



# Homeowners Manual

## Ontario

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## How to Use This Manual

This document is optimized for reading in an electronic format: use PDF bookmarks to navigate to specific points of interest or click on any topic in the **Table of Contents** to view that section.

Within this document you'll also see blue underlined text that links to a corresponding section of content. Click **Back to Table of Contents** at the bottom of the page to return to the beginning of the document.

Please contact your Business Development Representative if you have any questions.

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## Binding Guidelines

Binding risks or coverage contrary to the instructions in this manual is at your own risk.

You may bind us on risks which meet the eligibility outlined in this manual. The back dating of coverage will not be accepted and will not be considered bound.

### Applications

A fully completed application signed by the applicant must be submitted. All applicable fields must be completely filled out. Mandatory fields containing a "/" or "N/A" or similar symbols are considered unacceptable.

Approved applications are:

- CSIO
- Informco
- BluePass Application

### Application Completion Requirements

The following information must be included on the application to be considered complete.

Section	Required Fields	Additional Information/Exceptions
<b>Application Heading</b>	Insurance Company Billing Method Binder Number	Binder number may be the submission number or account number if known
<b>1. Applicants Full Name and Address</b>	All with exceptions	Business contact, email and website not required. Preferred language will default to English unless otherwise stated
<b>2. Broker's Name and Postal Address</b>	All	Address used should be the selected branch for mailing
<b>3. Policy Period</b>	All	
<b>4. Applicant Data</b>	All with exceptions	Years continuously employed not required. Occupation not required where prohibited by law
<b>5. Loss History</b>	All	All claims and losses for the applicant(s) should be disclosed even if the risk is no longer owned or insured, including losses where a claim has not yet been made
<b>6. Policy History</b>	All	
<b>7. Cross Reference Information</b>	All if applicable	Failure to provide cross reference information could impact acceptability, coverage eligibility and rating
<b>8. Risk Address</b>	All	Street address is acceptable. Legal site (lot, block, plan) is acceptable where no street address exists
<b>9. Rating Information</b>	All if applicable	See Rating Information table
<b>10. Mortgagee/Loss Payee</b>	All if applicable	
<b>11. Attachments</b>	Optional	
<b>12. Address History</b>	All if applicable	Occupancy Date for this location required
<b>13. Liability Exposures</b>	All if applicable	
<b>14. Coverages</b>	All as requested	
<b>15. Liability Extensions and Exclusions</b>	All as requested	Pre-approval may be required
<b>16. Premium Information</b>	Type of Payment Plan Total Estimated Cost	
<b>17. Remarks</b>	Optional	

Failure to completely fill out all applicable fields will result in delay, as the application may be returned for completion. Only applications with a version date of April 2015 or later will be accepted.

Risks which indicate an approval is required, cannot be bound without approval from us. We may require the following:

- A completed Application
- An acceptable Replacement Cost Evaluator
- Full information for an endorsement
- A completed Questionnaire

All required Questionnaires can be found on our Broker Platform.

## Credit Information Consent Requirements

Insured's express consent is required in order to request credit information of Insureds from consumer reporting agencies. Credit is only available on individual names and not on policies where it is written in the name of a company or corporation.

### Acceptable types of express consent

- An industry acceptable CSIO signed application and if required due to application version date, a Privacy and consent form must accompany. Approved applications are:
  - CSIO
  - Informco
- Signed Wawanesa Personal Lines Property Personal Information and Consent form.
- Brokers may sign this form on the named Insured's behalf if verbal consent was obtained after credit rating was discussed with the named Insured.
- Verbally through Wawanesa approved audio signatures
- Wawanesa approved E-Signatures

**Note:** Where consent has been received, policies will continue to renew with the credit factor.

### Declining or Withdrawing Consent

- Declining to provide consent will not impact eligibility to obtain insurance or a quote without the credit factor.
- Insureds that have declined or requested to withdraw their consent to the use of their credit information must either sign the Wawanesa Personal Lines Property Credit Information Withdrawal of Consent form or provide verbal withdrawal of consent to their broker.
- A completed form or communication of the request must be submitted to an Underwriter for processing. By withdrawing consent, the Insured may not benefit from the best rate available.

## Payment Plan Options

Wawanesa offers two payment plan options: Payment by Installment, and Monthly Pre-Authorized Payment Plan (MAR – Monthly Automatic Recurring).

All applicants are eligible for the Full Pay Plan.

Applicants with a non-payment cancellation within 24 months prior to the application date are no longer eligible for our Monthly Automatic Recurring (MAR) payment plan, Two-Pay or Three-Pay plans.

### Payment by Installment

All applicants who have not had a cancellation for non-payment in the prior 24 months will be eligible for the Two Pay and Three Pay Plans.

### Monthly Pre-Authorized Payment Plan

All applicants who have not had a cancellation for non-payment in the prior 24 months will be eligible for the MAR Plan.

**Note:** Credit cards will not be accepted for the Monthly Pre-Authorized Payment Plan (MAR).

### Reinstatement after Non-Payment Cancellation

Policies cancelled due to Non-Payment will not be reinstated. A new application must be submitted, and new business rates and rules will apply.

Where payment of the premium due is received prior to the non-payment cancellation effective date, the cancellation will not be processed and a rescind notice will be sent. The policy will remain in-force.

## Cancellations

**New Business** – If a cancellation request is received after the effective date of the policy the full earned premium for time on risk will be charged.

**Renewals** – Flat cancellation will be allowed if we are advised within 30 days of the policy effective date. Either of the following are required in order to process the cancellation:

- A Cancellation Request Form signed by all named insureds; or
- A written request from the broker confirming they have the original documents in their office or, where applicable, confirming digital policy documents have not been forwarded to the insured.

**Mid-term** – We require a Cancellation Request Form signed by all named Insureds. It is not permissible to cancel any part of the basic coverages in the policy unless the entire policy is cancelled.

**Carrier initiated cancellations** will be computed on a Pro Rata basis.

**Insured initiated cancellations** will be computed on a Short Rate basis.

### Short Rate Cancellation Table (12 Months)

If the policy is cancelled by the Insured mid-term, we will calculate the refund based on the premium paid using this Short Rate Cancellation Table. For example:

If the annual paid premium was \$1,000 and the Insured cancels the policy 25 days after the policy effective date, the calculation would be  $\$1,000 \times 17\% = \$170$  retained by us. The premium refund would be \$830.

**Short Rate Cancellation Table**

Days Policy in Force	% of Premium Retained
1	5
2	6
3 - 4	7
5 - 6	8
7 - 8	9
9 - 10	10
11 - 12	11
13 - 14	12
15 - 16	13
17 - 18	14
19 - 24	15
25 - 29	17
30 - 34	19
35 - 39	20
40 - 44	21
45 - 49	23
50 - 54	24
55 - 59	26
60 - 64	27
65 - 69	28
70 - 74	30
75 - 79	31
80 - 84	32
85 - 89	34
90 - 104	35
105 - 119	39
120 - 134	43
135 - 149	47
150 - 164	52
165 - 179	56
180 - 194	60
195 - 209	63
210 - 224	67
225 - 239	70
240 - 254	73
255 - 269	76
270 - 284	80
285 - 299	83
300 - 314	86
315 - 330	90
331 - 344	93
345 - 359	97
360 - 365	100

## Third-Party Data Collection

Depending on the risk's location, additional property information may be available through third-party partnerships.

### Third-Party Roofing Data

Using aerial imagery, instant property data can be provided such as the roof covering type as well as the condition of the roof. The provided data will be automatically applied to the risk and underwriting of the policy. Accessibility to this information is determined at new business, new location addition, and renewal on an individual risk basis. If the information is not applicable, [Roof Guidelines](#) outlining age and roof covering type apply.

**Note:** When a risk is within the coverage area of this service, the provided data will be updated at least once per year to ensure accuracy.

## Residential Evaluator

We require accurate valuations to be completed using an approved valuation product:

- To assist in determining re-construction costs in advance of an unforeseen loss thereby providing knowledge to understand the implications on a basis of claims payment;
- As the primary factor in determining the risk premium on policies; and
- To ensure that policyholders are charged a fair premium for their specific risk characteristics.

**Note:** We strongly discourage the use of any valuation product as a competitive tool.

### New Risks

In order to bind coverage under our Homeowner's product, an approved current valuation must be completed, and when required, a detailed copy of the report must be submitted to us. The valuation must have been completed no earlier than 90 days from the effective date requested.

### Existing Risks

Any request to increase or decrease the value of the residence building amount of insurance will be processed with an immediate effective date.

If Guaranteed Replacement Cost Coverage applies and additions or improvements are made to the residence building that will increase the replacement cost by \$10,000 or more, we must be notified within 90 days of the start of work.

The reconstruction cost is to be determined by completing an approved valuation and the residence characteristics used to determine the valuation must be based on the estimated completed additions or improvements.

**Note:** Brokers who bind risks or coverage contrary to these instructions do so at their own risk.

If a broker has exceeded their binding authority, submitted a residence valuation which is not considered current, or failed to provide a re-evaluation, Wawanesa reserves the right to either of the following options or combination thereof:

- Return the application for insurance until an acceptable valuation is completed;
- Where a risk no longer qualifies, the policy may be amended to Basic form;
- Where applicable deny Guaranteed Replacement Cost coverage;
- Where applicable, deny Single Limit coverage; or
- Where applicable, amend the basis of settlement to Actual Cash Value.

## **Accepted Residential Evaluation Products**

**The valuation products listed below are accepted when they meet the following requirements:**

- The version date on the valuation must be within 30 days of the release date for a minor tool update (i.e. cost data update) as specified by the software vendor;
- The version date on the valuation must be within 90 days from the release date of a major tool version update as specified by the software vendor;
- The identified settings are included;
- Debris removal is included;
- A minimum quality of Builder's Grade or equivalent is selected; and
- The required fields have been completed. Where no such field exists within a tool, it is not required.
- A professional appraisal that meets all minimum requirements may be acceptable upon submission to underwriting. We do not require an updated professional appraisal every 5 years.

## **REQUIRED FIELDS**

1. Insured Name;
2. Street Address and Postal Code;
3. Year Built;
4. Total Square Footage (Finished Living Area, not including Basement);
5. Use (e.g. Single or Multi-Family);
6. Style;
7. Number of Storeys;
8. Foundation Type;
9. Finished Basement (including percentage finished);
10. Exterior Wall Finish;
11. Material Types (e.g. floor coverings, ceiling or wall surfaces);
12. Number of Above and Below-Grade Kitchens and Quality of Finishes;
13. Roof Material Type(s);
14. Number of Bathrooms and Quality of Finishes;
15. Garage/Carport or Other Attached Structures (identifying size);
16. Interior Wall Height;
17. Site Access (e.g. Island, Remote/Northern Location, etc.);
18. Pool, if present;
19. Heat type

## **APPROVED PRODUCTS**

### **Applied**

- Applied ITV

### **iClarify**

We accept evaluators from iClarify.

### **Marshall & Swift/Boeckh (MSB)**

MSB provides the following valuation products either through a desktop product or as an Express product accessed through the web:

- RCT Main Street Home
- RCT Mobile-Manufactured Housing (MMH)
- RCT High Value
- RCT Express - Corelogic

When using the suite of products provided by this vendor, we require:

- Accurate grading of all building features, including kitchens and bathroom. At minimum a Builders Grade Kitchen & Bathroom must be selected.
- Debris Removal must be included.

### **PowerSoft Corporation**

PowerSoft Corporation provides the following valuation product either through a desktop product or through a web service:

PowerHouse Evaluation - This delivery method utilizes PowerSoft's EvalWorks Evaluation engine.

When using this product, we require that Debris Removal be included and set at 6% where the product allows the setting to be adjusted.

### **Risk Management Services/Opta Intelligence**

Risk Management Services provides the following valuation product, paired with the iClarify data validation tool, either through CompuQuote or through a web service:

- Applied ITV

## **RS Means/e2Value**

RS Means/e2Value provides the following valuation products:

- E2Value Means Costworks Valuator (MCV)
- ezITV 2010 (delivered through Compu-Quote)

When using the suite of products provided by this vendor, we require:

- A minimum construction quality of Average/Standard must be selected for all risks. Any use of the Basic/Economic or Modest/Fair must be approved by an underwriter prior to submission.
- The foundation selection must be reviewed and if necessary, added under the 'Additional Areas' section, as the product will default to a slab foundation.
- Debris Removal must be included, and set at 6% where the product allows the setting to be adjusted.

## **Xactware**

Xactware provides 360Value, valuation product through a web service.

When using this product, we require that Debris Removal be included and set at 6% where the product allows the setting to be adjusted.

## **Design Clarifications**

### **Bi-Level Style**

- Design: The front door leads to an entranceway between the two levels, with the stairs leading up and down. Partially submerged lower level living quarters.
- Lower level is finished to Building Code Requirements.

**Note:** *The main reason a Bi-Level style home will cost more to reconstruct compared to a one storey with a finished or unfinished basement is that the lower level of a Bi-Level is built as total living area right from the start of home construction which means that all finishes, services and structural components of the lower level are equally built as the main level and must adhere to full building codes.*

### **Built-In Garage**

- Design: 1 Storey or Bi-Level with finished living area above the garage.
- A built-in garage is built into the residence at the first floor or grade level, which has living area above.
- For ezITV 2010 - a Built-In Garage must be added in the "Garage" section. The additional living area above the garage must be added in the "Additional Areas" section as a Bonus Room.
- Other valuation products require the finished area above the garage be included in the Total Living Area of the residence, and the garage should be shown on the valuation as a Built-In Garage.

## **Hillside Foundation**

Residential construction that is suspended over sloped terrain or hillsides. A hillside foundation is typically made of materials such as wood or steel columns that are set on concrete caissons (or footings), allowing part or all of the residence to be suspended out over sloped terrain.

**Note:** *Do not use this option for ordinary foundation or where the foundation excavation is merely dug into the side of a hill and the foundation is built as though on a flat surface.*

## **Insulated Concrete Form (ICF) Construction**

- See [Insulated Concrete Form](#) (ICF) Construction for more information.

## **Laneway Homes**

- Also referred to as a carriage house, coach house, granny flat or garden suite.
- Secondary residence unit within the property lines of the primary residence.
- See [Laneway Eligibility](#).

## **True Log Home Construction**

- See [True Log Home Construction](#) for more information.

## **Walkout/Daylight Basement**

- A walkout basement is normally built on a sloping site where the foundation walls are partially exposed to allow for the installation of windows and a door. This type of basement allows for the door to open into the yard because the basement is at ground level.
- The exposed portion of the basement wall typically includes a stucco and paint finish on the exterior of standard concrete or masonry wall construction.

## Risk Assessment Survey

### Guidelines

Any assessments, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety assessments.

- We will provide you with a report on the conditions that are found and recommend any changes.
- Risks which have been bound within your authority will be issued as submitted.
- Risks outside of your binding authority will be reviewed on a case by case basis.

**Note:** Assessments can, and will be, ordered for reasons other than establishing ITV.

We reserve the right to assess or appraise any risk for underwriting reasons which may include: higher value, size, age, condition, or any additional exposures.

You will be contacted, so you may notify the policyholder regarding the pending assessment or appraisal.

We may arrange for:

- On site Interior/Exterior Survey; or
- On site Interior/Exterior Survey with Replacement Cost Estimate

With respect to increases in values our guidelines are as follows:

- If the appraisal returns a value which is 20% or more, or \$200,000 or more than the current stated amount of insurance on the policy we will ask that you review the increase with the Insured and submit a written request to meet the appraisal amount within 30 days. We are not a market for underinsured residences. A copy of the appraisal will be forwarded to you upon request.
- For all other increases in value we will notify that the residence building amount of insurance will be increased upon the next renewal.

## Binding Authority

- You may not issue a binder for more than a 30-day period.
- For existing customers, after hours binding is available on watercraft. Binding authority is extended only from the end of our business hours until the next business day for newly acquired items exceeding the \$75,000 single item limit amount, but not exceeding a total limit of \$100,000
- Any false statement or misrepresentation may void any binder or application.

### Temporary Binding Restriction

Your binding authority will be temporarily suspended with regards to:

- Any new property; or
  - Adding/increasing coverage to an existing property
- when there is an imminent threat of being damaged by an existing event or condition.

This temporary restriction includes, but is not limited to any area:

- Under restriction by civil authority during forest fire alerts in conjunction with the Department of Natural Resources; or Provincial/Territorial Emergency Program;
- Under restriction by civil authority during flood alerts in conjunction with the Department of Natural Resources; or Provincial/Territorial Emergency Program;
- With an earthquake exposure from a known earthquake or tremor measuring 5 or more on the Magnitude Scale and within 150km of the Epicenter for 168 hours from the time and date of the event.

