

Payment under this coverage reduces the COVERAGE C Amount of Insurance by the sum paid.

2. DAMAGE TO DWELLING

If the amount payable for loss under COVERAGE C is greater than the Amount of Insurance applicable, then an additional \$2,000 of the COVERAGE C Amount of Insurance will be available to pay for damage, excluding FIRE damage:

- a. to the "dwelling" directly caused by theft, including attempted theft;
- b. to the interior of the "dwelling" directly caused by VANDALISM OR MALICIOUS ACTS as described and limited in "Specified Perils".

SPECIAL FORM

If the Rating Information section of your Declarations indicates that a location is a Homeowners Special Form; Special Mobile Home or Special Rented Dwelling, you are covered property at that location is insured against the following perils:

INSURED PERILS COVERAGE A, COVERAGE B, COVERAGE C and/or COVERAGE D

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

EXCLUSIONS

We do not insure:

- (1) losses excluded under SECTION I – LOSS OR DAMAGE NOT INSURED;
- (2) settling, expansion, contraction, moving, bulging, buckling or cracking, except resulting damage to building glass;

Nor do we insure loss or damage:

- (3) 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;
- (4) caused by theft or 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;
- (5) caused by vandalism, malicious acts or glass breakage occurring while your "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy";
- (6) caused by water,

unless the loss or damage is caused by or resulted from:

- a. the sudden and accidental escape of water or steam from within a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container", which is located within your "dwelling" and/or private structures;

but under no circumstances do we insure any loss or damage:

- (1) caused by freezing during the usual heating season;
 - (i) within a heated portion of your "dwelling" and/or private structures if you have been away from your "premises" for more than 4 consecutive days, but you will still be insured if you have taken any of the following precautions:
 - a) arranged for a competent person to enter your "dwelling" and/or private structures once every 3 days you were away to ensure that heating was being maintained;
 - b) shut off the water supply to your "dwelling" and/or private structures and had drained all of the pipes and "domestic water containers"; or
 - c) connected your heating system to an alarm which is monitored 24 hours a day by a central monitoring service;
 - (ii) within an unheated portion of your "dwelling" and/or private structures;

- (2) caused by continuous or repeated leakage or discharge of water;

- (3) caused by seepage;

- (4) caused by the backing up or escape of water or sewage from any sewer, septic system or sump;

- (5) to a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container" from which the water escaped;

- (6) occurring while the "dwelling" and/or private structure is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy". This exclusion applies immediately upon your "dwelling" and/or private structures becoming "vacant" or commencing construction;

- b. the sudden and accidental escape of water from a "domestic water container" which is located outside your "dwelling" and/or private structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing;

- c. the sudden and accidental escape of water from a "watermain" located outside your "dwelling" and/or private structures;

- d. water which enters your "dwelling" and/or private structures through an opening which has been created suddenly and accidentally by a "Specified Peril" other than WATER DAMAGE.

Regardless of exceptions a., b., c. and d. above, we do not insure any loss or damage caused by:

- (a) "surface waters";

- (b) "ground water" or rising of the water table;

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

- (d) "flood". This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage which results directly from fire or explosion;

- (7) to a "watermain";

- (8) caused directly or indirectly, in whole or in part, by snowslide, earthquake, landslide, or any other earth movement regardless of any cause or event that contributes concurrently. If any of these results in fire or explosion we will pay only for the resulting loss or damage from that fire or explosion;

- (9) caused by or resulting from freezing or thawing of outdoor "domestic water containers", including swimming pools, spas, hot tubs and their attached equipment;

- (10) caused by hail damage to the outer metal cover of any mobile home unless the cover is punctured by the hail.

BROAD FORM

If the Rating Information section of your Declarations indicates that a location is a Broad Homeowners Form or Broad Mobile Home Form, your covered property at that location is insured against the following perils:

INSURED PERILS – COVERAGE A, COVERAGE B and/or COVERAGE D

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

EXCLUSIONS

We do not insure:

- (1) losses excluded under SECTION I – LOSS OR DAMAGE NOT INSURED;
- (2) settling, expansion, contraction, moving, bulging, buckling or cracking, except resulting damage to building glass;

Nor do we insure loss or damage:

- (3) caused by theft or attempted theft of property in or from a "dwelling" under construction or of materials and supplies used in the construction, until the "dwelling" is completed and ready to be occupied;
- (4) caused by theft or 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;
- (5) caused by vandalism, malicious acts or glass breakage occurring while your "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy";
- (6) caused by water,

unless the loss or damage is caused by or resulted from:

- a. the sudden and accidental escape of water or steam from within a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container", which is located within your "dwelling" and/or private structures;

but under no circumstances do we insure any loss or damage:

- (1) caused by freezing during the usual heating season;
 - (i) within a heated portion of your "dwelling" and/or private structures if you have been away from your "premises" for more than 4 consecutive days, but you will still be insured if you have taken any of the following precautions:
 - a) arranged for a competent person to enter your "dwelling" and/or private structures once every 3 days you were away to ensure that heating was being maintained;
 - b) shut off the water supply to your "dwelling" and/or private structures and had drained all of the pipes and "domestic water containers"; or
 - c) connected your heating system to an alarm which is monitored 24 hours a day by a central monitoring service;
 - (ii) within an unheated portion of your "dwelling" and/or private structures;
 - (2) caused by continuous or repeated leakage or discharge of water;
 - (3) caused by seepage;
 - (4) caused by the backing up or escape of water or sewage from any sewer, septic system or sump;
 - (5) to a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container" from which the water escaped;
 - (6) occurring while the "dwelling" and/or private structure is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy". This exclusion applies immediately upon your "dwelling" and/or detached private structures becoming "vacant" or commencing construction;
- b. the sudden and accidental escape of water from a "domestic water container" which is located outside your "dwelling" and/or private structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing;
 - c. the sudden and accidental escape of water from a "watermain" located outside your "dwelling" and/or private structures;
 - d. water which enters your "dwelling" and/or private structures through an opening which has been created suddenly and accidentally by a "Specified Peril" other than WATER DAMAGE.

Regardless of exceptions a., b., c. and d. above, we do not insure any loss or damage caused by:

- (a) "surface waters";
 - (b) "ground water" or rising of the water table;
 - (c) shoreline ice build-up or water borne ice or other waterborne objects, all whether driven by wind or not;
 - (d) "flood". This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage which results directly from fire or explosion;
- (7) to a "watermain";
 - (8) caused directly or indirectly, in whole or in part by snowslide, earthquake, landslide, or any other earth movement regardless of any cause or event that contributes concurrently. If any of these results in fire or explosion, we will pay only for the resulting loss or damage from that fire or explosion;
 - (9) caused directly or indirectly by or resulting from freezing or thawing of outdoor "domestic water containers", including swimming pools, spas, hot tubs and their attached equipment;
 - (10) caused by hail to the outer metal cover of any mobile home, unless the cover is punctured by the hail.

INSURED PERILS - COVERAGE C

We insure:

1. **FIRE**
2. **LIGHTNING**
3. **EXPLOSION**
4. **SMOKE**

This peril means smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the "premises".

5. **FALLING OBJECT**

This peril means a falling object which strikes the exterior of a "dwelling" and/or private structure.

6. **IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE**

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

7. **RIOT**

8. **VANDALISM OR MALICIOUS ACTS**

This peril does not include loss or damage:

- a. caused by you and/or at your direction;
- b. occurring while the "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy";
- c. caused by theft or attempted theft.

9. **WATER DAMAGE**

We insure:

- a. the sudden and accidental escape of water or steam from within a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container", which is located within your "dwelling" and/or private structures;
but under no circumstances do we insure any loss or damage:

- (1) caused by freezing during the usual heating season;
 - (i) within a heated portion of your "dwelling" and/or private structures if you have been away from your "premises" for more than 4 consecutive days, but you will still be insured if you have taken any of the following precautions:
 - a) arranged for a competent person to enter your "dwelling" and/or private structures once every 3 days you were away to ensure that heating was being maintained;
 - b) shut off the water supply to your "dwelling" and/or private structures and had drained all of the pipes and "domestic water containers"; or
 - c) connected your heating system to an alarm which is monitored 24 hours a day by a central monitoring service;
 - (ii) within an unheated portion of your "dwelling" and/or private structures;
- (2) caused by continuous or repeated leakage or discharge of water;
- (3) caused by seepage;
- (4) caused by the backing up or escape of water or sewage from any sewer, septic system or sump;
- (5) to a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container" from which the water escaped;

- (6) occurring while the "dwelling" and/or private structure is under construction or "vacant", even if we" have given permission for the policy to remain in force during construction or "vacancy". This exclusion applies immediately upon your "dwelling" and/or private structures becoming "vacant" or commencing construction;
- b. the sudden and accidental escape of water from a "domestic water container" which is located outside your "dwelling" and/or private structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing;
- c. the sudden and accidental escape of water from a "watermain" located outside your "dwelling" and/or private structures;
- d. water which enters your "dwelling" and/or private structures through an opening which has been created suddenly and accidentally by a "Specified Peril" other than WATER DAMAGE.

Regardless of exceptions a., b., c. and d. above, we do not insure any loss or damage caused by:

- (a) "surface waters";
- (b) "ground water" or rising of the water table;
- (c) shoreline ice build-up or water borne ice or other waterborne objects, all whether driven by wind or not;
- (d) "flood". This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage which results directly from fire or explosion.

10. WINDSTORM

This peril does not include loss or damage caused by or resulting from the weight of ice or snow, including, but not limited to shoreline ice build-up or water borne ice or other objects, whether driven by wind or not.

11. HAIL

12. TRANSPORTATION

This peril means loss or damage to your personal property caused by collision, upset, overturn, derailment, stranding or sinking of any "automobile" or attached trailer, in which the insured property is being carried. This would also apply to any conveyance of a common carrier, but does not include loss or damage to personal property in a vacation or home trailer which you own.

13. THEFT OR ATTEMPTED THEFT

This peril does not include loss or damage:

- a. caused by theft or attempted theft committed by any tenant, tenant's employee or member of the tenant's household;
- b. occurring while the "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy".

14. COLLAPSE, INCLUDING WEIGHT OF ICE, SNOW OR SLEET

This peril means loss or damage to your personal property caused by the collapse of your "dwelling" or part of your "dwelling" on the "premises". This peril does not include loss or damage occurring while the "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy".

15. ICE DAMMING

This peril means loss or damage caused by water that enters the "dwelling" or unit through a roof due to the accumulation of ice or snow on the exterior of the roof or eavestrough.

16. ELECTRICITY

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

17. FUEL LEAKAGE

This peril means loss or damage to personal property 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 as a result of a "Specified Peril".

18. DAMAGE CAUSED BY BEARS

BASIC DWELLING FORM

If the Rating Information section of your Declarations indicates that a location is a Basic Dwelling Form or Secondary Residence Form, your covered property at that location is insured against the following perils:

INSURED PERILS – COVERAGE A, COVERAGE B, COVERAGE C and/or COVERAGE D

You are insured against direct physical loss or damage caused by the following perils, subject to the exclusions, limitations and conditions of this policy.

We insure:

- (1) the "Specified Perils";
- (2) **THEFT OR ATTEMPTED THEFT**

This peril does not include loss or damage:

- a. caused by theft or attempted theft committed by any tenant, tenant's employee or member of the tenant's household;
- b. occurring while the "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy".

SPECIAL CONDOMINIUM UNIT OWNERS FORM

If the Rating Information section of your Declarations indicates that a location is a Special Condominium Form, your covered property at that location is insured against the following perils:

INSURED PERILS – COVERAGE C and/or COVERAGE D

You are insured against all risks of direct physical loss or damage to the property described, subject to the exclusions, limitations and conditions of this policy.

EXCLUSIONS

We do not insure:

- (1) losses excluded under **SECTION I – LOSS OR DAMAGE NOT INSURED**;
- (2) settling, expansion, contraction, moving, bulging, buckling, or cracking, except resulting damage to building glass;

Nor do we insure loss or damage:

- (3) caused by theft or attempted theft of property in or from a "dwelling" under construction, or of materials and supplies used in the construction, until the "dwelling" is completed and ready to be occupied;
- (4) caused by theft or 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;
- (5) caused by vandalism or malicious acts or glass breakage occurring while your "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy";
- (6) caused by water,

unless the loss or damage is caused by or resulted from:

- a. the sudden and accidental escape of water or steam from within a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container", which is located within your "dwelling" and/or private structures;
but under no circumstances do we insure any loss or damage:
 - (1) caused by freezing during the usual heating season;
 - (i) within a heated portion of your "dwelling" and/or private structures if you have been away from your "premises" for more than 4 consecutive days, but you will still be insured if you have taken any of the following precautions:
 - a) arranged for a competent person to enter your "dwelling" and/or private structures once every 3 days you were away to ensure that heating was being maintained;
 - b) shut off the water supply to your "dwelling" and/or private structures and had drained all of the pipes and "domestic water containers"; or
 - c) connected your heating system to an alarm which is monitored 24 hours a day by a central monitoring service;
 - (ii) within an unheated portion of your "dwelling" and/or private structures;
 - (2) caused by continuous or repeated leakage or discharge of water;
 - (3) caused by seepage;
 - (4) caused by the backing up or escape of water or sewage from any sewer, septic system or sump;
 - (5) to a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container" from which the water escaped;
 - (6) occurring while the "dwelling" and/or detached private structure is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy". This exclusion applies immediately upon your "dwelling" and/or detached private structures becoming "vacant" or commencing construction;
- b. the sudden and accidental escape of water from a "domestic water container" which is located outside your "dwelling" and/or private structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing;
- c. the sudden and accidental escape of water from a "watermain" located outside your "dwelling" and/or private structures;
- d. water which enters your "dwelling" and/or private structures through an opening which has been created suddenly and accidentally by a "Specified Peril" other than WATER DAMAGE.

Regardless of exceptions a., b., c. and d. above, we do not insure loss or damage caused by:

- (a) "surface waters";
 - (b) "ground water" or rising of the water table;
 - (c) shoreline ice build-up or water borne ice or other waterborne objects, all whether driven by wind or not;
 - (d) "flood". This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage which results directly from fire or explosion;
- (7) to a "watermain";
 - (8) caused directly or indirectly, in whole or in part by snowslide, earthquake, landslide, or any other earth movement regardless of any cause or event that contributes concurrently. If any of these results in fire or explosion we will pay only for the resulting loss or damage from that fire or explosion;
 - (9) caused directly or indirectly by or resulting from freezing or thawing of outdoor "domestic water containers", including swimming pools, spas, hot tubs and their attached equipment.

BROAD CONDOMINIUM UNIT OWNERS FORM

If the Rating Information section of your Declarations indicates that a location is a Broad Condominium Form, your covered property at that location is insured against the following perils:

INSURED PERILS – COVERAGE C and/or COVERAGE D

You are insured for the following perils against direct physical loss or damage to the property described, subject to the exclusions, limitations and conditions of this policy.

We insure:

1. **FIRE**
2. **LIGHTNING**
3. **EXPLOSION**
4. **SMOKE**

Smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the "premises".

5. **FALLING OBJECT**

Falling object which strikes the exterior of a "dwelling" and/or private structure.

6. **IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE**

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

7. **RIOT**

8. **VANDALISM OR MALICIOUS ACTS**

This peril does not include loss or damage:

- a. caused by you and/or at your direction;
- b. occurring while the "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy";
- c. caused by theft or attempted theft.

9. **WATER**

This peril means loss or damage caused by or resulting from:

- a. the sudden and accidental escape of water or steam from within a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container", which is located within your "dwelling" and/or private structures;
but under no circumstances do we insure any loss or damage:
 - (1) caused by freezing during the usual heating season;
 - (i) within a heated portion of your "dwelling" and/or private structures if you have been away from your "premises" for more than 4 consecutive days, but you will still be insured if you have taken any of the following precautions:
 - a) arranged for a competent person to enter your "dwelling" and/or private structures once every 3 days you were away to ensure that heating was being maintained;
 - b) shut off the water supply to your "dwelling" and/or private structures and had drained all of the pipes and "domestic water containers"; or

- c) connected your heating system to an alarm which is monitored 24 hours a day by a central monitoring service;
- (iii) within an unheated portion of your "dwelling" and/or private structures;
- (2) caused by continuous or repeated leakage or discharge of water;
- (3) caused by seepage;
- (4) caused by the backing up or escape of water or sewage from any sewer, septic system or sump;
- (5) to a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container" from which the water escaped;
- (6) occurring while the "dwelling" and/or private structure is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy". This exclusion applies immediately upon your "dwelling" and/or private structures becoming "vacant" or commencing construction;
- b. the sudden and accidental escape of water from a "domestic water container" which is located outside your "dwelling" and/or private structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing;
- c. the sudden and accidental escape of water from a "watermain" located outside your "dwelling" and/or private structures;
- d. water which enters your "dwelling" and/or private structures through an opening which has been created suddenly and accidentally by a "Specified Peril" other than WATER DAMAGE.

Regardless of exceptions a., b., c. and d. above, we do not insure any loss or damage caused by:

- (a) "surface waters";
- (b) "ground water" or rising of the water table;
- (c) shoreline ice build-up or water borne ice or other waterborne objects, all whether driven by wind or not;
- (d) "flood". This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage which results directly from fire or explosion.

10. WINDSTORM

This peril does not include loss or damage caused by or resulting from the weight of ice or snow, including but not limited to shoreline ice build-up or water borne ice or other objects, whether driven by wind or not.

11. HAIL

12. BREAKAGE OF GLASS

This peril means the breakage of glass which is part of your improvements 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 we have given permission;

13. TRANSPORTATION

This peril means loss or damage to your personal property caused by collision, upset, overturn, derailment, stranding or sinking of any "automobile" or attached trailer, in which the insured property is being carried. This would also apply to any conveyance of a common carrier, but does not include loss or damage to personal property in a vacation or home trailer which you own.

14. THEFT OR ATTEMPTED THEFT

This peril does not include loss or damage:

- a. 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.

15. COLLAPSE, INCLUDING, WEIGHT OF ICE, SNOW OR SLEET

This peril means loss or damage to your personal property caused by the collapse of your "dwelling" or part of your "dwelling" on the "premises". 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 for the policy to remain in force during construction or "vacancy".

16. ELECTRICITY

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

17. FUEL LEAKAGE

This peril means loss or damage to personal property 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 as a result of a "Specified Peril".

18. DAMAGE CAUSED BY BEARS

SPECIAL TENANTS FORM

If the Rating Information section of your Declarations indicates that a location is a Special Tenants Form, your covered property at that location is insured against the following perils:

INSURED PERILS – COVERAGE C and/or COVERAGE D

You are insured against all risks of direct physical loss or damage to the property described subject to the exclusions, limitations and conditions of this policy.

EXCLUSIONS

We do not insure:

- (1) losses excluded under **SECTION I – LOSS OR DAMAGE NOT INSURED**;
- (2) settling, expansion, contraction, moving, bulging, buckling, or cracking, except resulting damage to building glass;

Nor do we insure loss or damage:

- (3) caused by theft or attempted theft of property in or from a "dwelling" under construction, or of materials and supplies used in the construction, until the "dwelling" is completed and ready to be occupied;
- (4) caused by theft or 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;
- (5) caused by vandalism or malicious acts or glass breakage occurring while your "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy";
- (6) caused by water,

unless the loss or damage is caused by or resulting from:

- a. the sudden and accidental escape of water or steam from within a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container", which is located within your "dwelling" and/or private structures;
- but under no circumstances do we insure any loss or damage:

- (1) caused by freezing during the usual heating season;
 - (i) within a heated portion of your "dwelling" and/or private structures if you have been away from your "premises" for more than 4 consecutive days, but you will still be insured if you have taken any of the following precautions:

- a) arranged for a competent person to enter your "dwelling" and/or private structures once every 3 days you were away to ensure that heating was being maintained;
 - b) shut off the water supply to your "dwelling" and/or private structures and had drained all of the pipes and "domestic water containers"; or
 - c) connected your heating system to an alarm which is monitored 24 hours a day by a central monitoring service;
- (ii) within an unheated portion of your "dwelling" and/or private structures;
- (2) caused by continuous or repeated leakage or discharge of water;
 - (3) caused by seepage;
 - (4) caused by the backing up or escape of water or sewage from any sewer, septic system or sump;
 - (5) to a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container" from which the water escaped;
 - (6) occurring while the "dwelling" and/or detached private structure is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy". This exclusion applies immediately upon your "dwelling" and/or private structures becoming "vacant" or commencing construction;
- b. the sudden and accidental escape of water from a "domestic water container" which is located outside your "dwelling" and/or private structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing;
 - c. the sudden and accidental escape of water from a "watermain" located outside your "dwelling" and/or private structures;
 - d. water which enters your "dwelling" and/or private structures through an opening which has been created suddenly and accidentally by a "Specified Peril" other than WATER DAMAGE.

Regardless of exceptions a., b., c. and d. above, we do not insure any loss or damage caused by:

- (a) "surface waters";
 - (b) "ground water" or rising of the water table;
 - (c) shoreline ice build-up or water borne ice or other waterborne objects, all whether driven by wind or not;
 - (d) "flood". This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage which results directly from fire or explosion;
- (7) to a "watermain";
 - (8) caused directly or indirectly, in whole or in part by snowslide, earthquake, landslide, or any other earth movement regardless of any cause or event that contributes concurrently. If any of these results in fire or explosion we will pay only for the resulting loss or damage from that fire or explosion;
 - (9) caused directly or indirectly by or resulting from freezing or thawing of outdoor "domestic water containers", including swimming pools, spas, hot tubs and their attached equipment.

BROAD TENANTS FORM

If the Rating Information section of your Declarations indicates that a location is a Broad Tenants Form, your covered property at that location is insured against the following perils:

INSURED PERILS – COVERAGE C and/or COVERAGE D

You are insured for the following perils against direct physical loss or damage to the property described, subject to the exclusions, limitations and conditions of this policy.

We insure:

1. **FIRE**
2. **LIGHTNING**
3. **EXPLOSION**
4. **SMOKE**

Smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the "premises".

5. **FALLING OBJECT**

Falling object which strikes the exterior of a "dwelling" and/or private structure.

6. **IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE**

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

7. **RIOT**

8. **VANDALISM OR MALICIOUS ACTS**

This peril does not include loss or damage:

- a. caused by you and/or at your direction;
- b. occurring while the "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy";
- c. caused by theft or attempted theft.

9. **WATER**

This peril means loss or damage caused by or resulting from:

- a. the sudden and accidental escape of water or steam from within a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container", which is located within your "dwelling" and/or detached private structures; but under no circumstances do we insure any loss or damage:
 - (1) caused by freezing during the usual heating season;
 - (i) within a heated portion of your "dwelling" and/or private structures if you have been away from your "premises" for more than 4 consecutive days, but you will still be insured if you have taken any of the following precautions:
 - a) arranged for a competent person to enter your "dwelling" and/or private structures once every 3 days you were away to ensure that heating was being maintained;
 - b) shut off the water supply to your "dwelling" and/or private structures and had drained all of the pipes and "domestic water containers"; or
 - c) connected your heating system to an alarm which is monitored 24 hours a day by a central monitoring service;
 - (ii) within an unheated portion of your "dwelling" and/or private structures;
 - (2) caused by continuous or repeated leakage or discharge of water;
 - (3) caused by seepage;
 - (4) caused by the backing up or escape of water or sewage from any sewer, septic system or sump;
 - (5) to a plumbing, heating, cooling, sprinkler or air conditioning system or "domestic water container" from which the water escaped;

- (6) occurring while the "dwelling" and/or detached private structure is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy". This exclusion applies immediately upon your "dwelling" and/or private structures becoming "vacant" or commencing construction;
- b. the sudden and accidental escape of water from a "domestic water container" which is located outside your "dwelling" and/or private structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing;
- c. the sudden and accidental escape of water from a "watermain" located outside your "dwelling" and/or private structures;
- d. water which enters your "dwelling" and/or private structures through an opening which has been created suddenly and accidentally by a "Specified Peril" other than WATER DAMAGE.

Regardless of exceptions a., b., c. and d. above, we do not insure any loss or damage caused by:

- (a) "surface waters";
- (b) "ground water" or rising of the water table;
- (c) shoreline ice build-up or water borne ice or other waterborne objects, all whether driven by wind or not;
- (d) "flood". This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage which results directly from fire or explosion.

10. WINDSTORM

This peril does not include loss or damage caused by or resulting from the weight of ice or snow, including but not limited to shoreline ice build-up or water borne ice or other objects, whether driven by wind or not.

11. HAIL

12. BREAKAGE OF GLASS

This peril means the breakage of glass which is part of your improvements 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 we have given permission for the policy to remain in force during construction or "vacancy".

13. TRANSPORTATION

This peril means loss or damage to your personal property caused by collision, upset, overturn, derailment, stranding or sinking of any "automobile" or attached trailer, in which the insured property is being carried. This would also apply to any conveyance of a common carrier, but does not include loss or damage to personal property in a vacation or home trailer which you own.

14. THEFT OR ATTEMPTED THEFT

This peril does not include loss or damage:

- a. 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.

15. COLLAPSE, INCLUDING, WEIGHT OF ICE, SNOW OR SLEET

This peril means loss or damage to your personal property caused by the collapse of your "dwelling" or part of your dwelling on the "premises". 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 for the policy to remain in force during construction or "vacancy".

