

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.

**SECTION I
PROPERTY COVERAGES****Definitions**

“You and Your” means the person(s) named as Insured on the Policy Declaration Page and, while living in the same household, his or her wife or husband, the relatives of either or any person under 19 years in their care. Husband and wife includes a man and a woman who are living together as husband and wife and have so lived together continuously for a period of 1 year. Only the person(s) named on the Policy Declaration page may take legal action against us.

“We and us” means the insurers as described on the policy declarations.

“Dwelling” means the building, mobile home or, if tenant, the portion of the building described on the Policy Declaration page occupied as a private residence or seasonal dwelling.

“Premises” means the land contained within the lot lines on which the dwelling is situated. In the case of a tenant includes storage lockers reserved for your use only.

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

“Homeowner” means an owner of a dwelling or mobile home.

“Condominium Unit Owner” means an owner of a dwelling unit forming part of property owned by a condominium or strata corporation.

“Tenant” means one who rents property from another for dwelling purposes.

“Civil authority” means any person acting under the authority of the Governor General 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

Coverage's (Applicable to Section I)

The amounts of insurance are shown on the Policy Declaration page. These amounts include the cost of clearing and removal of debris as a result of an insured peril.

Fire Department Charges: We will pay up to \$500 for your liability assumed by contract or agreement for fire department charges incurred when the fire department is called to save or protect insured property from a peril insured against. No deductible applies to this coverage.

If you must remove insured property from your premises to protect it from loss damage, it is insured by this policy for 7 days or until your policy term ends, whichever occurs first. The amount of insurance will be divided in the proportions that the value of the property removed bears to the value of all property at the time of loss.

COVERAGE A – Dwelling Building

We insure:

1. The dwelling and attached structures.
2. Permanently installed outdoor equipment on the premises.
3. Outdoor swimming pool and attached equipment on the premises.
4. Materials and supplies located on or adjacent to the premises intended for use in construction, alteration or repair of the dwelling or private structures on the premises.

COVERAGE B – Detached Private Structures

We insure structures or buildings separated from the dwelling by a clear space, on your premises but not insured under Coverage A. If they are connected to the dwelling by a fence, utility line or similar connection only, they are considered to be detached structures.

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

Optional Coverage Extension – Dwelling Building

The following extension is available without increasing the amount of insurance shown on the Policy Declaration page. You may apply up to 10% of the amount of insurance on the dwelling to insure the following:

- (a) Building Fixtures and Fittings temporarily removed from the premises for repair or seasonal storage.

COVERAGE C – Personal Property

We insure the contents of the dwelling and other personal property you own, wear or use, while on the premises, which is usual to the ownership or maintenance of a dwelling. We do not insure loss or damage to motorized vehicles, trailers, camper units, truck caps, and aircraft or their equipment (except for motorized wheelchairs, watercraft, motorized lawn mowers, other gardening equipment or snow blowers). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

Optional Coverage Extensions – Personal Property

The following extensions are available without increasing amount of insurance on the Policy Declaration page. You may apply up to 10% of the amount of insurance on your personal property to insure the following:

1. Uninsured Personal property of Others while it is on that portion of the premises which you occupy but we do not insure property of roomers or boarders who are not related to you.
2. Personal property (other than watercraft and its equipment) temporarily removed from your premises, to another location in Canada or in the United States of America, other than in a seasonal residence or a storage warehouse.

Special Limits of Insurance

We insure:

1. Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$2,500 in all, but only while on your premises. Other business property, including samples and goods held for sale, is not insured.
2. Securities up to \$5,000 in all, unless specifically excluded.
3. Money or bullion up to \$500 in all, unless specifically excluded.
4. Watercraft, their furnishings, equipment, accessories and motors up to \$2,000 in all;
5. Computer software up to \$5,000 in all. We do not insure the cost of gathering or assembling information or data;
6. Silverware, meaning silverware, silver-plated ware, gold ware, gold-plated ware and pewterware up to \$10,000 in all.

The following special limits of insurance apply if the items described below are stolen:

7. Jewellery, watches, gems, fur garments and garments trimmed with fur, up to \$4,000 in all;
8. Numismatic property (such as coin collections) up to \$1,000 in all;
9. Manuscripts, stamps and philatelic property (such as stamp collections) up to \$2,000 in all;
10. Bicycles, including their equipment, up to \$500 in all on each bicycle.

