

Your Tenant Insurance Policy Form

Your Insurance Broker - ZipSure Insurance Brokers Limited

The companies providing this tenant insurance policy are:

- ▶ Echelon Insurance, 2680 Matheson Blvd. E., Suite 300, Mississauga ON, L4W 0A5
- ▶ Intact Insurance, 20 Hector Gate, Dartmouth NS, B3B 0K3
- ▶ Gore Mutual Insurance, 252 Dundas St. N., Cambridge ON, N1R 5T3
- ▶ Wawanesa Insurance, 191 Broadway, Winnipeg MB, R4C 3P1

How to Read Your Policy

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

It consists of:

- ▶ The Coverage Summary Screen(s) on www.ZipSure.ca
- ▶ The policy form contained in this document
- ▶ Optional forms and endorsements contained in this document or attached but only those forms purchased by you and shown on the Coverage Summary Screen(s) apply
- ▶ The Statutory Conditions which apply to all forms and are required by provincial law

This policy form consists of three sections:

SECTION I - PROPERTY COVERAGES describes the insurance on your personal property and additional living expenses.

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

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

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AGREEMENT

We provide the insurance described in this policy in return for payment of the premium and subject to the terms and conditions set out. All amounts of insurance, premiums and other amounts expressed in this policy are in Canadian currency. Your Coverage Summary Screen summarizes the coverage and amounts of insurance you have purchased and we have agreed to provide and the period for which they are provided.

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

SECTION I - PROPERTY COVERAGES

DEFINITIONS

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

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

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

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

Data means representations of information or concepts in any form.

Data Problem means:

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

Domestic water container means a device or apparatus for personal use on the premises for containing, heating, chilling or dispensing water.

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

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

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

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

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

Spouse means

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

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

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

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

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

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

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

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

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 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.

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COVERAGE A - PERSONAL PROPERTY

Personal Property On Your Premises

We insure the contents of your dwelling and other personal property you own, wear or use while on your premises shown on the Coverage Summary Screen(s) and which are usual to the ownership or maintenance of a dwelling. We also insure dwelling improvements and betterments made by you or acquired at your expense but only in the portion you occupy as a private dwelling. If you wish, we will include uninsured personal property owned by others who do not live with you while it is on that portion of your premises that you occupy.

Property of Roommates or Boarders

If coverage was purchased by you and an amount of insurance is shown on your Coverage Summary Screen for this individual we will insure the contents and other personal property owned, worn or used by the roommate or boarder named on your coverage summary screen while on your premises and which are usual to the ownership or maintenance of a dwelling.

Personal Property Temporarily Away From Your Premises

If you have purchased this coverage and an amount of insurance is shown on your Coverage Summary Screen we will insure your personal property while it is temporarily away from your premises anywhere in the world. If you wish, we will include personal property belonging to others while it is in your possession or belonging to a residence employee traveling for you. Personal property stored in a warehouse or self-storage facility or normally kept at any other location you own or regularly occupy is not insured.

Moving Your Personal Property To Another Home

We insure your personal property while in transit to and at another location within Canada, which is to be occupied by you as your principal dwelling. Coverage applies for 30 consecutive days commencing on the date personal property is removed from your principal dwelling, but not beyond the date the policy expires or is terminated. This coverage does not increase the amounts of insurance.

Personal Property With Special Limits Of Insurance

Coverage for the following types of personal property is subject to Special Limits of Insurance, which are shown below. These limits are the most we will pay for insured loss or damage in any one occurrence, unless a higher limit is purchased by you and an amount of insurance is shown on your Coverage Summary Screen:

Type of Property	Maximum Loss Amount Payable
Money, Gift Cards or Gift Certificates*	\$500
Securities	\$1,000
Watercraft, their furnishings, equipment accessories and motors	\$1,000
Utility Trailers	\$500
Spare automobile parts	\$500
Jewelry, watches, gems and furs	\$1,000
Coin, banknote or stamp collections	\$500
Bicycles, their equipment and accessories	\$500
Personal Computers, their attachments and accessories	\$1,000
Collectable cards (such as sports personality cards) and comic books	\$500

* "Gift cards" mean cards designed to store a cash value by electronic means for use as a mode of payment, without a personal identification number and without direct access to a bank account or other account. "Gift Certificates" mean certificates or proof of pre-payment for a product or service for which a refund is not available from the provider.