16. ELECTRICITY

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

17. FUEL LEAKAGE

This peril means loss or damage to personal property 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 as a result of a "Specified Peril".

18. DAMAGE CAUSED BY BEARS

SEASONAL HOMEOWNERS FORM

If the Rating Information section of your Declarations indicates that a location is a Seasonal Homeowners Form, your covered property at that location is insured against the following perils:

INSURED PERILS – COVERAGE A, COVERAGE B, COVERAGE C and/or COVERAGE D

You are insured for the following perils against direct physical loss or damage to the property described, subject to the exclusions, limitations and conditions of this policy.

We insure":

(1) the "Specified Perils";

(2) THEFT OR ATTEMPTED THEFT

This peril does not include loss or damage:

- a. caused by theft or attempted theft committed by any tenant, tenant's employee or member of the tenant's household;
- b. occurring while the "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy";

(3) BREAKAGE OF GLASS

This peril means the breakage of glass which is part of a "dwelling" and/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 we have given permission for the policy to remain in force during construction or "vacancy";

(4) COLLAPSE, INCLUDING, WEIGHT OF ICE, SNOW OR SLEET

This peril means the collapse of a "dwelling" and/or private structure on your "premises", including loss or damage to your personal property caused by the collapse of your "dwelling" or part of your "dwelling" on the "premises".

This peril does not include loss or damage occurring while the "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy".

BROAD SEASONAL DWELLING FORM

If the Rating Information section of your Declarations indicates that a location is a Broad Seasonal Form, your covered property at that location is insured against the following perils:

INSURED PERILS – COVERAGE A, COVERAGE B and/or COVERAGE C

You are insured for the following perils against direct physical loss or damage to the property described, subject to the exclusions, limitations and conditions of this policy.

We insure:

(1) The "Specified Perils";

(2) **THEFT OR ATTEMPTED THEFT**

This peril does not include loss or damage:

- a. caused by theft or attempted theft committed by any tenant, tenant's employee or member of the tenant's household;
- b. occurring while the "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy".

BASIC SEASONAL DWELLING FORM

If the Rating Information section of your Declarations indicates that a location is a Basic Seasonal Form, your covered property at that location is insured against the following perils:

INSURED PERILS – COVERAGE A, COVERAGE B and/or COVERAGE C.

You are insured against direct physical loss or damage caused by the "Specified Perils" as described, and limited, subject to losses excluded under **SECTION I – LOSS OR DAMAGE NOT INSURED.**

However this does not include losses caused by or resulting from the following "Specified Perils":

(1) **VANDALISM OR MALICIOUS ACTS**

This peril does not include loss or damage:

- a. occurring while the "dwelling" is under construction or "vacant", even if we have given permission for the policy to remain in force during construction or "vacancy";
- b. caused by you and/or at your direction;
- c. caused by theft or attempted theft.

(2) **DAMAGE CAUSED BY BEARS**

SECTION I **OPTIONAL COVERAGES**

The following OPTIONAL COVERAGES in this section of the booklet apply only if shown on the Declarations.

No deductible applies to the OPTIONAL COVERAGES unless otherwise stated on the Declarations.

BOAT AND MOTOR COVERAGE – FORM 1110

If the Declarations indicate that BOAT AND MOTOR COVERAGE – FORM 1110 is included, we insure the following items as described on the Declarations and for which an Amount of Insurance is also stated:

- (1) the boat(s) including its permanently attached equipment;
- (2) the outboard motor(s); and/or
- (3) equipment used for the operation, safety and maintenance of the vessel; and
- (4) their trailer(s).

INSURED PERILS

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

LOSS OR DAMAGE NOT INSURED

In addition to the exclusions outlined in the policy, we do not insure:

- (1) loss or damage caused by or resulting from marine life, marine borers, electrolysis, denting, weathering, or in consequence of freezing;
- (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.

Nor do we insure loss or damage occurring when the insured property is:

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

BASIS OF CLAIM PAYMENT

Where VALUED appears beside an item, we will pay the actual cost of repairs or replacement with new parts and without deduction for depreciation, except for loss or damage to sails and/or protective covers of fabric or similar material which will be adjusted on the basis of the "actual cash value" at the time of loss or damage.

Otherwise, provided the vessel is in good and workable condition, we will pay the lesser of:

- (1) the cost to repair or replace the damaged property with similar quality and repaired according to the manufacturer's specifications or accepted repair practice;
- (2) the "actual cash value" of the property at the time of the loss; or
- (3) the amount indicated on the Declarations.

TOTAL LOSS

A Total or Constructive Total Loss will be settled based on the lesser of:

- (1) the Amount of Insurance on the Declarations;
- (2) the actual amount necessary to repair or replace the vessel; or
- (3) if the Declarations indicate "actual cash value" applies, the "actual cash value" of the property immediately at the time of the loss.

In the event of a Total or Constructive Total Loss, there will be no recovery of the insured property if:

- (1) the insured property is lost absolutely; or
- (2) the expense of recovering and repairing the insured vessel exceeds the Amount of Insurance stated on the Declarations.

ADDITIONAL CONDITIONS

SAILBOAT LAY UP WARRANTY

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

REPAIR CLAUSE

We will not pay more than the "actual cash value" of the loss or damage if the property is not repaired or replaced.

NEWLY ACQUIRED PROPERTY

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.

TERRITORIAL LIMITS

This form applies anywhere in Canada and the Continental United States.

LOSS OF USE

In the event of an insured loss, we will pay up to \$1,500 per "occurrence" for the rental of a replacement vessel.

COMPUTER COVERAGE – FORM 962

If the Declarations indicate that COMPUTER COVERAGE – FORM 962 is included, we insure your "computer system" described on the Declarations.

INSURED PERILS

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

LOSS OR DAMAGE NOT INSURED

We do not insure:

- (1) loss or damage occurring when the insured property is rented to others;
- (2) the cost to gather or assemble information required for the re-creation of any "data";
- (3) unlicensed "computer software" or any "data" or "computer software" which has been acquired illegally;
- (4) 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.

BASIS OF SETTLEMENT

We will pay up the Amount of Insurance stated on the Declarations provided the property was in workable condition at the time of the loss, otherwise we will only pay the "actual cash value" amount of the property at the time of the loss.

ADDITIONAL CONDITION

NEWLY ACQUIRED ARTICLES

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.

This does not increase the Amount of Insurance on this OPTIONAL COVERAGE.

GLASS BREAKAGE COVERAGE – FORM 1017

If the Declarations indicate that GLASS BREAKAGE COVERAGE – FORM 1017 is included, we insure glass that forms part of an insured building(s), 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 we have given permission for the policy to remain in force during construction or "vacancy".

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

MOTORIZED VEHICLE COVERAGE – FORM 965

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

INSURED PERILS

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

LOSS OR DAMAGE NOT INSURED

We do not insure loss or damage:

- (1) 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; or
- (2) 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.

Nor do we insure loss or damage occurring when the insured property is:

- (3) used as a public or livery conveyance for carrying passengers for compensation;
- (4) rented to others;
- (5) operated in or in preparation for any race or speed test; or
- (6) subject to licensing or to motor vehicle registration.

BASIS OF CLAIM PAYMENT

We will pay up to the lesser of:

- (1) the Amount of Insurance stated on the Declarations; or
- (2) the cost to repair or replace the unit(s) described.

PERSONAL ARTICLES COVERAGE – FORM 1014

If the Declarations indicate that PERSONAL ARTICLES COVERAGE – FORM 1014 applies, we insure your Personal Articles listed on the Declarations.

INSURED PERILS

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

LOSS OR DAMAGE NOT INSURED

We do not insure loss or damage 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.

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 \$500 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 unless otherwise stated on the Declarations.

This condition does not apply to articles listed on the Declarations.

(2) MUSICAL INSTRUMENTS AND MUSICAL EQUIPMENT

We do not insure any musical instrument or equipment played for a fee unless we have given permission.

(3) NEWLY ACQUIRED ARTICLES

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.

BASIS OF CLAIM PAYMENT

We will pay up to the lesser of:

- (1) the Amount of Insurance stated on the Declarations; or
- (2) the cost to repair or replace the insured tangible property as described.

EARTHQUAKE COVERAGE – FORM 991

If the Declarations indicate that a location is insured for EARTHQUAKE COVERAGE – FORM 991, you are insured against direct physical loss or damage caused by Earthquake, to property insured under **SECTION I – PROPERTY COVERAGE**.

LOSS OR DAMAGE NOT INSURED

We do not insure:

- (1) loss or damage caused by any of the following perils whether or not directly or indirectly caused by, resulting from, contributed to, aggravated by or attributed to explosion, smoke, leakage from protective equipment, theft, vandalism and malicious acts or "flood" of any nature;
- (2) loss or damage caused by or resulting from losses excluded under **SECTION I – LOSS OR DAMAGE NOT INSURED**; and
- (3) 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 or increased costs associated with land stabilization.

AMOUNT OF INSURANCE

The EARTHQUAKE COVERAGE Amount of Insurance for COVERAGE A, COVERAGE B, COVERAGE C and COVERAGE D is stated on the Declarations.

This endorsement does not increase the Amount of Insurance stated in the policy to which it is attached.

SPECIAL CONDITIONS

For the purpose of this endorsement, earthquake shall include snowslide and landslide occurring concurrently with and resulting from an earthquake shock and other natural or man-made earth movements resulting from mining or fracking operations.

One or more earthquake shocks that occur within a one hundred and sixty eight (168) hour period shall constitute a single earthquake.

For the purposes of this endorsement, the following is deleted from ADDITIONAL COVERAGES (5) DEBRIS REMOVAL, "If the amount payable for loss, including expenses for removal of debris, is greater than the Amount of Insurance applicable to the lost or damaged property, then an additional 5% of the COVERAGE A or COVERAGE C limit as indicated on the Declarations will be available to cover your debris removal expenses."

DEDUCTIBLE

We will only pay that part of the loss that exceeds the EARTHQUAKE COVERAGE DEDUCTIBLE shown on the Declarations. The Deductible shall apply separately to loss under COVERAGE A, COVERAGE B and COVERAGE C.

All other terms and conditions of the policy remain unchanged.

CONDOMINIUM UNIT OWNERS EARTHQUAKE COVERAGE – FORM 991C

If the Declarations indicate that a location is insured for EARTHQUAKE COVERAGE – FORM 991C, you are insured against direct physical loss or damage caused by or resulting from Earthquake, to property insured under **SECTION I – PROPERTY COVERAGE** as follows:

COVERAGE C – PERSONAL PROPERTY

COVERAGE D – LOSS OF USE

CONDOMINIUM ADDITIONAL COVERAGE

CONDOMINIUM LOSS ASSESSMENT

CONDOMINIUM UNIT IMPROVEMENTS

LOSS OR DAMAGE NOT INSURED

We do not insure:

- (1) loss or damage caused by any of the following perils whether or not directly or indirectly caused by, resulting from, contributed to, aggravated by or attributed to explosion, smoke, leakage from protective equipment, theft, vandalism and malicious acts or "flood" of any nature;
- (2) loss or damage caused by or resulting from losses excluded under **SECTION I – LOSS OR DAMAGE NOT INSURED**; and
- (3) 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 or increased costs associated with land stabilization.

AMOUNT OF INSURANCE

The EARTHQUAKE COVERAGE Amount of Insurance for COVERAGE C, COVERAGE D, CONDOMINIUM ADDITIONAL COVERAGE, CONDOMINIUM LOSS ASSESSMENT and CONDOMINIUM UNIT IMPROVEMENTS is stated on the Declarations.

This endorsement does not increase the Amount of Insurance stated in the policy to which it is attached.

SPECIAL CONDITIONS

For the purpose of this endorsement, earthquake shall include snowslide and landslide occurring concurrently with and resulting from an earthquake shock and other natural or man-made earth movements resulting from mining or fracking operations.

One or more earthquake shocks which occur within a one hundred and sixty eight (168) hour period shall constitute a single earthquake.

For the purposes of this endorsement, the following is deleted from ADDITIONAL COVERAGES (5) DEBRIS REMOVAL, "If the amount payable for loss, including expenses for removal of debris, is greater than the Amount of Insurance applicable to the lost or damaged property, then an additional 5% of the COVERAGE A or COVERAGE C limit as indicated on the Declarations will be available to cover your debris removal expenses."

DEDUCTIBLE

We will only pay that part of the loss that exceeds the EARTHQUAKE COVERAGE DEDUCTIBLE shown on the Declarations. The Deductible shall apply separately to loss under COVERAGE C, CONDOMINIUM ADDITIONAL COVERAGE, CONDOMINIUM LOSS ASSESSMENT and CONDOMINIUM UNIT IMPROVEMENTS.

All other terms and conditions of the policy remain unchanged.

BUILDING BYLAWS COVERAGE – FORM 1053

If the Declarations indicate BUILDING BYLAWS COVERAGE – FORM 1053 is included and there is loss or damage to the "dwelling" and/or private structures, caused by an insured peril, coverage is provided for the specified location(s) to pay for the additional cost of demolition, construction, or repair which is required to comply with any law or ordinance regulating demolition, construction or repair of buildings, so long as the "dwelling" and/or private structures are actually repaired, rebuilt or replaced.

BASIS OF CLAIM PAYMENT

We will not pay:

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

This coverage does not apply to the following forms:

- EARTHQUAKE COVERAGE - FORM 991
- CONDOMINIUM UNIT OWNERS EARTHQUAKE COVERAGE - FORM 991C
- LIMITED SEWER BACK UP COVERAGE - FORM 3114 or 3114A
- OVERLAND WATER COVERAGE – FORM 3115 or 3115L

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

This is additional insurance.

IDENTITY FRAUD EXPENSE COVERAGE – FORM 1054

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:
 - (i) your defense against any suit(s) by businesses or their collection agencies;
 - (ii) the removal of any criminal or civil judgments wrongly entered against you; and
 - (iii) 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:
 - (i) fraudulent, dishonest or criminal acts committed by:
 - a) you;
 - b) any person acting with you; or
 - c) any person acting as your authorized representative; whether acting alone or in collusion with others;
 - (ii) your "business" or commercial pursuits;
 - (iii) your own use of your identity or credit; or
 - (iv) 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 on 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.

ADDITIONAL CONDITIONS

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. Upon discovering an act of "identity fraud", you must immediately notify us and any 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.

DEFINITION

For the purposes of this coverage, "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.

SECTION I **LOSS OR DAMAGE NOT INSURED**

We do not insure:

- (1) loss or damage to structures or buildings used in whole or in part for "business" or "farming operations", unless shown on the Declarations;
- (2) loss or damage 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 by a peril insured against 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 any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- (5) loss or damage to any property illegally acquired, kept, stored, or transported, or property subject to forfeiture;
- (6) "watermains";
- (7) loss or damage 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 blocks/jacks 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;
- (8) loss or damage caused by or resulting from the intentional or criminal acts or the failure to act by:
 - (i) any "Insured" under this policy; or
 - (ii) any other person at the direction of any "Insured" by this policy;
- (9) loss or damage caused by or resulting from vermin, birds, insects, rodents, bats, raccoons, skunks or squirrels, except loss or damage to building glass or caused by "Specified Perils";
- (10) loss or damage caused by or resulting from rust or corrosion, extremes of temperature, condensation, dampness of atmosphere, wet or dry rot, contamination or "fungi" except where otherwise provided for in this policy;
- (11) mechanical breakdown, except as otherwise provided for in this policy;
- (12) loss or damage caused directly or indirectly from 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, regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;
- (13) loss or damage caused by or resulting from contamination by "radioactive material";
- (14) loss or damage caused directly or indirectly, in whole or in part, by war, invasion, act of foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution or insurrection, or military power, regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;
- (15) 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;
- (16) loss or damage caused by or resulting from smoke from agricultural smudging or industrial operations;
- (17) loss or damage caused by domestic animals and/or pets of any kind:
 - (i) owned by you;
 - (ii) in your care, custody or control; or
 - (iii) owned by or in the care, custody or control of anyone residing in your "dwelling".

Nor do we insure:

- (18) loss or damage caused directly or indirectly by wear and tear, deterioration or defect, or any quality in property which causes it to damage or destroy itself;
- (19) loss or damage caused directly or indirectly by marring, scratching, abrasion or chipping of any personal property or breakage of any fragile or brittle article(s) unless caused by a "Specified Peril", accident to a land vehicle, watercraft or "aircraft", or theft or attempted theft;
- (20) loss or damage arising directly or indirectly from the growing, cultivating, harvesting, processing, manufacturing, distribution or sale of any drug or narcotic or illegal substance, whether or not you have knowledge of such activity. This includes any alterations of the "premises" to facilitate such activity;
- (21) loss or damage caused directly or indirectly, in whole or in part, by "Terrorism" or by any activity or decision of a governmental 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;
- (22) loss or damage to "data" or 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 or damage to property insured that is directly caused by "Specified Perils", this shall not apply to such resulting loss or damage;
- (23) loss or damage caused directly or indirectly by a "pollutant" or the release, discharge or dispersal of a "pollutant", unless the release, discharge or dispersal of the "pollutant" occurs as a result of a "Specified Peril";
- (24) the cost of correcting faulty design, material or workmanship.

SECTION I **CONDITIONS**

BASIS OF SETTLEMENT

We will pay for insured loss or damage to your "dwelling", private structures and personal property as described in this policy 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.

APPLICABLE TO COVERAGE A, COVERAGE B, COVERAGE C, AND COVERAGE D

1. INFLATION PROTECTION COVERAGE

During the term of this policy, we will automatically increase the Amount of Insurance on COVERAGE A, B, C and COVERAGE D by a pro rata proportion of the annual percentage shown on 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 or COVERAGE C, we will apply this Inflation Protection Coverage on the changed Amounts of Insurance from the date the change is made.

2. ACTUAL CASH VALUE

If the Declarations indicate ACTUAL CASH VALUE applies:

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

For "dwelling" and/or private structures, if the conditions of this policy are not met, we will pay the "actual cash value" of the damage at the date of the "occurrence".

3. 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 on the Declarations in any one "occurrence".

4. SINGLE INCLUSIVE LIMIT

If the Declarations indicate SINGLE INCLUSIVE LIMIT applies to a location, we will pay for insured loss or damage up to your financial interest in the property, but not exceeding the single limit, as defined, for any loss or damage arising out of one "occurrence".

SINGLE INCLUSIVE LIMIT means the total of the Amounts of Insurance shown on the Declarations for COVERAGES A, B, C and D.

If the loss to your "dwelling" is settled on a GUARANTEED REPLACEMENT COST basis, the Amount of Insurance for COVERAGE A or the amount payable under COVERAGE A (whichever is less) will be subtracted from the single limit. Losses under COVERAGE B, C and D will be paid up to the remaining portion of the SINGLE INCLUSIVE LIMIT.

Single Inclusive Limit does not apply to the following forms:

- EARTHQUAKE COVERAGE – FORM 991
- CONDOMINIUM EARTHQUAKE COVERAGE – FORM 991C
- LIMITED SEWER BACK UP COVERAGE – FORM 3114 or 3114A
- OVERLAND WATER COVERAGE – FORM 3115 or 3115L

All other terms and conditions of the policy apply.

5. FIRE FOLLOWING EARTHQUAKE

We insure COVERAGE A, B, C and D and if applicable, CONDOMINIUM ADDITIONAL COVERAGE, CONDOMINIUM LOSS ASSESSMENT and CONDOMINIUM UNIT IMPROVEMENTS against direct physical loss or damage as a result of a fire from an earthquake.

SPECIAL CONDITION

One or more earthquake shocks that occur within a one hundred and sixty eight (168) hour period shall constitute a single earthquake.

For the purposes of this endorsement, the following is deleted from ADDITIONAL COVERAGES (5) DEBRIS REMOVAL, "If the amount payable for loss, including expenses for removal of debris, is greater than the Amount of Insurance applicable to the lost or damaged property, then an additional 5% of the COVERAGE A or COVERAGE C limit as indicated on the Declarations will be available to cover your debris removal expenses."

DEDUCTIBLE

We will pay only that part of the loss that exceeds the Deductible shown on the Declarations for this coverage. This Deductible shall apply separately to loss under COVERAGE A, B and C and, if applicable, CONDOMINIUM ADDITIONAL COVERAGE, CONDOMINIUM LOSS ASSESSMENT and CONDOMINIUM UNIT IMPROVEMENTS.

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 or ordinance regulating the zoning, demolition, repair or construction of buildings and their related services.

APPLICABLE TO COVERAGE A AND COVERAGE B

6. 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 for loss settlement either (1) or (2) below. However in the event that you are restricted by law or ordinance from rebuilding on the same location as a result of an earthquake "occurrence", you may still choose either (1) or (2) as the basis for loss settlement. Otherwise settlement will be as in (2).

- (1) 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 and constructed with materials of similar quality as of the time of loss, but not to exceed the actual costs incurred.
- (2) The "actual cash value" of the loss or damaged property as of 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 or ordinance regulating the zoning, demolition, repair or construction of buildings and their related services.

7. GUARANTEED REPLACEMENT COST – COVERAGE A

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

- (1) insure your "dwelling" for 100% of its replacement value as of the original inception date of this policy as well as of the effective dates of all subsequent renewal policy 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 calculation acceptable to us every five years, beginning with the original inception date of the policy;
- (2) allow the "dwelling" Amount of Insurance to be increased annually, on renewal, by an inflationary percentage established by us;
- (3) repair, rebuild or replace the "dwelling" on the same location, with a building of the same size and occupancy, constructed with material of similar quality; and
- (4) notify us within 90 days of the start of work if you make additions or improvements to your "dwelling" that will increase its "replacement cost" by \$10,000 or more.

If the Declarations indicate GUARANTEED REPLACEMENT COST – COVERAGE A – DWELLING BUILDING and OVERLAND WATER COVERAGE – FORM 3115, we will pay for the insured loss to your "dwelling" up to a maximum of 125% of the Amount of Insurance shown on the Declarations for COVERAGE A – DWELLING BUILDING, provided you satisfy conditions (1) to (4) listed above.

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 or ordinance regulating the zoning, demolition, repair or construction of buildings and their related services.

APPLICABLE TO COVERAGE C

8. REPLACEMENT COST ON PERSONAL PROPERTY

If the Declarations indicate that REPLACEMENT COST ON CONTENTS is included, we will pay for loss or damage on the basis of Replacement Cost for all other personal property except:

- (1) articles that cannot be replaced with new articles because of their inherent nature, such as antiques or works of art;
- (2) articles for which their age or history substantially contributes to their value, such as memorabilia, souvenirs and collectors' items;
- (3) property that has not been maintained in good or workable condition;
- (4) property that is no longer used for its original purpose;

for which we will pay only on the basis of "actual cash value".

We will also pay the cost of reproduction from duplicates or from originals.

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

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

Without 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. Otherwise we will pay on the basis of "actual cash value".

You may choose to settle a loss to property eligible for replacement cost on contents coverage on an "actual cash value" basis initially. 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.

For personal property described under SPECIAL LIMITS OF INSURANCE, we will not pay more than the applicable limit under either the replacement cost or "actual cash value" basis.

9. PAIRS AND SETS

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

10. PARTS

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

APPLICABLE TO CONDOMINIUM UNIT OWNERS AND TENANTS COVERAGE ONLY

11. IMPROVEMENTS OR UNIT DAMAGE

We will pay for the actual cost of repair or replacement (whichever is less) to your improvements, with materials of similar quality and without deduction for depreciation provided the repair or replacement is completed within a reasonable amount of time after damage.

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 above, less any amount recoverable from any insurance covering the collective interest of the unit owners.

POLICY CONDITIONS

The following conditions apply to all **SECTION I – COVERAGES**:

1. AMOUNTS NOT REDUCED

Any loss or damage shall not reduce the Amounts of Insurance provided by this policy.

2. INSURANCE UNDER MORE THAN ONE POLICY

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

In all other cases, we will pay our rateable proportion of the loss or claim under this policy.

3. NOTICE TO AUTHORITIES

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

4. SUBROGATION

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

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

5. DECLARATION OF EMERGENCY – 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:

- (a) the "Insured", the insured site or insured property located in the declared emergency area; or
- (b) the operations of the Insurer or its agent/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.

(2) 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";

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

6. RECOVERY OF INNOCENT PERSONS

(1) Where this policy contains a term or condition excluding coverage for loss or damage resulting from the intentional or criminal acts or failure to act by an "Insured" or any other person, the exclusion applies only to the claim of a person:

- (a) whose act or omission caused the loss or damage;
- (b) who abetted or colluded in the act or omission;
- (c) who:
 - (i) consented to the act or omission; and

- (ii) knew or ought to have known that the act or omission would cause the loss or damage; or
- (d) who is in a class prescribed by regulation.
- (2) Nothing in SECTION I allows a person whose property is insured under the contract to recover more than their proportionate interest in the lost or damaged property.
- (3) A person whose coverage under a contract would be excluded but for SECTION I must comply with the requirements prescribed in the regulations.

All other terms and conditions of the policy remain unchanged.

