

## INSURANCE CONDITIONS FOR SECTION A – PROPERTY COVERAGES

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

### SECTION A: DEFINITIONS

**LIMIT OF INSURANCE** means the maximum amount we will pay for any one accident or occurrence no matter how many people covered by this policy are involved. Different amounts apply to different coverages and these amounts are shown on the Liveboard Endorsement Declaration Page and the Personal Property with Special Limits of Insurance section. These different amounts in no way operate to increase the Limit of Insurance.

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

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

**BUSINESS PROPERTY** means property pertaining to a business, trade, profession or occupation.

**DATA** means information, including programs, recorded on electronic media usable in data processing operations.

**DOMESTIC WATER CONTAINER** means a device or apparatus for personal use on the premises for containing, heating, chilling or dispensing water.

**DWELLING** means the vessel described on the Liveboard Endorsement Declaration Page being used as a liveboard and considered your principal private residence.

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

**INSURED** means the person(s) named as Insured on the Liveboard Endorsement Declaration Page and, while living in the same household:

- his or her husband or wife
- the relatives of either;
- any person under 21 in their care; and
- a student who is enrolled in and actually attends a school, college or university and who is dependent on the Named Insured or his or her spouse for support and maintenance is also insured even if temporarily away from the dwelling.

**INSURED PERIL** means a cause of loss or damage insured under this policy.

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

**PREMISES**, for the purpose of this Section A only, shall have the same definition and meaning as **DWELLING**.

**RESIDENCE EMPLOYEE** means a person employed by you to perform household or domestic services or duties of a similar nature in connection with the maintenance or use of the Insured premise but not persons performing duties in connection with any business you conduct or any person hired to maintain, repair or service your dwelling or premises.

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

**VACANT** refers to the circumstance where, regardless of the presence of furnishings:

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

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

**WE, US or OUR** means the company providing this insurance.

**YOU or YOUR** refers to the Insured.

### SECTION A: PERSONAL PROPERTY INSURED

#### 1) PERSONAL PROPERTY ON YOUR PREMISES

We insure the contents of your dwelling and other personal property you own, wear or use while on your premises and which are usual to the ownership or maintenance of a dwelling. At your option we will include uninsured personal property owned by others while it is on that portion of the your premise which you occupy but we do not insure property of roomers or boarders who are not related to you.

#### 2) PERSONAL PROPERTY TEMPORARILY AWAY FROM YOUR PREMISES

We also insure your personal property while it is temporarily away from your premises anywhere in the world. At your option, we will include personal property belonging to others while it is in your possession or belonging to a residence employee travelling with you. Personal property normally kept at any other location you own is not covered.

This section also provides coverage for:

- the personal property of any student insured by this policy who is temporarily living away from the Insured dwelling for the purpose of attending a school, college or university. The student must be dependent on the Named Insured or his or her spouse for support and maintenance and must intend to return to the household once the school year is completed.
- personal property stored in a warehouse is insured, but for thirty (30) days only, if the loss or damage is caused by an Insured peril. Coverage will cease unless we have been notified within the first 30 days and the policy is endorsed accordingly.

Under this section 2) the Insurers will pay a maximum of \$2,000.00 OR 10% of the amount stated under Section A whichever is the greater for any one accident or occurrence regardless of the number of Insureds involved.

#### 3) MOVING YOUR PERSONAL PROPERTY TO ANOTHER HOME

We insure your personal property while in transit to and at another location within Canada which is to be occupied by you as your principal dwelling. Coverage applies for sixty (60) consecutive days commencing on the date personal property is removed from your principle dwelling but not beyond the date the policy expires or is terminated. This coverage does not increase the limits of insurance. These coverages do not operate to increase the limits of insurance.

### PERSONAL PROPERTY WITH SPECIAL LIMITS OF INSURANCE

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

or occurrence. These special limits do not operate to increase the limit of insurance as indicated in Section A.