Personal Property Not Insured

We do not insure:

- data;
- business property;
- samples and goods held for sale;
- evidences of debt or title;
- property in any fairground, exhibition or exposition for the purpose of exhibition or sale;
- any property illegally acquired, kept, stored, or transported, or the proceeds of crime;
- any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- animals, birds or fish except as provided in the optional coverage Animals, Birds, Fish, and then only if coverage has been purchased by you and an amount of insurance is shown on your Coverage Summary Screen;
- a) 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, other than those used for compensation or hire);
- b) camper units, truck caps, or their equipment;
- c) aircraft or their equipment;
- d) trailers, other than as shown under Personal Property with Special Limits of Insurance.

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

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Damage to Dwelling

You may apply up to \$1,000 of the amount of insurance on your personal property to pay for damage, not including fire damage:

- to the dwelling directly caused by theft or attempted theft;
- to the interior of the dwelling directly caused by vandalism or malicious acts;
- to the dwelling caused unintentionally by you while repairing or maintaining the dwelling or premises.

We also insure loss or damage to the doors and glass that form part of your rental unit, caused by an Insured Peril, if you are responsible under the terms of your leasing agreement.

Outdoor Trees, Shrubs, Plants And Lawns

You may apply up to \$500 of the amount of insurance on your personal property to outdoor trees, plants, shrubs and lawns on your premises. We will not pay more than \$200 for any one tree, plant or shrub including debris removal expenses. We insure these items against loss caused by fire, lightning, theft, explosion, impact by aircraft, spacecraft or land vehicle, riot, vandalism and malicious acts as described under Insured Perils. We do not insure items grown for commercial purposes.

COVERAGE B - LOSS OF USE OF YOUR DWELLING

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

Additional Living Expenses

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

Prohibited Access By Civil Authority

If a civil authority prohibits access to your dwelling as a direct result of damage to neighbouring premises by an Insured Peril under this policy, we insure any resulting Additional Living Expense for a period not exceeding 4 weeks. We do not insure the cancellation of a lease or agreement.

ADDITIONAL COVERAGES

Change of Temperature

While your personal property is in your dwelling, it is covered up to the amount of insurance on your personal property for loss or damage due to a change in temperature resulting from damage to your dwelling or equipment caused by an Insured Peril.

Debris Removal

We provide an additional amount up to 5% of the amount of insurance on your personal property for the cost of removing debris caused by loss or damage to property insured by this policy as a result of an Insured Peril.

Fire Department Charges

We will reimburse you for charges incurred if a fire department charges for attending your home because of an Insured Peril. This coverage is **not** subject to a deductible.

Lock Repair or Replacement

We will pay up to \$250 in all to replace or re-key, at our option, the locks on your dwelling, or your private passenger automobile(s) including the ignition, if your keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft. This coverage is **not** subject to a deductible.

Mass Evacuation Additional Living Expense

We will pay any necessary and reasonable increase in living expense incurred by you while access to your dwelling is prohibited by order of civil authority but only when such order is given for mass evacuation as a direct result of a sudden and accidental event within Canada or the United States of America. You are insured for a period not exceeding 4 weeks from the date of the order of evacuation. You are not insured for any claim arising from evacuation resulting from:

- flood, meaning waves, tides, tidal waves and the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made;
- earthquake;
- war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
- any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
- contamination from radioactive material.

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

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Permission To Remove Property

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

Tear Out

If any part of your improvements and betterments must be torn apart so that water damage covered by this policy can be repaired, we will pay the cost of repairing that which had to be torn apart. The cost of tearing out and replacing property to repair damage related to outdoor domestic water containers or public water mains is not insured.

Arson or Theft Conviction Reward

We will pay up to \$1,000 to any person, excluding law enforcement officers or agencies, for information which leads to a conviction for either arson or theft in connection with loss or damage to property insured by this policy. This coverage may increase the amount payable under the policy. However, the \$1,000 limit is the maximum we will pay regardless of the number of persons providing the information. This coverage is **not** subject to a deductible.

Freezer Food Spoilage

If “Freezer Food Spoilage” is purchased by you and an amount of insurance is shown on the Coverage Summary Screen (s) We will pay for loss or damage to foods while contained in a freezer on your premises resulting from the failure of the freezer’s refrigeration equipment caused by:

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

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

We do not insure:

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

Animals, Birds and Fish.