### Rateable Claims:

All claims with a reserve or payout greater than \$0 that the insured has incurred within the last 5 years prior to the inception date of the new policy will be considered a rateable claim.

**Note:** Prior rateable claims will be applied to the primary location on the policy.

Any claims after inception of the policy where there is an open reserve or claim payment greater than \$0 will be considered a rateable claim and will be applied to the location where the loss occurred.

Once a claim is deemed rateable it will affect the policy premium until 5 years have passed, regardless of if the location where the loss occurred has been removed.

**Note:** Claims for Personal Cyber, Telephone Legal Helpline, and Legal Expense Coverage are not considered rateable claims unless they occurred prior to the inception of the policy.

## Limits Of Authorization

For consideration of higher limits, please refer to your underwriter.

### Coverage A Residence Type & Limit

Protected .....	\$1,500,000
Semi Protected.....	\$750,000
Unprotected.....	\$500,000
Mobile/Mini Homes – Protected.....	\$400,000
Mobile/Mini Homes - Semi & Unprotected.....	\$200,000

### Scheduled Articles

Jewellery Items - without appraisal .....	\$10,000
Other Individual Items – without appraisal .....	\$10,000
Other Individual Item – with appraisal .....	\$25,000
Total Schedule .....	\$100,000

### Watercraft

Individual Items.....	\$75,000
Personal Watercraft.....	Refer
Total Schedule.....	\$100,000

### Vacation Trailers

Individual Items.....	\$100,000
Total Schedule.....	\$100,000

### Liability

Third Party Limits.....	\$2,000,000
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## Protection Grades

Our territories are defined using the Canadian Postal Code. To determine the appropriate rating territory for a risk the following information is required:

- The Postal Code for the legal location of the risk; and
- If the risk is protected, semi-protected or unprotected.

A postal code is made up of two 3-digit groupings. The first grouping is the FSA (Forward Sortation Area), the second grouping is the LDU (Local Delivery Unit). For most locations the rating territory is based on the FSA solely. However, there are certain areas which use both the FSA and LDU in determining the rating territory. The rating for FSA is different than those that use both the FSA and LDU. If the full postal code for the risk is not listed, then the FSA territory applies.

FSA tables are built into the rating structure. For rates, please refer to your electronic quoting tool.

### Protected Risks

Applies to all risks provided they meet the following requirements:

- Situated within 300 metres (1,000 ft) of a fire hydrant and serviced by a fire department having access to such a hydrant; and
- Located within 13 kilometres (8 miles) by road of a Fire Hall recognized by the Office of the Provincial Fire Commissioner and Fire Underwriter's Survey (FUS).

We are not prepared to accept hydrants that are not supported by publicly controlled and maintained infrastructure or equipment. Hydrants must be recognized by Fire Underwriter's Survey (FUS) to qualify for Protected rates. A link to FUS can be found on the Broker Platform.

### Semi Protected Risks

Applicable to risks located within 13 kilometers (8 miles) from a recognized and responding Fire Hall, by road normally kept open year-round and as stated in the declaration. The Fire Hall must be recognized by the Office of the Provincial Fire Commissioner and Fire Underwriter's Survey (FUS).

### Unprotected Risks

Applies to risks located more than 13 kilometers (8 miles) from a responding Fire Hall, or risks which are not serviced by a road normally kept open year-round.

# Do Not Submit

## General Risk Exclusions

- Any risk with cryptocurrency mining.
- Any risk accessible only by air.
- Any risk that has been zoned or classed as a heritage site by a municipality or any other government body.
- If an Insured owns more than 4 rental risks, whether we insure them or not, this will be considered a commercial business exposure.
- Any risk with a residence or additional building or structure intended for demolition or for which a demolition permit has been obtained (this includes mid-term changes).
- Any risk with more than 2 mortgages.
- Any risk with a Rent-to-Own Agreement.
- Any risk that rents facilities on the premises independently or by the hour such as, but not limited to, swimming pools and hot tubs
- Any risk located in Quebec.
- Any risk with solar panels that generate more than 20KW of power.
- Any mobile/mini home risk with roof mounted solar panels.
- Any risk that currently has a cannabis grow operation, legal or illegal, or other illegal drug production on premises.
- Any risk growing more than a total of 4 Cannabis plants for personal use regardless if it is medicinal or recreational in a self-contained suite.

**Notes:** A risk with a total of 4 or less cannabis plants (per self-contained suite), being grown legally for personal usage by an Insured (or tenant occupying a self-contained suite), and where it is allowed by both Federal and Provincial Law, is not considered a cannabis grow operation.

Plants grown in an additional building or structure other than a detached self-contained suite are considered part of the residence.

## Insurance History Exclusions

- An Insured or risk which has had 2 or more claims or losses in the past 3 years.

## Insured and Occupancy Exclusions

- Any risk that is owned, occupied, or rented by more than three unrelated individuals, including the owner.
- Any risk with more than 1 detached suite.
- Any risk (residence or secondary suite) rented on a short-term basis, that does not qualify for the Short-Term Rental Coverage.
- Any risk with a detached suite that is a Mobile/Mini Home, container home, or any specialized construction.
- Any risk with more than 3 self-contained suites in a single building (greater than a triplex).
- Any risk in the name of a society.
- Any risk with a self-contained suite leased or rented in full or in part to a society, association or business.
- Any risk with an active farming operation. These risks should be referred to our Farm Department.
- Any risk with an uninsured business or commercial exposure anywhere on premises.

- Any risk that is known to be a rooming or boarding house

**Rooming or Boarding House:** A private residence, whether owner-occupied or used as a revenue property, where individual rooms are rented out to multiple occupants. This definition applies regardless of whether payment is required or if the arrangement is temporary or permanent.

### Key Characteristics:

- Number of Occupants: Typically, a rooming or boarding house has more than 3 unrelated occupants.
- Rental Arrangements: Multiple rooms are rented out individually, often with separate rental agreements for each occupant.
- Shared Facilities: Common areas such as bathrooms, kitchens, and living spaces are shared among the occupants.
- Occupant Types: Includes residences occupied by multiple unrelated individuals, such as students, workers, or other tenants, regardless of whether they are paying rent.

**Note:** A single tenant occupying a self-contained secondary suite is not considered rooming house.

## Construction Exclusions

- Any risk that is considered unique construction. This includes but is not limited to tiny homes, float homes, sunspaces, domes, steel, earth-sheltered or straw structures. Refer to Specialized Residential Construction for approved non-standard construction types.
- Any Unacceptable Heating types.
- Any Unacceptable Oil Heat types.
- Any Unacceptable Plumbing types.
- Any Unacceptable Solid-Fuel types.

## Mobile/Mini Home Exclusions

- See Mobile/Mini Home Additional Guidelines.

## Refer Prior To Binding

### General Risk Referrals

- Any risk which exceed your limits of authorization.
- Any risks located outside of the region where the policy does not insure a primary occupied risk in the region.
- Any risk with an unconventional mortgage including but not limited to Private Lenders.
- Any risk with stand-alone Coverage B – Additional Buildings and Structures.
- Any risk where the total sum of Scheduled Article(s) exceeds 25% of Coverage C – Personal Property.
- Any risk only accessible by water.
- Any risk that requires a liability extension to a third party.
- Any risk which is adjoining, adjacent, or subject to commercial exposure unless the risk is in a Fire Resistive building.
- Any risk with a day care on premises.
- Any risk with a [home-based business](#) that does not meet our eligibility requirements but is insured elsewhere.
- Any risk with a [home-based business](#) listed under Class A of our eligible home-based businesses.
- Any risk with a [commercial exposure](#) and subject to commercial wordings.
- Properties that have applied for rezoning or have been rezoned.
- Any residential property in a commercial risk.
- Any risk with [solar panels](#) that are connected to the utility grid and sell excess energy for financial compensation.
- Any risk with [solar panels](#) that are leased.
- Any risk growing a total of 4 or less Cannabis plants for personal use regardless if it is medicinal or recreational.
- Any risk that previously had a cannabis grow operation, legal or illegal, or other illegal drug production on premises. The following reports to be submitted for review include:
  - Environmental Inspection
  - Hydro and Electrical Inspection/Checklist
  - Engineer's Report
  - Report from the Office of the Fire Commissioner or the city/municipality where the risk is located certifying the residence is approved to be occupied

**Notes:** A risk with a total of 4 or less cannabis plants, per self-contained suite, grown legally for personal recreational or medicinal usage by a tenant (in their self-contained suite), and where it is allowed by Federal and Provincial regulation, is not considered a cannabis grow operation.

Plants grown in an additional building or structure other than a detached [self-contained suite](#) are considered part of the residence.

### Insurance History Referrals

- An Insured or risk which to your knowledge, has been cancelled, lapsed, restricted or declined by any insurer for any reason including, but not limited to, non-payment of premiums
- An Insured or risk with 2 or more claims or losses in the past 5 years.
- An Insured or risk that has an open claim.
- Any risk which has known unrepairs damage due to an insured or uninsured loss.
- An Insured initiated gap in coverage of 30 days or more which immediately precedes the effective date of the application for insurance with Wawanesa must be referred to underwriting for approval prior to binding.
- The following information is required for underwriting consideration:
  - Duration of the gap in coverage
  - Reason for the gap in coverage
  - Reason for seeking insurance at this time
- The following circumstances do not need to be referred:
  - Where an applicant for insurance has had a gap in coverage/insurance as a result of moving between two properties for which there was no overlap in dates (e.g. Sold home on January 01 and new home closed on June 15th).
  - Where the gap in coverage/insurance was due to the applicant being covered under another insurance policy (e.g. applicant moved in with their parent and was covered under the parent's policy).
  - First time home buyers
  - Children of Wawanesa insureds purchasing their first property (eligible for claims free)

### Insured and Occupancy Referrals

- Any risk with 1 or more roomers or boarders.
- Any risk in the name of a company or corporation.
- Any risk in the name of a trust.
- Named Insured is under the age of the majority.
- Any risk where the premium is paid by an unrelated third-party.
- Any risk with an "Estate of" request for the Named Insured (new business only).
- Vacant or unoccupied risks.
- Suite occupied by or rented to 3 unrelated individuals.
- Any risk with an additional building or structure occupied as a detached secondary suite.
- Any risk requiring a certificate of insurance.

### Heating and Construction Referrals

- Rowhouses/Townhouses constructed prior to 1985
- Any risk under construction or renovation, including any detached secondary suite.
- Any risk listed in our [heating referral section](#).
- Any risk not meeting our [roof guidelines](#).
- Any risk listed in our [electrical referral section](#).
- Any risk listed in our [plumbing referral section](#).

## General Information

### Additional Buildings and Structures

An additional building or structure is intended for permanent or semi-permanent installation and use on the premises, and will be physically detached from the residence. This includes but is not limited to:

- Detached garages
- Storage buildings such as sheds or barns
- Detached secondary suites
- Gazebos
- Green houses
- Above ground swimming pools
- Animal shelters
- Quonsets

Structures that are intended for temporary or mobile use off premises are considered personal property, and include trailers, ice fishing huts, yurts, tents and fabric sided quonsets that are not permanently installed. Acceptability, coverage eligibility and rating of a residence may be impacted by the type of additional building and structure, its construction and use.

**Notes:** See [Laneway Homes](#) for further information on additional buildings and structures used as a residence.

When adding coverage for additional buildings and structures, it is important to advise how the building is being used, its heat source and who occupies it.

### Additional Families

- You must advise us of the number of additional families in the risk.
- The number of families should be indicated in Section 9 - Rating Information on the CSIO application.

**Example:** An owner-occupied residence with one additional family would be indicated by entering the number 2 beside 'Primary' in the Occupancy/# of Families table.

For eligibility on Additional Families, refer to [Do Not Submit](#) and [Refer Prior to Binding](#)

### Beehives

We will accept risks with 3 or less beehives, however the honey cannot be sold or generate income or compensation.

Our policy will extend liability to the beehives and all personal property/bee keeping equipment and the hive itself. There is no coverage for physical damage caused by the bees, nor any coverage for the bees themselves.

**Note:** The raising of bees for the production of honey or any other product or service that is sold, traded, bartered, or generates any other form of compensation is considered a farm exposure and does not meet our Homeowner eligibility guidelines.

### Commercial Exposure

A commercial exposure is any type of building, activity, or property ownership that requires commercial property or commercial liability coverage of any kind. This includes Commercial General Liability, Directors and Officers, Error and Omissions, Professional Liability, commercial buildings, business activities in commercially zoned buildings or locations, and buildings attached to or adjacent to a commercial exposure.

### Estate Residences

In the event of a death of a Named Insured on a policy, we require notification:

- Where the policy has more than one Named Insured, the co-Insured will become the first Named Insured, and unless requested otherwise coverages will remain as is.
- Where the deceased Insured is the only Named Insured, the policy will be amended to read in the name of The Estate of; and:
  - Where the residence of the deceased is now unoccupied; the [Permission for Unoccupancy \(Estate of\) Endorsement](#) will be attached to the policy for a period of 6 months (180 days) from the death of the Insured, or renewal whichever is longer.
  - Policy coverages as they existed prior to the policy being amended into the name of the Estate will remain as is for the period of time indicated above. For the purpose of any coverages, limitations and exclusions included in the policy wordings, any residence(s) on the policy not considered to be under renovation or vacant, immediately prior to the Insured's death will be considered unoccupied but not vacant.
  - Once the period of time for permission has expired, coverages will be amended based on the occupancy of the residence(s) and our coverage requirements.

In order to qualify for the Permission for Unoccupancy (Estate of) Endorsement, the risk must comply with the following:

- It is not under construction, renovation.
- It is under the supervision and care of a competent person.
- The water supply is shut off.
- The heat is being maintained.
- Lawncare and snow removal from driveways, walkways and stairs are maintained.
- The doors and windows are kept securely closed and locked.
- It is kept clear of any debris including mail.

**Notes:** Only the Executor of the Estate can make changes to the policy.

## Farming Operations

Risks with farming operations do not qualify for Personal Lines and should be referred to our Farm Department. Farming operations include but are not limited to:

- The ownership or use of the premises for the production of crops or other farm products including hay
- The raising and care of livestock for compensation
- The operation of roadside stands and farmer's markets principally for the sale of the insured's own farm products
- The property is taxed as a farm
- The insured rents or leases land to others for any farming operation.

The following risks may still be accepted under personal lines with underwriting approval, full description and details of the personal use farm exposures will be required:

- Personal use private structures that were previously used for farming purposes.
- Personal use equipment that was previously used for farming and exceeds the 50hp limit for liability coverage. Heavy equipment will not be considered.
- Livestock, eggs or crops if strictly for the insured's own personal use or consumption.
- Risks with personal use horses - See [Equine Endorsement](#) Section.

**Note:** There is no property coverage for livestock even if personal use only.

## Inflation Protection Coverage

Inflation protection coverage is included. The policy limits will be increased each renewal by the approximate percentage of current annual inflation.

## Laneway Homes

A Laneway Home is a detached residential unit located on the same property as the primary residence. They are also referred to as carriage or coach houses.

Laneway Homes are to be written as a separate residence and must meet all building guideline requirements. Liability will be extended from the primary residence on the same premise.

In general, we do not consider a detached garage with a suite to be a Laneway Home. These should be insured under Coverage B – Additional Buildings and Structures. However, depending on the value or occupancy, these risks may be written as a Laneway Home. Please refer to your Underwriter.

**Note:** We allow only one Laneway Home per location. Mobile/Mini Homes are not eligible.

## Letters of Brokerage

We will accept a Letter of Brokerage signed by the Named Insured(s) transferring their existing policy to a new broker at renewal. The letter may be submitted no more than 60 days prior to the policy renewal date.

Letters of Brokerage that are backdated will not be accepted.

**Note:** Residence values will not be decreased during this type of transaction. If applicable, values can be decreased on the following renewal.

## No Previous Insurance

For applicants without continuous insurance, coverage will be issued with a minimum deductible of \$1,000.

On the first renewal date, the deductible can be reduced to \$500 upon request, provided no claims have been reported.

Proof of previous continuous insurance requires both the company name and policy number. For children who have moved out on their own, we will accept their parent's policy as proof of previous insurance.

## Other Insurance

Insurance with another carrier on any residence described on the declaration is not allowed. Please refer to Policy Wording for details.

## Outdoor Sauna Units Heated by Solid-Fuel

Risks with an outdoor sauna heated by a solid-fuel appliance may be accepted with underwriter approval.