#### FOR ALL INSURED LOSSES

Business property, but only while on the your premise	\$5,000.00
Watercraft, their furnishings, equipment, accessories and motors	\$6,000.00
Utility Trailers	\$1,000.00
Spare automobile parts	\$1,000.00
All cameras, moving or still	\$3,000.00
Jewelry, watches, gems and furs	\$6,000.00
Coin or banknote collections	\$1,000.00
Stamp collections	\$1,000.00
Each bicycle, its equipment and accessories	\$1,000.00
BUT subject to aggregate limit:	\$2,000.00
Collectable cards (such as sports personality cards) and comic books	\$5,000.00

### SECTION A: PERSONAL PROPERTY NOT INSURED

The following personal property is EXCLUDED under Section A: Property Coverages:

- 1) business property;
  - 2) samples and goods held for sale;
  - 3) evidences of debt or title;
  - 4) money or cash cards;
  - 5) securities;
  - 6) sporting equipment where the loss or damage is due to its use;
  - 7) property in any fairground, exhibition or exposition for the purpose of exhibition or sale;
  - 8) any property illegally acquired, kept, stored, or transported, or the proceeds of crime;
  - 9) any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
  - 10) animals, birds or fish;
  - 11) motorized vehicles or their equipment EXCEPT wheelchairs or scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability, golf carts, watercraft, lawn mowers, garden tractors including attachments and accessories or snow blowers. However these items are still EXCLUDED if used for compensation or hire;
  - 12) camper units, truck caps, or their equipment;
  - 13) aircraft or their equipment;
  - 14) trailers
  - 15) watercraft
- other than as shown under **Personal Property with Special limits of Insurance**.

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

### SECTION A: INSURED PERILS

This policy insures against ALL RISKS of direct physical loss or damage subject to the exclusions and conditions of this policy.

### SECTION A: LOSS OR DAMAGE NOT INSURED

EXCLUDING loss or damage:

- 1) to personal property undergoing any process or while being worked on, whether the damage results from such process or work but resulting damage to other property is insured;
- 2) caused by mysterious disappearance occurring away from your premise;
- 3) occurring after your dwelling has been vacant, for more than thirty (30) consecutive days;
- 4) resulting from the intentional or criminal acts of, or the failure to act by:
  - a) any person insured by this policy; or

- b) any other person at the direction of any person insured by this policy;
- 5) caused by any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law, statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
- 6) caused by contamination from radioactive material;
- 7) caused by war, invasion, act of foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
- 8) caused by *terrorism* or by any activity or decision of a government agency or other entity to prevent, respond to or terminate *terrorism*. As used in this policy *terrorism* means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence of 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;
- 9) caused by or contributed to by or arising from any chemical, biological, bio-chemical or electromagnetic weapon and the use or operation, as a means for inflicting harm, of any computer, computer system, or computer software programme, computer virus or process or any other electronic system;
- 10) caused by theft from the part of the dwelling rented to others, by any tenant, tenant's employee, or member of the tenant's household;
- 11) resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud;
- 12) caused by birds, vermin, insects, raccoons or rodents, except loss or damage to building glass;
- 13) consisting of or caused directly or indirectly, in whole or in part by any *fungi* or *spores* unless such *fungi* or *spores* are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this policy. Excluding any cost or expense for any testing, monitoring, evaluating or assessing of *fungi* or *spores*. As used in this policy *fungi* includes but is not limited to any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any *fungi* or *spores* or resultant mycotoxins, allergens or pathogens. *Spores* includes but is not limited to one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any *fungi*.
- 14) caused by smoke from agricultural smudging or industrial operations;
- 15) caused by snowslide, earthquake, landslide or any other earth movement. If any of these results in fire or explosion, we will pay only the resulting loss or damage;
- 16) caused by settling, expansion, contraction, moving, bulging, buckling or cracking;
- 17) caused by theft or attempted theft of property in or from a dwelling under construction or of materials and supplies for use in the construction until the dwelling is completed and ready to be occupied;
- 18) caused by vandalism or malicious acts or glass breakage occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
- 19) caused by water unless the loss or damage resulted from:
  - the sudden and accidental escape of water from a watermain;
  - the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system or domestic water container, which is located inside your dwelling;
  - the sudden and accidental escape of water from a domestic water container located outside your dwelling but such damage is not covered when the escape of water is caused by freezing;
  - water which enters your dwelling through an opening which has been created suddenly and accidentally by an Insured peril other than water damage;
  - water from the accumulation of ice or snow on the roof or eaves trough, which enters the dwelling through a roof;