SECTION II **LIABILITY COVERAGE**

COVERAGE E – FARM LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the "Insured" becomes legally obligated to pay as "compensatory damages" because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the "Insured" against any "action" seeking those "compensatory damages". However, we will have no duty to defend the "Insured" against any "action" seeking "compensatory damages" for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "action" that may result. But:
 - (1) the amount we will pay for "compensatory damages" is limited as described in **SECTION II – AMOUNTS OF INSURANCE**; and
 - (2) our right and duty to defend ends when we have used up the applicable amount of insurance in the payment of judgments or settlements under **Coverage E – FARM LIABILITY, Coverage F – Medical Payments or Tenants' Legal Liability – Form 2017**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SECTION II – SUPPLEMENTARY PAYMENTS** or **SECTION II – ADDITIONAL COVERAGES**.
- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) the "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
 - (2) the "bodily injury" or "property damage" occurs during the POLICY PERIOD; and
 - (3) prior to the POLICY PERIOD, no "Insured" listed under paragraph 1., 5., or 6. of **SECTION II – WHO IS AN INSURED** and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed "Insured" or authorized "employee" knew, prior to the POLICY PERIOD, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the POLICY PERIOD will be deemed to have been known prior to the POLICY PERIOD.
- c. "Bodily injury" or "property damage" which occurs during the POLICY PERIOD and was not, prior to the POLICY PERIOD, known to have occurred by any "Insured" listed under paragraph 1., 5., or 6. of **SECTION II – WHO IS AN INSURED** or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the POLICY PERIOD.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any "Insured" listed under paragraph 1., 5., or 6. of **SECTION II – WHO IS AN INSURED** or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) receives a written or verbal demand or claim for "compensatory damages" because of the "bodily injury" or "property damage"; or
 - (3) becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. "Compensatory damages" because of "bodily injury" include "compensatory damages" claimed by any person or organization for care, loss of services or death, resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

- a. **Expected or Intended Injury**
"Bodily injury" or "property damage" expected or intended from the standpoint of the "Insured". This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.
- b. **Contractual Liability**
"Bodily injury" or "property damage" for which the "Insured" is obligated to pay "compensatory damages" by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages":
 - (1) that the "Insured" would have in the absence of the contract or agreement; or
 - (2) assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable legal fees and necessary litigation expenses incurred by or for a party other than an "Insured" are deemed to be "compensatory damages" because of "bodily injury" or "property damage", provided:
 - (a) liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) such legal fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which "compensatory damages" to which this insurance applies are alleged.
- c. **Workers' Compensation and Similar Laws**
Any obligation of the "Insured" under a workers' compensation, disability benefits or unemployment or employment compensation law or any similar law.
- d. **Employer's Liability**
"Bodily injury" to:
 - (1) an "employee" of the "Insured" arising out of and in the course of:
 - (a) employment by the "Insured"; or
 - (b) performing duties related to the conduct of the "Insured's" "business" or "farming operations";
 - (2) the "spouse", child, parent, brother or sister of that "employee" as a consequence of paragraph 2. d. (1) above.

This exclusion applies:

 - (1) whether the "Insured" may be liable as an employer or in any other capacity; and
 - (2) to any obligation to share "compensatory damages" with or repay someone else who must pay "compensatory damages" because of the injury.

This exclusion does not apply to:

 - (a) liability assumed by the "Insured" under an "insured contract"; or

- (b) a claim made or an "action" brought by a Canadian resident "employee" on whose behalf contributions are made by or required to be made by you under the provisions of any Canadian provincial or territorial workers' compensation law, if cover or benefits have been denied by any Canadian Workers' Compensation Authority.

e. Aircraft or Watercraft

- (1) "Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others by or on behalf of any "Insured" of any "aircraft", air cushion vehicle or watercraft that is owned, or operated by, or operated on behalf of, or rented or loaned to any "Insured"; or
- (2) "bodily injury" or "property damage" arising out of the ownership, maintenance, existence, use or entrustment to others by or on behalf of any "Insured" of any "premises" for the purpose of an airport or "aircraft" landing area and all operations necessary or incidental thereto.

Use includes operation and "loading or unloading".

This exclusion e. applies even if the claims against any "Insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "Insured", if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any "aircraft" or watercraft that is owned, or operated by, or operated on behalf of, or rented or loaned to any "Insured".

This exclusion e. does not apply to:

- (1) a watercraft while ashore on premises you own or rent;
- (2) a watercraft you do not own that is:
- (a) less than 8 metres long; and
 - (b) not being used to carry persons or property for a charge;
- (3) "bodily injury" to an "employee" of the "Insured" on whose behalf contributions are made by or required to be made by the "Insured" under the provisions of any Canadian provincial or territorial workers' compensation law, if the "bodily injury" results from an "occurrence" involving watercraft.

f. Automobile

"Bodily injury" or "property damage" arising directly or indirectly, in whole or in part, out of the ownership, maintenance, use or entrustment to others of any "automobile" that is owned or operated by or on behalf of, or rented or loaned to, any "Insured". Use includes operation and "loading or unloading".

This exclusion also applies to any motorized snow vehicle or its trailers and any vehicle while being used in any speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity.

This exclusion also applies even if the claims against any "Insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "Insured", if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any "automobile" that is owned or operated by, or on behalf of, or rented or loaned to any "Insured".

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury" or "property damage".

This exclusion does not apply to:

- (1) "Bodily injury" to an "employee" of the "Insured" on whose behalf contributions are made by or required to be made by the "Insured" under the provisions of any Canadian provincial or territorial workers' compensation law.
- (2) "Bodily injury" or "property damage" arising out of a defective condition in, or improper maintenance of, any "automobile" that is owned by the "Insured" while leased to others for a period of 30 days or more provided the lessee is obligated under contract to ensure that the "automobile" is insured.
- (3) "Bodily injury" or "property damage" arising out of the ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment. This exception however does not apply when such equipment is mounted on or attached to any "automobile" and such equipment is used for the purpose of "loading or unloading".
- (4) "Bodily injury" or "property damage" arising out of "loading or unloading" if such operations are precluded from coverage under the motor vehicle section of any provincial or territorial act or regulation.

g. Damage To Property

"Property damage" to:

- (1) property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) property loaned to you;
- (4) personal property in the care, custody or control of the "Insured";
- (5) that particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) that particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

h. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

i. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

j. Damage To Impaired Property or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) a defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

k. Recall of Products, Work or Impaired Property

"Compensatory damages" claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "your product";
- (2) "your work"; or
- (3) "impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

I. Violation of Any Law as To Age

"Bodily injury" to any person knowingly employed by the "Insured" in violation of any law as to age.

m. Data

"Compensatory damages" arising out of:

- (1) the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "data"
- (2) any access to or disclosure of any person's or organizations confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

n. Transmission of Communicable Diseases

"Bodily Injury" or "property damage" arising out of the transmission of communicable diseases by any "Insured" under this policy.

o. Professional Services or Business Pursuits

"Bodily injury" (other than "incidental medical malpractice injury"), or "property damage" due to:

- (1) the rendering of, or failure to render, any "professional services" for others;
- (2) any error or omission, malpractice or mistake in providing those services described in (1) above; or
- (3) "business" pursuits or any "business" use of the "premises" except as provided in SECTION II - ADDITIONAL/OPTIONAL COVERAGE, by you or on your behalf.

p. Abuse

- (1) Claims or "actions" arising directly or indirectly from "abuse" committed or alleged to have been committed by an "Insured", including the transmission of disease arising out of any act of "abuse".
- (2) Claims or "actions" based on "Named Insured" practices of "employee" hiring, acceptance of "volunteer workers" or supervision or retention of any person alleged to have committed "abuse".
- (3) Claims or "actions" alleging failure of an "Insured" to report alleged "abuse" to the appropriate authorities once the "Insured" has gained knowledge of any alleged "abuse".

q. Damage from Blasting, Pile Driving, Removal or Weakening of Support

"Property damage" arising out of:

- (1) The use of explosives for blasting;
- (2) Vibration from pile driving or caisson work; or
- (3) The removal or weakening of support of any property, building or land whether such support be natural or otherwise.

This exclusion does not apply to:

- (a) "Property damage" arising out of work performed on your behalf by any contractor or subcontractor; or
- (b) "Property damage" included within the "products-completed operations hazard".

r. Tractor Pull or Similar Contest

"Bodily injury" or "property damage" arising directly or indirectly, in whole or in part, out of the ownership, maintenance, use, operation, loading or unloading, or entrustment to others of any self-propelled land vehicle that is owned or operated by, or on behalf of, or rented or loaned to, any "Insured" while being used in any pre-arranged or organized tractor pull or similar contest or in practice or preparation for any such contest or activity.

This exclusion also applies even if the claims against any "Insured" allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that "Insured", if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use, operation, loading or unloading, or entrustment to others of any self-propelled land vehicle that is owned or operated by, or on behalf of, or rented or loaned to any "Insured".

s. Fertilizers, Herbicides, Pesticides, Other Chemicals, Seeds or Feeds

"Bodily injury" or "property damage" arising out of consumption, handling, or use of the following goods or products manufactured, sold, handled, or distributed by the "Insured" if such consumption, handling, or use occurs away from the premises of the "Insured" after the "Insured" has relinquished possession of the goods or products:

- (1) manufactured products including fertilizers, herbicides, pesticides or other chemicals; or
- (2) blended, processed or treated seeds or feeds;

t. Drug, Narcotic or Illegal Substance

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use, operation, or the entrustment to others, by or on behalf of any "Insured" of any premises for the purpose of growing, cultivating, harvesting, processing, manufacturing, distribution or sale of any drug or narcotic or illegal substance, whether or not any "Insured" has knowledge of such activity.

u. Feedlot Operations

"Property damage" caused by the sickness, disease or death of animals arising out of your feedlot operations.

v. Social Media and Internet

"Bodily injury" or "property damage" arising directly or indirectly, in whole or in part, out of the use or misuse of "social media" or the internet. This includes the use of, distribution by, publication by, display of any material that offends another person through the use of "social media" or the internet.

w. Asbestos - see SECTION II – COMMON EXCLUSIONS

x. Fungi or Spores - see SECTION II – COMMON EXCLUSIONS

y. Nuclear Energy Liability - see SECTION II – COMMON EXCLUSIONS

z. Pollution - see SECTION II – COMMON EXCLUSIONS

aa. Terrorism - see SECTION II – COMMON EXCLUSIONS

bb. Transmissible Spongiform Encephalopathies - see SECTION II – COMMON EXCLUSIONS

cc. War Risks - see SECTION II – COMMON EXCLUSIONS

COVERAGE F – MEDICAL PAYMENTS

1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) on premises you own or rent;
- (2) on ways next to premises you own or rent; or
- (3) because of your "farming operations" or personal actions;

provided that:

- (a) the accident takes place in the "coverage territory" and during the POLICY PERIOD;
 - (b) the expenses are incurred and reported to us within one year of the date of the accident; and
 - (c) the injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable amount of insurance as described in **SECTION II – AMOUNTS OF INSURANCE**. We will pay reasonable expenses for:
- (1) first aid administered at the time of an accident;
 - (2) necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

- a. **Any Insured**
To any "Insured", except "volunteer workers".
- b. **Hired Person**
To a person hired to do work for or on behalf of any "Insured" or a tenant of any "Insured".
- c. **Injury On Normally Occupied Premises**
To a person injured on that part of premises you own or rent that the person normally occupies.
- d. **Workers Compensation and Similar Laws**
To a person, whether or not an "employee" of any "Insured", if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. **Athletics Activities**
To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.
- f. **Products-Completed Operations Hazard**
Included within the "products-completed operations hazard".
- g. **Coverage E Exclusions**
Excluded under **COVERAGE E – FARM LIABILITY**.

ADDITIONAL COVERAGES AND OPTIONAL COVERAGES

1. VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY OF OTHERS

a. Insuring Agreement

We offer to pay for unintentional direct damage you cause to property of others 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 to an "Insured" or an "Insured's" tenant;
- (2) damage to property which is insured under SECTION I or SECTION III of this policy;
- (3) claims resulting from the loss of use, disappearance or theft of property;
- (4) "property damage" excluded under **COVERAGE E – FARM LIABILITY**.

b. Basis of Settlement

We will pay up to \$1,000 or what it would cost to repair or replace the property with materials of similar quality at the time of loss, whichever is less.

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.

2. VOLUNTARY COMPENSATION FOR RESIDENCE AND FARM EMPLOYEES

This coverage is automatically provided for your "residence employees" and "farm employees".

a. Insuring Agreement

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

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

A "residence employee", "farm 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 injury or death of the "residence employee" or "farm employee".

b. Exclusions

We will not pay benefits:

- (1) for any hernia injury;
- (2) to any "Insured", except "volunteer workers";
- (3) for any injury or death arising out of "bodily injury" excluded under **COVERAGE E – FARM LIABILITY**;
- (4) for any injury or death of your "residence employee" or "farm employee" on whose behalf contributions are made by or required to be made by you under the provisions of any Federal, Provincial or Territorial workers' compensation law.

c. Schedule of Benefits

(1) Loss of Life

If your "residence employee" or "farm 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 not to exceed \$1,000.

(2) Temporary Total Disability

If your "residence employee" or "farm 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.

(3) Permanent Total Disability

If your "residence employee" or "farm 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 the benefits provided under Temporary Total Disability.

(4) Injury Benefits

If, as a result of the accident, your "residence employee" or "farm 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 below. 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" or "farm 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.

d. Definition

For the purpose of this additional coverage, "weekly indemnity" means two thirds of your "residence employee's" or "farm employee's" weekly wage at the date of the accident but we will not pay more than \$100 per week, unless a higher amount is shown for VOLUNTARY COMPENSATION FOR RESIDENCE AND FARM EMPLOYEES – INCREASED WEEKLY INDEMNITY on the Declarations.

3. CONDOMINIUM LOSS ASSESSMENT

a. Insuring Agreement

If you are a condominium unit owner, we will pay:

- (1) your share of any special assessment made if:
 - (a) such special assessment arises out of "bodily injury" or "property damage" to which this insurance applies;
 - (b) the assessment is valid under the "Condominium Corporation's" governing rules; and
 - (c) the assessment is made necessary by the liability of the "Condominium Corporation" for "occurrence(s)" which takes place during the POLICY PERIOD;
- (2) up to the Amount of Insurance shown on the Declarations under Condominium Deductible Assessment, for that part of an assessment made necessary by a deductible in the "Condominium Corporation's" liability 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.

b. we will not pay for any special assessment arising out of "bodily injury" or "property damage" excluded under **Coverage E – FARM LIABILITY**.

c. Amount of Insurance

Solely for the purpose of this Additional Coverage:

Item **3. Each Occurrence** under **SECTION II – AMOUNTS OF INSURANCE** is deleted and replaced by the following:

3. Each Occurrence

Subject to **1.** or **2.** above, whichever applies, the EACH OCCURRENCE AMOUNT OF INSURANCE shown on the Declarations is the most we will pay for the sum of:

- a.** "compensatory damages" under **Coverage E – FARM LIABILITY**;
 - b.** medical expenses under **Coverage F – Medical Payments**; and
 - c.** your share of any special assessments under **CONDOMINIUM LOSS ASSESSMENT** in **SECTION II – ADDITIONAL COVERAGES**;
- because of all "bodily injury" and "property damage" arising out of any one "occurrence".

4. WATERCRAFT

Solely with respect to:

- a.** a person added by paragraph **5.** or **6.** under **SECTION II – WHO IS AN INSURED**; and
- b.** liability arising out of:
 - (1) your personal actions anywhere in the world; or
 - (2) your ownership, use or occupancy of the "premises";

exclusion **e. Aircraft or Watercraft** in **2. Exclusions** under **COVERAGE E – FARM LIABILITY** does not apply to:

- (1) "Bodily injury" or "property damage" arising out of your ownership, use or operation of:
 - (a) watercraft you own, including their attachments, equipped with an outboard motor or motors, of not more than 25 horsepower in total, when used with or on a single watercraft;
 - (b) watercraft you own, including their attachments, equipped with any other type of motor of not more than 50 horsepower;
 - (c) non-motorized watercraft you own, including their attachments, not more than 8 metres in length;
 - (d) any other watercraft you own but only if liability coverage for it is shown on the Declarations;

If the watercraft or motor with which it is equipped is acquired by you after the effective date of the policy, you will be insured automatically for a period of 30 days only from the date of acquisition;
- (2) "Bodily injury" or "property damage" arising out of your use or operation of:
 - (a) any type of watercraft you do not own that is 8 metres or more in length, provided that the watercraft is not owned by any "Insured";
 - (b) any amphibious vehicle or air cushion vehicle you do not own, provided that amphibious vehicle or air cushion vehicle:
 - (i) is not insured under a contract evidenced by a motor vehicle liability policy and is not required by law to be insured under such a contract;
 - (ii) is designed primarily for use off public roads; and
 - (iii) is not owned by any "Insured".

EXCLUSIONS

These exceptions **4. (1)** and **4. (2)** do not apply to "bodily injury" or "property damage" arising out of the use or operation of any watercraft, amphibious vehicle or air cushion vehicle, whether owned by you or not, while it is:

- (i) used for carrying passengers for compensation;
- (ii) used in the conduct of your "business" or "farming operations";
- (iii) used in any race or speed test or in preparation for either;
- (iv) rented to others; or
- (v) being used or operated without the owner's consent if you are not the owner.

We will pay up to \$1,000,000 or the amount shown on the Declarations under this Additional Coverage for "compensatory damages" because of "bodily injury" or "property damage" arising out of any one "occurrence". This amount is part of and not in addition to the EACH OCCURRENCE AMOUNT OF INSURANCE as described in **3. Each Occurrence** under **SECTION II – AMOUNTS OF INSURANCE**.

All other exclusions, limitations and conditions of this policy remain unchanged.

5. TRAILERS

Solely with respect to:

- a.** a person added by paragraph **5.** or **6.** under **SECTION II – WHO IS AN INSURED**; and
- b.** liability arising out of:
 - (1) your personal actions anywhere in the world;
 - (2) your ownership, use or occupancy of the "premises";

exclusion **f. Automobile** in **3. Exclusions** under **Coverage E – Farm Liability** does not apply to “bodily injury” or “property damage” arising out of your ownership, use or operation of any trailer or its equipment, provided such trailer is not:

- (1) being used in the conduct of your “business” or “farming operations”;
- (2) attached to, carried on or being towed by an “automobile”.

All other exclusions, limitations and conditions of this policy remain unchanged and, any amount payable under this Additional Coverage for “compensatory damages” because of “bodily injury” or “property damage” arising out of any one “occurrence” is part of and not in addition to the EACH OCCURRENCE AMOUNT OF INSURANCE as described in **3. Each Occurrence** under **SECTION II – AMOUNTS OF INSURANCE**.

6. BUSINESS AND BUSINESS PROPERTY

We insure you against claims arising out of:

- (1) your personal actions during the course of your trade, profession or occupation which are not related directly to your trade, profession or occupation;
- (2) the occasional rental to others of the portion of the “dwelling” usually occupied by you as a private residence;
- (3) the rental to others of portions of your two, three or four family “dwelling” usually occupied in part by you as a residence “premises” provided no family unit includes more than 2 roomers or boarders;
- (4) the rental of space in your residence to others for incidental office, school or studio occupancy;
- (5) the rental to others, or holding for rent, of not more than 3 “automobile” spaces or stalls in garages or stables;
- (6) the temporary or part time “business” pursuits of an “Insured” under the age of 21 years.

Claims arising from any other “business” pursuit or operation are insured only if liability coverage for these “business” pursuits or operations are shown on the Declarations.

7. ADDITIONAL USE OF GOLF CARTS – FORM HMVL1

If permission for ADDITIONAL USE OF GOLF CARTS – FORM HMVL1 is stated on the Declaration, we insure motorized golf carts while in use:

- (1) on your “premises”;
- (2) on a golf course and within the boundaries of a golf course;
- (3) any municipal roadway where permitted by municipal law; or
- (4) on private property such as camp grounds, recreational parks, mobile home communities, retirement communities and gated communities where:
 - (i) the community by-laws permit the use of golf carts; and
 - (ii) the roadways within that community are privately maintained and controlled.

We do not insure the use or operation of golf carts, whether owned by you or not, while:

- (1) used on public roads or highways unless permitted by law;
- (2) used for carrying passengers for compensation;
- (3) used for “business” purposes or “farming operations”;
- (4) used in any race or speed test;
- (5) rented to others; or
- (6) being used or operated without the owner’s consent if you are not the owner.

All other exclusions, limitations and conditions of this policy remain unchanged.

8. BOARDING OR TRAINING OF HORSES COVERAGE – FORM 1295

If BOARDING OR TRAINING OF HORSES COVERAGE – FORM 1295 is stated on the Declarations, you are insured under COVERAGE E and COVERAGE F for claims made or actions brought against you for “bodily injury” or “property damage” arising out of the use of your “premises” to either board horses or train horses, as described on the Declarations.

You are not insured for claims made or actions brought against you for “bodily injury” or “property damage” arising out of:

- a. any rodeo, any horse race, guided or unguided horse rides, gymkhana or similar equestrian event or activity;
- b. any riding stables, riding arena or academy, horse sales or auctions, veterinary stables, racing stables or dude ranches; or
- c. any draft animal or attached conveyance
 - (1) for charge or remuneration; or
 - (2) for the carrying of passengers for financial gain or other compensation.

9. EMPLOYERS’ LIABILITY FOR FARM EMPLOYEES AND RESIDENCE EMPLOYEES

The insurance provided in **COVERAGE E – FARM LIABILITY** applies to “bodily injury” to an “employee” in the course of employment by the “Insured”, subject to the following:

1. The exclusions under **COVERAGE E – FARM LIABILITY** are amended for a “farm employee” or a “residence employee” only, as follows:
 - (1) Exclusion **d.** and **f.** do not apply
 - (2) The following exclusion is added:

This insurance does not apply to “bodily injury” to any “farm employee” or “residence employee” employed in violation of law with your actual knowledge or the knowledge of any of your “executive officers”
- b. Solely with respect to this ADDITIONAL COVERAGE the **DEFINITION** of “occurrence” is replaced by the following:

“**Occurrence**” means an accident.

10. TENANTS’ LEGAL LIABILITY COVERAGE – FORM 2017

a. Insuring Agreement

If TENANTS’ LEGAL LIABILITY COVERAGE – FORM 2017 is stated on the Declarations, we will pay those sums that the “Insured” becomes legally obligated to pay as “compensatory damages” because of “property damage” to which this insurance applies. This insurance applies only to “property damage” to premises of others rented to you or occupied by you. We will have the right and duty to defend the “Insured” against any “action” seeking those “compensatory damages”. However, we will have no duty to defend the “Insured” against any “action” seeking “compensatory damages” for “property damage” to which this insurance does not apply. We may, at our discretion, investigate any “occurrence” and settle any claim or “action” that may result.

However:

- (1) the amount we will pay for “compensatory damages” is limited as described in **SECTION II – AMOUNTS OF INSURANCE**; and
- (2) our right and duty to defend ends when we have used up the applicable amount of insurance in the payment of judgments or settlements under **COVERAGE E – FARM LIABILITY, COVERAGE F – MEDICAL PAYMENTS** or **TENANTS’ LEGAL LIABILITY – FORM 2017**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SECTION II – SUPPLEMENTARY PAYMENTS** or **SECTION II – ADDITIONAL COVERAGES**.

b. This insurance applies to “property damage” only if:

- (1) the “property damage” is caused by an “occurrence” that takes place in the “coverage territory”;

- (2) the "property damage" occurs during the POLICY PERIOD; and
 - (3) prior to the POLICY PERIOD, no "Insured" listed under paragraph 1., 5., or 6. of SECTION II – WHO IS AN INSURED and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "property damage" had occurred, in whole or in part. If such a listed "Insured" or authorized "employee" knew, prior to the POLICY PERIOD, that the "property damage" occurred, then any continuation, change or resumption of such "property damage" during or after the POLICY PERIOD will be deemed to have been known prior to the POLICY PERIOD.
- c. "Property damage" which occurs during the POLICY PERIOD and was not, prior to the POLICY PERIOD, known to have occurred by any "Insured" listed under paragraph 1., 5., or 6. of SECTION II – WHO IS AN INSURED or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "property damage" after the end of the POLICY PERIOD.
 - d. "Property damage" will be deemed to have been known to have occurred at the earliest time when any "Insured" listed under paragraph 1., 5., or 6. of SECTION II – WHO IS AN INSURED or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) reports all, or any part, of the "property damage" to us or any other insurer;
 - (2) receives a written or verbal demand or claim for "compensatory damages" because of the "property damage"; or
 - (3) becomes aware by any other means that "property damage" has occurred or has begun to occur.
- e. **Exclusions**
This insurance does not apply to:
 - (1) **Expected or Intended Injury**
"Property damage" expected or intended from the standpoint of the "Insured".
 - (2) **Contractual Liability**
"Property damage" for which the "Insured" is obligated to pay "compensatory damages" by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages" that the "Insured" would have in the absence of the contract or agreement.
 - (3) **Vacancy**
"Property damage" if the building where the loss or damage occurs has been "vacant" for more than 30 consecutive days before the loss or damage occurs whether or not such "vacancy" begins before the inception of this policy.
 - (4) **Asbestos** - see SECTION II – COMMON EXCLUSIONS
 - (5) **Fungi or Spores** - see SECTION II – COMMON EXCLUSIONS
 - (6) **Nuclear Energy Liability** - see SECTION II – COMMON EXCLUSIONS
 - (7) **Pollution** - see SECTION II – COMMON EXCLUSIONS
 - (8) **Terrorism** - see SECTION II – COMMON EXCLUSIONS
 - (9) **Transmissible Spongiform Encephalopathies** - see SECTION II – COMMON EXCLUSIONS
 - (10) **War Risks** - see SECTION II – COMMON EXCLUSIONS

COMMON EXCLUSIONS

(Applicable to COVERAGE E – FARM LIABILITY, COVERAGE F – MEDICAL PAYMENTS and SECTION II – ADDITIONAL COVERAGES AND OPTIONAL COVERAGES)

This insurance does not apply to:

1. **Asbestos**

"Bodily injury" or "property damage" related to or arising from any actual or alleged liability for any legal remedy of any kind whatsoever (including but not limited to damages, interest, mandatory or other injunctive relief, statutory orders or penalties, legal or other costs, or expenses of any kind) in respect of actual or threatened loss, damage, cost or expense directly or indirectly caused by, resulting from, in consequence of or in any way involving, asbestos or any materials containing asbestos in whatever form or quantity.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury" or "property damage".