### Guidelines:

- WETT Inspection is not required
- Solid-Fuel questionnaire is not required
- The heating unit must meet the manufacturers installation clearances and be professionally installed. All clearances must comply to the certification as shown on the unit based on the region where it was built
- Canadian Certification Listing is not required (European or USA certified units will be acceptable)
- The sauna and heating unit must not be altered from its original condition
- The sauna must be outdoors and a minimum of 20ft from the main residence and any other structures
- The sauna and heating unit must not be homemade
- There have been no prior sauna related fire losses
- The risk must be owner occupied

## Solar Panels

Solar panels for residential use allow property owners a sustainable and environmentally conscious way to manage energy consumption. Panels may be interconnected with the electric utility's distribution grid and range from small rooftop installations to large ground mounted systems.

Grid connected panels involve the commercial sale of excess energy for financial compensation or generating credits to offset the cost of future electricity use (referred to as "Net Metering".) Off grid systems are also available, these systems are generally smaller installations and designed to provide power in areas that do not have grid electricity readily available.

Installation of a solar panel system must be done by a certified or professional installer.

In some regions inspections of the installation are required. Additional meters are installed to measure the amount of electricity generated and returned to the grid.

The terms of compensation and liability in the event of loss or damage are outlined in a contract between the property owner and the electricity supplier.

### Coverage:

#### Section I - Physical Damage Coverage

Solar panels and their equipment are covered for physical damage under our base policy wording depending on where they are installed:

- Panels installed on the roof of the residence are covered under Coverage A
- Panels installed on the roof of an additional building or structure, and ground mounted panels, are covered under Coverage B
- Portable panels are covered under Coverage C

**Notes:** Coverage limits should be reviewed and increased where necessary to include the cost of the panels, equipment, and installation.

*There is no coverage for loss of use, income, or any other compensation, resulting from physical loss or damage to solar panels covered by the policy.*

#### Section II - Personal Liability Protection

There is no coverage under Section II of the policy for loss or damage associated with selling energy back to the grid for financial compensation.

**Note:** We do not consider the credit on future energy bills, or storage of energy for the member's own future use, as financial compensation.

### Guidelines:

- Maximum acceptable power generation for any type of installation is 20KW
- Mobile/Mini homes are not eligible for roof mounted installations
- Panels which are connected to the grid and selling excess energy for financial compensation must be referred to underwriting
- Panels which are leased must be referred to underwriting

The following details will be required for referral:

- Value of the panels, date of installation, and location of panels
- Confirmation of professional installation
- A copy of the agreement between the member and utility provider outlining terms of financial compensation, if the equipment is owned or leased and the members coverage responsibilities

**Note:** Additional supporting information may be required.

## **Specialized Residential Construction**

A specialized residential construction type is one that is uniquely constructed, architecturally designed, or requires specialized valuation or appraisal to determine the reconstruction cost. In some cases, a residence with specialized construction includes materials or craftsmanship well above what would be found in an average home with standard construction.

The following specialized construction types are acceptable subject to all coverage eligibility and rating rules:

### **A-Frame Construction**

- Commonly built using a kit and are often built by the Homeowner. There may be no exterior walls and limited insulation. Additionally, the mechanical construction can be creatively designed.
- Often found in more remote areas with limited fire protection.
- Typically have lower replacement cost values and replacement cost calculators are not built to accurately calculate the value for this type of risk.
- There may be limited roof maintenance as it is difficult to access the roof without some kind of lift.

### **Insulated Concrete Form (ICF) Construction**

- Insulated Concrete Forms are lightweight, highly durable foam blocks or forms composed of an expanded or extruded polystyrene, and recycled materials.
- The ICFs are stacked in the shape of the home, reinforcing steel is placed inside, and concrete poured in between to create a solid, structural wall.
- The ICFs remain in place after the concrete sets, and function as thermal and acoustical insulation, an air and vapor barrier, and exterior wall sheathing.
- The finished wall is basically 6" +/- of reinforced concrete with 2"-3" of dense foam insulation inside and out, resulting in a rock solid, 12" thick, super-wall.
- Construction costs of these homes are typically higher than standard frame construction homes.

### **Post & Beam Construction**

- Post & Beam Construction resembles Timber Frame Construction from an aesthetic perspective, but differs in the fundamental engineering.
- Post & Beam will typically use glued laminated timber rather than solid wood beams.
- Mechanical and metal fasteners are used on joints which may be exposed, or hidden. Post & Beam construction usually requires additional framing and panels to improve the structural stability.
- Guaranteed Replacement Cost and Single Limit are not available.

### **Timber Frame Construction**

- Timber Frame Construction uses solid wood beams with mortise and tenon connections and secured with wood pegs (this is a specialized method of crafting the joints so that mechanical and metal fasteners are not required).
- Wood is traditionally solid timber, and often recycled, but may also be glulams and glued laminate timber which is a structural engineered wood.
- This type of construction does not need to rely on additional framing to achieve structural stability.
- Guaranteed Replacement Cost and Single Limit are not available.

### **True Log Home Construction**

- Design: Constructed with solid exterior log walls, framing and partitions
- Also referred to as Hand Hewn Log Construction
- This would include products like Pan-Abode
- Requires a residential evaluator which accommodates log construction
- Guaranteed Replacement Cost and Single Limit are not available
- True Log Home Construction is a rating factor

## Manufactured Homes

A manufactured home is a residence type which is prefabricated in whole or in part within a plant or factory, and delivered to a site for assembly and installation. Manufactured homes may be referred to as modular homes or prefabricated homes, mobile homes or mini homes, micro homes or tiny homes, park model homes, or ready to move homes.

### Mobile/Mini Homes

A mobile or mini home is typically built on a steel chassis, and is constructed entirely at the plant or factory. Installation will be minimal and include: set up on blocks, pilings, or concrete slab, skirting, connection services, and adding decks or porches. The exterior walls are load bearing which limits construction width and length.

### Modular Homes

A modular, prefabricated home, ready-to-move homes are constructed in large sections and assembled and installed on a permanent foundation or basement. Modular homes may be bungalows, split level, two or three story homes with customizable floor plans.

There are few design limitations with modular homes, they are built to the same building code as site built or stick homes and must be designed and manufactured in full compliance with the National Building Code.

### Park Model Homes

A park model home is construction similar to a Mobile/Mini Home, but is intended to be moved seasonally, and intended for seasonal use. They are generally built with slightly lighter lumber and lower insulation levels following the CSA Z241 label. Although they are built smaller for ease of towing, a special truck and license is required to move them. These can be left long-term in a park built for this type of seasonal residence.

We would not consider these risks under our Homeowner product. Please refer to our Seasonal Manual.

### Tiny Homes

The manufactured tiny or micro home is built to the same code as a vacation trailer or recreational vehicle, and will carry a CSA Z240-RV label. They are built on a single chassis and can be towed by any private passenger heavy duty truck. While they can be used as a primary residence, they are not subject to property taxation. The RV classification requires vehicle registration like any other vacation trailer.

**Note:** We do not write Tiny Homes.

The following is a chart to assist you in eligibility as well as how to provide coverage:

Residence Type	CSIO Application – Structure Type	Policy Center	Coverage Type
Modular Home	Modular Home Pre-Cut Home Prefabricated – Unspecified Panelized Home	Modular	Homeowners
Ready to Move	Modular Home Pre-Cut Home Prefabricated – Unspecified Panelized Home	Modular	Homeowners
Mobile / Mini Home	Mobile or Mini	Mobile/Mini	Homeowners with Mobile / Mini Home Endorsement
Park Model Home	Mobile or Mini	Mobile/Mini	Seasonal
Tiny Home		Not Written	

# Building Guidelines

## Electrical Underwriting Guidelines

### Full Electrical Update

When the complete electrical system has been replaced, we will consider this a full electrical update.

### Partial Electrical Update

When at least 50% of the electrical system has been replaced, we will consider this a partial electrical update. This can include but is not limited to the wiring, circuit breakers, receptables and switches.

### Electrical Referral

Risks where the electrical system:

- Has not been updated to 100 amp service or greater; and/or
- Has not been updated to a Circuit Breaker Panel; and/or
- Where knob and tube, aluminum or mixed wiring exists.

Risks listed under electrical referrals may be considered, on Basic Form only, if an electrical inspection has been completed by a licensed electrician within the last 36 months. The inspection must indicate the electrical system presents no apparent deficiencies.

## Plumbing Underwriting Guidelines

### Full Plumbing Update

The complete plumbing system has been replaced. The replacement must meet our acceptable guidelines

### Partial Plumbing Update

A partial update consists of at least 50% of the plumbing system replaced to meet our acceptable guidelines.

### Unacceptable Plumbing

- Iron, galvanized or lead (other than waste lines)
- Kitec

### Plumbing Referral

- Polybutylene (Poly-B)

## Roof Underwriting Guidelines

### Full Roof Update

The complete roof system has been replaced.

### Partial Roof Update

A partial update applies if less than 100% of the roof system is replaced.

When available, third-party data will be automatically applied to the policy which will supersede any guidelines surrounding covering type and age. If no reliable third-party information is available, age and covering type requirements will be evaluated. Regardless if third-party information or age/covering type guidelines are being used, one of the following conditions will be automatically applied:

### Acceptable Condition

The roof meets eligibility guidelines. No further action taken.

When third-party data is not available, the following Acceptable Condition guidelines apply:

Roof must not be:

- Asphalt Roll Roofing 11 years of age or older.
- Asphalt Shingles, Mineral Fiber Shakes, Plastic, Tar and Gravel, or Tin roofing material that is 26 years of age or older.
- Aluminum, Clay Tile, Concrete Tile, Corrugated Steel, Metal Tile, Rubber, Slate Tile, Wood Shakes, Wood Shingles or Metal Panel roofing material that is 41 years of age or older.

### Maintenance Condition

While the roof may not require updating in order to continue coverage, the roof (either due to age or current condition) is nearing the end of its life expectancy.

### Update Condition

The roof does not meet acceptable guidelines (either due to age or current condition). Coverage will continue to be offered for the upcoming term (New Business and Renewal).

- The [Limited Roof Surfacing Endorsement](#) will be applied.
- An update to the roof will be required prior to the next renewal.

Risks may require additional underwriter review to determine acceptability.

A risk may be considered if an inspection of the roof (including photos) from a qualified inspector has been submitted prior to binding.

**Note:** The above roofing guidelines do not apply to Mobile/Mini Homes, please refer to the [Mobile/Mini Home Additional Guidelines section](#) for more information

### Roof Surfacing - Basis of Settlement

This endorsement is automatically applied to all risks where we insure Coverage A-Residence, unless the Limited Roof Surfacing Endorsement applies to the risk.

If during investigation of a covered loss to the roof there is evidence of excessive wear and tear or deterioration due to age, any loss or damage to the roof surfacing will be settled according to Actual Cash Value. If there is no evidence of excessive wear and tear or deterioration due to age, there will be no impact to the basis of settlement.

## **Heating Underwriting Guidelines**

All Homeowner risks must have permanently installed and thermostatically controlled heat throughout the residence.

All heating appliances, primary or secondary, must be certified by a recognized body (e.g. Canadian Standards Association, Underwriters' Laboratory of Canada, or Warnock-Hersey) and be properly installed and vented according to the Manufacturers specifications and the appropriate installation standards.

### **Full Heating Update**

When the complete heating system has been replaced, we will consider this a full heating update. This includes the source of heat and the distribution system.

### **Partial Heating Update**

When part of the heating system has been replaced, such as the furnace, propane tank, radiator, or ductwork, we will consider this a partial heating update.

### **Unacceptable Heating**

- Any risk not heated by a permanently installed and thermostatically controlled heat source throughout the residence.
- Any risk or self-contained suite heated solely or primarily by space heaters, wood stoves, or radiant electric ceiling panels.
- Any risk with radiant electric ceiling panels installed prior to or in 1994 that were manufactured by the following:
  - Flexwatt
  - Flexel
  - Aztec – Flexel
  - Thermaflex

### **Heating Referrals**

- Any risk with heating that is 41 years of age or older
- Any risk with an outdoor solid-fuel appliance used to heat the residence or additional buildings and structures.
- Any risk or self-contained suite with oil space heaters.

## **Solid-Fuel Underwriting Guidelines**

Any risk with a solid-fuel burning appliance, whether primary or auxiliary, must be referred. A risk's heat source will be considered to be heated primarily by solid-fuel if the appliance is used to heat the entire residence and/or if more than 4 full cords of wood or more than 50 x 40 lb bags of pellets (1 tonne) are burned annually.

Solid-fuel includes biomass fuels such as cord wood, sawdust, peat logs, pelletized fuel or kernel corn.

### **Eligibility**

- A fully completed Wawanese or CSIO Solid-Fuel Heating Questionnaire must be submitted for all solid-fuel appliances.
- Photos of the appliance must accompany any request to insure a risk with solid-fuel heating.
- Every solid-fuel burning unit must be properly installed according to the manufacturer's specifications.

Heating appliances must also meet the following criteria:

- The appliance must be labeled with a Canadian Standards Act (CSA), Underwriters Laboratories of Canada (ULC) or Warnock Hersey (WH) certification. The following certifications are also acceptable as they are considered CSA accredited: PFS, Intertek and Omni Test Laboratories (OTL); and
- The appliance must be either:
  - Professionally installed; or
  - Wood Energy Technology Transfer (WETT) inspected. This inspection should not be older than 10 years

**Notes:** *These guidelines do not apply to conventional wood fireplaces or zero clearance fireplace inserts.*

### **Unacceptable Solid-Fuel Risks**

- Any risk with a Surefire furnace.
- Any risk with an uncertified solid-fuel burning appliance or chimney, regardless of WETT approval.
- Any risk, self-contained suite or additional building or structure with living quarters that is solely or principally heated by a solid-fuel. A solid-fuel burning furnace is allowed as long as it meets all heating underwriting guidelines.
- Any risk that has more than 2 solid-fuel appliances
- Any risk with a coal burning appliance
- Any Mobile/Mini Home with a solid-fuel heating appliance
- Any risk with an indoor wood boiler
- Any solid-fuel appliance vented with a type A chimney
  - These are metallic chimneys designed for natural gas or oil heating appliances. These chimneys typically have insulation depth of 1 inch and are not designed to handle the high temperature flue exhaust generated by a solid fuel burning appliance.

## **Oil Heat Underwriting Guidelines**

- All oil tanks must meet underwriting criteria, do not submit any unacceptable oil tanks.
- Photos of the oil tank must accompany any request to insure a risk with oil heating. The photos should be retained on file and must be provided upon request.

## **Renewing Business**

Any risk with an oil tank that has reached an age that deems the oil tank to be unacceptable will require a full inspection by a qualified licensed contractor or installer in order to be considered for continued coverage. The report submitted must provide the condition of the complete system along with an estimate of remaining life span of the tank. Photos will be required.

## **Unacceptable Oil Tanks**

- Any risk with a single-walled oil tank (risks with a single-walled, double bottom oil tank are acceptable)
- Any risk with single bottomed oil tanks unless constructed of fiberglass
- Any risk where a used or reconditioned oil tank has been installed.
- Any risk with an oil tank that does not have a certification label.
- Any risk with an oil tank that has not been professionally installed.
- Any risk with an oil tank that appears to be in poor condition. This could include but is not limited to rust, dents, leaks or evidence of corrosion or problems.
- Any risk with an oil tank that is on an uneven base or with any evidence of shifting or leaning.
- Any oil tank manufactured by DTE Industries Ltd.
- Any risk with an underground oil tank. If the tank is not in use it must be removed.
- Any risk with an unused tank that is emptied and filled with sand, aggregate, or any other materials.
- Any risk with an indoor double bottom tank that is no longer in use must be emptied. We require a letter of confirmation indicating the tank has been emptied and the fill pipe has been disconnected. Removal of the tank would be preferred.
- Any risk with an outdoor above ground double bottom oil tank that exceeds 10 years of age.
- Any risk with an indoor double bottom oil tank that exceeds 15 years of age.
- Any risk with an outdoor above ground fiberglass or secondary containment oil tank that exceeds 20 years of age.
- Any risk with an indoor fiberglass or secondary containment oil tank that exceeds 25 years of age.

**Note:** *Outdoor Fiberglass or Secondary Containment units older than 20 years of age and indoor fiberglass or secondary containment older than 25 years of age may be considered if submitted with a full inspection by a qualified contractor or licensed installer. The report must provide the condition of the complete system along with an estimate of the remaining life span of the tank. Photos will be required to be submitted with the inspection report.*

## **Types of Oil Tanks**

### **Single Bottom Oil Tank**

Any ULC certified, oil tank manufactured without a secondary bottom steel wall or secondary containment system.