**BUT WE DO NOT INSURE LOSS OR DAMAGE:**

- a) caused by freezing during the usual heating season:
  - within an unheated portion of your dwelling; or
  - if you have been away from your premises for more than four (4) consecutive days, **unless** you had arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained or if you had shut off the water supply and had drained all the pipes and appliances;
- b) caused by continuous or repeated seepage or leakage of water;
- c) caused by the backing up or escape of water from a sewer, storm drain, drain, sump or septic tank;
- d) caused by ground water or rising of the water table;
- e) caused by surface waters including flood, unless the water escapes from a watermain or from a domestic water container located outside your dwelling;
- f) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
- g) to a watermain;
- h) to a system or appliance from which the water escaped;
- i) occurring while the building is under construction or vacant even if we have given permission for construction or vacancy.

**NOR DO WE INSURE:**

- 20) wear and tear, inherent vice, latent defect, mechanical breakdown, deterioration, rust or corrosion;
- 21) the cost of making good faulty material or workmanship;
- 22) scratching, abrasion or chipping of any personal property, or accidental breakage of any fragile or brittle articles.

**ADDITIONAL LIVING EXPENSES**

If, as a result of damage to your dwelling by an insured peril, your dwelling is unfit for occupancy or you have to move out while repairs of the insured damage are being made, we will insure any necessary increase in living expenses, including moving expenses, incurred by you so that the household can maintain its normal standard of living. Payment shall be for the reasonable time required to repair or rebuild your dwelling or, if you permanently relocates, the reasonable time required for the household to settle somewhere. The maximum we will pay for this coverage is \$2,000.00 any one accident or occurrence.

**SECTION A: BASIS OF CLAIM PAYMENT**

We will pay claims, when coverage applies, for insured loss or damage up to your financial interest in the property, but not more than the applicable limit(s) of insurance for any loss or damage arising out of one accident or occurrence. Any payment for loss or damage will not reduce the amounts of insurance provided under Section A. Insurance cannot be a source of profit. It is only designed to indemnify you against actual losses or expenses incurred by you for which you are liable.

**DEDUCTIBLE**

All coverages under Section A are subject to a deductible, unless otherwise stated. The deductible amount is shown on the Liveboard Endorsement Declaration Page. We pay only the amount by which the insured loss or damage exceeds the applicable deductible amount in any one occurrence. If your claim involves personal property included in the Special Limits of Insurance then these special limits apply only to the amount of loss exceeding the deductible.

**REPLACEMENT COST**

Claims will be paid on the basis of replacement cost for all personal property except:

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

We will agree to pay on the basis of actual cash value only for 1) to 4) above.

**REPLACEMENT COST** means the cost, on the date of the loss or damage, of the lesser of:

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

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

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

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

Further the following special conditions apply on electronic media and other records:

- 1) For electronic media we agree to pay the cost of reproduction from duplicates or from originals of the previous generation of the media. The cost of gathering or assembling information or data for reproduction is excluded.
- 2) For other records, including books of account, drawings or card index systems, we will pay the cost of blank books, pages, cards or other materials plus the cost of actually transcribing or copying the records.

**ACTUAL CASH VALUE**

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

**PAIR AND SET**

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

**PARTS**

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

**INSURANCE UNDER MORE THAN ONE POLICY**

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

**NOTICE TO AUTHORITIES**

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

**DUTIES AFTER LOSS**

After submission of proof of loss in respect of a loss which may be insured under Section 1 you may be required separately to submit to examination under oath and produce for examination all documents in your possession or control that relate to the application for insurance and proof of loss and to permit extracts and copies of such

documents to be made, all at a reasonable place and time designated by us.

#### CANADIAN LAW AND USAGE

WARRANTED to be subject to Canadian Law and Usage as to Liability for and settlement of any and all claims.

### INSURING CONDITIONS FOR SECTION B – PERSONAL LIABILITY PROTECTION

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

#### SECTION B: DEFINITIONS

The following words and/or phrases shall have the same meaning as defined in Section A – Property Damages under the Definition section:

**Business, Business Premises, Business Property, Dwelling, Insured, Residence Employee, We, Us and Our.**

**BODILY INJURY** means bodily injury, sickness or disease or resulting death.

**LEGAL LIABILITY** means responsibility which courts recognize and enforce between persons who sue one another.

**LIMIT OF LIABILITY** means the maximum amount we will pay for any property damage or bodily injury arising out of any one accident or occurrence regardless of the number of claimants involved.