2. **Fungi or Spores**

- a. "Bodily injury" or "property damage" or any other cost, loss or expense incurred by others, arising directly or indirectly from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any "fungi" or "spores" however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of "fungi" or "spores";
- b. Any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with a. above; or
- c. Any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage referred to in a. or b. above.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury" or "property damage".

Solely for the purpose of the following exception;

- (1) "property damage" means physical injury to animals;
- (2) "products-completed operations hazard" means all "bodily injury" and "property damage" that arises out of "your product" provided the "bodily injury" or "property damage" occurs after you have relinquished physical possession of "your product".

This exclusion does not apply to "bodily injury" or "property damage" included in the "products completed operations hazard" arising directly or indirectly from "fungi" or "spores" that are found in or on, or are, "your product", and you intend "your product" to be:

- (a) applied topically to; or
- (b) ingested by;
humans or animals.

3. **Nuclear Energy Liability**

- a. Liability imposed by or arising from any nuclear liability act, law or statute, or any law amendatory thereof;
- b. "Bodily injury" or "property damage" with respect to which an "Insured" under this policy is also insured under a contract of nuclear energy liability insurance (whether the "Insured" is unnamed in such contract and whether or not it is legally enforceable by the "Insured") issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an "Insured" under any such policy but for its termination upon exhaustion of its limit of liability;
- c. "Bodily injury" or "property damage" resulting directly or indirectly from the "nuclear energy hazard" arising from:
 - (1) the ownership, maintenance, operation or use of a "nuclear facility" by or on behalf of an "Insured";

- (2) the furnishing by an "Insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility";
- (3) the possession, consumption, use, handling, disposal or transportation of "fissionable substances", or of other "radioactive material" (except radioactive isotopes, away from a "nuclear facility", which have reached the final stage of fabrication so as to be useable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an "Insured".

This exclusion applies regardless of any other contributing or aggravating cause or event that contribute concurrently or in any sequence to the "bodily injury" or "property damage".

4. Pollution

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants":
 - (1) at or from any "premises", site or location which is or was at any time owned or occupied by, or rented or loaned to, any "Insured"; however, this subparagraph does not apply to:
 - (a) "bodily injury" if sustained within a building and caused by smoke, fumes, vapour or soot from equipment used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (b) "bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such "premises", site or location has been added to your policy as an additional "Insured" with respect to your ongoing operations performed for that additional "Insured" at that "premises", site or location and such "premises", site or location is not and never was owned or occupied by, or rented or loaned to, any "Insured", other than that additional "Insured";
 - (c) "bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (d) "property damage" to growing crops belonging to others on neighbouring land caused by accidental chemical drift from spraying operations on your own crops, other than by means of an "aircraft", of chemicals, liquids or gases that have been used, sprayed or applied in accordance with both the manufacturer's instructions and normal "farming operations" practice; or
 - (e) "bodily injury" or "property damage" occurring at any "premises", site or location situated in Canada and arising out of an unexpected or unintentional spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" provided such spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants":
 - (i) Results in the injurious presence of "pollutants" in or upon land, the atmosphere, drainage or sewage system, watercourse or body of water; and
 - (ii) Is detected within 120 hours after the commencement of such spill, discharge, emission, dispersal, seepage, migration, release or escape; and
 - (iii) Is reported to us within 120 hours of the detection of such spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape; and
 - (iv) occurs in a quantity or with a quality that is in excess of that which is routine or usual to the "farming operations" of the "insured".
 - (2) at or from any "premises", site or location which is or was at any time used by or for any "Insured" or others for the handling, storage, disposal, processing or treatment of waste;
 - (3) which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (a) any "Insured"; or
 - (b) any person or organization for whom you may be legally responsible;
 - (4) at or from any "premises", site or location on which any "Insured" or any contractors or subcontractors working directly or indirectly on any "Insured's" behalf are performing operations if the "pollutants" are brought on or to the "premises", site or location in connection with such operations by such "Insured", contractor or subcontractor. However, this subparagraph does not apply to:
 - (a) "bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts, if such fuels, lubricants or other operating fluids escape from a permanent and integral mobile equipment part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the "premises", site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such "Insured", contractor or subcontractor;
 - (b) "bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapours from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (c) "bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (5) at or from any "premises", site or location on which any "Insured" or any contractors or subcontractors working directly or indirectly on any "Insured's" behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- b. Any loss, cost or expense arising out of any:
 - (1) request, demand, order or statutory or regulatory requirement that any "Insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (2) claim or "action" by or on behalf of a governmental authority for "compensatory damages" because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this Section b. does not apply to liability for "compensatory damages" because of "property damage" that the "Insured" would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "action" by or on behalf of a governmental authority.

5. Terrorism

"Bodily injury" or "property damage" arising 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 other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury" or "property damage".

6. Transmissible Spongiform Encephalopathies

- a. "Bodily injury" or "property damage" arising out of, resulting from, caused or contributed to by:
 - (1) Transmissible Spongiform Encephalopathies (hereinafter referred to as TSE); or
 - (2) Exposure to TSE; or
 - (3) Exposure to any item that is known or suspected to cause, contribute to or enable TSE;
- b. The cost of abatement, mitigation, removal or disposal of feed, feed additives or animals, or of any "premises" or equipment handling such items, as a result of any known or suspected connection between such items and TSE; or
- c. Any costs related to a person's abatement, mitigation or removal of, or testing, medical monitoring, medical costs or cure for TSE.

This exclusion also includes:

- (1) Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with the above; and
- (2) Any obligation to share damages with or repay someone else who must pay damages because of such injury or damage.

This exclusion applies regardless of any other contributing or aggravating cause or event that contribute concurrently or in any sequence to the "bodily injury" or "property damage".

7. War Risks

"Bodily injury" or "property damage" arising directly or indirectly, in whole or in part, out of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury" or "property damage"

SUPPLEMENTARY PAYMENTS

(Applicable to **COVERAGE E – FARM LIABILITY** and under **SECTION II – ADDITIONAL/OPTIONAL COVERAGES**)

1. We will pay, with respect to any claim we investigate or settle, or any "action" against an "Insured" we defend:
 - a. all expenses we incur.
 - b. the cost of bonds to release attachments, but only for bond amounts within the applicable amount of insurance. We do not have to furnish these bonds.
 - c. all reasonable expenses you incur at our request to assist us in the investigation or defense of the claim or "action", including actual loss of earnings up to \$250 a day because of time off from work.
 - d. all costs assessed or awarded against you in the "action".
 - e. any interest accruing after entry of judgment upon that part of the judgment which is within the applicable amount of insurance and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable amount of insurance.
 - f. expenses which you have incurred for emergency medical or surgical treatment to others following "bodily injury" to which this insurance applies.These payments will not reduce the amounts of insurance.
2. If we defend an "Insured" against an "action" and an indemnitee of the "Insured" is also named as a party to the "action", we will defend that indemnitee if all of the following conditions are met:
 - a. the "action" against the indemnitee seeks "compensatory damages" for which the "Insured" has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. this insurance applies to such liability assumed by the "Insured";
 - c. the obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the "Insured" in the same "insured contract";
 - d. the allegations in the "action" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the "Insured" and the interests of the indemnitee;
 - e. the indemnitee and the "Insured" ask us to conduct and control the defense of that indemnitee against such "action" and agree that we can assign the same counsel to defend the "Insured" and the indemnitee; and
 - f. the indemnitee:
 - (1) agrees in writing to:
 - (a) cooperate with us in the investigation, settlement or defense of the "action";
 - (b) immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "action";
 - (c) notify any other insurer whose coverage is available to the indemnitee; and
 - (d) cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) provides us with written authorization to:
 - (a) obtain records and other information related to the "action"; and
 - (b) conduct and control the defense of the indemnitee in such "action".

So long as the above conditions are met, legal fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as **SECTION II – SUPPLEMENTARY PAYMENTS**. Notwithstanding the provisions of paragraph 6. b. (2) of **Coverage E – FARM LIABILITY**, such payments will not be deemed to be "compensatory damages" for "bodily injury" and "property damage" and will not reduce the amounts of insurance.

Our obligation to defend an "Insured's" indemnitee and to pay for legal fees and necessary litigation expenses as **SECTION II – SUPPLEMENTARY PAYMENTS** ends when:

- (1) we have used up the applicable amount of insurance in the payment of judgments or settlements; or
- (2) the conditions set forth above, or the terms of the agreement described in paragraph 2. f. above, are no longer met.

WHO IS AN INSURED

1. If you are designated on the Declarations as:
 - a. an individual, you and your "spouse" are "Insureds", but only with respect to the conduct of a "farming operations" of which you are the sole owner.
 - b. a partnership, limited liability partnership or joint venture, you are an "Insured". Your members, your partners, and their "spouses" are also "Insureds", but only with respect to the conduct of your "farming operations".
 - c. a limited liability company, you are an "Insured". Your members are also "Insureds", but only with respect to the conduct of your "farming operations". Your managers are "Insured", but only with respect to their duties as your managers.
 - d. an organization other than a partnership, limited liability partnership or joint venture of limited liability company, you are an "Insured". Your "executive officers" and directors are "Insureds", but only with respect to their duties as your officers or directors. Your shareholders are also "Insureds", but only with respect to their liability as shareholders.
 - e. a trust, you are an "Insured". Your trustees are also "Insureds", but only with respect to their duties as trustees.No person or organization is an "Insured" with respect to the conduct of any current or past partnership, limited liability partnership, joint venture or limited liability company that is not shown as a "Named Insured" on the Declarations.
2. Each of the following is also an "Insured":
 - a. your "volunteer workers" only while performing duties related to the conduct of your "farming operations", or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, limited liability partnership, joint venture or limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your "farming operations". However, none of these "employees" or "volunteer workers" are "Insureds" for:
 - (1) "bodily injury":

- (a) to you, to your partners or members (if you are a partnership, limited liability partnership or joint venture, limited liability company), to a co-“employee” while in the course of his or her employment or performing duties related to the conduct of your “farming operations”, or to your other “volunteer workers” while performing duties related to the conduct of your “farming operations”;
 - (b) to the “spouse”, child, parent, brother or sister of that co-“employee” or “volunteer worker” as a consequence of paragraph (1) (a) above;
 - (c) for which there is any obligation to share “compensatory damages” with or repay someone else who must pay “compensatory damages” because of the injury described in paragraphs (1) (a) or (b) above;
 - (d) arising out of his or her providing or failing to provide professional health care services; or
 - (e) to any person who at the time of injury is entitled to benefits under any workers’ compensation or disability benefits law or a similar law.
- (2) “property damage” to property that is:
- (a) owned, occupied or used by,
 - (b) rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your “employees”, “volunteer workers”, any partner or member (if you are a partnership, limited liability partnership, joint venture or limited liability company).
- b. any person (other than your “employee” or “volunteer worker”), or any organization while acting as your real estate manager.
 - c. any person or organization legally liable for “compensatory damages” because of “bodily injury” or “property damage” arising out of watercraft owned by you and to which this insurance applies. This does not include anyone using or having custody of the watercraft while performing duties in connection with the conduct of your “farming operations” or without your permission.
 - d. any person or organization having proper temporary custody of your property if you die, but only:
 - (1) with respect to liability arising out of the maintenance or use of that property; and
 - (2) until your legal representative has been appointed.
 - e. your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under **SECTION II – LIABILITY COVERAGES**.
 - f. any person added by paragraph 6. under **SECTION II – WHO IS AN INSURED** who, at the time of your death, continues to reside in the “premises”.
 - g. your unit or strata lot owners and any tenants, but only with respect to the conduct of the corporation for liability arising out of the common property, excluding liability arising out of the owner’s or tenant’s possession, occupation or use of property designated for exclusive use.
3. Any organization you newly acquire or form, other than a partnership, limited liability partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a “Named Insured” if there is no other similar insurance available to that organization.
- However:
- a. coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the POLICY PERIOD, whichever is earlier; and
 - b. **Coverage E – FARM LIABILITY** and **TENANTS’ LEGAL LIABILITY – FORM 2017** does not apply to “bodily injury” or “property damage” that occurred before you acquired or formed the organization.
4. Any person or organization legally liable for “compensatory damages” because of “bodily injury” or “property damage” arising out of an animal or livestock owned by you is an “Insured”, but only if:
- a. the insurance under **COVERAGE E – FARM LIABILITY** applies to “occurrences” involving the animal or livestock; and
 - b. that person or organization has the custody or use of the animal or livestock with your permission.
5. If you are a “Named Insured” designated on the Declarations as an individual and your “dwelling” is explicitly shown and charged for on the Declarations, you are an “Insured” but only with respect to liability arising out of:
- a. your personal actions anywhere in the world;
 - b. your ownership, use or occupancy of the “premises”.
6. While living in the same household as a person added by paragraph 5. under **SECTION II – WHO IS AN INSURED**, each of the following:
- a. his or her “spouse”;
 - b. the relatives of either;
 - c. a registered domestic partner; and
 - d. a person under the age of 21 years and in your care;
- is an “Insured” but only with respect to liability arising out of:
- (1) your personal actions anywhere in the world;
 - (2) your ownership, use or occupancy of the “premises”.
- In addition, a student who is enrolled and attends a school, college or university and who is dependent on a person added by paragraph 5. under **SECTION II – WHO IS AN INSURED** or his or her “spouse” for support and maintenance is also an “Insured” even if temporarily residing away from your principal residence as shown on the Declarations.
- (i) In addition, an “Insured” or parent of an “Insured” who is dependent on a person added by paragraph 5. under **SECTION II – WHO IS AN INSURED** or his or her “spouse” for support and maintenance is also an “Insured” while living in a nursing home or assisted living facility.
 - (ii) Solely with respect to persons added by this paragraph 6. under **SECTION II – WHO IS AN INSURED**, the words **you** and **your** means the “Insured”.

AMOUNTS OF INSURANCE

The AMOUNTS OF INSURANCE shown on the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. “Insureds”
 - b. claims made or “actions” brought; or
 - c. persons or organizations making claims or bringing “actions”.
1. **General Aggregate**
- The most we will pay for the sum of:
- a. “compensatory damages” under **Coverage E – Farm Liability**, except “compensatory damages” because of “bodily injury” or “property damage” included in the “products-completed operations hazard”; and
 - b. medical expenses under **Coverage F – Medical Payments**;
- is the GENERAL AGGREGATE AMOUNT OF INSURANCE, shown on the Declarations.

2. Products-Completed Operations Aggregate

The most we will pay for "compensatory damages" because of "bodily injury" and "property damage" included in the "products-completed operations hazard" under **Coverage E – Farm Liability** is the PRODUCTS-COMPLETED OPERATIONS AGGREGATE AMOUNT OF INSURANCE shown on the Declarations.

3. Each Occurrence

Subject to 1. or 2. above, whichever applies, the EACH OCCURRENCE AMOUNT OF INSURANCE shown on the Declarations is the most we will pay for the sum of:

- a. "compensatory damages" under **Coverage E – Farm Liability**; and
- b. medical expenses under **Coverage F – Medical Payments**;

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

4. Medical Payments

Subject to 3. above, the MEDICAL PAYMENTS - ANY ONE PERSON AMOUNT OF INSURANCE stated on the Declarations is the most we will pay under **Coverage F – Medical Payments** for all medical expenses because of "bodily injury" sustained by any one person.

5. Tenants' Legal Liability – Form 2017

The TENANTS' LEGAL LIABILITY AMOUNT OF INSURANCE shown on the Declarations is the most we will pay under **Tenants' Legal Liability – Form 2017** for "compensatory damages" because of "property damage" to any one "premises" as the result of any one "occurrence".

The amounts of insurance of **SECTION II – LIABILITY COVERAGES** apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the POLICY PERIOD shown on the Declarations, unless the POLICY PERIOD is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the amounts of insurance.

CONDITIONS

If any portion of these conditions are found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.

1. Bankruptcy

Bankruptcy or insolvency of the "Insured" or of the "Insured's" estate will not relieve us of our obligations under **SECTION II – LIABILITY COVERAGES**.

2. Duties In The Event Of Occurrence, Claim or Action

a. You must see to it that we are notified as soon as practicable of an "occurrence" which may result in a claim. To the extent possible, notice should include:

- (1) how, when and where the "occurrence" took place;
- (2) the names and addresses of any injured persons and witnesses; and
- (3) the nature and location of any injury or damage arising out of the "occurrence".

b. If a claim is made or "action" is brought against any "Insured", you must:

- (1) immediately record the specifics of the claim or "action" and the date received; and
- (2) notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "action" as soon as practicable.

c. You and any other involved "Insured" must:

- (1) immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "action";
- (2) authorize us to obtain records and other information;
- (3) cooperate with us in the investigation or settlement of the claim or defense against the "action"; and
- (4) assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "Insured" because of injury or damage to which this insurance may also apply.

d. No "Insured" will, except at that "Insured's" own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under **SECTION II – LIABILITY COVERAGES**:

- a. to join us as a party or otherwise bring us into an "action" asking for "compensatory damages" from an "Insured"; or
- b. to sue us on **SECTION II – LIABILITY COVERAGES** unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an "Insured" obtained after an actual trial; but we will not be liable for "compensatory damages" that are not payable under the terms of **SECTION II – LIABILITY COVERAGES** or that are in excess of the applicable amount of insurance. An agreed settlement means a settlement and release of liability signed by us, the "Insured" and the claimant or the claimant's legal representative.

Every action or proceeding against an insurer for the recovery of insurance money payable under contract is absolutely barred unless commenced within the time set out in the Insurance Act or other applicable legislation.

4. Other Insurance

If other valid and collectible insurance is available to the "Insured" for a loss we cover under **COVERAGE E – FARM LIABILITY** or **ADDITIONAL/OPTIONAL COVERAGES** of **SECTION II – LIABILITY COVERAGES**, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

This insurance is excess over:

- (1) any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) that is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (b) that is Fire insurance for "premises" rented to you or temporarily occupied by you with permission of the owner;
 - (c) if the loss arises out of the maintenance or use of watercraft or "automobile" to the extent not subject to either Exclusion **e.** or **f.** of **COVERAGE E – FARM LIABILITY**.
- (2) any other primary insurance available to you covering liability for "compensatory damages" arising out of the "premises" or operations or products-completed operations for which you have been added as an additional "Insured" by attachment of an endorsement.

When this insurance is excess, we will have no duty under **COVERAGE E – FARM LIABILITY** or **ADDITIONAL/OPTIONAL COVERAGES** to defend the "Insured" against any "action" if any other insurer has a duty to defend the "Insured" against that "action". If no other insurer defends, we will undertake to do so, but we will be entitled to the "Insured's" rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) the total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) the total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the amounts of insurance shown on the Declarations of **SECTION II – LIABILITY COVERAGES**.

c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable amount of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable amount of insurance to the total applicable amounts of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for **SECTION II – LIABILITY COVERAGES** in accordance with our rules and rates.
- b. Premium shown in **SECTION II – LIABILITY COVERAGES** as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first "Named Insured". If the sum of the advance and audit premiums paid for the POLICY PERIOD is greater than the earned premium, we will return the excess to the first "Named Insured" subject to the retention of the minimum retained premium shown on the Declarations of this policy.
- c. The first "Named Insured" must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Separation Of Insureds, Cross Liability

Except with respect to the amounts of insurance, and any rights or duties specifically assigned in **SECTION II – LIABILITY COVERAGES** to the first "Named Insured", this insurance applies:

- a. as if each "Named Insured" were the only "Named Insured"; and
- b. separately to each "Insured" against whom claim is made or "action" is brought.

7. Transfer Of Rights Of Recovery Against Others To Us

If the "Insured" has rights to recover all or part of any payment we have made under **SECTION II – LIABILITY COVERAGES**, those rights are transferred to us. The "Insured" must do nothing after loss to impair them. At our request, the "Insured" will bring "action" or transfer those rights to us and help us enforce them.

DEDUCTIBLE

- 1. Our obligation to pay "compensatory damages", on your behalf, for "property damage" liability insured under **Coverage E – Farm Liability** is limited to the EACH OCCURRENCE AMOUNT OF INSURANCE shown on the Declarations. However, we will not make any payment under this coverage until the amount of loss exceeds the Section II Deductible amount stated on the Declarations.
- 2. Our obligation to pay "compensatory damages", on your behalf, for "property damage" liability insured under **Tenants' Legal Liability – Form 2017** is limited to the TENANTS LEGAL LIABILITY - ANY ONE PREMISES AMOUNT OF INSURANCE shown on the Declarations. However, we will not make any payment under this coverage until the amount of loss exceeds the Section II Deductible amount stated on the Declarations.
- 3. The Section II Deductible amount stated on the Declarations applies:
 - a. under **Coverage E – Farm Liability**, to all "compensatory damages" because of "property damage" as the result of one "occurrence";
 - b. under **Tenants' Legal Liability – Form 2017**, to all "compensatory damages" because of "property damage" at any one "premises", as the result of any one "occurrence".
- 4. The terms of this insurance, including those with respect to:
 - a. our right and duty to defend any "action" seeking those "compensatory damages"; and
 - b. your duties in the event of an "occurrence", claim or "action"; apply irrespective of the application of any deductible amount.
- 5. We may pay any part or all of the deductible amount to effect settlement of any claim or "action" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

SECTION III FARM PROPERTY COVERAGES

This insurance applies only to those items of property described below which are listed on the Declarations, at the location(s) specified on the Declarations and is subject to all exclusions, terms and conditions under the policy.

COVERAGE G – BARNs, BUILDINGS AND STRUCTURES

1. BARNs, BUILDINGS AND STRUCTURES

COVERED PROPERTY

We insure:

- a. farm barns, buildings and structures;
- b. materials and supplies located on the "premises" intended for use in construction, alteration or repair of farm barns, buildings and structures;
- c. portable buildings and portable structures, however, we will not pay for a greater proportion of any loss than the Amount of Insurance applying to all portable buildings or structures bears to the total value of that property at the time of loss; and
- d. permanently attached fixtures and equipment that forms part of the barn, building or structure.

PROPERTY NOT INSURED

We do not insure:

- a. silos or fences, whether or not attached to any building or structure, unless specifically declared and described on the Declarations; or
- b. barns, buildings and structures used for "business" purposes, unless declared and described on the Declarations.

COINSURANCE

If the Declarations show SPECIAL (SPL) under the heading FORM, we will not pay for a greater proportion of any loss than the applicable Amount of Insurance bears to 80% of the value of all insured property at the time of loss. If two or more items are specifically described on the Declarations, this condition will apply separately to each item.

If the amount of loss or damage is less than 2% of the applicable Amount of Insurance or \$5,000, whichever is lesser, this condition does not apply.

2. CONTENTS OF BARN, BUILDINGS AND STRUCTURES

COVERED PROPERTY

If the Declarations show CONTENTS – FORM 1298, we insure contents owned by you or for which you may be legally liable, while located in the described barn, building or structure and are usual to your "farming operations".

PROPERTY NOT INSURED

We do not insure:

- a. any personal property covered under **SECTION I – PROPERTY COVERAGES**;
- b. feed, grain or produce;
- c. grain dryers;
- d. irrigation equipment;
- e. liquefied petroleum;
- f. fuels;
- g. windmills;
- h. accounts, bills and stamps;
- i. sawmill equipment;
- j. fertilizers, or chemicals including herbicides and pesticides, except as described and limited in EXTENSION OF CONTENTS OF BARN, BUILDINGS AND STRUCTURES;
- k. livestock, except as described and limited in EXTENSION OF CONTENTS OF BARN, BUILDINGS AND STRUCTURES;
- l. poultry products or dairy products;
- m. processed or frozen meats, or honey;
- n. semen and semen tanks;
- o. "automobiles", motorcycles, motor homes, vehicles licensed for road use, camper units, truck caps, trailers, all-terrain vehicles, watercraft and their motors, snowmobiles or "aircrafts", including all equipment and appurtenances of the forgoing;
- p. mobile machinery and mobile equipment;
- q. property used in whole or in part for "business" pursuits;
- r. property used primarily for any "custom farming" operation;
- s. permanently attached fixtures and equipment forming part of the barn, building or structure.