If “Animals, Birds and Fish” is purchased by you and a limit is shown on the Coverage Summary Screen(s) we will pay for the medical treatment for or replacement of your Animals, Birds or Fish made necessary by their loss or injury directly caused by the following:

- a) fire;
- b) lightning;
- c) explosion;
- d) riot;
- e) theft or attempted theft;
- f) vandalism and malicious acts;
- g) collision of an automobile or common carrier in which the animal is being transported.

We do **not** insure:

- a) expenses incurred in the acquisition of medical treatment or replacement

The most we will pay under this coverage in **any 12 month period is shown on your Coverage Summary Screen(s).**

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

INSURED PERILS

If **“Basic Coverage”** is chosen by you and shown on your Coverage Summary Screen, you are insured against direct loss or damage caused by the following perils as described and limited:

1. FIRE OR LIGHTNING.

2. EXPLOSION.

3. **SMOKE.** This peril does not include smoke from agricultural smudging or industrial operations.

4. **FALLING OBJECT.** This peril means a falling object that strikes the exterior of a building.

5. IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

6. RIOT.

7. VANDALISM OR MALICIOUS ACTS.

This peril does not include:

- loss or damage occurring while the building is under construction or vacant even if permission for construction or vacancy has been given by us;
- damage caused by you or any resident of your household whether or not insured by this policy;
- loss or damage caused by theft or attempted theft.

8. WATER DAMAGE.

This peril means loss or damage caused by:

- a) the sudden and accidental escape of water from a watermain;

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

c) the sudden and accidental escape of water from a domestic water container located outside your dwelling but such damage is not covered when the escape of water is caused by freezing;

d) water which enters your dwelling through an opening which has been created suddenly and accidentally by an Insured Peril other than water damage;

e) water from the accumulation of ice or snow on the roof or eaves trough, which enters the dwelling through a roof; but we do not insure loss or damage:

i. caused by freezing during the usual heating season:

1. within a heated portion of your dwelling if you have been away from your premises for more than 4 consecutive days but you will still be insured if any of the following precautions have been taken:

- arranged for a competent person to enter your dwelling each day you were away to ensure that heating was being maintained, or
- shut off the water supply and had drained all the pipes and domestic water containers, or
- if your plumbing and heating system is connected to a monitored alarm station providing 24 hour service,

2. within an unheated portion of your dwelling;

ii. caused by continuous or repeated seepage or leakage of water;

iii. caused by the backing up or escape of water from a sewer, storm drain, drain, sump or septic tank;

iv. caused by ground water or rising of the water table;

v. caused by surface waters including flood, unless the water escapes from a watermain or from a domestic water container located outside your dwelling;

vi. caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;

vii. to a watermain;

viii. to a system or domestic water container from which the water escaped;

ix. occurring while the building is under construction or vacant even if we have given permission for construction or vacancy.

9. WINDSTORM OR HAIL. This peril does not include loss or damage to your personal property within a building caused by windstorm, hail or coincidental rain damage, unless the storm first creates an opening in the building.

This peril does not include loss or damage:

- due to weight or pressure or melting of ice or snow, waves, floods, whether driven by wind or not.
- to outdoor radio and/or T.V. antennae and satellite receivers.

10. GLASS BREAKAGE. This peril means loss or damage to your personal property caused by the accidental breakage of glass, which is part of the building described on the Coverage Summary Screen.

11. TRANSPORTATION. This peril means loss or damage caused by collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer in which the insured property is being carried. This would also apply to any conveyance of a common carrier. This peril will only provide coverage to your personal property while it is temporarily removed from your premises if "Property Temporarily Removed" has been purchased by you and a limit is shown on your Coverage Summary Screen or unless coverage is provided elsewhere in this form.

This peril does not include loss or damage to:

- a) Property in a vacation or home trailer which you own;
- b) Any watercraft, their furnishings, equipment or motors.

12. THEFT, INCLUDING DAMAGE CAUSED BY THEFT OR ATTEMPTED THEFT.

This peril does not include loss or damage:

- a) which happens at any other dwelling which you own, rent or occupy;
- b) caused by theft from the part of the dwelling rented to others;
- c) caused by any resident of the your household whether or not insured by this policy.

13. COLLAPSE, INCLUDING WEIGHT OF ICE, SNOW, SLEET.

This peril means loss or damage to your personal property caused by the collapse of a building or part of a building on the insured premises.