### **Single Wall, Double Bottom Oil Tank**

Any ULC certified, oil tank manufactured with single walls and a secondary bottom steel wall with interstitial space to contain leaks and is equipped with a leak sensor. This is not considered secondary containment as it does not provide at least 110% containment of leaks.

### **Double Bottom Oil Tank**

Any ULC certified, oil tank manufactured with a secondary bottom steel wall with interstitial space to contain leaks and is equipped with a leak sensor. This is not considered secondary containment as it does not provide at least 110% containment of leaks.

### **Fiberglass Oil Tank**

A tank manufactured with a type of fiber-reinforced plastic where the reinforcement fiber is specifically glass fiber. These tanks can come in a single bottom or double bottom configuration.

### **Secondary Containment**

Factory built tank and system that has been installed in accordance with the provincial code by a qualified service technician. The system will have a means to effectively contain 110% of the volume of the tank's contents. The system must also include a leak detection method or device.

An aftermarket secondary containment unit that is purchased to be utilized with the existing tank will also qualify as a Secondary Containment where all of the following applies:

- Meets or exceeds NFPA 31 requirements
- UL or ULC listed
- 110% containment capacity
- Equipped with a leak detection device

### **Oil Tank Leak Detection**

Oil tank leak detection is a device or method that is capable of detecting leaks in a storage tank system. Example: A vent alarm that is a small device that is typically installed between the tank and vent pipe. It signals the person filling the tank that it is full.

## Occupancy

Any occupancy related information must be included in the risk details. This information is required to accurately rate and issue the policy. Any change in occupancy must be disclosed and the policy must be updated accordingly.

### Owner Occupied

A residence is owner occupied when the legal owner on the title of the premises uses the residence as a private home. Non owner occupied would encompass any situation where that legal owner does not reside in the risk.

### Relative Occupied Residences

We will insure a risk which is owned by a Named Insured and occupied by a Relative of a Named Insured. The same coverages and rates are available as if the risk was owner-occupied. The age rating factor will be determined by the age of the primary insured or the additional insured if provided. Each residence is subject to the following:

- The risk qualifies under our Homeowners Eligibility Guidelines;
- The occupant must be a relative who occupies the residence as their primary residence.

To add the Occupant as an Additional Insured; a signed Privacy and Consent form is required along with prior insurance and loss history where applicable.

If the risk does not qualify under these eligibility rules, please review our guidelines for Revenue Properties.

**Note:** *The term Relative refers to a Named Insured's children, stepchildren, mother, father, stepparent, stepfather, grandparent, grandchild, mother-in-law, father-in-law, sister, brother, stepsister, stepbrother, sister-in-law, and brother-in-law.*

### Roomer and Boarder

A roomer or boarder is a tenant who occupies a specified part of a residence which lacks at least one major bathroom or kitchen facility, such as a toilet, refrigerator, or stove. The tenant will have access to a private sleeping area, and to one or more major bathroom or kitchen facility supplied to be used in common by all occupants of the residence. A person who sublets from a tenant or rents a room from a homeowner or tenant is considered a boarder. The rental relationship will typically be an informal verbal agreement which is not protected by any residential tenancy act. A relative is not considered a roomer or boarder.

### Secondary Homeowners (Not Rented to Others)

When an applicant occupies two year-round risks, we are prepared to consider a homeowners package on the same policy subject to the following:

- We insure the primary residence on a package policy;
- The risk qualifies under our Homeowners Eligibility Guidelines;
- The risk is occupied a minimum of one day in a sixty day period throughout the year; and
- The risk is furnished year-round

### Self-Contained Suite

A single-family residence or single-family secondary suite is considered self-contained when it has its own point of entry, heating and ventilation systems, kitchen, bathroom and living and sleeping areas.

A self-contained suite can share a yard, parking area, laundry and storage space. A self-contained suite may have its own mailing address or share a mailing address with the main residence.

Any self-contained suite used for short-term rentals must meet our [Short-Term Rental Coverage](#) guidelines.

### Short-Term Rental

A residence that is owner-occupied may also be used as a short-term rental. This means the use of a residence or secondary suite for temporary overnight accommodation. A guest who occupies the residence as part of a short-term rental agreement is considered a tenant rather than a roomer or boarder.

Please refer to our [Short-Term Rental Coverage](#) guidelines to determine if the insured qualifies for coverage under the Short-Term Rental coverage.

### Tenant Occupied

A residence that is intended to be occupied solely by a tenant (or tenants) will be written as a Revenue Property.

**Note:** *A tenant is a person who has the right to use and occupy a residence or part of a residence according to the terms of agreement with the owner or landlord of the residence. The terms of agreement will include conditions of the rental agreement including the payment of rent.*

### Under Construction

Includes the construction of a new residence or additional building or structure on the residence premises. Construction also includes major renovations, alterations, additions, or repairs to existing structures, while they are unfit for occupancy. See [Residence Under Construction Coverage](#) for further information.

Risks undergoing a minor or cosmetic renovation with no changes to the structure are not considered under construction. Please refer to your underwriter.

### Unrelated Individuals

The term Unrelated Individuals refers to people that do not have a relationship to each other that can be described as family or relative.

### Vacant

A risk is considered vacant when, regardless of the presence of furnishings, all occupants have moved out with no intention of returning to reside continuously in the residence (even if you return to inspect, maintain, use or occupy the property on a casual or intermittent basis), and no new occupant has moved in.

A newly constructed or newly acquired residence is also considered vacant when no occupant has moved in.

If the risk is under renovation and not occupied during the renovation, it should be considered as under construction.

If the property is vacant more than 30 consecutive days and the policy does not have a [Vacancy Permit](#) attached, the coverage on the policy is null and void.

## General Eligibility

- Owner-occupied or [relative occupied](#)
- The Named Insured indicated on the policy must only be the property owner or one of the following:
  - Their spouse according to provincial/territorial law;
  - The relatives of either;
  - Any other person under the age of 21 in the care of an Insured
- Under Section II - Liability Coverage only; the Additional Interests which are normally included in Bodily Injury and Property Damage Liability Insurance.
- Family corporations and estates of deceased persons where the building and/or contents to be insured have not been divided among the beneficiaries must be referred.
- The risk may not have more than 1 detached secondary suite.
- The risk and premises must be well maintained.
- The risk must be constructed for year-round occupancy.
- The risk must be accessible by a maintained roadway year-round.
- The risk must be insured to 100% of its replacement cost.
- The risk must not be occupied as a summer or seasonal residence. Please refer to our Seasonal Manual for eligibility guidelines.
- Any risk used for short-term rental purposes, must qualify according to the short-term rental coverage guidelines. In addition, the [Short-Term Rental Coverage](#) must be added.
- The risk must be used exclusively for private residential purposes except for those occupancies eligible for [Home-Based Business Coverage](#) or [Day care Coverage](#).
- Any risk that may be considered vacant, refer to our [Vacancy Permit](#) section.

### Acceptability Guidelines for Secondary Suites

- Used exclusively as a private residence.
- Primary residence must be owner-occupied.
- Secondary suite may be owner or [relative](#) occupied, or tenant occupied.
- Any secondary suite used as a short-term rental must meet our [Short-Term Rental Coverage](#) guidelines.
- All secondary suites must be single family residences.
- A Mobile/Mini Home, container home or vacation trailer is not an eligible secondary suite.

## Form Eligibility

### Homeowner Form Eligibility

	<b>Broad &amp; Comprehensive</b>	<b>Basic</b>
<b>Minimum Coverage A Limit</b>		<p>Minimum limit \$100,000 These minimum limits apply to new business and new risks added mid-term.</p>
<b>Electrical</b>	Minimum 100 Amp Circuit Breakers	<b>Refer:</b> Less than 100 Amp Fuses, Risks with Knob and Tube, Aluminum or Mixed Wiring
<b>Primary Heating</b>	Must not be older than 41 years of age	<b>Refer:</b> Older than 41 years of age
<b>Plumbing</b>	100% Copper, Plastic, or PVC	<b>Refer:</b> Risks with Polybutylene (Poly-B) lines
<b>Roofing</b>		Acceptable Condition Coverage Limited: Maintenance Condition, Update Condition (roof must be updated prior to the next renewal) <a href="#">Roof Guidelines</a> consist of Third-Party Information, Age and Covering Type
<b>Number of Families</b>		Maximum 3 families
<b>Number of Suites</b>		Maximum 3 suites in the residence

## Mobile / Mini Home Additional Guidelines

In addition to the eligibility requirements listed below, please review the [Refer Prior to Binding](#) and [Do Not Submit](#) sections.

	Comprehensive & Broad	Basic
Minimum Coverage A Limit	\$50,000	\$30,000
Age of Mobile / Mini Home	40 years or newer	
Actual Cash Value	16 years and older	
Vacant Mobile / Mini Home	Not Eligible	Eligible
Number of Families	Maximum 1 Family	
Number of Suites	Maximum 1 Suite	
Guaranteed Replacement Cost	Not Eligible	
Single Limit	Not Eligible	

**If residence type is Mobile/Mini Home, it must meet all Homeowners eligibility requirements as well as:**

- Must have no additions other than decks, porches, and stairs
- Must have a CSA label
- Must be factory-built
- Must have full skirting using compliant materials
- Must have a 2x6 frame construction
- If the risk is located in a Mobile/Mini Home park, the park must have year-round access
- If the risk is not accessible year-round, refer to our Seasonal Manual to determine if the risk meets underwriting guidelines
- Cannot have any additional detached residences
- Must comply with the manufacturer's instructions, municipal building codes and any additional Provincial/Territorial requirements for:
  - Foundations
  - Anchorage / tie-downs
- Roof must not be:
  - Asphalt Roll Roofing 10 years of age or older.
  - Asphalt Shingles, Mineral Fiber Shakes, Plastic, Tar and Gravel, or Tin roofing material that is 26 years of age or older.
  - Aluminum, Clay Tile, Concrete Tile, Corrugated Steel, Metal Tile, Rubber, Slate Tile, Wood Shakes, Wood Shingles or Metal Panel roofing material that is 41 years of age or older.

The [Mobile/Mini Home Endorsement](#) will be automatically added when the residence type is a mobile/mini home.

This endorsement excludes coverage caused by the displacement or overturn of any mobile home that does not have an approved anchorage / tie-down system, however, any resultant fire or explosion remains covered.

Photographs for Mobile/Mini Homes must be retained on file and must be provided upon request.

**Note:** De-registered Mobile Homes are treated the same as a registered Mobile Home.

**Do Not Submit the Following Mobile/Mini Home Risks:**

- Any Mobile/Mini Home more than 40 years old.
- Any Mobile/Mini Home with any wood heat, wood fueled furnace, or space heater.
- Any Mobile/Mini Home with more than 1 suite of any kind.
- Any Mobile/Mini Home with a Laneway.
- Any Mobile/Mini Home under construction.
- Any Mobile/Mini Home that is vacant.
- Any property with more than one Mobile/Mini home on it.
- Any Mobile/Mini Home with more than 1 unrelated occupant.
- Any Mobile/Mini Home without a CSA label.
- Any Mobile/Mini Home that is considered a Bareland Condominium.

## Coverage Summary

This is a guide only, please refer to the policy wordings for details.

### Section I - Property Coverage:

#### Basic Form:

Insured Events on Buildings and Personal Property

#### Broad Form:

All Risk Coverage on Buildings; Insured Events on Personal Property. Subject to policy exclusions and conditions

#### Comprehensive Form:

All Risk on Buildings & Contents, subject to exclusions

#### Coverage A – Residence

- A minimum limit of \$150,000 applies to new business and newly added risks
- The limit should be equal to or greater than the current evaluator on file

#### Coverage B – Additional Buildings and Structures

- 15% of the amount of Coverage A - Residence.
- Permanently situated boat lifts, boat docks and boat houses owned by the Insured, located on the same property or resort as the risk, and are in whole or partially over the water are included.

**Note:** Please ensure that 15% of Coverage A is adequate and increase if necessary.

#### Coverage C – Personal Property

- 80% of the amount of Coverage A – Residence on Comprehensive and Broad Forms.
- 50% of the amount of Coverage A – Residence on Basic Form
- Provides replacement of personal property without deduction for depreciation, provided that the property was in usable or working condition at the time of loss.
- Replacement Cost is included on all package policies at no additional charge.

**Note:** [Refer to Base Wordings for Limitations under Coverage C.](#)

#### Coverage D – Loss of Use

- 20% of the amount of Coverage A – Residence.
- This includes any one or a combination of Additional Living Expense, Fair Rental Value and Prohibited Access by Civil Authority.

### Section II - Personal Liability Protection:

#### Coverage E - Legal Liability

- Limit - \$1,000,000 inclusive.
- Higher limits are available. Limits over \$2,000,000 must be referred to an underwriter prior to binding.
- For rates, please use your electronic quoting tool.

**Note:** If more than 1 location exists on the same policy, all locations must have the same limit for Coverage E - Legal Liability.

#### Coverage F - Voluntary Medical Payments

- Limit - \$5,000 (each person).
- Not subject to proof of legal liability for injuries.

#### Coverage G – Voluntary Payment for Damage to Property of Others

- Limit - \$1,000 (each occurrence)
- Not subject to proof of legal responsibility.

#### Coverage H - Voluntary Compensation for Residence Employees

Provides benefits for residence employees if they are injured or die accidentally while working for the Insured. Please review the [policy wording](#) for included limits.

## Deductible

### Base Policy Deductible Options:

\$500, \$750, \$1,000, \$1,500, \$2,500, \$5,000, \$10,000

**Note:** Where the applicant(s) have had no previous insurance, coverage will be written subject to a minimum deductible of \$1,000.

### Hail & Windstorm Deductible:

Hail & Windstorm Deductible coverage is included for risks where we provide Coverage A - Residence. The rating territory for this coverage is based on the FSA where the risk is located.

The minimum deductible for Hail & Windstorm Deductible is \$2,500. This deductible can be increased to \$5,000 or \$10,000 to apply a discounted rating factor, but it must be greater than or equal to the base policy deductible.

We reserve the right to apply underwriting restrictions after a loss or in areas with high loss frequency and severity. These restrictions may include, but are not limited to, increasing the deductible or removing discounted factors.

**Note:** For rating, please refer to your electronic quoting tools.

## Deductible Benefits

### Disappearing Deductible

If the Declarations Page indicates the Disappearing Deductible benefit is applied, the policy deductible will be automatically reduced by \$100 for each consecutive claims-free year.

Following a rateable claim where the disappearing deductible would apply, the policy deductible will return to the original purchased deductible at the next renewal date.

This benefit is automatically included for all eligible risks and is applicable to the base policy and any coverage that does not carry its own deductible specified on the declarations page.

### Eligibility Guidelines:

- The original purchased policy deductible must be greater than or equal to \$1,000
- Not available for risks on Basic form
- Not available for residence type Mobile/Mini Homes
- Not available on risks that are Vacant or Under Construction

### Waiver of Deductible Coverage

If the Declarations Page indicates the Waiver of Deductible Coverage is applied, the deductible will be waived on covered losses over \$50,000.

This endorsement is automatically included on all eligible risks and applies to the base policy and any optional coverage excluding:

- Earthquake Coverage
- Legal Expense Coverage
- Personal Cyber Coverage

### Eligibility Guidelines:

- The original purchased policy deductible must be greater than or equal to \$1,000
- Not available for risks on Basic form
- Not available for residence type Mobile/Mini Homes
- Not applicable to Enhanced Homeowners

## Homeowners Coverage Comparison

Coverage	Comprehensive	Broad	Basic
<b>Coverage A - Residence</b>	All Risk	All Risk	Fire; Lightning; Explosion; Smoke; Falling Object; Impact by Aircraft, Spacecraft or Land Vehicle; Riot; Vandalism or Malicious Acts; Water Damage; Windstorm; Hail; Electricity; Transportation; Collapse caused by the weight of ice, sleet or snow; Ice Damming; Damage Caused by Bears; Theft and Attempted Theft
Basis of Settlement	Replacement Cost	Replacement Cost	Replacement Cost (unless otherwise stated)
<b>Coverage B - Additional Buildings and Structures</b>	All Risk	All Risk	Insured Events - as above
Amount of Coverage	15% of Coverage A	15% of Coverage A	15% of Coverage A
<b>Coverage C - Personal Property</b>	All Risk	Insured Events	Insured Events - as above
Amount of Coverage	80% of Coverage A	80% of Coverage A	50% of Coverage A
Basis of Settlement	Replacement Cost	Replacement Cost	Replacement Cost
<b>Coverage D - Loss of Use of Your Residence</b>			
Amount of Coverage	20% of Coverage A	20% of Coverage A	20% of Coverage A
<b>Coverage E - Legal Liability</b>			
Amount of Coverage	\$1,000,000	\$1,000,000	\$1,000,000
<b>Coverage F - Voluntary Medical Payments</b>			
Amount of Coverage	\$5,000 each person	\$5,000 each person	\$5,000 each person
<b>Coverage G – Voluntary Payment for Damage to Property of Others</b>			
Amount of Coverage	\$1,000	\$1,000	\$1,000

# Homeowners Rating Information

## Multiplicative Rating Variables

Due to the complexity of the new rating structure, electronic quoting tools are required.