EXTENSION OF CONTENTS OF BARN, BUILDINGS AND STRUCTURES

- a. **Fertilizers, or Chemicals Including Herbicides and Pesticides:** You may use up to 10% of the CONTENTS OF BARN, BUILDINGS AND STRUCTURES Amount of Insurance stated on the Declarations for the building to which this coverage is attached, to cover losses by FIRE only, to fertilizers, or chemicals including herbicides and pesticides provided it is in a fully enclosed building.
- b. **Poultry:** You may use up to \$1,000 of the Amount of Insurance stated on the Declarations, for CONTENTS OF BARN, BUILDINGS AND STRUCTURES to cover loss by FIRE only, of your poultry, including chickens, turkeys, geese, and ducks, of any maturity, usual to mixed "farming operations".
- c. **Veterinarian Supplies:** You may use up to 10% of the Amount of Insurance stated on the Declarations, for CONTENTS OF BARN, BUILDINGS AND STRUCTURES to cover veterinarian supplies, provided they are in a fully enclosed building.
- d. **Property Away from the Barn, Building or Structure:** You may use up to 10% of the Amount of Insurance shown on the Declarations, for CONTENTS OF BARN, BUILDINGS AND STRUCTURES at a described location, to cover that property while temporarily located somewhere else on the described "premises".

Extensions a., b., c. and d. do not increase the Amount of Insurance applicable to CONTENTS OF BARN, BUILDINGS AND STRUCTURES.

COVERAGE H – FARM PERSONAL PROPERTY

1. MACHINERY, EQUIPMENT, TOOLS, PARTS

COVERED PROPERTY

We insure the following property as shown on the Declarations, owned by you or for which you may be legally liable:

H1A Scheduled Mobile Farm Machinery and Mobile Farm Equipment

Each item of mobile farm machinery and mobile farm equipment that is specifically described on the Declarations, and for which an individual Amount of Insurance is shown on the Declarations.

Off Premises

If Scheduled Mobile Farm Machinery and Mobile Farm Equipment are listed on the Declarations, we insure that mobile farm machinery and mobile farm equipment while it is temporarily away from your "premises" anywhere in Canada or the Continental United States.

H1B Blanket Mobile Farm Machinery and Mobile Farm Equipment

All mobile farm machinery and mobile farm equipment on a blanket basis if a single Amount of Insurance is shown on the Declarations.

Off Premises

If Blanket Mobile Farm Machinery and Mobile Farm Equipment are listed on the Declarations, we insure that mobile farm machinery and mobile farm equipment while it is temporarily away from your "premises" anywhere in Canada or the continental United States.

H1C Scheduled Tools

Individual tools that are specifically described on the Declarations, and for which individual Amounts of Insurance are shown on the Declarations.

Off Premises

If Scheduled Tools are listed on the Declarations, we insure those tools while they are temporarily away from your "premises" anywhere in Canada or the Continental United States.

H1D Machinery (other than Mobile Farm Machinery and Mobile Farm Equipment), Spare Parts or Tools

Machinery (other than Mobile Farm Machinery and Mobile Farm Equipment), spare parts or tools on a blanket basis on those items for which a single Amount of Insurance is shown on the Declarations.

Off Premises

If an Amount of Insurance is shown on the Declarations for H1D Machinery, Spare Parts or Tools, we will insure that property while it is temporarily away from your "premises" anywhere in Canada or the Continental United States.

PROPERTY NOT INSURED

We do not insure:

- a. automobiles, motorcycles, mobile homes, vehicles licensed for road use, all-terrain vehicles, watercraft and their motors, snowmobiles, "aircraft", including equipment and appurtenances of any of the foregoing;
- b. machinery engaged in "custom farming" unless stated on the Declarations, and then only for "custom farming" performed within Canada;
- c. sawmill equipment;
- d. brooders, barn cleaners, boilers, bulk feed tanks or bins, bulk milk tanks, pasteurizers or any permanent fixtures attached to or within a building;
- e. portable buildings and portable structures;
- f. grain dryers or irrigation equipment unless stated and described on the Declarations with an Amount of Insurance shown for each item;
- g. liquefied petroleum or manufactured gas, or other fuels;
- h. windchargers, windmills or their towers, outdoor radio or television equipment or wiring, private power and light poles;
- i. household personal property or property usual to a "dwelling";
- j. accounts, bills, stamps, tokens, deeds, evidences of debt, money and securities.

NEWLY ACQUIRED OR NEWLY LEASED MOBILE FARM MACHINERY AND MOBILE FARM EQUIPMENT

You may extend the Amount of Insurance applicable to H1A Scheduled Mobile Farm Machinery and Mobile Farm Equipment or H1B Blanket Mobile Farm Machinery and Mobile Farm Equipment under COVERAGE H to mobile farm machinery and mobile farm equipment you acquire (or for which you assume "legal liability") during the policy term.

The most we will pay is 10% of the applicable Amount of Insurance or \$250,000, whichever is greater.

Insurance under this extension will end when any one of the following first occurs:

- a. the policy expires or is terminated;
- b. 30 days expire after you acquire the property; or
- c. you report the values to us.

You agree to keep an accurate record of the date of acquisition and a description and value of the acquired or leased property and to pay the pro rata amount of additional premium.

This is additional insurance.

COINSURANCE

We will not pay for a greater proportion of any loss than the applicable Amount of Insurance bears to 80% of the "actual cash value" of all insured property at the time of loss. If two or more items are specifically described on the Declarations, this condition will apply separately to each item.

If the amount of loss or damage is less than 2% of the applicable Amount of Insurance or \$5,000, whichever is the lesser, this condition does not apply.

2. FEED, GRAIN, CHEMICALS, FERTILIZER, PRODUCE

COVERED PROPERTY

We insure the following property as shown on the Declarations, owned by you or for which you may be legally liable:

H2A Feed or Fodder including Stacks of Hay or Straw stored in buildings, bins, enclosures or piled in the open on all land owned, leased or operated by you within Canada.

H2B Whole Threshed Grain and Seeds stored in buildings, bins, enclosures or piled in the open on all land owned, leased or operated by you within Canada.

H2C Fertilizers or Chemicals, Including Herbicides and Pesticides stored in buildings, bins, storage tanks, enclosures on all land owned, leased or operated by you within Canada.

H2D Other Farm Products stored in buildings, bins, storage tanks, enclosures or piled in the open on all land owned, leased or operated by you within Canada.

PROPERTY IN THE CUSTODY OF A COMMON OR CONTRACT CARRIER

If the Declarations indicate that you have purchased coverage under item (2) FEED, GRAIN, CHEMICALS, FERTILIZER, PRODUCE in COVERAGE H, we will extend that coverage to include such covered property while it is in the custody of a common or contract carrier.

The most we will pay for all property covered under this extension as the result of one loss is \$15,000.

This is not an additional Amount of Insurance.

PROPERTY NOT INSURED

We do not insure:

- a. property in private or commercial elevators, grain dryers, grain cleaning plants; or
- b. property while in transit by common or contract carrier except as described above in PROPERTY IN THE CUSTODY OF A COMMON OR CONTRACT CARRIER.

AVERAGE DISTRIBUTION

Where you insure property, as described in H2A, H2B, H2C, or H2D above, and that property is located in more than one building, bin, storage tank, enclosure or pile in the open, the Amount of Insurance applicable at each location will be determined by multiplying the Amount of Insurance stated on the Declarations for such property by the percentage that the value of such property at each building, bin, storage tank, enclosure or pile in the open bears to the total value of all such property in all buildings, bins, storage tanks, enclosures, or piles in the open.

3. LIVESTOCK

COVERED PROPERTY

We insure the following property as shown on the Declarations owned by you or for which you may be legally liable:

H3A Scheduled Livestock

Each animal that is specifically described on the Declarations and for which an individual Amount of Insurance is shown on the Declarations, while located on the "premises"; or

H3B Blanket Livestock Coverage

Livestock of a class shown on the Declarations with the number of animals and an Amount of Insurance per animal, while located on the "premises";

We will pay only in the proportion that the number of animals insured bears to 80% of the number of animals of each kind owned by you at the time of loss, multiplied by the Amount of Insurance per head shown on the Declarations or the "actual cash value" of the animal(s) damaged or destroyed, whichever is the least.

PROPERTY IN THE CUSTODY OF A COMMON OR CONTRACT CARRIER

If the Declarations indicate that you have purchased coverage item (3) LIVESTOCK in COVERAGE H, we will extend that coverage to include such covered property while it is in the custody of a common or contract carrier.

The most we will pay for all property covered under this extension as a result of one loss is \$15,000.

This is not an additional Amount of Insurance.

PROPERTY NOT INSURED

We do not insure:

- a. livestock while in:
 - (i) transit by common or contract carrier except as described above in PROPERTY IN THE CUSTODY OF A COMMON OR CONTRACT CARRIER;
 - (ii) public stockyards, sales barns and sales yards; or
 - (iii) packing plants and slaughter houses;
- b. poultry in incubators or brooders.

LOSS CONDITION – LOSS OR DAMAGE MEANS DEATH OR DESTRUCTION (LIVESTOCK COVERAGE ONLY)

Loss or damage under LIVESTOCK means death or destruction of insured livestock resulting from or made necessary by an INSURED PERIL. Death occurring more than 15 days after the happening of an INSURED PERIL or resulting from or contributed to by any disease, whether consequent upon an INSURED PERIL or not, is not insured.

LIVESTOCK TEMPORARILY AWAY FROM YOUR PREMISES

Coverage is extended to include covered livestock as listed in H3A or H3B above while that livestock is temporarily away from your "premises" anywhere in Canada or the continental United States.

NEWLY ACQUIRED LIVESTOCK

You may extend the insurance that applies to H3A Scheduled Livestock and H3B Blanket Livestock Coverage under COVERAGE H to apply to similar livestock that you acquire during the policy term.

The most we will pay under this extension is \$20,000, and no more than \$5,000 for any one animal.

This is not an additional Amount of Insurance.

Insurance under this extension will end when any one of the following first occurs:

- a. the policy expires or is terminated;
- b. 30 days expire after you acquire the livestock; or
- c. you report the values to us.

You agree to keep an accurate record of the date of the acquisition and description and value of each animal and to pay the pro rata amount of additional premium.

COVERAGE I – FARM INCOME AND EXTRA EXPENSE

Where COVERAGE I – FARM INCOME AND EXTRA EXPENSE is shown on the Declarations, you are insured against the following:

FARM INCOME

We will pay for the actual loss of "farm income" you sustain due to the necessary suspension of your "farming operations" during the "Period of Restoration". The suspension must be caused by the direct physical loss or damage by an insured peril, to property insured under COVERAGE G including CONTENTS OF BARNES, BUILDINGS AND STRUCTURES, or COVERAGE H3 – LIVESTOCK at the "premises" described on the Declarations.

EXTRA EXPENSE

We will pay for the following actual and necessary expenses you incur during the "Period of Restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from an insured peril:

- a. any Extra Expense incurred to avoid or minimize the suspension of "farming operations" and to continue "farming operations":
 - (i) at the described "premises"; or
 - (ii) at replacement "premises" or at temporary locations, including:
 - (a) relocation expenses; and
 - (b) costs to equip and operate the replacement or temporary locations;
- b. any Extra Expense incurred to minimize the suspension of "farming operations", if you cannot continue "farming operations";
- c. any Extra Expense incurred to:
 - (i) repair or replace any property; or
 - (ii) research, replace or restore the lost information on damaged valuable papers and records;to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage.

EXTENDED FARM INCOME (PROFITS) – FORM 2025

If the Declarations indicate that FARM INCOME AND EXTRA EXPENSE (PROFITS) – FORM 2025 applies, we will pay for the actual loss of "farm income" you incur during the period that:

- a. begins on the date property is actually repaired, rebuilt, or replaced and "farming operations" are resumed; and
- b. ends on the earlier of:
 - (i) the date you could restore your "farming operations" with reasonable speed, to the condition that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 365 consecutive days after the date determined in a. above.

Loss of "farm income" must be caused by direct physical loss or damage at the described "premises" caused by or resulting from an insured peril.

BASIS OF SETTLEMENT

Where the Declarations indicate FARM INCOME AND EXTRA EXPENSE (PROFITS) – FORM 2025, the most we will pay for loss in any one "occurrence" is the applicable Amount of Insurance shown on the Declarations.

COINSURANCE

We will not pay the full amount of any loss if the Amount of Insurance for FARM INCOME AND EXTRA EXPENSE (PROFITS) – FORM 2025 is less than 100% of the sum of:

- a. the net income (net profit or loss before income taxes); and
- b. all operating expenses, including payroll expenses;

that would have been earned (had no loss occurred) by your "farming operations" at the described "premises" for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

We will determine the most we will pay using the following steps:

- a. determine the sum of the net income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy;
- b. divide the Amount of Insurance for the described "premises" by the figure determined in a. above; and then
- c. multiply the total amount of loss by the figure determined in b. above.

We will pay the lesser of amount determined in c. above, or the Amount of Insurance, whichever is less.

ALTERATIONS AND NEW BUILDINGS

We will pay for the actual loss of "farm income" you sustain due to direct physical loss or damage at the described "premises" caused by or resulting from any insured peril to:

- a. new buildings or structures, whether complete or under construction;
- b. alterations or additions to existing buildings or structures; and
- c. machinery, equipment, supplies or building materials located on or within 100 metres (328 feet) of the described "premises" and:
 - (i) used in the construction, alterations or additions; or
 - (ii) incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "farming operations", the "Period of Restoration" will begin on the date "farming operations" would have begun if the direct physical loss or damage had not occurred.

Loss of "farm income" must be caused by direct physical loss or damage at the described "premises" caused by or resulting from any insured peril.

ACTION OF CIVIL AUTHORITY

We will pay for the actual loss of "farm income" you sustain and necessary Extra Expense caused by action of "civil authority" that prohibits access to the described "premises" due to direct physical loss or damage to property, not otherwise described, as a result of an insured peril. This coverage will apply for a period of up to two consecutive weeks from the date of that action.

AUDITORS' FEES

We will pay up to \$1,000 in any one "occurrence", towards reasonable auditors' fees you incur, to produce and certify the particulars or details of your "farming operations" that are required by us, in order to arrive at the amount of loss payable.

ELECTRONIC MEDIA AND RECORDS

We will not pay for any loss of "farm income" caused by direct physical loss or damage to "data", "media", or "software" after the longer of:

- a. 60 consecutive days from the date of direct physical loss or damage; or
- b. the period of time beginning with the date of direct physical loss or damage, necessary to repair, rebuild or replace, with reasonable speed and similar quality, other property at the described "premises" due to loss or damage caused by the same "occurrence".

This limitation does not apply to Extra Expense.

LOSS OR DAMAGE NOT INSURED

We do not pay for:

- a. any loss due to fines or damages for breach of contract, for late or non-completion of orders or for penalties of any kind;
- b. any increase of loss caused by or resulting from:
 - (i) delay in rebuilding, repairing or replacing the property or resuming "farming operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (ii) suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of "farming operations", we will cover such loss that affects your "farm income" during the "Period of Restoration";
- c. any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "Period of Restoration".

BASIS OF SETTLEMENT

Where the Declarations indicate COVERAGE I – FARM INCOME AND EXTRA EXPENSE, the most we will pay for loss of "farm income" and Extra Expense in each period of 30 consecutive days after the direct physical loss or damage is 25% of the COVERAGE I Amount of Insurance shown on the Declarations.

Payments under ADDITIONAL COVERAGES will not increase the applicable Amount of Insurance.

LOSS DETERMINATION – LOSS OF FARM INCOME

- a. The amount of "farm income" loss will be determined based on:
 - (i) the net income of the farm before the direct physical loss or damage occurred;
 - (ii) the likely net income of the farm as if no loss or damage occurred;
 - (iii) the operating expenses, including payroll expenses, necessary to resume "farming operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - (iv) other relevant sources of information, including:
 - (a) your financial records and accounting procedures;
 - (b) bills, invoices and other vouchers; and
 - (c) deeds, liens or contracts.
- b. The amount of Extra Expense will be determined based on:
 - (i) all expenses that exceed the normal operating expenses that would have been incurred by "farming operations" during the "Period of Restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a) the salvage value that remains of any property bought for temporary use during the "Period of Restoration", once "farming operations" are resumed; and
 - (b) any Extra Expense that is paid for by other insurance, except for insurance that is written, subject to the same plan, terms, conditions and provisions as this insurance; and
 - (ii) all necessary expenses that reduce the "farm income" loss that otherwise would have been incurred.
- c. Resumption of "farming operations"
We will reduce the amount of your:
 - (i) "farm income" loss, other than Extra Expense, to the extent you can resume your "farming operations", in whole or in part, by using damaged or undamaged property at the described "premises" or elsewhere;
 - (ii) Extra Expense loss to the extent you can return "farming operations" to normal and discontinue such Extra Expense.
- d. If you do not resume "farming operations", or do not resume "farming operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "farming operations" as quickly as possible.

SECTION III **ADDITIONAL COVERAGES**

The following ADDITIONAL COVERAGES do not increase the Amounts of Insurance in this policy, unless otherwise stated.

1. Accident Insurance

a. Accident Insurance - Death:

Subject to the limitations stated below, if death of an "insured" results directly and independently of all other causes from "bodily injury" caused solely by external, violent and accidental means, and such death occurs within 365 days after such injury, we will pay \$5,000 per "occurrence", to the "Insured's" estate.

b. Limitations

- (1)** No benefit shall be payable unless the death of the "Insured" is a direct result of:
 - (i)** Fire on the "premises"; or
 - (ii)** "farming operations" on the "premises".
- (2)** No benefit shall be payable if the death of the "Insured" results from or was in any manner or degree, associated with or occasioned by:
 - (i)** Suicide or self-inflicted injury, regardless of mental capacity;
 - (ii)** War, declared or undeclared, insurrection or participation in a riot; or full or part-time military service;
 - (iii)** Travel or flight in or descent from any kind of "aircraft";
 - (iv)** Viral infections; bacterial infections (except pyogenic bacterial infections which occur with and through an accidental "bodily injury"); any form of disease or illness or physical or mental infirmity; medical or surgical treatment;
 - (v)** The attempt or commission of a crime by the "Insured";
 - (vi)** Any poison, drug, gas or fumes, voluntarily or otherwise, taken, administered, absorbed or inhaled; or
 - (vii)** A motor vehicle if, at the time and place of an "occurrence", the involved motor vehicle;
 - (a)** Is registered for use on public roads or property;
 - (b)** Is not registered for use on public roads or property, but such registration is required by law, or regulation issued by a government agency, for it to be used at the place of the "occurrence".

The following Statutory Conditions apply to the foregoing Accident Insurance Coverage:

STATUTORY CONDITIONS

THE CONTRACT

The application, this policy, any document attached to this policy when issued, and any amendment to the contract agreed on in writing after the policy is issued, constitute the entire contract, and no agent has authority to change the contract or waive any of its provisions.

WAIVER

The insurer shall be deemed not to have waived any condition of this contract, either in whole or in part, unless the waiver is clearly expressed in writing signed by the Insurer.

COPY OF APPLICATION

The Insurer shall, on request, furnish to the "Insured" or to a claimant under the contract a copy of the application.

MATERIAL FACTS

No statement made by the "Insured" or person insured at the time of application for the contract shall be used in defense of a claim under or to avoid this contract unless it is contained in the application or any other written statements or answers furnished as evidence of insurability.

TERMINATION BY INSURED

The "Insured" may terminate this contract at any time by giving written notice of termination to the Insurer by registered mail to its head office or chief agency in the province, and the Insurer shall on surrender of this policy refund the amount of premium paid in excess of the short rate premium calculated to the date of receipt of such notice according to the table in use by the Insurer at the time of termination.

TERMINATION BY INSURER

- a.** The Insurer may terminate this contract at any time by giving written notice of termination to the "Insured" and by refunding concurrently with the giving of notice the amount of premium paid in excess of the pro rata premium for the expired time.
- b.** The notice of termination may be delivered to the "Insured", or it may be sent by registered mail to the latest address of the "Insured" on the records of the Insurer.
- c.** Where the notice of termination is delivered to the "Insured", five days notice of termination shall be given; where it is mailed to the "Insured", 10 days notice of termination shall be given, and the 10 days shall begin on the day following the date of mailing of notice.

NOTICE AND PROOF OF CLAIM

The "Insured" or person insured, or beneficiary entitled to make a claim, or the agent of any of them, shall:

- a.** Give written notice of claim to the Insurer:
 - (i)** By delivery thereof, or by sending it by registered mail to the head office or chief agency of the Insurer in the province; or
 - (ii)** By delivery thereof to an authorized agent of the Insurer in the province, not later than 30 days from the date a claim arises under the contract on account of an accident;
- b.** Within 90 days from the date a claim arises under the contract on account of an accident, furnish to the Insurer such proof as is reasonably possible in the circumstances of the happening of the accident and the loss occasioned thereby, the right of the claimant to receive payment, his age of the beneficiary if relevant; and
- c.** If so required by the Insurer, furnish a satisfactory certificate as to the cause or nature of the accident for which claim may be made under the contract.

FAILURE TO GIVE NOTICE OR PROOF

Failure to give notice of claim or furnish proof of claim within the time prescribed by the Statutory Condition does not invalidate the claim if the notice or proof is given or furnished as soon as reasonably possible, and in no event later than one year from the date of the accident if it is shown that it was not reasonably possible to give notice or furnish proof within the time so prescribed.

INSURER TO FURNISH FORMS FOR PROOF OF CLAIM

The Insurer shall furnish forms for proof of claim within 15 days after receiving notice of claim, but where the claimant has not received the forms within that time he may submit his proof of claim in the form of a written statement of the cause or nature of the accident giving rise to the claim and of the extent of the loss.

RIGHTS OF EXAMINATION

As a condition precedent to recovery of insurance money under this contract in the case of death of the person injured, the Insurer may require an autopsy subject to any law of the applicable jurisdiction relating to autopsies.

WHEN MONEY PAYABLE

All money payable under this contract shall be paid by the Insurer within 60 days after it has received proof of claim.

LIMITATIONS OF ACTIONS

An Action or proceeding against the Insurer for the recovery of a claim under this contract shall not be commenced more than one year after the date the insurance money became payable or would have become payable if it has been a valid claim.

2. Cost of Preparing Proof of Loss

We will pay for reasonable expenses incurred by you in preparing the proof of your loss or any other exhibits required by this policy.

The Amount of Insurance for Cost of Preparing Proof of Loss, in any one "occurrence", is \$2,000.

This is an additional Amount of Insurance to SECTION III – FARM PROPERTY COVERAGES.

No deductible applies to this coverage.

3. Automatic Fire Suppression System – Accidental Discharge

a. We will pay:

- (1) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are accidentally discharged and
- (2) For loss or damage to covered property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.

b. No coverage will apply if the fire extinguishing system is discharged during installation or testing.

The Amount of Insurance for Automatic Fire Suppression System – Accidental Discharge, in any one "occurrence", is \$5,000.

This is an additional Amount of Insurance to SECTION III – FARM PROPERTY COVERAGES.

4. Building By-Laws

a. Blanket By-Laws

(1) We will pay for the following:

Coverage A – Loss of the Undamaged Portion of a Building Coverage

If an insured peril occurs to a covered building at the described "premises" we will pay for loss to the undamaged portion of the building caused by the enforcement of any by-law that:

- a. Requires the demolition of parts of the same building not damaged by an insured peril;
- b. Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described "premises"; and
- c. Is in force at the time of loss

Coverage B – Demolition Cost Coverage

If an insured peril occurs to a covered building at the described "premises" we will pay the cost to demolish and clear the site of undamaged parts of the building caused by the enforcement of any building, zoning or land use by-law.

Coverage C – Increased Cost of Construction

If an insured peril occurs to a covered building at the described "premises" we will pay for the increased cost to repair, rebuild or construct the building caused by the enforcement of any building, zoning or land use by-law. If the building is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by a zoning or land use by-law.

We will not pay for the increased cost of construction if the building is not repaired or replaced.

The Amount of Insurance shown in the Declaration for COVERAGE G – BARNs, BUILDINGS AND STRUCTURES, applicable to a. Blanket By-laws above, is increased by 25% if loss or damage caused by an Insured Peril occurs to a covered building at the described "premises".

(2) We will not pay under this coverage for the cost associated with the enforcement of any by-law which requires any "insured" or others to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

b. Blanket By-Laws – Extended Farm Income:

"Period of Restoration" in DEFINITIONS is replaced with the following:

"Period of Restoration" means the period of time that:

- (1) Begins with the date of direct physical loss or damage caused by or resulting from any insured peril at the described "premises"; and
- (2) Ends on the date when the property at the described "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of Restoration" does not include any increased period of time required due to the enforcement of any ordinance or law that:

- a. Regulates the construction, use or repair, or requires the tearing down of any property other than any such loss or damage that would be covered under Coverage C – Increased Cost of Construction Coverage, but only if the building, zoning or land use by-law was in effect when the loss or damage occurred; or
- b. Requires any "Insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration"

5. Corrals and Fencing

We will pay for direct physical loss or damage to corrals and fences caused by FIRE OR LIGHTING or IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE as described in SECTION III – INSURED PERILS

The Amount of Insurance for Corrals and Fencing, in any one "occurrence", is \$10,000.

This coverage is in addition to any amount shown on the Declarations for Corrals and Fencing.

A \$500 deductible applies to this coverage

6. Debris Removal Including Windstorm

a. We will pay your expense to remove debris of:

- a. Covered property caused by or resulting from an Insured Peril; or
- b. Other property which has been blown upon the described premises by windstorm, if it is an Insured Peril; that occurs during the policy period.

b. This coverage does not apply to costs to:

- a. Extract "pollutants" from land or water; or
- b. Remove, restore or replace polluted land or water.