This does not include loss or damage:

- occurring while the dwelling or unit is under construction or vacant, even if permission for construction or vacancy has been given by us;
- to outdoor radio and/or T.V. antennae and satellite receivers.

14. ESCAPE OF FUEL OIL. This peril means loss or damage to your personal property caused by the bursting or overflowing of your domestic fixed fuel tank, apparatus or pipes.

15. DAMAGE CAUSED BY BEARS.

If "Enhanced Coverage" or "Enhanced with Extended Water Damage Coverage" is shown on your Coverage Summary Screen, you are insured against **All Risks** of direct physical loss or damage subject to the exclusions and conditions of this policy.

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LOSS OR DAMAGE NOT INSURED

We do not insure loss or damage:

1. to personal property undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
2. occurring after your dwelling has, to your knowledge, been vacant, for more than 30 consecutive days;
3. 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;
4. caused by any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
5. caused by contamination from radioactive material;
6. caused by war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
7. caused by theft by any tenant, tenant's employee, or member of the tenant's household;
8. resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud;
9. caused by birds, vermin, insects, raccoons or rodents, except loss or damage to building glass;
10. caused by rust, corrosion, wet or dry rot, fungi or spores, bacteria, condensation, acid rain or contamination;
11. caused by smoke from agricultural smudging or industrial operations;
12. 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;
13. caused by settling, expansion, contraction, moving, bulging, buckling or cracking, except resulting damage to building glass;
14. 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;
15. caused by vandalism or malicious acts occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
16. to building glass unless your lease makes you legally responsible for replacing broken glass; in any event, we will not cover building glass while that portion of the building that you occupy is under construction or vacant even if permission for construction or vacancy has been given by us;
17. caused by water unless the loss or damage resulted from:
 - a) the sudden and accidental escape of water from a watermain;
 - b) the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system or domestic water container, which is located inside your dwelling;
 - c) the sudden and accidental escape of water from a domestic water container located outside your dwelling but such damage is not covered when the escape of water is caused by freezing;
 - d) water which enters your dwelling through an opening which has been created suddenly and accidentally by an Insured Peril other than water damage;
 - e) water from the accumulation of ice or snow on the roof or eaves trough, which enters the dwelling through a roof; but we do not insure loss or damage:
 - i. caused by freezing during the usual heating season:
 1. within a heated portion of your dwelling if you have been away from your premises for more than 4 consecutive days but you will still be insured if any of the following precautions have been taken:
 - arranged for a competent person to enter your dwelling each day you were away to ensure that heating was being maintained, or
 - shut off the water supply and had drained all the pipes and domestic water containers, or
 - if your plumbing and heating system is connected to a monitored alarm station providing 24 hour service,
 2. within an unheated portion of your dwelling;
 - ii. caused by continuous or repeated seepage or leakage of water;
 - iii. caused by the backing up or escape of water from a sewer, storm drain, drain, sump or septic tank;
 - iv. caused by ground water or rising of the water table;
 - v. caused by surface waters including flood, unless the water escapes from a watermain or from a domestic water container located outside your dwelling;
 - vi. caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
 - vii. to a watermain;
 - viii. to a system or domestic water container from which the water escaped;
 - ix. occurring while the building is under construction or vacant even if we have given permission for construction or vacancy.

nor do we insure:

18. wear and tear, inherent vice, latent defect, mechanical breakdown, deterioration;
19.
 - i) data;
 - ii) loss or damage caused directly or indirectly by data problem. However, if loss or damage caused by data problem results in the occurrence of further loss of or damage to property insured that is directly caused by fire, explosion,

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smoke, leakage from fire protective equipment, water damage, this exclusion shall not apply to such resulting loss or damage;

20. the cost of making good faulty material or workmanship;

21. scratching, abrasion or chipping of any personal property, or accidental breakage of any fragile or brittle articles;

22. 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 except for ensuing loss or damage which results directly from fire or explosion. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;

23. the mysterious disappearance of your personal property.

If “**Enhanced Coverage with Extended Water Damage**” is shown on your Coverage Summary Screen, the following changes are made to exclusion 17 under “Loss or Damage Not Insured”

• Item f) is added to the list of causes of loss or damage that are included in the peril:

f) the backing up or escape of water from a sewer, storm drain, drain, sump or septic tank.