Below is a list of variables that may impact rating:

Amount of Insurance

Credit Score

Drive Change

Electrical Amperage

Electrical Panel Type

Electrical Wiring Type

Finish Type

Fire Alarm

Fire Station Distance

Form Type

Frame Type

Fuel Type

Hail and Wind Claim Count

Hail and Wind Deductible

Heat Age

Heat Type

Heat Use

Hydrant Distance

Intrusion Alarm

Liability Limit

Loyalty

Minimum Premium (Package)

Minimum Premium (Sewer Backup)

Mortgage Free

Multi-Product

Multi-Risk

New Business Discount

Number of Families

Occupancy

Oil Tank Age

Oil Tank Location

Oil Tank Type

Package Claim Count

Package Deductible

Plumbing Age

Plumbing Type

Policyholder Age

Residence Age

Residence Type

Roof Age

Roof Assessment Classification

Roof Type

Sewer Claims Count

Sewer Backup Limit

Sewer Deductible

Sewer Preventative Measures

Superior Exterior

Superior Shuttle Tanker

Swimming Pool/Hot Tub

Territory

Water Heater Age

Water Heater Type

Water Leak Detection Alarm

**Note:** Minimum premium will apply after all rating factors have been applied.

## Drive Change

A credit factor will apply to the residence if the insured is actively enrolled in the Drive Change Program on their private passenger auto policy with Wawanesa.

## Multi-Product

A credit factor will apply to the residence if the insured's private passenger auto is also insured with Wawanesa.

## Multi-Risk

A credit factor will apply to the residence if the insured has any other personal property risks on the same policy.

## Water Leak Detection

The Water Leak Detection credit factor applies when a centrally monitored or mobile monitoring water leak detection system has been installed in the residence.

**Centrally Monitored** – A centrally monitored leak detection system with an automatic shut off feature.

**Mobile Monitored** – An application that sends an alert to a Mobile Internet Connected Device with a water shut-off feature.

## Endorsements and Limitations

The chart below outlines the wording options that may apply to each policy type. We also provide a brief explanation of the intention of each wording. For a complete understanding please review the entire [wording](#) with respect to agreements, coverages, limitations, exclusions and impacts to basis of settlements where applicable.

Wordings	Comprehensive	Broad	Basic
Actual Cash Value - Building & Contents	✓	✓	✓
Actual Cash Value - Building Only	✓	✓	✓
Actual Cash Value - Contents Only	✓	✓	✓
Additional Buildings & Structures Coverage - All Risk Form	✓	✓	✓
Additional Buildings & Structures Coverage - Basic Form	✓	✓	✓
Additional Insured - Building & Liability	✓	✓	✓
Additional Insured - Contents and Liability Only	✓	✓	✓
Additional Insured - Designated Location or Unit Liability Only	✓	✓	✓
Additional Insured - Designated Premises	✓	✓	✓
Bareland Condominium Endorsement *	✓	✓	✓
Bicycle Coverage	✓	✓	✓
Building Bylaws Coverage	✓	✓	✓
Business Personal Property Coverage	✓	✓	✓
Claims Free Protection	✓	✓	
Computer Coverage	✓	✓	✓
Contents Off Premises Coverage	✓	✓	✓
Cosmetic Damage Exclusion - Hail & Windstorm	✓	✓	✓
Day Care Coverage	✓	✓	✓
Deletion of Hail Coverage Endorsement (Vacation Trailers)	✓	✓	✓
Designated Garden Tractor Liability Extension	✓	✓	✓
Designated Premises Liability Extension	✓	✓	✓
Earthquake Coverage	✓	✓	✓
Eco-friendly Coverage	✓	✓	✓
Equine Coverage	✓	✓	✓
Fine Arts Coverage	✓	✓	✓
Glass Breakage Coverage	✓	✓	✓
Guaranteed Replacement Cost *	✓	✓	
Hail & Windstorm Exclusion	✓	✓	✓
Home-Based Business Coverage	✓	✓	✓
Home Equipment Breakdown Coverage *	✓	✓	✓
Identity Fraud Expense Coverage	✓	✓	✓

Legal Expense Insurance Coverage	✓	✓	✓
Liability Extension - His Majesty the King, in Right of Canada	✓	✓	✓
Liability Restriction Designated Premises	✓	✓	✓
Limited Exterior Endorsement	✓	✓	✓
Limited Roof Surfacing Endorsement	✓	✓	✓
Limited Sewer Backup Coverage	✓	✓	✓
Mobile/Mini Home Endorsement	✓	✓	✓
Motorized Vehicle Coverage	✓	✓	✓
Overland Water Coverage *	✓	✓	✓
Permission for Unoccupancy (Estate Of)	✓	✓	✓
Personal Articles Coverage	✓	✓	✓
Personal Cyber Coverage	✓	✓	✓
Residence Under Construction Coverage *	✓	✓	✓
Remote or Home Office Liability Coverage	✓	✓	✓
Roof Surfacing - Basis of Settlement	✓	✓	✓
Service Line Coverage*	✓	✓	✓
Short-Term Rental Coverage	✓	✓	✓
Single Limit Coverage *	✓	✓	
Special Limits Enhancement Plus*	✓	✓	
Sports Equipment Coverage	✓	✓	✓
Stronger Home Coverage	✓	✓	✓
Telephone Legal Helpline Service	✓	✓	✓
Theft, Attempted Theft and Mysterious Disappearance Exclusion	✓	✓	✓
Tool Coverage	✓	✓	✓
Vacancy Permit			✓
Vacation Trailer Coverage	✓	✓	✓
Vandalism by Tenant Coverage	✓	✓	✓
Waiver of Deductible Coverage *	✓	✓	
Watercraft Coverage	✓	✓	✓

Endorsements marked with an \* are not available on  
Mobile/Mini Homes

This is a brief summary of our endorsements for full intent please refer to the actual wording.

The minimum premium for endorsements is \$10 unless indicated otherwise.

### **Actual Cash Value Coverage**

The Actual Cash Value endorsements are added at Underwriter discretion, and restrict the basis of settlement for the coverage identified in the endorsement:

- Actual Cash Value Coverage – Building & Contents
- Actual Cash Value Coverage – Building
- Actual Cash Value Coverage – Contents

### **Additional Insured**

An Additional Insured is an individual or entity who has an insurable interest in the property. An Additional Insured's interest may include varied combinations of the residence, additional buildings and structures, contents and liability.

To add an individual or occupant as an Additional Insured, claims history information and a signed privacy and consent form will be required.

To add any other entity as an Additional Insured, refer to underwriting. We offer the following forms:

- Additional Insured – Building & Liability Only  
(Coverage A, B and Section II)
- Additional Insured – Contents & Liability Only  
(Coverage C and Section II)
- Additional Insured – Designated Location or Unit –  
Liability Only (Section II)
- Additional Insured – Designated Premises  
(Section I, Coverage A, B, C, D, and Section II)

### **Additional Insured – Building & Liability Only**

This endorsement identifies as additional interest with respect to Section I – Property Coverage, specifically Coverage A – Residence and Coverage B – Additional Buildings and Structures as well as Section II – Personal Liability Protection, but only for liability arising out of the ownership, maintenance or use of the location designated on the declaration

### **Additional Insured – Contents & Liability Only**

This endorsement identifies as additional interest with respect to Section I – Property Coverage, specifically Coverage C – Personal Property and Coverage D – Loss of Use of Your Residence as well as Section II – Personal Liability Protection, but only for liability arising out of the ownership, maintenance or use of the location designated on the declaration.

### **Additional Insured – Designated Location or Unit – Liability Only**

This endorsement identifies as additional interest with respect to Section II – Personal Liability Protection, but only for liability arising out of the ownership, maintenance or use of the location designated on the declaration

### **Additional Insured – Designated Premises**

This endorsement identifies as additional interest with respect to Section I – Property Coverage and Section II – Personal Liability Protection, but only for liability arising out of the ownership, maintenance or use of the location designated on the declaration.

### **Bareland Condominiums**

A Bareland or strata condominium is a type of condominium where the owners each own their individual lot or plot of land. Any structure built on the land will be the sole responsibility of the owner, and any common land areas or common use structures or recreational buildings will be the responsibility of all owners collectively. A residence that is legally designated as a bareland condominium may be a detached home, townhome or row house, duplex, or triplex.

The following applies to a Bareland Condominium:

- [Guaranteed Replacement Cost](#) and [Single Limit Coverage](#) are available subject to eligibility guidelines.
- Completed replacement cost evaluator with new business.

The [Bareland Condominium Coverage endorsement](#) will be added automatically to every policy. This provides additional coverage for:

- Collectively Owned Condominium Property and the limit is 250% of Coverage C.
- Condominium Deductible Coverage with a \$25,000 limit with an option to buy up to \$100,000.
- Condominium Loss Assessment (Section II – Coverage E).

**Note:** Please indicate on the application if the risk is a Bareland Condominium. We do not write Bareland Condominiums that are Mobile/Mini Homes.

## **Bicycle Coverage**

This optional endorsement provides All Risk coverage for the personal use of bicycles.

Refer any motorized bicycles powered by gas or electric except E-bikes that are operable and follow the restrictions and limitations of the province/territory they are used in.

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

### **Deductible:**

Subject to a \$25 deductible

### **Rating:**

Per \$100 .....	\$10
Minimum premium .....	\$20

**Note:** *With the purchase of this endorsement, we have removed the exclusion to sporting equipment while in use.*

## **Building Bylaws Coverage**

This endorsement provides coverage for loss or damage to the residence caused by an insured event, for demolition, construction or repair as required to comply with any law or ordinance.

For coverage to apply the residence must be repaired, rebuilt or replaced.

Limits in excess of \$100,000 must be authorized by your Underwriter.

Building Bylaws Coverage does not apply to the following:

- Earthquake Coverage
- Limited Sewer Backup Coverage
- Overland Water Coverage

### **Rating:**

First \$30,000 limit .....	Included
Each Additional \$1,000.....	\$1.50

## **Business Personal Property Coverage**

- This optional endorsement extends coverage to direct physical loss or damage to the insured business personal property caused by an Insured event.
- The business personal property is Insured against the same events that apply to Coverage C – Personal Property.
- The limits purchased under this endorsement are in addition to the amount shown for Coverage C – Personal Property.
- The amount of insurance for loss or damage to business personal property away from the location or residence to which this endorsement is attached is limited to 25% of the amount of insurance shown on the declaration or \$5,000 whichever is less.
- Business personal property in storage, or at any other location the Insured owns, rents, leases or occupies for business purposes is not covered.
- This coverage is not available on tools.

### **Rating:**

Per \$1000 .....	\$3
Minimum Premium .....	\$15

## **Claims Free Protection Endorsement**

This optional endorsement provides protection against the premium effects of a first [rateable claim](#) on an eligible risk.

Eligibility is determined for each risk individually and may be purchased for each eligible risk location on a policy.

This endorsement is available on Homeowners Comprehensive and Broad Forms.

### **Eligibility Criteria**

- Policy term must be 12 months.
- The policyholder must be continuously insured with a habitational policy for 5 years with no gaps or lapse in coverage.
- The risk must not have a [rateable claim](#) within the prior 5 years.
- Vacant or unoccupied risks and risks under construction or renovation are not eligible for this endorsement.
- This endorsement may be purchased on New Submission, Renewal, or mid-term on a newly added eligible risk.

## How It Works

- The Claims Free Protection Endorsement will waive a claim that occurs during the policy term on renewal.
- The endorsement must be present on renewal in order to waive a loss that occurred during the prior policy term.
- When a rateable claim is being waived, the Claims Free Protection will renew as “in use”, and the premium will continue to be charged.
- The renewed endorsement will continue waiving the claim for a maximum of 5 years and cannot be used again until the risk location has been claims free for 5 full years.
- After 5 years, if the risk is eligible, the endorsement will renew as “purchased”, and will be available to waive a subsequent claim. If the risk is not eligible to purchase the endorsement, it will be deleted on renewal.
- If the endorsement is removed while in use, the risk will be re-rated, and the claim will be counted.
- The waiving of a claim does not change the claims Eligibility Rules found in Binding Guidelines.
- This endorsement does not exclude the requirement for remediation measures to be taken after a claim.

## Rating

Premium for this endorsement is \$40 and it is fully earned.

## Computer Coverage

This optional endorsement does not increase Coverage C – Personal Property Limit. Its intended use is to schedule computer equipment as defined and to remove the deductible.

Includes coverage for data.

The following is excluded under this endorsement:

- Insured property rented to others.
- The cost to gather or assemble information required for the re-creation of any data, except for duty or licensing fees for the cost of downloading or restoring data, for which you have paid duty or license fees.
- Unlicensed computer software or any data or computer software which has been acquired illegally.
- Accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents, unless they have been converted into electronic data and then only in that form.

## Important Definitions

### ***Computer Equipment includes, but is not limited to:***

- Central processing unit, monitors, keyboards, mice
- Auxiliary equipment, printers, scanners, computer speakers, webcams, microphones and headsets
- External memory devices, hard drives, memory sticks
- Wi-fi and networking hardware, modems, routers, connecting cables
- Laptops, tablets and e-readers including their batteries and chargers
- Firmware, software and data installed on or used with insured computer equipment.

### ***It does not include:***

- Smart home devices and their equipment
- Connected security devices including cameras and sensors
- Audio and video streaming devices and home theatre equipment
- Smart lighting, speakers, displays and accessories
- Connected environmental control devices

## Rates per \$100:

Desktop Computer .....	\$1.25
Laptops.....	\$2.50
Tablet Computers .....	\$2.50
Minimum Premium.....	\$25

## Cosmetic Damage Exclusion - Hail and Windstorm

This is an exclusion of coverage with respect to Coverage A – Residence and Coverage B – Additional Buildings and Structures under Section I – Property Coverage. This exclusion is added as an underwriting tool indicating any damage caused by hail or wind to the exterior of the building will not be covered.

Any damage to the exterior of the building which is functional damage will be covered. Any damage that is cosmetic is not covered.

## **Day Care Coverage**

This optional endorsement extends liability to cover any unrelated children in the care of the Insured.

**Note:** Day Care Coverage is not available on Laneways, Seasonal Risks and Revenue Properties.

### **Number of Children**

The number of children cared for including the Insured's own will determine the eligibility of the risk. Day Care Coverage may extend to both licensed and unlicensed home day cares. Provincial or Territorial Regulations should be consulted when considering binding a risk with a day care.

Each Province or Territory outlines the maximum number of children. If our manual is more limiting than the Provincial or Territorial Regulations, our manual applies.

If the Provincial or Territorial Regulation is more limiting than our manual, the Provincial or Territorial Regulation will apply.

### **Maximum Number of Children per Caregiver**

- No more than five children under the age of 13 (including insured's own) with a combination of ages;
- There must be no more than two children under the age of two including their own

**If the Insured's operations exceed these ratios, the risk will not be written under Personal Lines. Please refer to the Commercial Department.**

### **Eligibility and Requirements**

This coverage is intended for home-based day cares. Please review the following business practices to determine risk eligibility:

**Questionnaire** - A fully completed Day Care Questionnaire acceptable by Wawanesa is required on all new business and on subsequent renewals.

**Children with Special Needs** - If the Insured cares for children with special needs, please ensure that details are provided with respect to their needs (ex. physical, mental, emotional) and any details of specialized care (ex. feeding, medical care).

- Formal Early Childhood Education – If the insured cares for children with special needs, they must have this certificate to remain on risk.
- Formal First Aid Training is mandatory for all Insureds that care for children with special needs.
- Signed Emergency Release – if a child under the Insured's care has special needs it is an underwriting requirement that a signed emergency release form be obtain from a parent or legal guardian.

**Dispensing Medicines or Medications** - If the Insured dispenses medicines or medication, they must obtain written instruction and consent for each medicine/medication for each child. A record of each dose administered must be kept by the insured and all medications must be stored in a locked enclosure. If the Insured does not comply with this underwriting requirement, we will decline.

**Anaphylactic Allergies & Procedures** - when a child in the Insured's care has anaphylactic allergies, we require the Insured to have a documented allergy procedure. In addition, they must have a valid epinephrine auto-injector for each child.