**OCCURRENCE** means an accident to which this coverage applies occurring within the policy period, including continuous or repeated exposure to conditions neither expected nor intended from your stand point.

**PREMISES** means all premises where the person(s) named as Insureds on the Liveaboard Endorsement Declaration Page, or their spouse, maintains a residence, including seasonal and other residences, provided such premises are specifically described on the Liveaboard Endorsement Declaration Page but excluding the vessel used as a liveaboard and as described under the Liveaboard Endorsement Declaration Page. Liability arising from and on this vessel is EXCLUDED.

The definition of **PREMISES** under Section B also includes:

1. premises where you reside temporarily or which you are using temporarily, as long as you are not owner of the premises OR the lessee or tenant of the premises under any agreement which is longer than ninety (90) consecutive days;
2. premises in Canada to be occupied by you as your principal residence from the date you acquire ownership or take possession but not beyond the earliest of a) sixty (60) consecutive days b) the date the policy expires or is terminated OR c) the date upon which specific liability insurance is arranged for such premises;
3. individual or family cemetery plots or burial vaults;

**PROPERTY DAMAGE** means physical damage to or destruction of tangible property and loss of use of tangible property.

**YOU** or **YOUR** has the same meaning as defined in Section A BUT ALSO INCLUDES the following further definition:

1. any person while performing duties as your residence employee;
2. your legal representative having temporary custody of your premises, if you die while insured by this form, for legal liability arising out of the premises;
3. any person who is insured by this form at the time of your death and who continues residing on the premises.

#### SECTION B: COVERAGES and BASIS OF CLAIM PAYMENTS

#### 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.

This insurance applies:

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

but subject always to the limit of liability of this policy.

*All coverages listed below are subject to the following additional conditions:*

#### CANADIAN LAW AND USAGE

WARRANTED to be subject to Canadian Law and Usage as to Liability for and settlement of any and all claims.

#### OTHER INSURANCE

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

#### COVERAGE I: PERSONAL LIABILITY

We will pay all sums which you becomes legally liable to pay as compensatory damages because of unintentional bodily injury or property damage arising out of your personal actions anywhere in the world. The amount of insurance shown on the Liveaboard Endorsement Declaration Page under Section B is the maximum amount we will pay for all compensatory damages in respect of one accident or occurrence regardless of the number of claims made or the number of Insureds against whom claims are made or actions are brought.

Defense costs and supplementary expense payments as described under DEFENSE, SETTLEMENT, SUPPLEMENTARY PAYMENTS are in addition to the limit of liability as stated under Section B, Coverage I. Punitive or exemplary damages, meaning that part of an award by a court which is in excess of compensatory damages and is stated or intended to be a punishment to you, are EXCLUDED.

EXCLUDING claims made against you arising from:

- a) liability assumed by you in a contract unless the your legal liability would have applied even if no contract had been in force, but claims made against you for the legal liability of other persons in relation to your premises that you have assumed under a written contract is covered;
- b) damage to property owned by an insured;
- c) damage to property used, occupied, leased or rented by or in the care, custody or control of an insured except for unintentional property damage to premises owned by others, or their contents which you are using, renting or have in your custody or control but only if the loss is caused by fire, explosion or smoke.
- d) damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
- e) bodily injury to you or to any person residing in your household other than a residence employee;
- f) personal actions of a named insured who not does reside on the vessel used as a liveaboard and as described on the Liveaboard Endorsement Declaration Page

There are other exclusions applicable to all Coverages under Section B. Please refer to SECTION B: EXCLUSIONS Coverages I and II.

#### DEFENSE, SETTLEMENT, SUPPLEMENTARY PAYMENTS

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

In addition to the limit of insurance provided under Section B, Coverage I of this endorsement we will pay:

- 1) all expenses incurred by us;
- 2) all costs charged against you in any suit insured under Section B, Coverage I;
- 3) any interest accruing after judgment on that part of the judgment which is within the amount of insurance under Section B, Coverage I;
- 4) premiums for appeal bonds required in any insured lawsuit involving you and bonds to release any property that is being held as security, up to the amount of insurance, but we are not obligated to apply for or provide these bonds;
- 5) expenses incurred by you for emergency medical or surgical treatment to others following an accident or occurrence insured by this policy;
- 6) reasonable expenses, except loss of earnings, which are incurred by you at our request.