COVERAGE D – Additional Living Expense

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.

1. **Additional Living Expense.** If an Insured Peril makes your dwelling unfit for occupancy, or you have to move out while repairs are being made, we insure any necessary increase in living expense, including moving expense incurred by you, so that your household can maintain its normal standard of living. Payment shall be for the reasonable time required to repair or rebuild your dwelling or, if you permanently relocate, the reasonable time required for your household to settle elsewhere.
2. **Fair Rental Value.** If an Insured Peril makes that part of the dwelling or detached private structures rented to others or held for rental by you unfit for occupancy, we insure its Fair Rental Value. Payment shall be for the reasonable time required to repair or replace that part of the dwelling or detached private structures rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the dwelling or detached private structures rented or held for rental is unfit for occupancy.

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

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

INSURED PERILS

You are insured against direct loss or damage caused by the following perils as described and limited:

1. **Fire or Lightning**
2. **Explosion.** This peril does not include water hammer.
3. **Smoke.** This peril means smoke due to sudden, unusual and faulty operation of any heating or cooking unit in or on the premises, but not smoke from a fireplace.
4. **Falling Object.** This peril means a falling object, which strikes the exterior of a building, but not objects, which strike the building because of snowslide, landslide or any other earth movement.
5. **Impact by Aircraft or Land Vehicle.** This peril includes any impact by a vehicle owned or operated by you or your employees, except for damage to sidewalks, lawns or driveways. Sonic boom by aircraft is also covered. Animals are not insured under this peril.
6. **Riot.**
7. **Vandalism or Malicious Acts.** This peril is applicable to the Seasonal Dwelling only if coverage is indicated as included on the Policy Declaration page.

This peril does not include:

- (a) loss or damage occurring while the building is under construction or vacant even if permission for construction or vacancy has been given by us
- (b) damage caused by you;
- (c) damage to the glass which forms part of a building;
- (d) loss or damage caused by theft or attempted theft ;
- (e) loss or damage as a result of vandalism or malicious acts caused by your tenant, his or her employee, or member or guest of the tenant's household. This exclusion applies only to that portion of a loss that exceeds \$5,000.

8. Water Escape, Rupture, and Freezing.

This peril means:

- (a) accidental discharge or overflow of water or steam from within a plumbing, heating, sprinkler or air conditioning system, domestic appliance (including waterbeds and fish tanks), swimming pool or equivalent attached and public watermains;
- (b) sudden and accidental bursting, tearing apart, cracking, burning or bulging due to the pressure of water or steam, or lack of water or steam, in a plumbing, heating, sprinkler or air conditioning system or an appliance for heating water;
- (c) freezing of any part of a plumbing, heating, sprinkler or air conditioning system or domestic appliance within a building heated during the usual heating season.

This peril does not include damage:

- (a) caused by continuous or repeated seepage or leakage;
- (b) caused by backing up or escape of water from sewer;
- (c) to the system or appliance caused by rust or corrosion;
- (d) to public watermains, outdoor swimming pools or equipment attached;
- (e) occurring while the building is under construction or vacant even if we have given permission for construction or vacancy;
- (f) caused by freezing which occurs during the usual heating season if you have been away from your premises more than four consecutive days. However, if 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 drained all the pipes and appliances, you would still be insured.

A plumbing system under this peril does not include sewers, sumps, septic tanks, eavestroughs or downspouts.

We will replace or repair any parts of the building that must be removed or torn apart before any insured damage can be repaired, except damage related to an outdoor swimming pool or equipment attached or public watermains.

9. **Windstorm or Hail.** This peril does not include loss or damage to your personal property within the building or to the interior of 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 damage:

- (a) to fences;
- (b) to outdoor radio or TV antennae (including satellite receivers) and their attachments;
- (c) due to weight or pressure or melting of ice or snow, waves, floods, whether driven by wind or not.

Special Exclusion

- (d) with respect to a mobile home only, to aluminum roofing or aluminum siding caused by hail resulting only in the denting of the roofing or siding. However, damage caused by windstorm or hail resulting in the puncturing of the roofing or siding is covered.

If the Declarations indicate that any of the following Perils is included, Peril 10 or 11 or 12 is made part of the Insured Perils.