- Formal First Aid Training is mandatory for all Insureds that care for children with anaphylactic allergies.
- Signed Emergency Release - An emergency release form signed by the child's parent or legal guardian must be obtained by the Insured for each child in their care with anaphylactic allergies.

**Independent Sleeping Accommodations** - The Insured must provide this to all children under the age of two (2). This includes but not limited to a clean and safe environment with appropriate surfaces (ex. no water beds, no adult beds or sofas).

**Swimming Pools / Hot Tubs** - When the Insured premises contains a swimming pool and/or hot tub, a fenced yard with a secured gate is mandatory.

**Cleaning Materials & Other Hazardous Items** - These items must be stored out of reach of children and in a locked enclosure. If applicable, all radiators and hot pipes are required to be covered with a non-combustible material. If infants, toddlers, or preschool children are being taken care of, all electrical outlets accessible to children must be capped.

### **Do Not Submit the following Unacceptable Risks**

- Any Employees - Home day cares with employees. Refer to our Commercial Department.
- Day cares that do not comply with all applicable provincial requirements.

### **Day Care Liability Rates**

Rates per Child

\$1,000,000.....	\$25
\$2,000,000.....	\$30
\$3,000,000.....	\$45
\$4,000,000.....	\$60
\$5,000,000.....	\$75

### **Designated Garden Tractor Liability Extension**

This optional endorsement extends Coverage E – Legal Liability to the Insured's garden tractor(s) that exceed 50hp and are shown on the declaration.

**Notes:** Any requests for this endorsement must be referred to an Underwriter.

*Coverage E- Legal Liability automatically extends to the insured's personal use garden tractors up to and including 50hp subject to all policy limits, conditions and exclusions.*

### **Earthquake Coverage**

Earthquake Coverage includes the following:

- Coverage A - Residence
- Coverage B - Additional Buildings and Structures
- Coverage C - Personal Property
- Coverage D - Loss of Use of Your Residence

#### **Deductible**

2% of the amount of insurance but not less than \$500.

#### **Rating is based on the amount of Coverage A and Coverage C**

\$0.50 per \$1,000

### **Eco-Friendly Coverage**

This optional endorsement provides the increased costs to upgrade the following insured property that is lost or damaged by an insured event to energy efficient or environmentally friendly property:

- Home appliances, paints and sealants;
- light fixtures and bulbs, faucets;
- plumbing fixtures and toilets;
- residential heating;
- ventilation and air conditioning systems;
- insulation;
- roofs, doors or windows.

**Rating:** .....\$35

**Limit:** .....\$35,000

**Deductible:** .....As per policy

**Note:** The risk must be occupied by the named insured or relative occupied.

Eco-Friendly Coverage is not available when the risk:

- Is Vacant;
- Is Under construction;
- Includes the Hail & Windstorm Exclusion.

The Eco-Friendly Coverage does not apply for any property to which Actual Cash Value applies, including the following limitations or restrictions:

- Actual Cash Value – Building Only
- Actual Cash Value - Building and Content

### **Equine Coverage**

This optional endorsement provides Named Perils coverage for personal horses. They cannot be income generating

Tack for the horses can also be insured under this coverage with a maximum limit of \$250 per item.

#### **Deductible:**

Subject to a \$50 deductible

#### **Rating:**

Per \$100 .....\$1.25

Minimum Premium.....\$10

### **Fair Rental Value**

At the Insured's option, the Amount of Insurance for Coverage D – Loss of Use of Your Residence can be applied to Fair Rental Value.

This option allows the Insured to purchase additional insurance for loss of rental income, due to damage by an insured event.

Coverage D is equal to 20% of Coverage A.

The rate charged is based on the increased amount of insurance over the Coverage D limit shown on the declaration page.

#### **Rating:**

\$2 per \$1,000 of Annual Rent

**Note:** No additional wordings will print as this is a part of the Homeowners wording.

## **Fine Arts Coverage**

This optional endorsement provides all risk coverage on items that have values determined based on:

- Artistic merit
- Rarity
- Antiquity

Fine Arts can include but not limited to: paintings, etchings, pictures, tapestries, valuable rugs, statuary, marble, bronzes, antique furniture, rare books, antique silver, manuscripts, rare glass, bric-a-brac, etc.

Coverage is based on a 100% co-insurance clause.

### **Rates per \$100:**

Excluding breakage coverage .....\$0.50

Including breakage coverage .....\$0.78

Minimum premium \$25 per item

**Notes:** A Canadian appraisal satisfactory to us is required for items to be insured for amounts in excess of \$5,000.

No deductible applies to this coverage.

### **Refer to your Underwriter:**

- Any single item valued at \$25,000.
- Aggregate sum insured of \$100,000 or more.

## **Glass Breakage Coverage**

This optional endorsement extends coverage for direct loss or damage to building glass, including storm doors, storm windows, skylights, solariums and sunroom glass, and decorative building glass caused by accidental breakage.

Please review the [Glass Breakage Coverage](#) wording for details and exclusions.

### **Deductible:**

Subject to a \$25 deductible

\$15 Annual Premium

**Note:** This coverage cannot be added to vacant risks or risks under construction or renovation.

## **Guaranteed Replacement Cost**

This endorsement is automatically applied to qualified Broad and Comprehensive Homeowners policies. We will pay for any insured loss to your residence on a replacement cost basis regardless of the amount of insurance shown on your declaration for Coverage A-Residence.

**To qualify for Guaranteed Replacement Cost, the risk must meet the following:**

- Completed replacement cost evaluator at new business.
- Must be insured to 100% of value including debris removal.
- Must be owner-occupied or relative occupied.
- No more than 2 claims in the last 3 years.
- No more than 3 families living in the residence.
- No more than 3 suites of any kind in the residence.
- Must not have more than 1 detached additional building that is used as a residence.
- Must not be Vacant or Under Construction.
- Must not be a Mobile Home or Mini Home.
- Must not have specialized construction, including but not limited to Post and Beam, Log Frame or Timber Frame construction.
- Must be accessible year-round by roadway.
- Must not be accessible by water only.

**Note:** Guaranteed Replacement Cost is limited to 125% of the Coverage A – Residence limit, to repair or replace the lost or damaged property provided all conditions under The Agreement are met in the event of:

- Earthquake;
- Fire Following Earthquake;
- Overland Water.

Guaranteed Replacement Cost Coverage will be automatically removed from the policy when it no longer qualifies, and a Broker Advisory Notice will be provided.

## **Hail and Windstorm Exclusion**

This is an exclusion of coverage with respect to Coverage A – Residence and Coverage B – Additional Buildings and Structures under Section I – Property Coverage. This exclusion is added as an underwriting tool when a risk has existing hail or windstorm cosmetic or functional damage to any exterior surfacing. It also excludes coverage for any subsequent water damage caused by existing hail or wind damage.

Please review the [Hail and Windstorm Exclusion wording](#) for details and exclusions.

## **Home-Based Business Coverage**

This optional endorsement extends coverage for the insured's home-based business operations.

### **Coverage Highlights Include:**

- Loss of income up to \$100,000
- Accounts receivable up to \$10,000
- Valuable papers and records up to \$10,000
- Personal liability protection
- A limit of \$10,000 for business personal property, additional limits are available up to \$50,000

### **Eligibility and Requirements:**

- The business must be primarily operated from the principal residence premises with no more than 25% of gross sales from off premises operations
- The Insured must be the sole owner and sole proprietor of the business
- There must be no more than 2 businesses operated on premises
- The business must not employ any persons other than those residing at the principal residence
- The business and occupancy must comply with all local and provincial or territorial zoning regulations
- Annual gross receipts must not exceed the maximum limit for the class of business:
  - Class A \$200,000
  - Class B \$200,000
  - Class C \$100,000
  - Class D \$100,000
- Businesses listed under Class A require separate Professional Liability Coverage (Errors & Omissions) and must be referred to an underwriter prior to binding

### **We will not write Home-Based Businesses:**

- With operations not listed under the Eligible Home-Based Businesses
- With operations or sales outside of Canada
- With any sale of second hand, salvage goods, or antiques. Must be new products only.
- Which are importing goods from outside of Canada
- With tobacco, cannabis, or alcohol sales
- Which are involved in manufacturing of children's or infant's goods or clothing
- With hazardous operations including but not limited to manufacturing or repair processes involving the application of heat
- Where product is repackaged and sold under the Insured's label
- For manufacturer agents:
  - Independent contractor who sells on a commission basis
  - Not on the payroll of the manufacturer
  - Not eligible for employee benefits

**Notes:** *The risk may be subject to a full inspection by Wawanesa.*  
*The Home-Based Business liability limit will match the limit selected for the residence.*

**This endorsement does not provide any Professional Liability (Errors & Omissions) coverage and is not a substitute for a Commercial Policy.**

### **Rating:**

- The minimum amount of insurance for business personal property is \$10,000
- For endorsement premium, please use an electronic quoting tool

### **Eligible Home-Based Businesses:**

<b>Class A</b>	
<b>Operations Requiring Errors &amp; Omissions (E&amp;O) Coverage</b>	
<b>Maximum Gross Receipts \$200,000</b>	
Accounting, Bookkeeping Services	Adjuster <ul style="list-style-type: none"> <li>- Independent insurance adjusters hired by contract</li> <li>- No public adjusters</li> </ul>
- Includes all operations of preparation of statements and bookkeeping services	
Actuary	Architect
Arbitration Services	Chiropractor
Dermatologist Office	Dieticians (consultants)
Draughtsman / Drafting Technician	Engineer
Financial Planner	Home Appraisals <ul style="list-style-type: none"> <li>- Real Estate Appraisal</li> <li>- Replacement Cost Appraisal</li> </ul>
Legal Services <ul style="list-style-type: none"> <li>- Intended for lawyers or legal service providers</li> </ul>	Notary
Podiatrist	

<b>Class B</b>	
<b>Operations Not Requiring Errors &amp; Omissions (E&amp;O) Coverage</b>	
<b>Maximum Gross Receipts \$200,000</b>	
Court Reporter	Debt counsellor
Editor / Proofreader	Economist
Genealogist	Land Title Analyst
Landscape Design	Legal Assistant
Paralegal Agent	Stenographer
Transcribing Services	Travel Agent <ul style="list-style-type: none"> <li>- No tour operations</li> </ul>
Word Processing / Typist / Data Entry	

Class C	
Retail Sales	
<b>Maximum Gross Receipts \$100,000</b>	
Artist Goods, Materials, and Supplies	Bait & Tackle Shop
Beauty/Barber Shop Supplies	Bedding -No upholstery operations
Bicycle Sales - No Repairs or Rentals	Books, Magazines, and Stationery Sales - No publishing
Costume Jewellery - No precious metals or stones	Cameras and Photographer Supplies
Candy and Confectionery Products - No catering or food service/ food preparation - No packaging or providing a label	Ceramic Supplies and Pottery Sales - No kiln on premise
Chinaware	Clothing - No fur sales - No used or second-hand
Direct Sales Company - Retail sales with stock only - Including, but not limited to book sales, cosmetics, kitchenware and home goods, food/beverage, clothing	Furniture - Retail sales only with no repairs, installations or manufacturing
Fabric Sales	Giftware / Glassware
Hobby Supplies - No coin or stamps - No collectible storage	Household Products
Musical Instrument Sales - Includes rentals	Religious Goods
Office Supplies	Seed Sales - No manufacturing operations - No selling of cannabis seeds
Leather Goods - Retail sales of suitcases, brief cases, purpose, wallets, organizers, and portfolios - No clothing or shoes	Tapestry
Stationery & Paper Goods	Trophy Sales
Vacuum Cleaner Sales - No repairs	
Class D	
Crafts and Services	
<b>Maximum Gross Receipts \$100,000</b>	
Artwork Sales - Original artwork sold by artist, paintings, photography, sculptures - Commissioned work	Book Binding - Rebinding, repair and refurbishing of books
Calligrapher	Camera Repairs
Card Making	Clock Repairs
Computer Repairs	Culinary Tutoring
Drapery Goods - Maximum 25% of revenue generated from installation, service, or repairs off premise	Embroidery
Engraving Services - Operations of engraving metals, Jewellery, plaques, or other keepsakes - No coverage for goods being worked on	Fabric Painting, Inking and Dyeing
Flower Arranging - Dried & Silk - No Delivery	Interior Designer - Consulting Only, no painting or finishing - No project management
Interpreter/Translator - No medical, legal, or technical translations	Kitchen and Bath Supplies - No installation or repairs off premise - Prepackaged items only
Lessons - Music, Crafting, Sewing, Tutoring - Instruction, practice, evaluation, and testing - Up to a maximum of 10 students enrolled - Up to a maximum of 5 students on premise at one time - Excludes Day Camps	
Office Services - Includes photocopying, quick printing	Pet Grooming Services - No kenneling or obedience training
Photographers - Includes home studio photography as well as off-site work at other locations - No photo developing for other locations - No commercial or aerial photography - No video production	
Picture Framing	Printing on T-shirts, Mugs, Stickers (i.e. Cricut)
Quilting	Resume Service
Scrapbooking	Sharpening Service
Shoe Repairs	Stamping
Tailor and/or Seamstress - No upholstery	Telemarketing/Telephone Solicitation
Telephone Answering Service	

## **Home Equipment Breakdown Coverage**

This endorsement provides up to \$50,000 coverage for direct physical loss or damage to covered home equipment caused by accidental mechanical or electrical breakdown.

Coverage can be purchased on new submission, renewal, or mid-term on a newly added eligible risk. Coverage cannot be added mid-term to existing risks.

Risks with cryptocurrency mining, mobile/mini homes, vacant risks and risks under construction are not eligible for Home Equipment Breakdown Coverage.

### **Deductible:**

Subject to a minimum \$1,000 deductible.

### **Rating:**

Coverage is available on Homeowners Basic, Broad and Comprehensive Forms.

Premium .....\$55

Home equipment that is 15 years of age or older from the date of manufacture will be settled on an Actual Cash Value basis.

## **Personal Cyber Coverage**

This endorsement offers protection against:

- Cyberbullying
- Cyber Attack
- Cyber Extortion
- Online Fraud
- Data Breach

### **Eligibility:**

- Coverage is available on Homeowners Basic, Broad and Comprehensive Forms
- Coverage can be purchased on new submission, renewal, or mid-term on a newly added eligible risk. Coverage cannot be added mid-term to existing risks.
- Risks with cryptocurrency mining are not eligible for Personal Cyber Coverage

### **Deductible:**

Subject to \$500 deductible

### **Rating:**

Aggregate limit of \$25,000 .....\$50

Aggregate limit of \$50,000 .....\$65

## **Guidelines**

- Coverage cannot be increased mid-term from \$25,000 to \$50,000 limit.
- Any policy with 2 or more property claims within the past 5 years is considered ineligible for this endorsement.
- If an Insured has 2 paid claims against Personal Cyber Coverage, the deductible will be increased to \$2,000 at the subsequent renewal.
- If there are 3 Personal Cyber Coverage losses within the past 5 years, the coverage for this endorsement is ineligible for renewal.

**Note:** *Claims against this endorsement will not impact the Insured's Claims Free rating.*

## **Service Line Coverage**

This optional endorsement provides up to \$10,000 coverage for direct physical loss or damage to a Covered Service Line.

Covered Service Line means underground piping and wiring, including permanent connections, valves or attached devices providing services to the premises.

- Coverage can be purchased on new submission, renewal, or mid-term on a newly added eligible risk. Coverage cannot be added mid-term to existing risks.
- Mobile/Mini homes, vacant risks and risks under construction are not eligible for Service Line Coverage.

### **Deductible:**

Subject to a minimum \$1,000 deductible.

### **Rating:**

Risks up to 49 years of age .....\$60

Risks 50 years of age or more .....\$100

### **Identity Fraud Expense Coverage**

This optional endorsement provides coverage for expenses the Insured incurs in their efforts to restore the accuracy of their identifying information

A \$10,000 limit is included on primary owner-occupied risks and the maximum limit available is \$50,000.

#### **Deductible:**

Subject to a \$250 deductible.

#### **Rating:**

A \$10,000 limit is included.

Each additional \$5,000 is \$10.

### **Legal Products**

#### **Telephone Legal Helpline Service**

This endorsement provides access to a telephone legal helpline for confidential general legal assistance and information relating to any legal or tax problem to help determine the Insured's legal rights and options.

The telephone legal helpline cannot provide case specific research or review documents and this coverage excludes assistance for insurance and criminal law situations.

- Coverage is available on owner-occupied Homeowners policies.
- Coverage is automatically included at no charge for qualifying risks.
- Coverage applies on a policy level.
- Claims against this coverage will not impact the Insured's claims rating.