#### **WHAT YOU MUST DO AFTER AN ACCIDENT OR OCCURRENCE**

When an accident or occurrence takes place you must promptly give us notice in writing. This notice must include:

- a) the date, time, place and circumstances of the accident or occurrence;
- b) the names and addresses of witnesses and potential claimants.

You must also:

- a) co-operate with us in any legal actions including obtaining witnesses, information and evidence about the accident or occurrence;
- b) immediately send to us legal documents and any other written communication you received concerning the accident or occurrence.

#### **ACTION AGAINST US**

No suit may be brought against us:

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

#### **UNAUTHORIZED SETTLEMENTS**

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

### **COVERAGE II - VOLUNTARY MEDICAL PAYMENTS**

We will pay reasonable medical expenses incurred within one year of the date of the accident, if you unintentionally injure another person on your premises as described under Section B, Definitions. This coverage is available even if you are not legally liable. Medical expenses include surgical, dental, hospital, nursing, ambulance service and funeral expenses. Medical expenses for residence employees are insured.

The limit of liability shown on the Liveaboard Endorsement Declaration Page under Section B, Coverage II is the maximum amount we will pay in respect of any one accident or occurrence regardless of the number of claimants involved.

The following EXCLUSIONS apply to this VOLUNTARY MEDICAL PAYMENTS section:

- 1) expenses covered by any medical, dental, surgical or hospitalization plan or law, or under any other insurance contract;

- 2) your medical expenses or those of any person residing with you, other than residence employees;
- 3) medical expenses of any person covered by any Workers Compensation Statute;

There are other exclusions applicable to all Coverages under Section E. Please refer to SECTION B: EXCLUSIONS Coverages I and II.

#### **WHAT YOU MUST DO AFTER AN ACCIDENT OR OCCURRENCE**

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

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

#### **ACTION AGAINST US**

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

### **SECTION B: SPECIAL LIMITATIONS FOR COVERAGES I and II**

#### **WATERCRAFT YOU OWN**

This policy provides coverage for claims arising out of your ownership, use or operation of watercraft equipped with outboard motor or motors of not more than 24 horsepower in total when used with or on a single watercraft. Insurance is provided if your watercraft has an inboard or an inboard/outboard motor of not more than 50 horsepower or for any other type of unmotorized watercraft not more than 8 metres (26 feet) in length.

#### **VEHICLES YOU OWN**

This policy provides coverage for claims arising out of your ownership, use or operation of the following including their trailers or attachments:

- 1) Self propelled lawn movers, snow blowers, garden type tractors, farm implements or gardening implements of not more than 25hp and used or operated mainly on your property provided such use is not for compensation or hire;
- 2) motorized golf carts while in use on a golf course;
- 3) motorized wheelchairs, including motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability.

#### **VEHICLES YOU DO NOT OWN**

This policy provides coverage for claims arising out of your use or operation of any self-propelled land vehicle, amphibious vehicle or air cushion vehicle, which you do not own, provided that:

- 1) the vehicle is not licensed and is designed primarily for use off public roads;
- 2) the vehicle is not being used for business or organized racing;
- 3) the vehicle is being used or operated with the owner's consent;
- 4) the vehicle is not owned by anyone included in the definition of Insured.

EXCLUDING damage to the vehicle itself.

#### **WATERCRAFT AND VEHICLE USES NOT INSURED**

EXCLUDING all liability arising from the use or operation of any watercraft or vehicle, whether owned by you or not, while it is:

- 1) used for carrying passengers for compensation;
- 2) used for business purposes;
- 3) used in any race or speed test;
- 4) rented to others;
- 5) being used or operated without the owner's consent.

## TRAILERS

This policy provides coverage for claims arising out of your ownership, use or operation of any trailer or its equipment, provided that such trailer is not being towed by, attached to or carried on a motorized vehicle which is subject to motor vehicle registration.