If the sum of direct physical loss or damage and debris removal including windstorm exceeds the Amount of Insurance, we will pay up to the amount of 5% of the Amount of Insurance for SECTION III – COVERAGE G – BARNs, BUILDINGS AND STRUCTURES for each location in any one "occurrence".

7. Exhibition Floater and Contents at Non-Owned Locations

You may extend the insurance that applies to **SECTION III – FARM PROPERTY COVERAGES, COVERAGE G – BARNs, BUILDINGS AND STRUCTURES and COVERAGE H – FARM PERSONAL PROPERTY** to apply to your covered property while at any "premises" within Canada and the continental United States of America not described on the Declarations or while in transit until delivered.

This extension does not apply at any "premises", owned, rented or otherwise occupied or controlled in whole or in part by you, your officers, your partners or your "employees".

This extension does not apply to unscheduled portable tools contained within covered property.

The Amount of Insurance for Exhibition Floater and Contents at Non-Owned Locations, in any one "occurrence", is \$10,000.

This is an additional Amount of Insurance.

A \$500 deductible applies to this coverage.

8. Fire Department Service Charges

We will reimburse you up to \$10,000 for fire department charges incurred in response to an "occurrence" caused by an Insured Peril to covered property including Mobile Farm Machinery and Mobile Farm Equipment, provided a fire department was also called to respond.

This is additional insurance

No deductible applies to this coverage.

9. Fuel and Tank Coverage

We will pay up to \$3,000 in any one "occurrence" for direct physical loss or damage to fuel tanks, fuel tank stands, liquefied petroleum or manufactured gas stored on the "premises", caused by a peril insured under the FIRE AND EXTENDED COVERAGE FORM as described and limited under **SECTION III – INSURED PERILS**. The tank(s) must be kept locked at all times in order for theft or vandalism coverage to be in force.

The Amount of Insurance for Fuel and Fuel Tank Coverage, in any one "occurrence", is \$3,000.

A \$500 deductible applies to this coverage.

10. Good Neighbour Coverage

We will pay for direct physical loss or damage to farm personal property owned in whole by others, while in your care, custody and control, caused by a peril insured under the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS**. If there is other insurance covering the same loss or damage, we will pay only for the amount of insured loss or damage in excess of the amount due from that other insurance.

The Amount of Insurance for Good Neighbour Coverage, in any one "occurrence", is \$10,000.

A \$500 deductible applies to this coverage.

11. Inflation Protection

a. The Amount of Insurance for **SECTION III – COVERAGE G – BARNs, BUILDINGS AND STRUCTURES** will automatically increase by the annual percentage of 3%.

b. The amount of increase will be:

(1) The Amount of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Amount of Insurance, multiplied by

(2) The percentage of annual increase is 3%, multiplied by

(3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Amount of Insurance, divided by 365.

12. Pollutant Clean-Up and Removal

We will pay your expense to extract "pollutants" from land or water at the described "premises" if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a peril insured under SPECIAL FORM in **SECTION III – INSURED PERILS** that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Insured Peril occurs.

This Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this coverage for each described "premises" is \$25,000 for Pollutant Clean-Up and Removal for the sum of all covered expenses arising out of an Insured Peril occurring during each separate 12 month period of this policy.

This is an additional Amount of Insurance to **SECTION III – FARM PROPERTY COVERAGES**.

13. Private Power and Light Poles

We will pay for direct physical loss or damage to privately owned power and light poles, outside wiring and attachments. Attachments include attached switch boxes, fuse boxes, and other electrical equipment mounted on poles you own at the "premises" described on the Declarations.

The Amount of Insurance for Private Power and Light Poles, in any one "occurrence", is \$5,000.

We insure loss or damage insured by the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS**.

A \$500 deductible applies to this coverage.

14. Newly Acquired or Newly Constructed Property

a. Newly Acquired or Newly Constructed Property:

You may extend the insurance that applies to **COVERAGE G.1. - BARNs, BUILDINGS AND STRUCTURES** to apply to:

(1) your new buildings while being built; and

(2) Buildings you acquire at locations other than the described "premises";

Which are intended for;

(3) Similar use as the building described on the Declarations; or

(4) Use as a warehouse.

The most we will pay for loss or damage under this coverage is \$1,000,000 for each building.

b. Contents at a Newly Acquired Locations:

You may extend insurance that applies to **COVERAGE G. 2. – CONTENTS OF BARNs, BUILDINGS and STRUCTURES** at any location you acquire other than at fairs or exhibitions.

The most we will pay for loss or damage under this coverage is \$500,000 at each building.

c. Newly Acquired Contents

You may extend insurance that applies to **COVERAGE G.2. – CONTENTS OF BARNs, BUILDINGS and STRUCTURES** at any location you own, rent or otherwise occupy or control.

The most we will pay for loss or damage under this coverage is \$100,000.

d. Insurance under Newly Acquired or Newly Constructed Buildings, Contents at Newly Acquired Locations, or Newly Acquired Contents will end when any one of the following first occurs:

- (1) The policy expires;
- (2) 60 days expire after you acquire or begin to construct the property; or
- (3) You report the values to us.

We will charge you additional premium for values reported from the date construction begins or you acquire the property.

15. Farm Sign Coverage

We will pay for direct physical loss or damage to a farm sign on the "premises", caused by a peril insured under the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS**.

The Amount of Insurance for Farm Sign Coverage, in any one "occurrence", is \$5,000.

A \$500 deductible applies to this coverage

16. Farm Water Systems Coverage

We will pay for your insured water pumps, pressure systems and pump houses used in whole or in part for "farming operations". Your water systems will be insured for loss or damage insured by the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS**.

The Amount of Insurance for Farm Water Systems Coverage, in any one "occurrence", is \$5,000.

A \$500 deductible applies to his coverage.

17. Electronic Data Processing

a. We cover the following types of property that you own, that are used in your "farming operations", and similar property of others in your care, custody or control:

- (1) Electronic Data Processing Equipment (Hardware) as used in this coverage means:
 - (a) Programmable electronic equipment that is used to store, retrieve and process "data"; and
 - (b) Associated peripheral equipment that provides communication including input and output functions such as printing or auxiliary functions such as "data" transmission;

Except as described in (2) below
- (2) Electronic Media and Records (including "Software") as used in this Additional Coverage means:
 - (a) Electronic data processing, recording or storage "media" such as films, tapes, discs, drums or cells;
 - (b) "Data" stored on such "media"; and
 - (c) Programming records used for electronic data processing or electronically controlled equipment;

All while on the "premises" described on the Declarations.

b. **Property Not Covered:** We do not cover:

- (1) "Data" or "media" which cannot be replaced with others of like kind and quality;
- (2) Accounts, bills, evidence of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents unless converted to "data" and then only in that form;
- (3) Property illegally acquired, kept, stored or transported;
- (4) Property held as samples, held for rental or sale or that you rent to others;
- (5) Property in storage away from the "premises" shown in the Declaration, except as provided in the f. Coverage Extensions

c. **Insured Perils:** We insure loss or damage insured by the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS**.

d. **Additional Coverages:**

- (1) **Debris Removal:** We will pay your expense to remove debris of covered property caused by or resulting from an Insured Peril that occurs during the policy period.
- (2) **Preservation of Property:** If it is necessary to move covered property from the described "premise" to preserve it from damage by an Insured Peril, we will pay for any direct physical loss or damage by an Insured Peril to that property:
 - (a) While it is being moved or while temporarily stored at another location; and
 - (b) Only if the loss or damage occurs within 10 days after the property is first moved.

e. **Coverage Extensions:** Except as otherwise provided, the following Extensions apply to property located in or on the FARM BARN, BUILDING OR STRUCTURE described on the Declarations or in the open (or in a vehicle) within 100 meters (328 feet) of the described "premises".

- (1) **Additional Acquired Property:** If during the policy period you acquire additional property of a type already insured by this coverage, we will cover such property for up to 30 days, but not beyond the end of the policy period. The most we will pay for loss or damage is \$2,500 for Electronic Data Processing Equipment (Hardware).

You will report such property within 30 days from the date acquired and will pay any additional premium due. If you do not report such property, coverage will cease automatically 30 days after the date the property is acquired or at the end of the policy period, whichever occurs first.

This Extension is additional Insurance.

- (2) **Electronic Data Processing Equipment Off Premises:** You may extend the insurance that applies to electronic data processing equipment to apply to covered electronic data processing equipment while it is in transit or temporarily away from the "premises" described on the Declarations. The most we will pay for loss or damage under this Coverage Extension is \$1,000 for Electronic Data Processing Equipment (Hardware) Off Premises.
- (3) **Electronic Media and Records Off Premises:** You may extend the insurance that applies to electronic media and records to apply to covered electronic media and records that are not duplicate or back-up electronic media and records while such property is in transit or temporarily away from the "premises" described on the Declaration. The most we will pay for loss or damage under this Coverage Extension is \$1,000 for Electronic Media and Records Off Premises.
- (4) **Mechanical Breakdown of Electronic Data Processing Equipment:** We will pay for loss or damage to covered property due to mechanical breakdown if such loss or damage exceeds in any one "occurrence" the deductible shown for the coverage. We will then pay the amount of loss or damage in excess of the deductible up to the applicable Amount of Insurance for the covered property.
This extension is included within the Amount of Insurance applying to Electronic Data Processing Equipment at the described "premises".
- (5) **Artificially Generated Electric Current:** We will pay for loss or damage to covered property due to artificially generated electric current if such loss or damage is caused by or results from:
 - (a) An "occurrence" that took place within 30.5 meters (100 feet) of the described "premises"; or
 - (b) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such "occurrence" took place within 30.5 meters (100 feet) of the described "premises".

A \$500 deductible applies to this coverage

This Coverage Extension is included within the Amount of Insurance applying to Electronic Data Processing Equipment at the described "premises".

f. **Exclusions:**

- (1) **SECTION III – LOSS OR DAMAGE NOT INSURED** does not apply to this coverage except for Paragraphs (3), (6), (7), (8), (10), (11) and (13).

- (2) We will not pay for loss or damage caused directly or indirectly by any of the following:
- (a) Artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires, except as provided in the f. Coverage Extensions of Electronic Data Processing.
But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.
 - (b) i. Processing or work upon the property;
(2) Human errors or omissions in processing, recording or storing information onto electronic media and records; or
(3) Electronic media processing failure, breakdown or malfunction of the data processing equipment, including parts, while the media is being run through the equipment
 - (c) Dampness or dryness of atmosphere or changes in, or extremes of temperature, unless such conditions result from physical damage caused by an Insured Peril to an air conditioning unit or system, including equipment and parts, which is part of, or used with the data processing equipment.
 - (d) Electrical or magnetic injury, disturbance or erasure of electronic recordings.
But we will pay for direct loss or damage caused by lightning.
 - (e) Installation, testing, repair or other similar service performed upon the electronic data processing media or equipment, including parts.
- (3) We will not pay for loss or damage caused by or resulting from any of the following:
- (a) Faulty or improper:
 - i. Design or workmanship;
 - ii. Materials used in repair, construction, renovation or remodeling;
Of part or all of any property wherever located.
 - (b) Wear and tear, rust, corrosion, marring or scratching, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself, insects, birds, rodents or other animals.
But if loss or damage by an Insured Peril results, we will pay for that resulting damage.

g. Amount of Insurance:

The most we will pay for loss or damage in any one "occurrence" is \$10,000 for your Electronic Data Processing Equipment (Hardware) and \$5,000 for your Electronic Media and Records (including "Software").

Payments under the following Additional Coverages will not increase the applicable Amount of Insurance.

Except as otherwise provided, the amounts applicable to the f. 17. Coverage Extensions are in addition to the Amount of Insurance.

A \$500 deductible applies to this coverage

18. Standing Crop Coverage

This coverage is in addition to **COVERAGE H – FARM PERSONAL PROPERTY, 2. FEED, GRAIN, CHEMICALS, FERTILIZER, PRODUCE.**

We insure your standing or swathed grain and seed crop, and standing or swathed hay or straw for direct physical loss caused by FIRE or MALICIOUS ACTS as described and limited under **SECTION III – INSURED PERILS.**

The most we will pay you under Standing Crop Coverage, in any one "occurrence", is \$5,000 for your grain and seed crops and \$1,000 for your hay and straw.

If there is other insurance covering the same loss or damage, then we will only pay for covered loss or damage in excess of the amounts covered by that other insurance.

A \$500 deductible applies to this coverage.

19. Farm Tools and Parts

This coverage is in addition to **COVERAGE H – FARM PERSONAL PROPERTY, 1. MACHINERY, EQUIPMENT, TOOLS, PARTS.**

We will pay for direct physical loss or damage to farm tools and parts caused by an insured peril under the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS.**

The Amount of Insurance for Farm Tools and Parts, in any one "occurrence", is \$10,000 for your Farm Tools and Parts On Premises and \$2,000 for your Farm Tools and Parts Off Premises. This coverage is in addition to any coverage shown on the Declarations for Farm Tools and Parts.

A \$500 deductible applies to this coverage

20. Valuable Papers and Records

a. We cover the following types of owned property and similar property of others in your care, custody or control;

Valuable papers and records, meaning inscribed, printed or written:

- (1) Documents;
- (2) Manuscripts; and
- (3) Records;

Including: abstracts, books, deeds, drawings, films, maps and mortgages.

But valuable papers and records does not mean:

- (1) "Money" or "Securities"
- (2) Converted "data";
- (3) Programs or instructions used in your data processing operations, including the materials on which the "data" is recorded.

b. **Property Not Covered:** We do not cover:

- (1) Property held as samples or for delivery after sale;
- (2) Property in storage away from the "premises" shown on the Declarations; or
- (3) Contraband, or property in the course of illegal transportation or trade.

c. **Insured Perils:** We insure loss or damage insured by the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS.**

d. **Coverage Extension:**

Preservation of Property: If it is necessary to move covered property from the described "premises" to preserve it from loss or damage by an Insured Peril, we will pay for any direct physical loss or damage by an Insured Peril to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 10 days after the property is first moved.

This coverage Extension is included within the Amount of Insurance applicable to the "premises" from which the covered property is removed.

e. **Exclusions:**

- (1) **SECTION III LOSS OR DAMAGE NOT INSURED** does not apply to this coverage, except for **Paragraphs (6), (10) and (11).**
- (2) We will not pay for loss or damage caused by or resulting from any of the following:

- (a) Errors or omissions in processing or copying.
But we will pay for direct loss or damage caused by resulting fire or explosion if these causes of loss would be insured by this coverage.
- (b) Electrical or magnetic injury, disturbance or erasure of electronic recordings.
But we will pay for direct loss or damage caused by lightning.
- (c) We will not pay for loss or damage caused by or resulting from wear and tear, rust, corrosion, marring or scratching, deterioration, hidden or latent defect or any quality in property that causes it to destroy itself, insects, birds, rodent or other animals.
But if loss or damage by an Insured Peril results, we will pay for that resulting damage.

The Amount of Insurance for Valuable Papers, in any one "occurrence", is \$25,000.

A \$500 deductible applies to this coverage.

17. Seed, Chemicals, and Fertilizer

We will pay for direct physical loss or damage to certified seed, chemicals and fertilizer, caused by a peril insured under the FIRE AND EXTENDED COVERAGE FORM as described and limited under **SECTION III – INSURED PERILS**.

This coverage is in addition to any amount shown elsewhere on the Declarations for Seed, Chemicals or Fertilizer.

The Amount of Insurance for Seed, Chemicals, and Fertilizer, in any one "occurrence", is \$10,000.

A \$500 deductible applies to this coverage.

18. Veterinarian Supply Coverage

a. We will pay for direct loss or damage to veterinarian supplies kept for use in your "farming operations" while on your "premises":

- (1) caused by a peril insured under the FIRE AND EXTENDED COVERAGE FORM as described and limited under **SECTION III – INSURED PERILS**; or
- (2) insured by **CONSEQUENTIAL LOSS COVERAGE – FORM 2028**, as described and limited in **SECTION III – OPTIONAL COVERAGES** if shown on the Declarations.

b. **Property Not Covered:** We do not cover semen or semen tanks.

The Amount of Insurance for Veterinarian Supply Coverage, in any one "occurrence", is \$2,500.

A \$500 deductible applies to this coverage.

SECTION III FARM LOSS OF INCOME

1. Loss Caused by Damage to Off Premises Utilities – Farm Income

a. Off Premises Power Failure

We will pay for the actual loss of Farm Income or Extra Expense you sustain at the described "premises", caused by a service interruption at the "specified utility service" to that described "premises". The interruption must result from direct physical loss or damage by an Insured Peril to the "specified utility service".

An Insured Peril to the "specified utility service" includes mechanical breakdown if the "specified utility service" is located more than 1000 metres (3280 feet) from the described "premises".

We will only pay for loss of Farm Income you sustain after the first 24 consecutive hours following a service interruption at the "specified utility service".

b. Exclusions:

The following is added to **SECTION III LOSS OR DAMAGE NOT INSURED**:

We will not pay for loss or damage caused by or resulting from the following:

- (1) Lack of fuel;
- (2) Lack of sufficient capacity;
- (3) Intentional reduction in supply; or
- (4) Governmental order.

The following is added to **DEFINITIONS**:

"Specified Utility Service" means off "premises" utility service, substations, transformer or switching stations or transformers and distribution lines furnishing electrical heat, light or power to the "premises" described on the Declarations. "Specified Utility Service" does not mean transmission lines, conductors and towers used to transport electricity from generation source to switching stations or substations.

The Amount of Insurance for Loss Caused by Damage to Off Premises Utilities – Farm Income, in any one "occurrence", is \$10,000.

2. Extra Expense

We will pay the actual and necessary Extra Expense you incur during the "Period of Restoration" that you would not have incurred if there had been no direct physical loss or damage to property at the described "premises", including farm property in the open (or in a vehicle) within 100 meters (328 feet), caused by or resulting from any Insured Peril.

Extra Expense means expense incurred:

a. To avoid or minimize the suspension of and continue "farming operations":

- (1) At the described "premises"; or
- (2) At replacement "premises" or at temporary locations including:
 - a. Relocation expenses; and
 - b. Costs to equip and operate the replacement or temporary locations.

b. To minimize the suspension of "farming operations" if they cannot be continued;

- c. (1) To repair or replace any property; or
- (2) To research, replace or restore the lost information on damaged valuable papers and records;

However, we will only pay for Extra Expense that occurs within twelve (12) consecutive months after the date of direct physical loss or damage.

The Amount of Insurance for Extra Expense, in any one "occurrence", is \$10,000.

3. Mortgage Rate Guarantee

We will pay for the actual loss of Farm Income you sustain resulting from an increase in monthly mortgage costs (including legal fees) where your mortgagor closes the existing mortgage on a covered building and requires a new mortgage at a higher competitive rate of interest following a total loss to that building.

Our obligation to pay begins on the effective date of the new mortgage, and ends no later than:

- b. The expiry date of the mortgage in effect at the time of loss;
- c. The date you relinquish ownership of the covered building; or
- d. Sixty (60) months;

whichever occurs first.

We will pay the difference in costs between the mortgage in effect on the date of the loss and the new mortgage, based upon the outstanding mortgage balance, resulting from an increase in the rate of interest.

The Amount of Insurance for Mortgage Rate Guarantee, in any one "occurrence", is \$50,000

SECTION III **OPTIONAL COVERAGES**

The following OPTIONAL COVERAGES in this section of the booklet apply only if shown on the Declarations.

CONSEQUENTIAL LOSS COVERAGE – FORM 2028

If the Declarations indicate that CONSEQUENTIAL LOSS COVERAGE – FORM 2028 is included, we insure your farm personal property damaged by change in temperature resulting from physical damage by an insured peril to the building or equipment contained in the building, including connections and supply transmissions on the "premises" described on the Declarations.

This OPTIONAL COVERAGE does not apply to artificial insemination material.

This OPTIONAL COVERAGE does not increase the Amount of Insurance applying to the damaged property.

DUAL VALUATION CLAUSE – FORM 2021

If the Declarations indicate that DUAL VALUATION CLAUSE – FORM 2021 is included, the Basis of Claim Payment for scheduled items insured by H1A Scheduled Mobile Farm Machinery and Mobile Farm Equipment and H1B Blanket Mobile Farm Machinery and Mobile Farm Equipment under COVERAGE H in **SECTION III – FARM PROPERTY COVERAGES** will be as follows:

With respect to repair costs only, mobile farm machinery and mobile farm equipment is insured for the cost of repair without deduction for depreciation, and such costs are not to exceed the "actual cash value" of the insured mobile farm machinery or mobile farm equipment. This basis of claim settlement does not apply if loss or damage is caused by ingestion of foreign objects or to parts consisting of canvasses, tarps, tracks, tires, batteries, or betterments resulting from the repair or replacement of parts having previous unrepaired damage.

LOSS OF USE COVERAGE – FORM 2027

If the Declarations indicate that LOSS OF USE COVERAGE – FORM 2027 is included, we will pay up to the Amount of Insurance stated on the Declarations in all, for expenses incurred by you for the rental of replacement mobile farm machinery or mobile farm equipment, similar in size and capacity to the specified item(s) insured under H1A Scheduled Mobile Farm Machinery and Mobile Farm Equipment in COVERAGE H or the unscheduled items insured under H1B Blanket Mobile Farm Machinery and Mobile Farm Equipment in COVERAGE H, which have become inoperable because of loss or damage caused by an insured peril. Payment shall end on the date of completion of repairs or replacement of the lost or damaged property or on the date that we make or tender settlement for such loss.

MINIMUM LIVESTOCK CLAUSE – FORM 2026

If the Declarations indicate that MINIMUM LIVESTOCK CLAUSE – FORM 2026 applies, insurance shall only be afforded if 2 or more head are lost during any single "occurrence" by an insured peril. It is further agreed that the Amount of Insurance payable shall not be reduced by the minimum requirement of 2 head.

REPLACEMENT COST COVERAGE ON MOBILE FARM MACHINERY AND MOBILE FARM EQUIPMENT – FORM 2020

If the Declarations indicate REPLACEMENT COST ON FARM MACHINERY – FORM 2020 applies to mobile farm machinery or mobile farm equipment, you are insured for the following:

1. We will pay for loss to that machinery or equipment on a replacement cost basis, provided:
 - a. that the machinery or equipment has an original manufacturer's date of 5 years old (60 months) or newer at the time of loss or damage.
2. This coverage does not apply to:
 - a. machinery or equipment rented to you or by you;
 - b. tracks, tires or batteries;
 - c. betterments resulting from the repair or replacement of property having prior unrepaired damage;
 - d. any increase in the cost of replacement resulting from the enforcement of any restriction or prohibition in any regulation, ordinance or law.
3. You may make a claim for loss or damage covered by this insurance on the "actual cash value" basis instead of a replacement cost basis. In the event you elect to have your loss settled on an "actual cash value" basis, you may still make a claim for the additional coverage this endorsement provides if you notify us of your intention to do so within 180 days after the loss or damage.
4. We will not pay on a replacement cost basis for any loss or damage:
 - a. until the lost or damaged property is actually repaired or replaced; and
 - b. unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
5. We will not pay more for loss or damage on a replacement cost basis than the least of:
 - a. the Amount of Insurance applicable to the lost or damaged item;
 - b. the cost to replace the lost or damaged item with new property:
 - (i) of comparable material and quality;
 - (ii) used for the same purpose;
 - c. the amount you actually spend that is necessary to repair or replace the lost or damaged property.

COINSURANCE

We will not pay for a greater proportion of any loss than the applicable Amount of Insurance for the lost or damaged item bears to 100% of the original replacement cost of the item.

However, if the amount of loss or damage is less than 2% of the applicable Amount of Insurance or \$5,000, whichever is less, this COINSURANCE condition does not apply.

SECTION III INSURED PERILS

FIRE AND LIGHTNING FORM

If F & L (FIRE AND LIGHTNING) is shown on the Declarations under the heading FORM, you are insured against the following perils:

INSURED PERILS

You are insured against direct physical loss or damage caused by the following perils, subject to the exclusions, limitations and conditions of this policy:

1. FIRE OR LIGHTNING

This peril does not insure loss or damage to livestock caused by lightning unless their death or destruction occurs no more than 15 days after the "occurrence".

2. EXPLOSION

This peril includes the explosion of manually portable gas cylinders or domestic hot water boilers having an internal diameter not exceeding 610 millimeters (24 inches) or explosion of gas or unconsumed fuel within a furnace or within exhaust passages leading to the atmosphere.

FIRE AND EXTENDED COVERAGE FORM

If F & EC (FIRE AND EXTENDED COVERAGE) is shown on the Declarations under the heading FORM, you are insured against the following perils:

INSURED PERILS

You are insured against direct physical loss or damage caused by the following perils, subject to the exclusions, conditions and limitations of this policy:

1. FIRE OR LIGHTNING

This peril does not insure loss or damage to livestock caused by lightning unless their death or destruction occurs no more than 15 days after the "occurrence".

2. EXPLOSION

This peril includes the explosion of manually portable gas cylinders or domestic hot water boilers having an internal diameter not exceeding 610 millimeters (24 inches) or explosion of gas or unconsumed fuel within a furnace or within exhaust passages leading to the atmosphere.

3. SMOKE

This peril means sudden and accidental damage from smoke.

4. FALLING OBJECT

This peril means a falling object which strikes the exterior of a building but not objects which strike the building because of snowslide, landslide or any other earth movement.

5. IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE

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

6. RIOT

7. WINDSTORM OR HAIL

This peril does not include loss or damage:

- a. to the outer metal cover of any barn, building or structure caused by hail, whether driven by wind or not, unless the cover is punctured by the hail;
- b. due to weight or pressure or melting of ice or snow, waves or "flood", all whether driven by wind or not;
- c. to trees, lawns, plants and shrubs;
- d. to all other property in the open other than:
 - (i) realty fixtures attached and belonging to the individual buildings insured;
 - (ii) permanently installed yard fixtures; or
 - (iii) livestock, except when caused by or resulting from dust, frost or cold weather or ice (other than hail), snow or sleet, all whether driven by wind or not.

8. TRANSPORTATION

This peril means:

- a. collision, derailment, upset or overturn of a transporting land conveyance;
- b. stranding or sinking of vessels;
- c. collapse of bridges, culverts, docks or wharves.

9. THEFT

This peril does not include:

- a. loss or damage caused by or resulting from theft of:
 - fertilizer from storage tanks, unless pumps are securely locked when not in use; or
 - property in the open, other than livestock;
- b. escape or mysterious disappearance of livestock or poultry.

10. DEATH OR DESTRUCTION OF LIVESTOCK

This peril means death or destruction of insured livestock directly resulting from or made necessary by:

- a. earthquake, "flood" or drowning, collapse of any building or structure, or the falling of trees or their branches;
- b. collision with land vehicles other than those owned or operated by you, your employees or other persons residing on the "premises";
- c. accidental shooting or mutilation except by you, your "employees", or other persons residing on the "premises";
- d. attack by dogs or wild animals. This peril does not include loss or damage:
 - (i) to sheep; or
 - (ii) caused by dogs or wild animals owned by you, your "employees", or other persons residing on the "premises";
- e. electricity;
- f. entrapment, meaning the accidental and involuntary ensnaring or restraint of an animal. This peril does not include loss or damage:
 - (i) due to animal birth;
 - (ii) while in transit or being loaded or unloaded;
 - (iii) while being handled or forcibly restrained;
 - (iv) due to splitting;

- (v) due to suffocation of animals in their own fluids;
- (vi) due to casting, or an animal's inherent inability to regain an upright position; or
- (vii) due to the animal becoming trapped or cast by the contours or depressions of the land, including but not limited to any furrow, gully, ditch, hill or any slope.

11. VANDALISM OR MALICIOUS ACTS

This peril does not include loss or damage:

- a. occurring while any building is "vacant" even if permission for "vacancy" has been given by us. Outbuildings, which are in a seasonal state of "vacancy" due to normal practices of "farming operations", are not considered "vacant";
- b. to glass which forms part of a building;
- c. caused by theft or attempted theft.

SPECIAL FORM

If SPL (SPECIAL) is shown on the Declarations under the heading FORM, your covered property is insured against the following perils:

INSURED PERILS – COVERAGE G and COVERAGE H(1)

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

EXCLUSIONS

We do not insure:

- (1) Loss or damage caused by or resulting from:
 - a. wear and tear, gradual deterioration, latent defect, any quality in property that causes it to damage or destroy itself, mechanical breakdown, scraping, marring, scratching, rust, corrosion, dampness or dryness of atmosphere, freezing or extremes of temperature;
 - b. freezing of a plumbing, heating, sprinkler or air conditioning system or of a domestic appliance, or by discharge or overflow of water or steam from within the system or appliance caused by freezing:
 - (1) that is not within a building, or structure, heated during the usual heating season; or
 - (2) occurring in a building, or structure, that is unoccupied, unless you have taken reasonable care to:
 - (ii) maintain heat in the building or structure; or
 - (iii) shut off the water supply and drain the system or appliance of water;
 - c. vermin or rodents, including but not limited to raccoons, squirrels, skunks and ground-hogs;
 - d. birds;
 - e. insects including but not limited to termites and moths;
 - f. the cost of making good faulty design, materials or workmanship or any damage that occurs due to any such fault except that resulting damage by any of the insured perils is insured;
 - g. settling, expansion, contraction, moving, shifting or cracking.

Except when direct loss or damage caused by any of the FIRE AND EXTENDED COVERAGE perils is insured.

- (2) Loss or damage to insured mobile farm machinery caused by or resulting from:
 - a. any repairing, adjusting, servicing or maintenance operation, unless FIRE or EXPLOSION ensues and then only for the loss or damage by such FIRE or EXPLOSION;
 - b. short circuit or other electrical disturbances of any kind, exclusive of lightning, within an electrically equipped article unless FIRE ensues and then for loss or damage caused by FIRE only;
 - c. loss or damage to tracks, tires or tubes unless caused by FIRE, THEFT, VANDALISM OR MALICIOUS ACTS or unless the same accident causes other insured loss under this coverage;
 - d. the clogging, compacting, plugging or piling up of any material of a type intended to be taken into such machinery;
 - e. the described property if used in logging, forestry, brush cutting or sawmill operation however, permission is granted for brush cutting on land owned, leased or used by you.
- (3) Loss or damage to insured barns, buildings or structures caused by or resulting from:
 - a. snowslide, earthquake, landslide, or other earth movement;
 - b. "flood" or "surface waters";
 - c. seepage or leakage of water below the surface of the ground, including through basement walls, doors, windows or other openings, foundations, basement floors, sidewalks or sidewalk lights;
 - d. the backing up of sewers, sumps, septic tanks or drains;
 - e. hail, whether driven by wind or not, to the outer metal cover unless the cover is punctured by the hail.

SECTION III LOSS OR DAMAGE NOT INSURED

We do not insure

- (1) loss or damage caused:
 - (i) due to grass, stubble or bush fires occurring while a building is "vacant", even if permission for "vacancy" has been given by us. Barns, buildings or structures which are in a seasonal state of "vacancy" due to normal practices of "farming operations" are not considered "vacant";
 - (ii) to electrical devices, appliances, fixtures or wiring or resulting extra expense caused by electrical currents, other than lightning. Direct loss or damage by FIRE is insured;
- (2) loss or damage caused directly or indirectly by:
 - (i) explosion, collapse, rupture, bursting, cracking, burning out or bulging of any of the following property, if owned or leased by you, or operated under your control:
 - (a) any boiler and connected piping or other equipment containing steam or water under steam pressure;
 - (b) any other equipment under pressure if its maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
 - (ii) electrical arcing or any coincident rupture of electrical equipment due to arcing;
 - (iii) bursting or rupture caused by hydrostatic pressure or freezing;
 - (iv) bursting or rupture of any safety disc, rupture diaphragm or fusible plug;

- (v) water hammer; or
 - (vi) bursting or rupture due to expansion or swelling of the contents of any building or structure caused by or resulting from water.
- Direct loss or damage by fire, the explosion of manually portable gas cylinders or domestic hot water boilers having an internal diameter not exceeding 610 millimeters (24 inches) or the explosion of gas or unconsumed fuel within a furnace or within exhaust passages leading to the atmosphere is insured.
- (3) caused by smoke from agricultural smudging or industrial operations;
 - (4) loss or damage caused:
 - (i) 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;
 - (ii) to fences anywhere on the "premises", windmills, or silos by the peril of windstorm or hail.
 - (5) occurring while the building insured is, to your knowledge, "vacant" for more than 30 consecutive days. Outbuildings, which are in a seasonal state of "vacancy" due to normal practices of "farming operations", are not considered "vacant";
 - (6) loss or damage resulting directly or indirectly from:
 - (i) 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;
 - (ii) contamination by "radioactive material";
 - (iii) war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, or military power.
 - (7) losses or increased costs of repair or reconstruction due to the operation of any law regulating the zoning, demolition, repair or construction of buildings or structures and their related services;
 - (8) loss due to delay or loss of market;
 - (9) loss due to unexplained or mysterious disappearance of property, or shortage of property disclosed on taking inventory;
 - (10) loss or damage caused by or resulting from the intentional or criminal acts or the failure to act by:
 - (i) any "Insured" under this policy, including but not limited to your partners, directors, trustees, "employees" or agents; or
 - (ii) any other person at the direction of any "Insured" by this policy; or
 - (iii) any person with whom the property is entrusted.

Except, property insured under COVERAGE – H(1) MACHINERY, EQUIPMENT, TOOLS, PARTS, while in the custody of a bailee hired by you is insured;
 - (11) loss or damage resulting from a change in ownership or possession of property that is agreed to, even if that change was brought about by trickery or fraud;
 - (12) any property illegally acquired, kept, stored or transported or property subject to forfeiture;
 - (13) any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
 - (14) loss or damage to farm personal property while undergoing a process involving the application of heat, but resulting damage to other property is insured;
 - (15) loss or damage arising directly or indirectly from the growing, cultivating, harvesting, processing, manufacturing, distribution or sale of any drug or narcotic or illegal substance, whether or not you have knowledge of such activity. This includes any alterations of the "premises" to facilitate such activity;
 - (16) 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;
 - (17) "data" or "data problem" except:
 - (i) electronically stored "data" insured under COMPUTER COVERAGE – FORM 962 in **SECTION I – OPTIONAL COVERAGES**; or
 - (ii) 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".

SECTION III
PLUS FARM PROPERTY ENHANCEMENT – FORM 1297

If the Declarations indicate that the PLUS FARM PROPERTY ENHANCEMENT – FORM 1297 is included, SECTION III – ADDITIONAL COVERAGES is deleted in its entirety and the following is added to SECTION III – OPTIONAL COVERAGES. The coverages below apply at the described “premises” as per the attached Schedule of Limits:

Schedule of Limits		
SECTION III Farm Property Coverages	Item #	Amount of Insurance
Accounts Receivable	1	\$25,000
Accident Insurance	2	\$10,000
Cost of Preparing Proof of Loss	3	\$5,000
Automatic Fire Suppression System – Accidental Discharge	4	\$10,000
Brands and Labels	5	\$25,000
Building By-laws	6	Blanket
Corrals and Fencing	7	\$25,000
Debris Removal including Windstorm	8	5% of Amount of Insurance on Building
Exhibition Floater and Contents at Non-Owned Locations - Sales Representatives - Unnamed Locations (including Exhibitions) - Transit (including Mail or Courier Services)	9	\$25,000
Fire Department Services Charges including Mobile Farm Machinery and Mobile Farm Equipment	10	\$10,000
Fuel and Fuel Tank Coverage	11	\$5,000
Good Neighbour Coverage	12	\$10,000
Inflation Protection	13	3% Annually
Pollutant Clean-Up and Removal	14	\$50,000
Private Power and Light Poles	15	\$10,000
Newly Acquired or Newly Constructed Property - Newly Acquired Locations or Newly Constructed Buildings - Contents at a Newly Acquired Location - Newly Acquired Contents	16	\$1,000,000 \$500,000 \$100,000
Farm Sign Coverage	17	\$10,000
Farm Water Systems Coverage	18	\$10,000
Electronic Data Protection (including Mechanical Breakdown) - Hardware - Media	19	Included \$25,000 \$10,000
Personal Effects and Property of Others	20	\$1,000
Standing Crop Coverage - Grain and Seed Crops - Hay and Straw	21	\$10,000 \$2,500
Farm Tools and Parts	22	\$10,000 On Premises \$2,000 Off Premises
Valuable Papers and Records	23	\$25,000
Veterinarian Supply Coverage	24	\$5,000
Seed, Chemicals and Fertilizer	25	\$10,000

SECTION III Loss of Income	Item #	Amount of Insurance
Rental Income	1	\$25,000
Farm Income – Contingent Property	2	\$50,000
Loss Caused by Damage to Off Premises Utilities – Farm Income	3	\$10,000
Extra Expense	4	\$25,000
Mortgage Rate Guarantee	5	\$50,000
Food Contamination Coverage	6	\$10,000

SECTION III

Farm Property Coverages

1. Accounts Receivable

a. We will pay for the following:

- (1) All amounts due from your customers that you are unable to collect;
- (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (3) Collection expenses in excess of your normal collection expenses made necessary by loss or damage; and
- (4) Other reasonable expenses that you incur to re-establish your records of accounts receivable;

that result directly from direct physical loss or damage by an Insured Peril to your records of accounts receivable.

b. **Property Not Covered:** Covered property does not include contraband, or property in the course of illegal transportation or trade.

c. **Insured Peril:** We insure loss or damage insured by the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS**.

d. **Coverage Extension:**

Preservation of Property: If it is necessary to move covered property from the described "premises" to preserve it from loss or damage by an Insured Peril, we will pay for any direct physical loss or damage by an Insured Peril to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 10 days after the property is first moved.

This coverage Extension is included within the Amount of Insurance applicable to the "premises" from which the covered property is removed.

e. Exclusions:

(1) **SECTION III LOSS OR DAMAGE NOT INSURED** do not apply to this coverage, except for **Paragraphs (6), (10) and (11)**:

(2) We will not pay for loss or damage caused by or resulting from any of the following:

- (a) Errors or omissions in processing or copying.
- (b) Electrical or magnetic injury, disturbance or erasure of electronic recordings.

But we will pay for direct loss or damage caused by lightning.

(3) We will not pay for loss or damage caused by or resulting from wear and tear; any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration, rust, corrosion, marring, scratching; mechanical breakdown; insects, vermin, rodents; dampness or dryness, cold or heat. But if loss or damage by an Insured Peril results, we will pay for that resulting damage.

The Amount of Insurance shown for Accounts Receivable, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

This coverage is in addition to any amount shown on the Declarations for Accounts Receivable.

2. Accident Insurance

a. Accident Insurance - Death:

Subject to the limitations stated below, if death of an "insured" results directly and independently of all other causes from "bodily injury" caused solely by external, violent and accidental means, and such death occurs within 365 days after such injury, we will pay \$5,000 per "occurrence", to the "Insured's" estate.

b. Limitations

(1) No benefit shall be payable unless the death of the "Insured" is a direct result of:

- (a) Fire on the "premises"; or
- (b) "farming operations" on the "premises".

(2) No benefit shall be payable if the death of the "Insured" results from or was in any manner or degree, associated with or occasioned by:

- (a) Suicide or self-inflicted injury, regardless of mental capacity;
- (b) War, declared or undeclared, insurrection or participation in a riot; or full or part-time military service;
- (c) Travel or flight in or descent from any kind of "aircraft";
- (d) Viral infections; bacterial infections (except pyogenic bacterial infections which occur with and through an accidental "bodily injury"); any form of disease or illness or physical or mental infirmity; medical or surgical treatment;
- (e) The attempt or commission of a crime by the "Insured";
- (f) Any poison, drug, gas or fumes, voluntarily or otherwise, taken, administered, absorbed or inhaled; or
- (g) A motor vehicle if, at the time and place of an "occurrence", the involved motor vehicle;

(i) Is registered for use on public roads or property;

(ii) Is not registered for use on public roads or property, but such registration is required by law, or regulation issued by a government agency, for it to be used at the place of the "occurrence".

The following Statutory Conditions apply to the foregoing Accident Insurance Coverage:

STATUTORY CONDITIONS

THE CONTRACT

The application, this policy, any document attached to this policy when issued, and any amendment to the contract agreed on in writing after the policy is issued, constitute the entire contract, and no agent has authority to change the contract or waive any of its provisions.

WAIVER

The insurer shall be deemed not to have waived any condition of this contract, either in whole or in part, unless the waiver is clearly expressed in writing signed by the Insurer.

COPY OF APPLICATION

The Insurer shall, on request, furnish to the "Insured" or to a claimant under the contract a copy of the application.

MATERIAL FACTS

No statement made by the "Insured" or person insured at the time of application for the contract shall be used in defense of a claim under or to avoid this contract unless it is contained in the application or any other written statements or answers furnished as evidence of insurability.

TERMINATION BY INSURED

The "Insured" may terminate this contract at any time by giving written notice of termination to the Insurer by registered mail to its head office or chief agency in the province, and the Insurer shall on surrender of this policy refund the amount of premium paid in excess of the short rate premium calculated to the date of receipt of such notice according to the table in use by the Insurer at the time of termination.

TERMINATION BY INSURER

- a. The Insurer may terminate this contract at any time by giving written notice of termination to the "Insured" and by refunding concurrently with the giving of notice the amount of premium paid in excess of the pro rata premium for the expired time.
- b. The notice of termination may be delivered to the "Insured", or it may be sent by registered mail to the latest address of the "Insured" on the records of the Insurer.
- c. Where the notice of termination is delivered to the "Insured", five days notice of termination shall be given; where it is mailed to the "Insured", 10 days notice of termination shall be given, and the 10 days shall begin on the day following the date of mailing of notice.

NOTICE AND PROOF OF CLAIM

The "Insured" or person insured, or beneficiary entitled to make a claim, or the agent of any of them, shall:

- a. Give written notice of claim to the Insurer:
 - (i) By delivery thereof, or by sending it by registered mail to the head office or chief agency of the Insurer in the province; or
 - (ii) By delivery thereof to an authorized agent of the Insurer in the province, not later than 30 days from the date a claim arises under the contract on account of an accident;
- b. Within 90 days from the date a claim arises under the contract on account of an accident, furnish to the Insurer such proof as is reasonably possible in the circumstances of the happening of the accident and the loss occasioned thereby, the right of the claimant to receive payment, his age of the beneficiary if relevant; and
- c. If so required by the Insurer, furnish a satisfactory certificate as to the cause or nature of the accident for which claim may be made under the contract.

FAILURE TO GIVE NOTICE OR PROOF

Failure to give notice of claim or furnish proof of claim within the time prescribed by the Statutory Condition does not invalidate the claim if the notice or proof is given or furnished as soon as reasonably possible, and in no event later than one year from the date of the accident if it is shown that it was not reasonably possible to give notice or furnish proof within the time so prescribed.

INSURER TO FURNISH FORMS FOR PROOF OF CLAIM

The Insurer shall furnish forms for proof of claim within 15 days after receiving notice of claim, but where the claimant has not received the forms within that time he may submit his proof of claim in the form of a written statement of the cause or nature of the accident giving rise to the claim and of the extent of the loss.

RIGHTS OF EXAMINATION

As a condition precedent to recovery of insurance money under this contract in the case of death of the person injured, the Insurer may require an autopsy subject to any law of the applicable jurisdiction relating to autopsies.

WHEN MONEY PAYABLE

All money payable under this contract shall be paid by the Insurer within 60 days after it has received proof of claim.

LIMITATIONS OF ACTIONS

An Action or proceeding against the Insurer for the recovery of a claim under this contract shall not be commenced more than one year after the date the insurance money became payable or would have become payable if it has been a valid claim.

3. Cost of Preparing Proof of Loss

We will pay for reasonable expenses incurred by you in preparing the proof of loss or any other exhibits required by this policy.

The Amount of Insurance shown for Cost of Preparing Proof of Loss, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

This coverage is in addition to any amount shown on the Declarations for Cost of Preparing Proof of Loss.

No deductible applies to this coverage.

4. Automatic Fire Suppression System – Accidental Discharge

a. We will pay:

- (1) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are accidentally discharged; and
- (2) For loss or damage to covered property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.

b. No coverage will apply if the fire extinguishing system is discharged during installation or testing.

The Amount of Insurance shown for Automatic Fire Suppression System – Accidental Discharge, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

This coverage is in addition to any amount shown on the Declarations for Automatic Fire Suppression System – Accidental Discharge.

5. Brand and Labels

Where we exercise our right to take covered property because it has been damaged by a insured peril we will, at our option, either:

- a. Pay your costs if you choose to remove the trademarks, guarantee, names or other evidence of your interest in branded or labeled covered property; or
- b. If we feel that removal is impossible or impractical, we will pay the cost to stamp the covered property salvage and transfer it to bulk containers.

These costs will only be paid in those instances where doing so will not physically damage the merchandise.

The Amount of Insurance shown for Brands and Labels, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

6. Building By-Laws

a. Blanket By-Laws

- (1) We will pay for the following:

Coverage A – Loss of the Undamaged Portion of a Building Coverage

If an insured peril occurs to a covered building at the described "premises" we will pay for loss to the undamaged portion of the building caused by the enforcement of any by-law that:

- a. Requires the demolition of parts of the same building not damaged by an insured peril;
- b. Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described "premises" ; and
- c. Is in force at the time of loss

Coverage B – Demolition Cost Coverage

If an insured peril occurs to a covered building at the described "premises" we will pay the cost to demolish and clear the site of undamaged parts of the building caused by the enforcement of any building, zoning or land use by-law.

Coverage C – Increased Cost of Construction

If an insured peril occurs to a covered building at the described "premises" we will pay for the increased cost to repair, rebuild or construct the building caused by the enforcement of any building, zoning or land use by-law. If the building is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by a zoning or land use by-law.

We will not pay for the increased cost of construction if the building is not repaired or replaced.

The Amount of Insurance shown on the Declarations for COVERAGE G – BARNES, BUILDINGS AND STRUCTURES, applicable to a. Blanket By-laws above, is increased by 25% if loss or damage caused by an Insured Peril occurs to a covered building at the described "premises".

- (2) We will not pay under this coverage for the cost associated with the enforcement of any by-law which requires any "insured" or others to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

b. Blanket By-Laws – Extended Farm Income:

"Period of Restoration" in **DEFINITIONS** is replaced with the following:

"Period of Restoration" means the period of time that:

- (1) Begins with the date of direct physical loss or damage caused by or resulting from any insured peril at the described "premises"; and
- (2) Ends on the date when the property at the described "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of Restoration" does not include any increased period of time required due to the enforcement of any ordinance or law that:

- a. Regulates the construction, use or repair, or requires the tearing down of any property other than any such loss or damage that would be covered under Coverage C – Increased Cost of Construction Coverage, but only if the building, zoning or land use by-law was in effect when the loss or damage occurred; or
- b. Requires any "Insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

7. Corrals and Fencing

We will pay for direct physical loss or damage to corrals and fences caused by FIRE OR LIGHTING or IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE as described in **SECTION III – INSURED PERILS**.

The Amount of Insurance shown for Corrals and Fencing, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

This coverage is in addition to any amount shown on the Declarations for Corrals and Fencing.

A \$500 deductible applies to this coverage.

8. Debris Removal including Windstorm

a. We will pay your expense to remove debris of:

- (1) Covered property caused by or resulting from an Insured Peril; or
- (2) Other property which has been blown upon the described "premises" by windstorm, if it is an Insured Peril; that occurs during the policy period.

b. This coverage does not apply to costs to:

- (1) Extract "pollutants" from land or water; or
- (2) Remove, restore or replace polluted land or water.

If the sum of direct physical loss or damage and debris removal exceeds the Amount of Insurance, we pay up to the amount shown for Debris Removal including Windstorm in the PLUS FARM PROPERTY ENHANCEMENT– Schedule of Limits for each location in any one "occurrence".

This coverage is in addition to any amount shown on the Declarations for Debris Removal including Windstorm.

9. Exhibition Floater and Contents at Non-Owned Locations

You may extend the insurance that applies to **SECTION III – FARM PROPERTY COVERAGES, COVERAGE G – BARNES, BUILDINGS AND STRUCTURES and COVERAGE H – FARM PERSONAL PROPERTY** to apply to your covered property while at any "premises" within Canada and the continental United States of America not described on the Declarations or while in transit until delivered.

This extension does not apply at any "premises", owned, rented or otherwise occupied or controlled in whole or in part by you, your officers, your partners or your "employees".

This extension does not apply to unscheduled portable tools contained within covered property.

The Amount of Insurance for Exhibition Floater and Contents at Non-Owned Locations, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

This coverage is in addition to any amount shown on the Declarations for Exhibition Floater and Contents at Non-Owned Locations.

A \$500 deductible applies to this coverage.

10. Fire Department Service Charges

We will reimburse you if you are charged for firefighting services incurred in response to an "occurrence" caused by an Insured Peril to covered property including Mobile Farm Machinery and Mobile Farm Equipment, provided a fire department was also called to respond.

The Amount of Insurance for Fire Department Service Charges, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT– Schedule of Limits.

No deductible applies to this coverage.

11. Fuel and Fuel Tank Coverage

We will pay for direct physical loss or damage to fuel tanks, fuel tank stands, liquefied petroleum or manufactured gas stored on the "premises", caused by a peril insured under the FIRE AND EXTENDED COVERAGE FORM as described and limited under **SECTION III – INSURED PERILS**. The tank(s) must be kept locked at all times in order for theft or vandalism coverage to be in force.

The Amount of Insurance for Fuel and Fuel Tank Coverage, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT– Schedule of Limits.

A \$500 deductible applies to this coverage.

12. Good Neighbour Coverage

We will pay for direct physical loss or damage to farm personal property owned in whole by others, while in your care, custody and control, caused by a peril insured under the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS**. If there is other insurance covering the same loss or damage, we will pay only for the amount of insured loss or damage in excess of the amount due from that other insurance.

The Amount of Insurance for Good Neighbour Coverage, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT– Schedule of Limits.

A \$500 deductible applies to this coverage.

13. Inflation Protection

a. The Amount of Insurance for **SECTION III – COVERAGE G – BARNs, BUILDINGS AND STRUCTURES** will automatically increase by the annual percentage shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of limits.

b. The amount of increase will be:

- (1) The Amount of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Amount of Insurance, multiplied by
- (2) The percentage of annual increase shown on the Declarations (example: 2%), multiplied by
- (3) The number of days from the beginning of the current policy year or the effective date of the most recent policy change amending the Amount of Insurance, up to the date of loss, divided by 365.