### **Legal Expense Coverage**

This optional endorsement provides coverage for legal costs incurred for insured events.

- Coverage is available on owner-occupied Homeowners and Secondary Homeowners policies.
- Coverage is provided up to \$100,000 per occurrence and \$500,000 aggregate per policy term.
- Telephone Legal Helpline Service is included.
- Coverage applies on a policy level.
- Contract Disputes (Personal & Auto) and Property Protection (Personal & Business) – Property events have a minimum dispute amount of \$500.
- Claims against this coverage will not impact the Insured's claims rating.

#### **Common legal events that may be covered:**

- Contract Disputes (Personal & Automobile)
- Employment Disputes
- Property Protection
- Legal Defence (Personal & Automobile)
- Bodily Injury
- Tax Protection
- Driver's License Protection
- Fault Determination Rules & Total Loss Valuation
- Obtaining Statutory Accident Benefits from your Automobile Insurer
- Driving Other Vehicles

#### **Deductible:**

A deductible of \$500 is only applicable for Legal Nuisance & Trespass events.

#### **Rating:**

Cost per policy.....\$70

### **Liability Extension - His Majesty the King, in Right of Canada**

This optional endorsement extends Coverage E – Legal Liability to His Majesty the King, in Right of Canada, as an Additional Interest(s), but only for liability arising out of the ownership, maintenance or use of the designated premises.

**Note:** This endorsement requires Underwriter approval.

### **Liability Restriction For Designated Premises Endorsement**

This endorsement restricts personal liability protection to covered losses resulting from the ownership, use, or occupancy of the premise described on the declarations page.

### **Limited Exterior Endorsement**

This endorsement is typically added at Underwriter discretion. If this endorsement is added, direct loss or damage to the exterior surfacing of the described residence or additional buildings and structures will be settled according to actual cash value.

### **Limited Roof Surfacing Endorsement**

This endorsement is typically added either due to the condition or the age of the roof. It amends the basis of settlement on the roof to actual cash value. It also amends basis of settlement on resulting damage to actual cash value.

### **Mobile/Mini Home Endorsement**

This endorsement is automatically added to all Mobile/Mini Home risks. It has additional exclusions and a modified basis of settlement specific to the unique exposures of Mobile and Mini Homes.

Please review the [Mobile/Mini Home Endorsement](#) wording for full details and exclusions.

### **Motorized Vehicle Coverage**

This optional endorsement covers direct physical loss or damage to the insured's scheduled motorized vehicles.

It is not applicable to vehicles that are subject to licensing or registration for road use.

#### **Deductible:**

Subject to a \$100 deductible.

#### **Rate per \$100:**

Garden tractors up to 50hp.....	\$0.50
Golf Carts, Segways.....	\$2.50
Minimum Premium .....	\$25

### **Personal Articles Coverage**

This optional endorsement is designed to insure certain types of personal property that have high values. Each scheduled item needs to be described and is insured for a specific amount.

Insurance applies world-wide subject to the policy wordings.

Minimum Premium for Personal Articles coverage is \$10.

A bill of sale or Canadian appraisal no older than three years is required for all scheduled items with amounts exceeding \$10,000.

Appraisals must include:

- Name of Insured
- Appraisal company

If Insured's name is not on the appraisal, the Insured must have a bill of sale to support:

- Date appraised
- Description of the item

**Notes:** Coverage on any individual item of jewellery or any individual fur valued in excess of \$25,000 must be authorized by your Underwriter.

Coverage of any Personal Articles Floater Schedule where total values exceed \$100,000 must be authorized by your Underwriter.

### **Rates Per \$100 of Insurance**

<b>Cameras (including digital), Projectors, Films and Accessories</b>	\$1.60
For any professional use refer to your Underwriter as rates may increase.	
<b>Cellular Phone</b>	\$3.00
<b>Firearms and Equipment</b>	\$1.20
<b>Furs</b>	\$0.60
<b>Hearing Aids</b>	\$5.00
<b>iPods/MP3 Players</b>	\$3.00
<b>Jewellery and Watches</b>	\$1.30
<b>Note:</b> A discount on the jewellery premium applies based on the following deductibles:	
\$1,000	\$1.24
\$2,500	\$1.17
\$5,000	\$1.11
\$10,000	\$0.91
<b>Luggage, Handbags and Footwear</b>	\$1.30
<b>Medical Equipment</b> (Insulin pumps, prosthetic devices, etc.)	\$0.60
<b>Musical Instruments</b> Personal use only - including accessories pertaining thereto and sheet music.	\$1.35
Refer Dance Bands, Orchestras and similar groups to your Underwriter, rate may increase.	
<b>Radio &amp; Television</b> Set and/or Aerial Television Satellite Dishes	\$3.00
<b>Silverware</b>	\$1.20
<b>Stamp and Other Collections</b>	\$0.90

## **Personal Property Extensions**

The following endorsements are available for use on an accommodation basis only. These endorsements are subject to underwriter discretion and as such do not have standard eligibility requirements. The use of these endorsements is reserved for unique risks we elect to accommodate that are not within our regular appetite.

**Note:** Any changes to these buildings and coverages must be discussed with underwriting prior to change.

### **Additional Buildings & Structures Coverage – All Risk Form**

- Reserved to accommodate risks with additional buildings and structures which would not be covered by the standard base policy wording.
- All risk coverage is provided.
- An additional premium will apply based on the amount of coverage.

**Note:** Rates will be provided at time of the referral.

### **Additional Buildings & Structures Coverage – Basic Form**

- Reserved to accommodate risks with additional buildings and structures which would not be covered by the standard base policy wording.
- Coverage is limited to insured events.
- An additional premium will apply based on the amount of coverage.

**Note:** Rates will be provided at time of the referral.

### **Contents Off Premises Coverage**

- Reserved to accommodate coverage for contents which would not be covered by the standard base policy wording due to the circumstances of their permanent location.
- Coverage is limited to insured events.
- An additional premium will apply based on the amount of coverage.

**Note:** Rates will be provided at time of the referral.

### **Designated Premises Liability Extension**

- Reserved to accommodate a liability extension to a location which would not be covered by the standard base policy wording.

There is no additional premium for this coverage.

### **Remote or Home Office Liability Coverage**

This endorsement extends Coverage E – Legal Liability to any owner-occupied premises to include remote or home office use. Coverage does not extend to insureds who are self-employed or who have full or partial ownership of a business.

## **Residence Under Construction Coverage**

This endorsement provides coverage during construction or renovation of a residence, or additional buildings and structures. For new construction, insurance must be in effect no later than the completion of the foundation and the amount of insurance must be equal to the estimated completed value. Please review the endorsement wording for included coverages.

### **These risks require underwriting approval.**

Coverage is available for the first term only:

- Coverage is intended to be for a maximum of 12-month term. Special accommodations can be made for an extension for a maximum of 24 months.
- Maximum three family residence.
- If the Insured is acting as their own contractor, additional premium may apply.
- Log homes are eligible for this coverage if the construction time is less than 12 months. We cannot accommodate coverage on a term longer than 12 months.
- To be considered under construction or renovation, the building has to be unfit for occupancy or unfit for use of its intended purpose (for example a garage).

### **Deductible:**

Subject to a \$1,000 deductible.

### **Rating:**

Use your electronic quoting tool (change Occupancy to Under Construction).

### **The following information is required for referral:**

- Extent of the work being done (new build vs renovation)?
- Time frame of the construction/renovation?
- Is a Professional Contractor doing the work? Does the Contractor have valid Commercial General Liability Coverage in place?
- What is the occupancy during construction (owner still living while work being done or vacant)? and what will it be post construction?
- Confirmation of compliance with permit requirements and building code?
- Lock down and security measures in place?
- For renovations are the heat, electricity, and water connected?
- Heat is required if the water is connected during the heating season

No additional or optional coverage can be offered until the residence is occupied by the Insured, including but not limited to the following:

- Claims Free Protection Endorsement
- Disappearing Deductible Benefit
- Glass Breakage Coverage
- Guaranteed Replacement Cost
- Limited Sewer Backup Endorsement
- Overland Water Coverage
- Personal Cyber Coverage
- Service Line Coverage
- Single Limit Coverage

#### **Roof Surfacing - Basis of Settlement**

This endorsement is automatically applied to all risks. If during investigation of a covered loss to the roof there is evidence of excessive wear and tear or deterioration due to age, any loss or damage to the roof surfacing will be settled according to Actual Cash Value.

#### **Short-Term Rental Coverage**

This endorsement provides coverage for insureds who rent out their primary home throughout the year on a short-term temporary basis.

#### **Highlights Include:**

- Coverage for theft or attempted theft committed by a short-term rental tenant (subject to minimum \$2,500 deductible)
- Up to \$1,500 coverage for personal property of your short-term rental tenant
- Coverage for lost rental income
- Personal liability protection is included

#### **Guidelines:**

- Coverage cannot be removed from a policy mid-term; premium is considered fully earned.
- The maximum rental period for any risk is 30 consecutive days.

#### **Unacceptable Risks:**

- Any risk with short-term rentals that is not eligible for this endorsement.
- Any risk which is rented on a short-term basis more than 180 days per year.
- Any risk that rents facilities on the premises independently or by the hour such as, but not limited to swimming pools and hot tubs.
- Any risk with access or use of motorized vehicles of any kind.
- Any risk with access or use of motorized watercraft, personal watercraft or sailboats.
- Any risk which has a short-term rental that is not advertised through a reputable home rental network.

**Note:** A reputable home rental network is a platform operated by a well-established rental network company that allows people to list, find and rent short-term accommodations. This includes property managers who specialize in short-term rentals.

#### **Rating**

Up to and including 90 days \$125

Up to and including 180 days \$200

If any of the following exist at the short-term rental property, please refer to your Underwriter prior to binding:

- Swimming Pool
- Trampoline
- Prior loss due to a short-term rental
- Access or use of bicycles including electric bicycles
- Access or use of non-motorized watercraft such as canoes, kayaks, and paddleboards

**Note:** In order for this coverage to be applicable, all legislation, bylaws and municipal regulations must be adhered to.

#### **Single Limit Coverage**

This endorsement is automatically applied to qualified Broad and Comprehensive Homeowners policies. The amounts of insurance under Section I, may be used as a single inclusive limit until totally exhausted for Residence, Additional Buildings and Structures, Personal Property and Loss of Use.

To qualify for Single Limit, the risk must meet the following:

- Completed replacement cost evaluator at new business.
- Must be insured to 100% of value including debris removal.
- Must be owner-occupied or relative occupied.
- No more than 2 claims in the last 3 years.
- No more than 3 families living in the residence.
- No more than 3 suites of any kind in the residence.
- Must not have more than 1 detached additional building that is used as a residence.
- Must not be vacant or under construction/renovation.
- Must not be a Mobile Home or Mini Home.
- Must not have specialized construction, including but not limited to Post and Beam, Log Frame or Timber Frame construction.
- Must be accessible year-round by roadway.
- Must not be accessible by water only.

**Notes:** Single Limit does not apply to loss or damage resulting from an Earthquake, Fire Following an Earthquake, Limited Sewer Backup or Overland Water.

Single Limit Coverage will be automatically removed from the policy when it no longer qualifies, and a Broker Notice will be provided.

### **Special Limits Enhancement Plus**

This optional endorsement provides enhanced Special Limits of Insurance under Coverage C - Personal Property. In order to be eligible for this coverage, the following conditions must be met:

- Risk must be owner and/or relative occupied and not more than 2 suites.
- Only applicable to Broad or Comprehensive Forms.
- Not available on Mobile/Mini Homes.
- The residence must be insured to 100% of its replacement cost.
- There must not have been more than 1 claim in the previous 3 years for either the named Insured or relative occupying the risk.
- Not available on risks under construction/ renovation.
- The risk must be well maintained and fully updated according to binding guidelines:
  - Electrical minimum 100 amp circuit breaker service and 100% copper wiring
  - Plumbing 100% copper, plastic or PVC
  - Primary Heating must not be older than 25 year of age
  - Roof must be in Acceptable Condition
- Risk must have a minimum \$1,000 Deductible.
- Amount of Coverage A – Residence must be equal to or greater than \$400,000.

**Note:** Premium will vary based on risk characteristics.

Please use your electronic quoting tool.

The following chart details the enhanced limits included with the Special Limit Enhancement endorsement.

<b>For All Insured Losses</b>	<b>Limit in Base Wording</b>	<b>Coverage</b>
Personal property while attending a school, college or university	\$25,000	Included in Coverage C - Personal Property
Personal property while residing in a long-term care facility	\$25,000	Included in Coverage C - Personal Property
Cannabis in all consumable forms and cannabis plants	\$500	\$500
Money, cash cards, bullion, and cryptocurrency	\$1,000	\$1,000
Drones (not more than 250 grams) and their equipment	\$1,000	\$1,000
Spare automobile parts	\$2,000	\$4,000
Utility Trailers (where legislation allows)	\$2,000	\$2,000
Watercraft, including personal watercraft, their furnishings, equipment, motors and accessories	\$3,000	\$6,000
Business property on your premises	\$5,000	\$25,000
Business property away from premises	-	\$10,000

<b>For theft and mysterious disappearance losses</b>	<b>Limit in Base Wording</b>	<b>Special Limits Coverage</b>
Numismatic, coin or banknote and collections	\$1,000	\$3,000
Manuscripts, stamps and stamp collections	\$2,500	\$3,000
Collectibles including sports cards, memorabilia and comic books	\$5,000	\$10,000
Fur garments and garments trimmed with fur	\$6,000	\$10,000
Luggage, pet carriers, footwear and handbags including but not limited to purses, wallets, totes, clutches, carrier bags and other items of similar nature	\$10,000	\$10,000
Jewellery, watches and gems	\$10,000	\$50,000
<b>Additional Coverages</b>	<b>Limit in Base Wording</b>	<b>Special Limits Coverage</b>
Debris Removal	5%	No Limit above Additional Amount of Insurance
Credit or Debit Cards, Forgery and Counterfeit Currency	\$10,000	\$25,000
Lock Replacement	\$2,000	\$2,500
Data	-	\$10,000

## **Sports Equipment Coverage**

This optional endorsement provides replacement cost coverage on Sports Equipment and Sports Clothing anywhere in the world. The rate contemplates that the equipment will be Insured to 100% of its replacement cost.

### **Rates Per \$100**

Skis and Ski equipment.....	\$2
Golf equipment .....	\$2
Other sports equipment (Including Canoes / Kayaks).....	\$2
Minimum Premium for each class is \$25.	

**Note:** No deductible applies to this coverage.

## **Stronger Home coverage**

This endorsement will replace your damaged roof with upgraded roof shingles, and your damaged siding with upgraded siding when loss or damage originates from any of the following insured events:

- Wildfire;
- Hail;
- Windstorm;
- Overland Water (if shown in the declaration).

The Stronger Home coverage will also implement up to two mitigation measures in your home to reduce losses from the above-mentioned insured events.

### **Eligibility criteria:**

Risk must meet the [Roof Guidelines](#) criteria applicable to the Homeowners forms.

**Premium:** .....\$40

**Limit:** .....\$25,000

**Deductible:** ..... As per policy

**Notes:** The risk must be occupied by the named insured or relative occupied.

Stronger Home Coverage is not available when the risk:

- Is Vacant;
- Is Under construction.

The Stronger Home Coverage is not available if the policy includes the following limitations or restrictions:

- Actual Cash Value – Building Only
- Actual Cash Value - Building and Content
- Hail & Windstorm Exclusion
- Limited Exterior Limitation
- Limited Roof Surface Coverage

## **Theft, Attempted Theft and Mysterious Disappearance**

This endorsement excludes coverage for all losses resulting from theft, attempted theft and mysterious disappearance. This would be added at Underwriter discretion.

### **Tool Coverage**

This optional endorsement provides Named Perils coverage and is intended to cover valuable hobby tools.

- Coverage is subject to 100% co-insurance clause.
- Any tool or set of tools valued in excess of \$200 must be fully described as to make, model, value and specifically insured.
- Professional tools used for commercial operation or usually in a commercial location must be insured by our Commercial Lines Department.

### **Deductible:**

Subject to a \$50 deductible.

### **Rating:**

\$3 per \$100

Minimum Premium for this coverage is \$25.

**Note:** Mysterious disappearance, property left unattended in or on automobiles or at construction sites is not covered unless loss is due to burglary.

## Vacancy Permit

This endorsement provides coverage when a risk is vacant, provided:

- It is not under construction or renovation.
- It is under the supervision and care of a competent person.
- The water supply is shut off.
- The heat is being maintained.
- Lawncare and snow removal from driveways, walkways and stairs are maintained.
- The doors and windows are kept securely closed and locked.
- It is kept clear of any debris including mail.