• item (iii) “caused by the backing up or escape of water from a sewer, storm drain, drain, sump or septic tank” in the list of circumstances, in which loss or damage is not insured, is not applicable.

BASIS OF CLAIM SETTLEMENT

When Coverage Applies

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

Deductible

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

If your claim involves “**Personal Property With Special Limits Of Insurance**”, these limits apply only to the amount of loss exceeding the deductible.

Coverage A - Personal Property

1. For electronic media we will pay the cost of reproduction from duplicates or from originals of the previous generation of the media. We will not pay the cost of gathering or assembling information or data for reproduction.

2. For other records, including books of account, drawings or card index systems, we will pay the cost of blank books, pages, cards or other materials plus the cost of actually transcribing or copying the records.

3. We will pay on the basis of replacement cost for all other personal property except:

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

b) articles for which their age or history substantially contributes to their value, such as memorabilia, souvenirs, and collectors items;

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

d) property that is no longer used for its original purpose;

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

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

• repairing the personal property with materials of similar kind and quality; or,

• new articles of similar kind, quality and usefulness; without any deduction for depreciation.

We will pay on the basis of replacement cost only if the property lost or damaged is repaired or replaced as soon as reasonably possible, but in no case more than 1 year after the date of loss. Otherwise, we will pay on the basis of actual cash value. You may choose payment on the basis of actual cash value initially. If you later decide to replace any destroyed or stolen property, you may make an additional claim for the difference between the actual cash value and the replacement cost. We will not pay more than the applicable limit under either the replacement cost or actual cash value basis for “**Personal Property With Special Limits of Insurance**”

Dwelling Improvements and Betterments

If you replace or repair damaged or destroyed building improvements at your expense with materials of similar quality within a reasonable time after damage, we will pay for the actual cost of repairs or replacement (whichever is less) without deduction for depreciation. If loss or damage is not replaced or repaired we will pay the actual cash value of the loss or damage at the date of the occurrence.

Actual Cash Value

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

Pair And Set

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

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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 our policy will pay its rateable proportion of the loss or claim.

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 such loss to the police or other law enforcement agency having jurisdiction.

Duties After Loss

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

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

Subrogation

We will be entitled to assume all your rights of recovery against others and bring action in your name to enforce these rights when we make payment or assume liability under this policy. Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

SECTION II - PERSONAL LIABILITY PROTECTION

DEFINITIONS

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

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

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

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

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

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

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

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

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

Premises means all premises where the person(s) named as Insured on the Coverage Summary Screen(s), or his or her spouse, maintains a residence, provided such premises are specifically described on the Coverage Summary Screen(s). It also includes:

1. premises where you are residing temporarily or which you are using temporarily, as long as you are not:
 - a) the owner of the premises;
 - b) the lessee or tenant of the premises under any agreement which is longer than 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) 30 consecutive days;
 - b) the date the policy expires or is terminated;
 - c) the date upon which specific liability insurance is arranged for such premises;
3. individual or family cemetery plots or burial vaults;
4. vacant land in Canada you own or rent, other than farmland;
5. land in Canada where you or an independent contractor is building a one or two family residence to be occupied by you.

Property Damage means:

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

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

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

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

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

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

Page 10 COVERAGES

This insurance applies:

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

COVERAGE C - PERSONAL LIABILITY

This is the part of the policy you look to for protection if you are sued. We will pay all sums which you become legally liable to pay as compensatory damages because of unintentional bodily injury or property damage arising out of:

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

The amount of insurance shown on the Coverage Summary Screen(s) 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. Defence costs and supplementary expense payments as described under **Defence, Settlement, Supplementary Payments** are in addition to the amount of insurance.

We do not insure claims made against you arising from:

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

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

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

Defence, Settlement, Supplementary Payments

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

We will also pay:

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

What You Must Do After An Accident Or Occurrence

1. When an accident or occurrence takes place you must promptly give us notice (in writing if requested by us). The notice must include:

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

2. You must also:

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

Action Against Us

No suit may be brought against us:

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

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Unauthorized Settlements

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

COVERAGE D – TENANTS’ LEGAL LIABILITY

The amount of insurance shown on the Coverage Summary Screen(s) is the maximum amount we will pay in respect of one accident or occurrence.