10. Burglary and Robbery

"Burglary" means theft of personal property from the premises following illegal and forcible entry or exit, leaving visible marks at the point of forced entry or exit.

Burglary includes Robbery, meaning theft by violence or threat of violence to any person.

We will pay up to \$500 of the amount of insurance on your personal property for damage to the building caused by burglary.

This peril does not include loss or damage:

- (a) to animals, birds or fish
- (b) occurring while the building is under construction or vacant even if permission for construction or vacancy has been given by us (unoccupancy is not considered vacancy);
- (c) caused by any tenant, employee or member of the tenant's household.

11. Theft, Including Damage Caused by Attempted Theft.

This peril does not include loss or damage:

- (a) which happens at any other dwelling which you own, rent or occupy, except while you are temporarily living there;
- (b) caused by any tenant, employee or member of the tenant's household, if the part of the dwelling containing the property insured normally occupied by you is rented to others;
- (c) to property in or from a dwelling under construction or of materials and supplies for use in the construction until the dwelling is completed and ready to be occupied;
- (d) of animals, birds or fish.

12. Glass Breakage.

We insure glass that forms part of your dwelling or private structures on your premises, including glass in storm windows and doors, against accidental breakage. This peril does not include loss or damage occurring while a building is under construction or vacant even if we have given permission for construction or vacancy.

LOSS OR DAMAGE NOT INSURED

We do not insure:

- 1. loss or damage occurring after the dwelling has, to your knowledge, been vacant for more than 30 consecutive days;
- 2. loss or damage 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 or contamination by radioactive material;
- 3. loss or damage caused by war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- 4. buildings or structures used in whole or in part for business or farming purposes unless declared on the Policy Declaration page;
- 5. loss or increased cost of repair due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services. This exclusion applies only to that portion of a loss or increased cost that exceeds \$10,000;
- 6. loss or damage resulting from your intentional or criminal acts 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. loss or damage to personal property while undergoing a process involving the application of heat, but resulting damage to other property is insured;
 8. loss of or damage to any property illegally acquired, kept, stored or transported or property subject to forfeiture;
 9. loss or damage to books or account and evidences of debt or title;
 10. loss of or damage to any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
 11. with respect to a seasonal dwelling, loss of or damage to money, bullion, or securities unless insured under the Optional Burglary and Robbery Peril;
 12. lawns and outdoor trees, shrubs and plants;
 13. loss of or damage to electrical devices or appliances caused by electrical currents other than lightning, unless fire ensues and then only for such destruction or damage as results from such fire;
 14. loss of or damage to a rented or leased mobile home unless the occupancy is so described on the Policy Declaration page.
 15. wear and tear, deterioration, defect or mechanical breakdown, rust or corrosion, extremes of temperatures, fungus, wet or dry rot or mould, and contamination
 16. the cost of making good faulty design, material or workmanship
 17. loss or damage resulting from any activity relating to either the growing, cultivation, harvesting, manufacture, distribution, or sale of any drug, including but not limited to cannabis, or any non-prescription controlled substance or substances, whether or not you are aware of such activity.

BASIS OF CLAIM PAYMENT

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

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

DEDUCTIBLE: We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Policy Declaration page in any one occurrence. The deductible does not apply to Extensions of Coverage 4,5,6,7, and 8; or to Optional Coverage X and Y.

Note – Special terms apply to Optional Coverage Q.

If your claim involves personal property on which the Special Limits of Insurance apply, the limitations apply to losses exceeding the deductible amount.

Dwelling Building and Detached Private Structures: If you repair or replace the damaged or destroyed building on the same location, with a building of the same occupancy constructed with materials of similar quality within a reasonable time after the damage, you may choose as the basis of loss settlement either (A) or (B) below; otherwise settlement will be as in (B).

(A) The cost of repairs or replacement (whichever is less) without deduction for depreciation, in which case we will pay in the proportion that the applicable amount of insurance bears to 80% of the replacement cost of the damaged building at the date of damage, but not exceeding the actual cost incurred.

(B) The Actual Cash Value of the loss of the damage at the date of the occurrence

Personal Property: We will pay the Actual Cash Value of the loss or damage up to the applicable amount of insurance.

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

Insurance Under More Than One Policy: If you have insurance on specifically described property, our policy will be considered excess insurance and we will not pay any loss or claim until the amount of such other insurance is used up.

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