14. Pollutant Clean-Up and Removal

We will pay your expense to extract "pollutants" from land or water at the described "premises" if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from an Insured Peril that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Insured Peril occurs.

This Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this coverage for each described "premises" is the Amount of Insurance for Pollutant Clean-Up and Removal shown in the PLUS FARM PROPERTY ENHANCEMENT - Schedule of Limits for the sum of all covered expenses arising out of an Insured Peril occurring during each separate 12 month period of this policy.

This coverage is in addition to any amount shown on the Declarations for Pollutant Clean-Up and Removal.

15. Private Power and Light Poles

We will pay for direct physical loss or damage to privately owned power and light poles, outside wiring and attachments. Attachments include attached switch boxes, fuse boxes, and other electrical equipment mounted on poles you own at the "premises" described on the Declarations.

The Amount of Insurance for Private Power and Light Poles, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT– Schedule of Limits.

We insure loss or damage insured by the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS**.

A \$500 deductible applies to this coverage.

16. Newly Acquired or Newly Constructed Property

a. Newly Acquired or Newly Constructed Property:

you may extend the insurance that applies to **COVERAGE G.1. - BARNs, BUILDINGS AND STRUCTURES** to apply to:

- (1) your new buildings while being built; and
- (2) Buildings you acquire at locations other than the described "premises";
Which are intended for;
 - i. Similar use as the building described on the Declarations; or
 - ii. Use as a warehouse.

The most we will pay for loss or damage under this coverage is \$1,000,000 at each building.

b. Contents at a Newly Acquired Locations

You may extend insurance that applies to **COVERAGE G.2. – CONTENTS OF BARNs, BUILDINGS and STRUCTURES** at any location you acquire other than at fairs or exhibitions.

The most we will pay for loss or damage under this coverage is \$500,000 at each building.

c. Newly Acquired Contents

You may extend insurance that applies to **COVERAGE G.2. – CONTENTS OF BARNs, BUILDINGS and STRUCTURES** at any location you own, rent or otherwise occupy or control.

The most we will pay for loss or damage under this coverage is \$100,000.

d. Insurance under Newly Acquired or Newly Constructed Buildings, Contents at Newly Acquired Location, or Newly Acquired Contents will end when any one of the following first occurs:

- (1) The policy expires;
- (2) 60 days expire after you acquire or begin to construct the property; or
- (3) You report the values to us.

We will charge you additional premium for values reported from the date construction begins or you acquire the property.

17. Farm Sign Coverage

We will pay for direct physical loss or damage to a farm sign on the "premises", caused by a peril insured under the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS**.

The Amount of Insurance for Farm Sign Coverage, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT ENDORSEMENT – Schedule of Limits.

A \$500 deductible applies to this coverage

18. Farm Water Systems Coverage

We will pay for your insured water pumps, pressure systems and pump houses used in whole or in part for "farming operations". Your water systems will be insured for loss or damage insured by the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS**.

The Amount of Insurance for Farm Water Systems Coverage, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT ENDORSEMENT– Schedule of Limits.

A \$500 deductible applies to this coverage.

19. Electronic Data Processing

- a. We cover the following types of property that you own, that are used in your "farming operations" and similar property of others in your care, custody or control:
- (1) Electronic Data Processing Equipment (Hardware) as used in this coverage means:
 - (a) Programmable electronic equipment that is used to store, retrieve and process "data"; and
 - (b) Associated peripheral equipment that provides communication including input and output functions such as printing or auxiliary functions such as "data" transmission;
Except as described in (2) below
 - (2) Electronic Media and Records (including "Software") as used in this Optional Coverage means:
 - (a) Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells;
 - (b) "Data" stored on such "media"; and
 - (c) Programming records used for electronic data processing or electronically controlled equipment;
- All while on the "premises" described on the Declarations.
- b. **Property Not Covered:** We do not cover:
- (1) "Data" or "media" which cannot be replaced with others of like kind and quality;
 - (2) Accounts, bills, evidence of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents unless converted to "data" and then only in that form;
 - (3) Property illegally acquired, kept, stored or transported;
 - (4) Property held as samples, held for rental or sale or that you rent to others;
 - (5) Property in storage away from the "premises" shown in the Declaration, except as provided in the f. Coverage Extensions
- c. **Insured Perils:** We insure loss or damage insured by the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS**.
- d. **Amount of Insurance:** The Amount of Insurance for Electronic Data Processing Hardware and Media, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits. This is additional coverage to any Amount of Insurance shown for Electronic Data Processing Hardware or Media shown on the Declarations.
- e. **Additional Coverages:**
- (1) **Debris Removal:** We will pay your expense to remove debris of covered property caused by or resulting from an Insured Peril that occurs during the policy period.
 - (2) **Preservation of Property:** If it is necessary to move covered property from the described premise to preserve it from damage by an Insured Peril, we will pay for any direct physical loss or damage by an Insured Peril to that property:
 - (a) While it is being moved or while temporarily stored at another location; and
 - (b) Only if the loss or damage occurs within 10 days after the property is first moved.
- f. **Coverage Extensions:** Except as otherwise provided, the following Extensions apply to property located in or on the FARM BARN, BUILDING OR STRUCTURE described on the Declarations or in the open (or in a vehicle) within 100 meters (328 feet) of the described "premises".
- (1) **Additional Acquired Property:** If during the policy period you acquire additional property of a type already covered by this coverage, we will cover such property for up to 30 days, but not beyond the end of the policy period. The most we will pay for loss or damage is 25% of the total Amount of Insurance shown for Electronic Data Processing Equipment (Hardware) in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.
You will report such property within 30 days from the date acquired and will pay any additional premium due. If you do not report such property, coverage will cease automatically 30 days after the date the property is acquired or at the end of the policy period, whichever occurs first.
This Extension is additional insurance.
 - (2) **Electronic Data Processing Equipment Off Premises:** you may extend the insurance that applies to electronic data processing equipment to apply to covered electronic data processing equipment while it is in transit or temporarily away from the "premises" described on the Declarations. The most we will pay for loss or damage under this Coverage Extension is 10% of the total Amount of Insurance shown for Electronic Data Processing Equipment (Hardware) in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits applicable to the "premises" where the equipment is normally kept.
 - (3) **Electronic Media and Records Off Premises:** you may extend the insurance that applies to electronic media and records to apply to covered electronic media and records that are not duplicate or back-up electronic media and records while such property is in transit or temporarily away from the "premises" described on the Declarations. The most we will pay for loss or damage under this extension is \$10,000.
 - (4) **Mechanical Breakdown of Electronic Data Processing Equipment:** We will pay for loss or damage to covered property due to mechanical breakdown. We will then pay the amount of loss or damage in excess of the deductible up to the applicable Amount of Insurance for the covered property.
This extension is included within the Amount of Insurance applying to Electronic Data Processing Equipment at the described "premises".
A \$500 deductible applies to this coverage.
 - (5) **Artificially Generated Electric Current:** We will pay for loss or damage to covered property due to artificially generated electric current if such loss or damage is caused by or results from:
 - (a) An "occurrence" that took place within 30.5 meters (100 feet) of the described "premises"; or
 - (b) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such "occurrence" took place within 30.5 meters (100 feet) of the described "premises"A \$500 deductible applies to this coverage
This Coverage Extension is included within the Amount of Insurance applying to Electronic Data Processing Equipment at the described "premises".
- g. **Exclusions:**
- (1) **SECTION III – LOSS OR DAMAGE NOT INSURED** does not apply to this coverage except for Paragraphs (3), (6), (7), (8), (10), (11) and (13).
 - (2) We will not pay for loss or damage caused directly or indirectly by any of the following:
 - (a) Artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires, except as provided in the f. Coverage Extensions of Electronic Data Processing.
But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.
 - (b)
 - (i) Processing or work upon the property;
 - (ii) Human errors or omissions in processing, recording or storing information onto electronic "media" and records; or
 - (iii) Electronic media processing failure, breakdown or malfunction of the data processing equipment, including parts, while the "media" is being run through the equipmentBut we will pay for direct loss or damage caused by resulting fire or explosion if the cause of loss is covered by Electronic Data Processing.
 - (c) Dampness or dryness of atmosphere or changes in, or extremes of temperature, unless such conditions result from physical damage caused by an Insured Peril to an air conditioning unit or system, including equipment and parts, which is part of, or used with the data processing equipment.

- (d) Electrical or magnetic injury, disturbance or erasure of electronic recordings.
But we will pay for direct loss or damage caused by lightning.
- (e) Installation, testing, repair or other similar service performed upon the electronic data processing media or equipment, including parts.
- (3) We will not pay for loss or damage caused by or resulting from any of the following:
 - (a) Faulty or improper:
 - (i) Design or workmanship;
 - (ii) Materials used in repair, construction, renovation or remodeling;
Of part or all of any property wherever located.
 - (b) Wear and tear, rust, corrosion, marring or scratching, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself, insects, birds, rodents or other animals.
But if loss or damage by an Insured Peril results, we will pay for that resulting damage.

h. Amount of Insurance:

The most we will pay for loss or damage in any one "occurrence" is the amount shown for Electronic Data Processing in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

Payments under the Additional Coverages will not increase the applicable Amount of Insurance.

Except as otherwise provided, the amounts applicable to the f. Coverage Extensions are in addition to the Amount of Insurance.

20. Personal Effects and Property of Others

You may extend the insurance that applies to **SECTION III – COVERAGE G 2. CONTENTS OF BARNs, BUILDINGS AND STRUCTURES** to apply to:

- a. Personal effects owned by you, your officers, your partners or your "employees".
This coverage does not apply if the property is covered by any other insurance, unless you are obligated to cover it or are legally responsible for its loss or damage.
- b. Property of others in your care, custody or control.
Our payment for loss or damage to property of others will only be for the account of the owner of the property.

The Amount of Insurance for Personal Effects and Property of Others, in any one "occurrence", is shown on PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

21. Standing Crop Coverage

This coverage is in addition to **COVERAGE H – FARM PERSONAL PROPERTY, 2., FEED, GRAIN, CHEMICALS, FERTILIZER, PRODUCE.**

We insure your standing or swathed grain and seed crop, and standing or swathed hay or straw for direct physical loss caused by FIRE or MALICIOUS ACTS as described and limited under **SECTION III – INSURED PERILS.**

The most we will pay you under Standing Crop Coverage, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT– Schedule of Limits for both grain or seed crop and hay or straw.

If there is other insurance covering the same loss or damage, then we will only pay for covered loss or damage in excess of the amounts covered by that other insurance.

22. Farm Tools and Parts

This coverage is in addition to **COVERAGE H – FARM PERSONAL PROPERTY, 1. MACHINERY, EQUIPMENT, TOOLS, PARTS.**

We will pay for direct physical loss or damage to farm tools and parts caused by an insured peril under the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS.**

The Amount of Insurance for Farm Tools and Parts, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits. This coverage is in addition to any coverage shown on the Declarations for Farm Tools and Parts.

A \$500 deductible applies to this coverage

23. Valuable Papers and Records

- a. We cover the following types of owned property and similar property of others in your care, custody or control;

Valuable papers and records, meaning inscribed, printed or written:

- (1) Documents;
- (2) Manuscripts; and
- (3) Records;
- (4) Including: abstracts, books, deeds, drawings, films, maps and mortgages.

But valuable papers and records does not mean:

- (1) "Money or Securities"
- (2) Converted "data";
- (3) Programs or instructions used in your data processing operations, including the materials on which the "data" is recorded.

- b. **Property Not Covered:** We do not cover:

- (1) Property held as samples or for delivery after sale;
- (2) Property in storage away from the "premises" shown on the Declarations; or
- (3) Contraband, or property in the course of illegal transportation or trade.

- c. **Insured Perils:** We insure loss or damage insured by the SPECIAL FORM as described and limited under **SECTION III – INSURED PERILS.**

- d. **Coverage Extension:**

Preservation of Property: If it is necessary to move covered property from the described "premises" to preserve it from loss or damage by an Insured Peril, we will pay for any direct physical loss or damage by an Insured Peril to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 10 days after the property is first moved.

This coverage Extension is included within the Amount of Insurance applicable to the "premises" from which the covered property is removed.

- e. **Exclusions:**

- (1) **SECTION III - LOSS OR DAMAGE NOT INSURED** does not apply to this coverage, except for Paragraphs (6), (10) and (11).

- (2) We will not pay for loss or damage caused by or resulting from any of the following:

- a. Errors or omissions in processing or copying.

But we will pay for direct loss or damage caused by resulting fire or explosion.

- b. Electrical or magnetic injury, disturbance or erasure of electronic recordings.
But we will pay for direct loss or damage caused by lightning.
- c. We will not pay for loss or damage caused by or resulting from wear and tear, rust, corrosion, marring or scratching, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself, insects, birds, rodent or other animals.
But if loss or damage by an Insured Peril results, we will pay for that resulting damage.

The Amount of Insurance shown for Valuable Papers and Records, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

This coverage is in addition to any amount shown on the Declarations for Valuable Papers and Records.

24. Veterinarian Supply Coverage

- a. We will pay for direct physical loss or damage to veterinarian supplies kept for use in your "farming operations" while on your "premises":
 - (1) caused by a peril insured under the FIRE AND EXTENDED COVERAGE FORM as described and limited under **SECTION III – INSURED PERILS**.
 - (2) insured by **CONSEQUENTIAL LOSS COVERAGE – FORM 2028**, as described and limited in **SECTION III – OPTIONAL COVERAGES** if shown on the Declaration.

- b. **Property Not Covered:** We do not cover semen or semen tanks.

The Amount of Insurance for Veterinarian Supply Coverage, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

A \$500 deductible applies to this coverage.

25. Seed, Chemicals and Fertilizer

We will pay for direct physical loss or damage to certified seed, chemicals and fertilizer, caused by a peril insured under the FIRE AND EXTENDED COVERAGE FORM as described and limited under **SECTION III – INSURED PERILS**.

This coverage is in addition to any amount shown elsewhere on the Declarations for Seed, Chemicals and Fertilizer.

The Amount of Insurance for Seed, Chemicals and Fertilizer, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

A \$500 deductible applies to this coverage.

SECTION III

Loss of Income

1. Rental Income

a. Insuring Agreement

We will pay loss of "rental income" suffered during the "indemnity period" caused by "damage" to **SECTION III – COVERAGE G.1. BARNs, BUILDINGS AND STRUCTURES** from an Insured Peril.

b. Determination of Payment

This insurance, subject to the Amount of Insurance stated on the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits, is limited to

- (1) Loss of "rental income"; and
- (2) Increase in cost of operations.

The amount payable will be:

- a. in respect of loss of "rental income": The amount by which the "rental income" during the "indemnity period" will, in consequence of the "damage", fall short of the expected "rental income";
- b. in respect of increase in cost of operations: The additional expenses necessarily incurred for the sole purpose of avoiding or diminishing the loss of "rental income", which would have been incurred, were it not for the additional expenses paid in consequence of the "damage". The amount payable for increase in cost of operations will not exceed the "rental income" loss, which would have otherwise been incurred in the absence of such additional expenses;

less any sum saved during the "indemnity period" in respect of such charges and expenses payable out of "rental income" as may cease or be reduced in consequence of the "damage".

c. Definitions

- (1) "**Damage**" means the direct physical loss of or damage to property at the "premises" from an Insured Peril.
- (2) "**Indemnity Period**" means the period beginning with the "occurrence" of the "damage" and ending not later than 12 consecutive calendar months, thereafter during which the results of the "farming operations" shall be affected in consequence of the "damage". However, if "media" for, or programming records pertaining to, electronic data processing or electronically controlled equipment including "data" thereon is lost or damaged by a peril insured against, then the "Indemnity Period" in respect thereof will not extend beyond:
 - a. 30 consecutive days after the "occurrence" of such "damage"; or
 - b. the date upon which liability ceases under this extension for loss arising from other property lost or damaged by the same "occurrence"; whichever occurs later.
- (3) "**Rental Income**" means the sum of money paid or payable to the "Insured" by tenants in respect of rental of the "premises" plus a fair rental value of the proportion(s), if any, of the building(s) occupied by the "insured".

The Amount of Insurance for Rental Income, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

This coverage is in addition to any amount shown on the Declarations for Rental Income.

2. Farm Income – Contingent Property

We will pay for the actual loss of "Farm Income" you sustain due to the necessary suspension of your "farming operations" during the "period of restoration". The suspension must be caused by direct physical loss or damage to a contingent property located anywhere in Canada or the Continental United States caused by or resulting from an Insured Peril.

A contingent property is defined as a location upon which your "farming operations" at the described "premises" depends to deliver materials or services to:

- a. you; or
- b. Others for your account;

That is not owned, controlled or occupied by:

- c. you; or
- d. Any Public Utility which furnishes heat, light, power or gas to you

The Amount of Insurance for Farm Income – Contingent Property, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

This coverage is in addition to any amounts shown on the Declarations for Farm Income – Contingent Property.

3. Loss Caused by Damage to Off Premises Utilities – Farm Income

a. Off Premises Power Failure

We will pay for the actual loss of "Farm Income" or Extra Expense you sustain at the described "premises", caused by a service interruption at the "specified utility service" to that described "premises". The interruption must result from direct physical loss or damage by an Insured Peril to the "specified utility service".

An Insured Peril to the "specified utility service" includes mechanical breakdown if the "specified utility service" is located more than 1000 metres (3280 feet) from the described "premises".

We will only pay for loss of "Farm Income" you sustain after the first 24 consecutive hours following a service interruption at the "specified utility service".

b. Exclusions:

The following is added to **SECTION III LOSS OR DAMAGE NOT INSURED:**

We will not pay for loss or damage caused by or resulting from the following:

- (1) Lack of fuel;
- (2) Lack of sufficient capacity;
- (3) Intentional reduction in supply; or
- (4) Governmental order.

The following is added to **DEFINITIONS:**

"Specified Utility Service" means off "premises" utility service, substations, transformer or switching stations or transformers and distribution lines furnishing electrical heat, light or power to the "premises" described on the Declarations. "Specified Utility Service" does not mean transmission lines, conductors and towers used to transport electricity from generation source to switching stations or substations.

The Amount of Insurance for Loss Caused by Damage to Off Premises Utilities – Farm Income, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT– Schedule of Limits.

This coverage is in addition to any amount shown on the Declarations for Loss Caused by Damage to Off Premises Utilities – Farm Income.

4. Extra Expense

We will pay the actual and necessary Extra Expense you incur during the "Period of Restoration" that you would not have incurred if there had been no direct physical loss or damage to property at the described "premises", including farm property in the open (or in a vehicle) within 100 meters (328 feet), caused by or resulting from any Insured Peril.

Extra Expense means expense incurred:

a. To avoid or minimize the suspension of and continue "farming operations":

- (1) At the described "premises"; or
- (2) At replacement "premises" or at temporary locations including:
 - (a) Relocation expenses; and
 - (b) Costs to equip and operate the replacement or temporary locations.

b. To minimize the suspension of "farming operations" if they cannot be continued;

- c. (1) To repair or replace any property; or
- (2) To research, replace or restore the lost information on damaged valuable papers and records;

However, we will only pay for Extra Expense that is incurred within twelve (12) consecutive months after the date of direct physical loss or damage.

The Amount of Insurance for Extra Expense, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits.

This coverage is in addition to any amount shown on the Declarations for Extra Expense.

5. Mortgage Rate Guarantee

We will pay for the actual loss of "Farm Income" you sustain resulting from an increase in monthly mortgage costs (including legal fees) where your mortgagor closes the existing mortgage on a covered building and requires a new mortgage at a higher competitive rate of interest following a total loss to that building.

Our obligation to pay begins on the effective date of the new mortgage, and ends no later than:

- a. The expiry date of the mortgage in effect at the time of loss;
- b. The date you relinquish ownership of the covered building; or
- c. Sixty (60) months;

whichever occurs first.

We will pay the difference in cost between the mortgage in effect on the date of the loss and the new mortgage, based upon the outstanding mortgage balance, resulting from an increase in the rate of interest.

The Amount of Insurance for Mortgage Rate Guarantee, in any one "occurrence", is shown in the PLUS FARM PROPERTY ENHANCEMENT– Schedule of Limits

This coverage is in addition to any amount shown on the Declarations for Mortgage Rate Guarantee.

6. Food Contamination Coverage

a. If your "farming operations" at the described "premises" is ordered closed by the Board of Health or any other governmental authority as a result of the discovery or suspicion of "food contamination", we will pay for the following:

- (1) your expense to clean your equipment as required by the Board of Health or any other governmental authority;
- (2) your expense to provide necessary medical tests or vaccinations for any infected "farm employee";
- (3) The loss of "Farm Income" you sustain due to the necessary suspension of your "farming operations".

The most we will pay for all loss covered under Food Contamination Coverage paragraphs a. (1), a. (2), and a. (3) above in any one "occurrence" is shown in the PLUS FARM PROPERTY ENHANCEMENT – Schedule of Limits

- (4) The additional advertising expenses you incur to restore your reputation.

The most we will pay for all loss under paragraph a. (4) is \$3,000.

b. We will not pay any fines or penalties levied against you by the Board of Health or any other governmental authority as a result of the discovery or suspicion of "food contamination" at the described "premises".

c. "Food Contamination" means an incident of food poisoning to one or more of your customers as a result of any of the following:

- (1) Tainted food you purchased
- (2) Food which has been improperly stored, handled or prepared;
- (3) A communicable disease transmitted through any "farm employee".

This coverage is in addition to any amount shown on the Declarations for Food Contamination Coverage.

SECTION III 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 on the Declarations in any one "occurrence".

Loss or damage to mobile farm machinery or mobile farm equipment caused by the ingestion of a foreign object is subject to the Ingestion Deductible shown on the Declarations. The deductible is expressed as a percentage of the amount of adjusted loss. The Ingestion Deductible amount will not be less than the percentage shown on the Declarations or \$1,000, whichever is the greater.

3. FARM BARNs, BUILDINGS AND STRUCTURES

We will pay the "actual cash value" of the loss or damage at the time of loss, unless otherwise indicated on the Declarations.

4. REBUILDING CLAUSE – FARM BARNs, BUILDINGS AND STRUCTURES

If the Declarations indicate that REBUILDING CLAUSE is included, the Basis of Claim Payment will be as follows:

- a. the most we will pay is 50% of the amount of any loss which we would have paid in the absence of this REBUILDING CLAUSE;
- b. if you repair or replace the damaged or destroyed farm barns, buildings or structures for the same size occupancy and use within 9 months of the date of loss, on or within 65 m. (200 ft.) of the site where the building stood immediately prior to the loss, we, upon receipt of satisfactory evidence to that effect from you, shall pay the remaining 50% of such loss;
- c. if you do not repair or replace the damaged or destroyed farm barns, buildings or structures in accordance with the provisions of paragraph b. above, you agree that the reduced payment received by you under the provisions of paragraph a. above shall constitute the full and final settlement under this policy with respect to such loss.

5. REPLACEMENT COST – FARM BARNs, BUILDINGS AND STRUCTURES

If the Declarations indicate that REPLACEMENT COST applies, we will pay for insured loss to the damaged or destroyed property under COVERAGE G – BARNs, BUILDINGS AND STRUCTURES and CONTENTS OF BARNs, BUILDINGS AND STRUCTURES on a replacement cost basis, but payment shall not exceed the least of:

- a. the cost to repair or replace the damaged or destroyed property under COVERAGE G – BARNs, BUILDINGS AND STRUCTURES within a reasonable time and for the same quality, size or occupancy at the same location;
- b. the amount actually and necessarily spent to repair or replace property under COVERAGE G – BARNs, BUILDINGS AND STRUCTURES and CONTENTS OF BARNs, BUILDINGS AND STRUCTURES; or
- c. the applicable Amount of Insurance.

We will not pay for a greater proportion of loss than the applicable Amount of Insurance bears to 90% of the replacement cost of all insured property at the time of loss. If two or more items are specifically described on the Declarations, this condition will apply separately to each item.

If the amount of loss or damage is less than 2% of the applicable Amount of Insurance or \$5,000, whichever is the lesser, this condition does not apply.

If you do not repair, rebuild or replace the property under COVERAGE G – BARNs, BUILDINGS AND STRUCTURES at the same location, with same size, and occupancy, constructed with material of similar quality, the Basis of Settlement will be as if this coverage had not been in effect.

6. INSURANCE UNDER MORE THAN ONE POLICY

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

7. NOTICE TO AUTHORITIES

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

8. 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 "actual cash value" of the property before and after the loss.

9. 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.

10. PERMISSION

You are permitted to make alterations, additions or repairs.

IN WITNESS WHEREOF, we have caused this policy to be signed by our President and CEO.


President & CEO

Wawanesa Insurance A Great Canadian Success Story

Wawanesa Insurance was founded in 1896 in the village of Wawanesa, Manitoba. With regional offices across Canada and operations in the United States, Wawanesa Insurance is one of the largest property and casualty insurers in Canada. In fact, the most respected insurance rating agency, A.M. Best, has consistently awarded Wawanesa Insurance an A+ (Superior) rating based on financial strength and stability.

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107 – 4th St.
Wawanesa, MB
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700 – 200 Main St.
Winnipeg, MB
R3C 1A8

4110 Yonge St., Suite 100
Toronto, ON
M2P 2B7

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

1010 St. George Blvd.
PO Box 770
Moncton, NB E1C 8M9

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