1. Insuring Agreement

a) We will pay those sums that you become 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 you against any ‘action’ seeking those ‘compensatory damages’. However, we will have no duty to defend you 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. But:

- 1) The amount we will pay for ‘compensatory damages’ is limited by the amount of coverage shown on the coverage summary screen; and
- 2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this coverage.

b) This insurance applies to ‘property damage’ only if:

- 1) The ‘property damage’ is caused by an ‘occurrence’ that takes place in the Canada or the United States.
- 2) The ‘property damage’ occurs during the policy period; and
- 3) Prior to the policy period, you were not aware that the ‘property damage’ had occurred, in whole or in part. If you 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 you 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 you:

- 1) Report all, or any part, of the ‘property damage’ to us or any other insurer;
- 2) Receive a written or verbal demand or claim for ‘compensatory damages’ because of the ‘property damage’; or
- 3) Become aware by any other means that ‘property damage’ has occurred or has begun to occur.

2. Exclusions

We do not insure:

a) ‘Property Damage’ expected or intended by you or anyone insured by this policy.

b) ‘Property Damage’ for which you are 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 you 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 ‘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 you are deemed to be ‘compensatory damages’ because of ‘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) ‘Property Damage’ for wear and tear, gradual deterioration, normal upkeep, latent defect, or inherent vice.

d) ‘Property Damage’ for the cost of making good:

- 1) faulty or improper material;
 - 2) faulty or improper workmanship;
 - 3) faulty or improper design;
- provided, however, to the extent otherwise insured and not otherwise excluded under this policy, resultant ‘property damage’ to the property is insured.

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

COVERAGE E - VOLUNTARY MEDICAL PAYMENTS

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

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

We will not pay

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

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

What You Must Do After An Accident Or Occurrence

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

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

Action Against Us

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

COVERAGE F - VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY

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

We do not insure:

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

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

Basis Of Payment

We will pay whichever is the lower amount of:

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

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

What You Must Do After An Accident Or Occurrence

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

Action Against Us

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

COVERAGE G - VOLUNTARY COMPENSATION FOR RESIDENCE EMPLOYEES

We offer to pay the benefits described below if your residence employee is injured or dies accidentally while working for you, even though you are not legally liable. If your residence employee or any person acting on his or her behalf does not accept these benefits or sues you, we may withdraw our offer, but this will not affect your liability insurance. A residence employee or anyone acting on his or her behalf who accepts these benefits must sign a release giving up any right to sue you. We have the right to recover from anyone, other than you, who is responsible for the residence employee's injury or death.

Exclusion

We will not pay benefits for any hernia injury.

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

1. Loss of Life:

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

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

2. Temporary Total Disability:

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

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3. Permanent Total Disability:

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

4. Injury Benefits:

If, as a result of the accident, your residence employee suffers the loss of, or permanent loss of use of any of the following within 26 weeks of the accident, we will pay weekly indemnity for the number of weeks shown. These benefits will be paid in addition to Temporary Total Disability Benefits but no others. We will not pay more than 100 weeks in total even if the accident results in loss from more than one item.

For loss of:

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

5. Medical Expenses:

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

We will pay the cost of supplying or renewing artificial limbs or braces, made necessary by the accident, for up to 52 weeks after the accident, up to a maximum of \$5,000. We do not insure you for costs recoverable from other insurance plans.

Weekly Indemnity

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

What You Must Do After An Accident

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

Autopsy

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

Action Against Us

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

SPECIAL LIMITATIONS

Watercraft And Motorized Vehicles You Own

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

1. non-motorized watercraft, including their attachments, not more than 8 metres (26 feet) in length;
2. self-propelled lawn mowers, snow blowers, garden-type tractors of not more than 19kW (25 H.P.);
3. motorized golf carts while in use on a golf course;
4. motorized wheelchairs, including motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability.

Watercraft And Motorized Vehicles You Do Not Own

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

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

Watercraft And Motorized Vehicle Uses We Do Not Insure

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

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

Trailers

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

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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 or three-family dwelling usually occupied in part by you as a private residence provided no family unit includes more than 2 roomers or boarders;
 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 car spaces or stalls in garages or stables;
 6. the temporary or part time business pursuits of an insured person under the age of 21 years.
- Claims arising from any other business pursuit or operation is not insured.