## SECTION B: EXCLUSIONS COVERAGES I and II

In addition to the exclusions listed individually under Coverages I and II these Coverages further **exclude** claims arising from:

- 1) war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- 2) bodily injury or property damage which is required to be insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of insurers regardless of exhaustion of such policy limits or its termination;
- 3) Any business pursuit or any business use of the premises except as specified in this policy;
- 4) the rendering or failure to render any professional service;
- 5) liability imposed upon or assumed by you under any workers' compensation statute;
- 6) bodily injury or property damage caused by any intentional or criminal act or failure to act by any person insured by this policy or any other person at the direction of any person insured by this policy;
- 7) sexual, physical, psychological or emotional abuse, molestation or harassment, including corporal punishment by, at the direction of, or with the knowledge of any person insured by this policy;
- 8) failure of any person insured by this policy to take steps to prevent sexual, physical, psychological or emotional abuse, molestation or harassment or corporal punishment.
- 9) the transmission of communicable or sexually transmitted disease, including Acquired Immune Deficiency Syndrome, by any person insured by this policy;
- 10) the ownership, use or operation of any motorized vehicle, trailer or watercraft except those for which coverage is provided in this policy;
- 11) the ownership, use or operation of any aircraft or premises used as an airport or landing strip and all necessary or incidental operations or related activities.
- 12) any animal owned by you or in your the care and/or custody.

## STATUTORY CONDITIONS (applicable to all sections)

(ALL PROVINCES EXCEPT QUEBEC)

The Statutory Conditions and Additional Conditions apply with respect to all perils insured by this policy and to the liability coverage where provided except where these conditions may be modified or supplemented by endorsement attached.

- 1) **MISREPRESENTATION.** If any person applying for insurance falsely describes the property to the prejudice of the Insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the Insurer in order to enable it to judge of the risk to be undertaken, the contract shall be void as to any property in relation to which the misrepresentation or omission is material.
- 2) **PROPERTY OF OTHERS.** Unless otherwise specifically stated in the contract, the Insurer is not liable for loss or damage to property owned by any person other than the Insured, unless the interest of the Insured therein is stated in the contract.
- 3) **CHANGE OF INTEREST.** The Insurer shall be liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act or change of title by succession, by operation of laws, or by death.
- 4) **MATERIAL CHANGE.** Any change material to the risk and within the control and knowledge of the Insured shall avoid the contract as to the part affected thereby, unless the change is promptly notified in writing to the Insurer or its local agent, and

the Insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the Insured in writing that, if he desires the contract to continue in force, he must, within fifteen days of the receipt of the notice, pay to the Insurer an additional premium; and in default of such payment the contract shall no longer be in force and the Insurer shall return the unearned portion, if any, of the premium paid.

## 5) TERMINATION OF INSURANCE.

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

## 6) REQUIREMENTS AFTER LOSS.

On the occurrence of any loss or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11 (see below):

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

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

- 7) **FRAUD.** Any fraud or willfully false statement in a statutory declaration in relation to any of the above particulars, shall vitiate the claim of the person making the declaration.
- 8) **WHO MAY GIVE NOTICE AND PROOF.** Notice of loss may be given and proof of loss may be made, by the agent of the Insured named in the contract in case of absence or inability of the insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the Insured refuses to do so, by a person to whom any part of the insurance money is payable.
- 9) **SALVAGE.**
  - i) The Insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.
  - ii) The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the Insured and required under sub-paragraph i) of this condition, according to the respective interests of the parties.
- 10) **ENTRY, CONTROL, ABANDONMENT.** After loss or damage to insured property, the Insurer shall have an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the Insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the Insurer is not entitled to control or possession of the insured property, and without the consent of the insurer there can be no abandonment to it of insured property.
- 11) **APPRAISAL.** In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the Insurance Act before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.
- 12) **WHEN LOSS PAYABLE.** The loss shall be payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.
- 13) **REPLACEMENT.**
  - i) The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss
  - ii) In that event the Insurer shall commence to so repair, rebuild or replace the property within forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.
- 14) **ACTION.** Every action or proceeding against the Insurer for the recovery of any claim under or by virtue of this contract shall be absolutely barred unless commenced within one year after the loss or damage occurs.
- 15) **NOTICE.** Any written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the province. Written notice may be given to the Insured named in the contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.