EXCLUSIONS - SECTION II

We do not insure claims arising from:

1. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. bodily injury or property damage which is required to be insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of insurers;
3. business pursuits or any business use of the premises except as provided under "**Business And Business Property**" in Section II;
4. the rendering or failure to render any professional service;
5. liability imposed upon or assumed by you under any workers' compensation statute;
6. bodily injury or property damage caused by any intentional or criminal act or failure to act by:
 - a) any person insured by this policy; or
 - b) any other person at the direction of any person insured by this policy;
7.
 - a) sexual, physical, psychological or emotional abuse, molestation or harassment, including corporal punishment by, at the direction of, or with the knowledge of any person insured by this policy; or
 - b) failure of any person insured by this policy to take steps to prevent sexual, physical, psychological or emotional abuse, molestation or harassment or corporal punishment;
8. the transmission of any communicable or sexually transmitted disease, including Acquired Immune Deficiency Syndrome, by any person insured by this policy;
9. the ownership, use or operation of any watercraft, motorized vehicle or trailer except as provided in Section II under "**SPECIAL LIMITATIONS**" for watercraft, motorized vehicles and trailers;
10. the ownership, use or operation of:
 - a) any aircraft;
 - b) premises used as an airport or landing facility; and all activities related to either.
11.
 - a) the failure of any computer to operate or, the failure, malfunction or inadequacy of any computer or other equipment, including embedded microchips, computer program or software to correctly read, recognize, process, distinguish, interpret or accept any date, time, or combined date/time data or data field. Such failure shall include any error in original or modified data entry or programming;
 - b) any advice, consultation, design, evaluation, inspection installation, maintenance, repair, replacement or supervision provided or done by you, or for you, to determine, rectify, or test for any potential or actual problems described in a) of this exclusion;
12.
 - a) erasure, destruction, corruption, misappropriation, misinterpretation of data,
 - b) erroneously creating, amending, entering, deleting or using data, including any loss of use arising from either a) or b),
 - c) the distribution or display of data by means of an Internet Website, the Internet, an intranet, extranet, or similar device or system designed or intended for electronic communication of data; nor do we insure:
13. any claim that arises directly or indirectly, in whole or in part, out of Terrorism or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate Terrorism. This exclusion applies regardless of any contributing or aggravating cause or event that contributes concurrently or in sequence to the claim.

Insurance Under More Than One Policy

If you have other insurance which applies to a loss or claim, or would have applied if this policy did not exist, 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.

SECTION III - CONDITIONS

Conditions Applicable To The Various Coverages Provided Herein

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

STATUTORY CONDITIONS

(ALL PROVINCES EXCEPT QUEBEC)

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

1. Misrepresentation

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

2. Property Of Others

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

3. Change Of Interest

The insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act or change of title by succession, by operation of law, or by death.

4. Material Change

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

5. Termination

(1) This contract may be terminated:

- a) by the Insurer giving to the Insured fifteen days notice of termination by registered mail or five days written notice of termination personally delivered;
- b) by the Insured at any time on request;

(2) Where this contract is terminated by the insurer:

- a) the Insurer shall refund the excess of premium actually paid by the Insured over pro rata premium for the expired time, but, in no event, shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and
- b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.

(3) Where this contract is terminated by the Insured, the Insurer shall refund as soon as practicable, the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.

(4) The refund may be made by money, postal or express company money order or cheque payable at par.

(5) The fifteen days mentioned in clause (a) of sub-condition (1) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

6. Requirements After Loss

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

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

(2) The evidence furnished under clauses (c) and (d) of subparagraph (1) of the condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

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7. Fraud

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

8. Who May Give Notice And Proof

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

9. Salvage

(1) The Insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.

(2) The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the Insured and required under sub-paragraph (1) of this condition according to the respective interests of the parties.

10. Entry, Control, Abandonment

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

11. Appraisal

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

12. When Loss Payable

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

13. Replacement

(1) The Insurer, instead of making payment, may repair, rebuild or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.

(2) In the event the Insurer shall commence to so repair, rebuild, or replace the property within forty-five days after receipt of the proofs of loss and shall thereafter proceed with all due diligence to the completion thereof.

14. Action

Every action or proceeding against the Insurer for the recovery of any claim under or by virtue of this contract is absolutely barred unless commenced within one year* next after the loss or damage occurs.

*Two years in Province of Manitoba and Yukon Territory.

15. Notice

Any written notice to the Insurer may be delivered at, or sent by registered mail to the chief agency or head office of the Insurer in the Province. Written notice may be given to the insured named in the contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.