If the above conditions are not met, this endorsement is considered null and void.

### **Guidelines:**

- All requests for vacancy permits must be submitted to your Underwriter for approval. Current photos of the residence are required.
- Vacancy permits are issued on a temporary basis and can be applied for a maximum of 90 days.
- The vacancy permit applies from the day the residence became vacant.
- Coverage must be amended to the Basic Form.
- Liability will be restricted to premises only while the residence is vacant.

There are some coverages that are excluded even if a Vacancy Permit is attached. Please refer to [policy wording](#) for details.

Any optional endorsements cannot be added while the risk is vacant, including but not limited to:

- Claims Free Protection Endorsement
- Glass Breakage Coverage
- Guaranteed Replacement Cost
- Home Equipment Breakdown
- Limited Sewer Backup Endorsement
- Overland Water Coverage
- Personal Cyber Coverage
- Service Line Coverage
- Single Limit Coverage

**Notes:** For rating, please use your electronic quoting tool.

If the property is vacant more than 30 consecutive days and the policy does not have a Vacancy Permit attached, the coverage on the policy is null and void.

Vacancy Permits are not required on vacant buildings when the vacant building is on the same premises as the owner-occupied residence.

## Vacation Trailer Coverage

This optional endorsement provides coverage for camper or holiday trailers and also includes contents coverage. It is not available on Mobile/Mini Home or trailers permanently kept out of the country.

Guaranteed Replacement Cost is available on Vacation Trailers if:

- The insured is the original purchaser of the trailer exclusive of the selling dealer;
- The vacation trailer is 24 months or newer, based on the original bill of sale, and
- The trailer is insured to 100% of the original purchase price.

Replacement Cost will be provided on Vacation Trailers up to 10 years of age subject to the limit of insurance. On all trailers 11 years of age or older, Actual Cash Value will apply.

### **Rates Per \$100**

#### **Ontario**

Coverage	\$500 Deductible	\$1,000 Deductible
\$0 - \$15,000	\$1.40	\$1.25
\$15,001 - \$50,000	\$1.25	\$1.10
Over \$50,000	\$1.10	\$1.00

Minimum Premium for this coverage is \$30.

## Vacation Trailer Deletion of Hail Endorsement

This endorsement excludes existing damage caused by hail as well as any subsequent loss or damage to the trailer and any water entering the trailer. This endorsement does not apply when damage is considered a total loss by any other insured event.

### Vandalism by Tenant Coverage

This endorsement provides protection against intentional physical damage to Insured property caused by a tenant or member of the tenant's household.

Vandalism by tenant coverage is included on all Comprehensive and Broad Homeowners risks at no additional premium.

This is an optional coverage on our Basic Homeowners form provided the risk does not:

- Have more than 2 families
- Have more than 1 vandalism loss or claim in the past 3 years

Should either of the above occur on a Basic Homeowners policy, this endorsement will be automatically removed.

### **Rating:**

Basic Homeowners.....\$40

## Water Defence

Water Defence is designed to protect risks from damage related to Sewer Backup and Overland Water in one comprehensive package.

Water Defence coverage is made up of two components:

- Limited Sewer Backup Coverage
- Overland Water Coverage

### Limited Sewer Backup Coverage

This endorsement provides coverage for damage to insured property, caused by the sudden and accidental backing up or escape of water or sewage.

Limited Sewer Backup Coverage cannot be added or increased mid-term.

### Rating

Limited Sewer Backup Coverage eligibility and rating is based on the full postal code of the risk. Limited Sewer Backup Coverage must be calculated using an electronic quoting tool.

### Limits

Limits can be purchased in the following increments:

\$5,000, \$10,000, \$20,000, \$30,000, \$40,000, \$50,000 and Policy Limits.

**Note:** When a specified limit has been purchased for Limited Sewer Backup Coverage, this limit will be the total maximum amount payable for this coverage and does not increase the amounts of insurance under Section I - Property.

*Policy Limits may not be available in all territories.*

### Deductible

The minimum deductible for Limited Sewer Back Up Endorsement is \$2,500. This deductible can be increased, but it must be greater than or equal to the original policy deductible.

The Disappearing Deductible benefit does not apply.

### Risks which require underwriter review

- Risks located in the following FSA areas in Windsor: N8S, N8Y, N9A - underwriting restrictions may be applied, and preventative measures may be required
- Risks which have sustained 1 Sewer Backup loss in the last 5 years

### Notes:

- Risks which have had 1 Sewer Backup loss within the last 5 years and do not have preventative measures are eligible for a maximum of \$10,000 coverage
- Risks which have had 1 Sewer Backup loss within the last 5 years and have preventative measures are eligible for a maximum of \$50,000 coverage

### Unacceptable risks

- Risks with a postal code of P0T 1C0
- Risks that are vacant or under construction/renovation
- Risks which have sustained 2 or more Sewer Backup losses in the last 5 years

**Note:** For existing business, we reserve the right to remove the Limited Sewer Backup Coverage from a policy after the risk experiences a second sewer, sump, or septic loss at the same location. We may also take other underwriting actions, including but not limited to, applying a higher coverage deductible or reducing the coverage limit.

### Overland Water Coverage

This optional endorsement provides coverage for the risk against physical loss or damage to property caused by:

- The unusual and rapid accumulation or runoff of water or natural precipitation, not caused by escape from a domestic water container or watermain;
- The rising of, the breaking out or the overflow of any body of water or watercourse, whether natural or man-made;
- Water that enters through foundations, basement walls, or basement floors from ground water or rising of the water table;
- Any Sewer Backup loss within the residence or additional buildings/structures resulting from an Overland Water event, unless the loss is caused by Sewer Backup only. In order for this coverage to respond, there must be evidence that Overland Water has entered the residence or additional buildings/structures from an entry point other than where Sewer Backup enters

## **Eligibility Guidelines**

- Risk must be insured for Limited Sewer Backup Coverage
- Overland Water Coverage eligibility and rating is based on the full postal code of the risk. For Overland Water Coverage rates, please use an electronic quoting tool
- Where Overland Water Coverage has been reduced or removed from a risk, coverage cannot be added back to the risk within 12 months
- Risks located in a flood zone during flood season must be referred prior to binding.
- If a risk is located in an area where a government flood warning is active, Overland Water Coverage may not be added or adjusted until 30 days after the warning has ended. Please refer to your municipality's website for up to date information on government warnings
- Overland Water Coverage is not available on Mobile/Mini Homes
- Not available on vacant risks or risks under construction/renovation
- Risks which have sustained 1 Overland Water or Sewer Backup loss in the last 5 years require underwriter review. Underwriting restrictions may be applied. Preventative measures may be required
- Risks which have sustained 2 or more Overland Water or Sewer Backup losses in the last 5 years are not acceptable

**Note:** *For existing business, we reserve the right to remove coverage from a policy after the risk experiences a second Overland Water or Sewer Backup loss at the same location. We may also take other underwriting actions, including but not limited to, applying a higher deductible or reducing the coverage limit.*

## **Limits**

Available limit options are: \$10,000, \$20,000, \$30,000 and Policy Limits.

When a specified limit has been purchased for Overland Water Coverage, this limit will be the total maximum amount payable for this coverage and does not increase the amounts of insurance under Section I - Property Coverages.

## **Deductible**

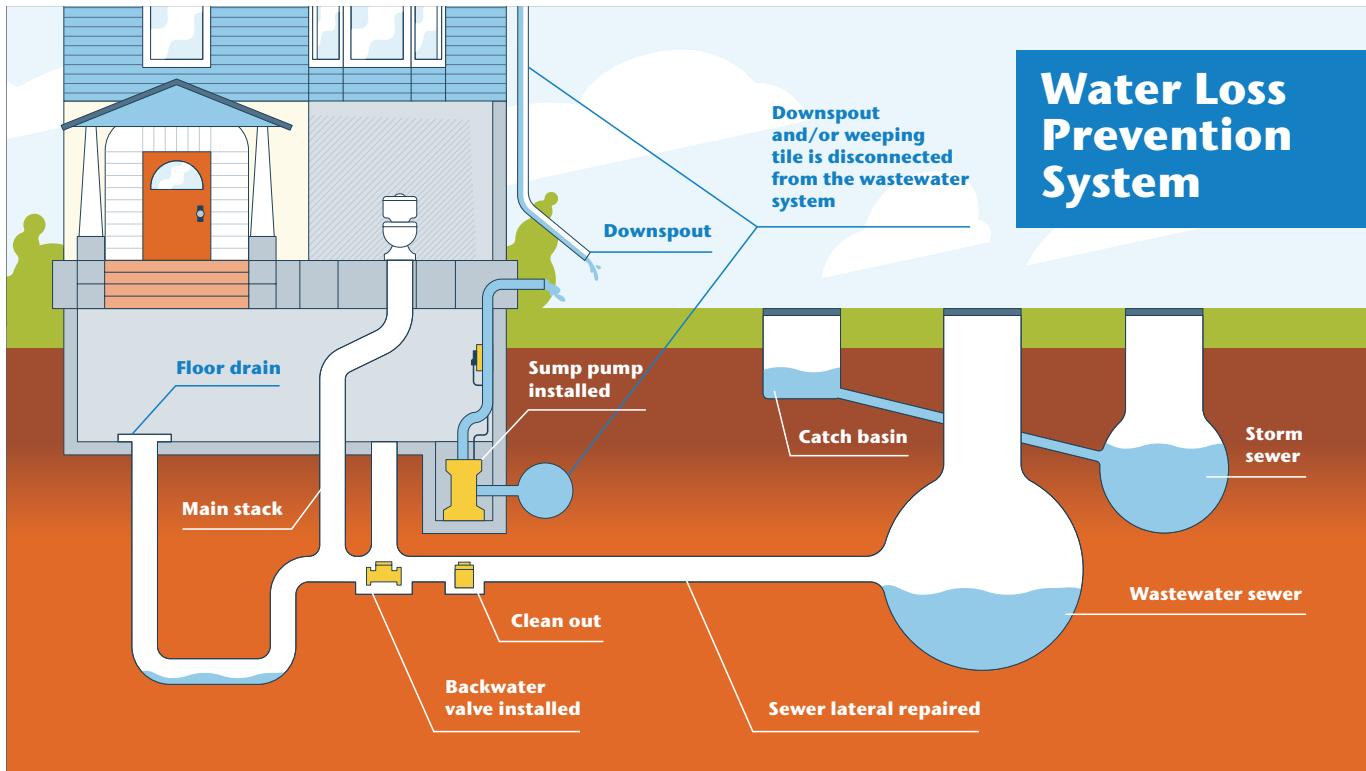
The Overland Water coverage deductible is equal to the Limited Sewer Backup Coverage deductible.

The Disappearing Deductible benefit does apply.

## Preventative Measures

Preventative Measures is the installation of a mainline backwater valve with flapper or gate, which protects all basement plumbing including the catch basin. The backwater valve must have a clean out and be fully accessible for maintenance.

This is one example of a water loss prevention system; variances will occur depending on municipal regulations, septic systems and rural set-ups.



# Watercraft Coverage

## Boat and Motor Coverage

This optional endorsement provides coverage for direct physical loss or damage to watercraft listed on the policy declaration page. Coverage also includes up to \$1,500 for the rental of a watercraft in the event of an insured loss.

Coverage applies with the territorial limits of Canada and the Continental United States. Please review the endorsement wording for additional conditions and exclusions.

Watercraft includes the following:

- Boats and permanently attached equipment
- Outboard Motors
- Personal Watercraft
- Equipment used for the operation, safety or maintenance of the watercraft, and
- Watercraft Trailers

**Note:** For non-motorized watercraft, please refer to the [Sports Equipment Coverage](#) section.

## **Basis of Claim Payment**

Coverage is available on a valued or actual cash value basis. For risks insured on a valued basis, repairs, including replacement with new parts, are settled without deduction for depreciation.

Valued insurance is automatic on sailboats (not over 10 years old) without auxiliary inboard power. Loss or damage to sails and protective covers made of fabric or similar material will be settled on an actual cash value basis.

Actual Cash Value automatically applies to watercraft over 15 years, or watercraft with a wood hull over 5 years old. If insurance is requested on a Valued Basis, a full marine survey satisfactory to us is required.

## **Eligibility and Requirements**

The amount of insurance should equal the current market value of the watercraft including all permanently attached equipment and taxes.

Watercraft must be for the insured's pleasure use only. Any watercraft used for business, racing or speed tests are not acceptable.

Applicants must hold valid proof of operator competency as required by The Department of Transportation.

## **Refer Prior to Binding:**

- All Personal Watercraft (Jet Skis, Sea Doos, Waverunners, Flyboards etc.)
- Watercraft over 15 years old. Any submission must be accompanied by photographs showing the entire boat. If insurance is requested on a Valued Basis, a full marine survey satisfactory to us is required
- Watercraft with a wood hull over 5 years old. Any submission must be accompanied by photographs showing the entire boat. If insurance is requested on a Valued Basis, a full marine survey satisfactory to us is required

- Watercraft exceeding the limit outlines in the Length – Horsepower Chart
- Watercraft with a current market value in excess of \$75,000
- Applicant(s) or principal operator(s) under the age of 21
- Watercraft declined by another insurer
- Watercraft with cooking facilities
- Watercraft with a prior loss history

## **Do Not Submit Applicants or Principal Operators:**

- Who have been convicted of impaired driving or any other convictions for driving offences under the Criminal Code

## **Do Not Submit Watercraft:**

- Used for purposes other than pleasure
- Capable of speeds in excess of 60mph
- Exceeding 26 feet in overall length
- Where the horsepower of the motor exceeds the recommended capacity by the manufacturer or Department of Transport. Review the Liability Rate Table below
- With more than one owner, other than the spouse or member of the Insured's family permanently residing in the same household
- Equipped with appliances operated by white gas, propane or other similar fuels
- Powered by propane or other LPG fuels
- Insured for less than market value
- Equipped with converted automobile engines
- Equipped with airplane engines
- Without supporting business
- That is primarily operated or stored outside of Canada

## **Unacceptable Watercraft Types:**

- Cabin Cruisers (boats used for long term accommodation)

- Dinghies

- Electric powered watercraft

- Homemade or Kit Boats

- Houseboats

- Hovercraft

- Hydroplanes/Air Cushion Boats

- Inflatable Watercraft

- Jet Boats

- Pontoons

- Sea breachers

- Tunnel Hull Boats

**Note:** A tunnel hull is constructed using 2 planing hulls with a solid center that traps air. This creates an aerodynamic lift when operating at high speeds. This style of boat is commonly used in racing.

## **Annual Rates per \$100:**

Rates are based on continuous 12-month coverage. We do not provide seasonal (less than 12-month) coverage.

## Power Boats

**Outboards, Inboards, Inboard/Outboards and Sailboats  
with auxiliary inboard power.**

Deductible	Actual Cash Value	Valued Basis
\$200	\$2.20	\$2.70
\$500	\$1.95	\$2.45
\$1,000	\$1.70	\$2.20
\$2,500	\$1.40	\$1.95
\$5,000	\$1.10	\$1.70

## Personal Watercraft

**Jet Skis, Sea Doos, Waverunners, Flyboards, etc.**

Deductible	Actual Cash Value	Valued Basis
\$200	N/A	N/A
\$500	\$4.75	N/A
\$1,000	\$4.25	N/A
\$2,500	\$2.75	N/A
\$5,000	\$2.25	N/A

## Sailboats

Without auxiliary inboard power - reduce the Valued Basis rate by:

- 10% for 12 month navigation
- 50% for 7 month navigation warranty April 1st to October 31st
- Sailboats should be laid up and out of commission outside of the agreed navigation period

## Length - Horsepower Chart

The length and horsepower must not exceed the Department of Transportation standards plate. If there is no standard plate, the limits in the chart below apply:

Outboards		Inboard/Outboards Inboards	
H.P.	Min Length permitted	H.P.	Min Length permitted
50	13'	120	15'
70	14'	140	16'
90	15'	175	17'
115	16'	205	18'
150	17'	235	19'
175	18'	270	20'
200	20'		
225	22'		

## Watercraft Liability

Liability is included in the base policy wording for watercraft equipped with an outboard motor of not more than 25HP or any other type of motor not more than 50HP. Liability can be extended to eligible watercraft risks outside of these maximums. For rates, please see the interpolation chart below.

For horsepower between the limits shown in the chart, use the minimum length corresponding to the next highest horsepower shown. Risks in excess of the highest horsepower limits posted are not written.

	\$1,000,000	\$2,000,000	\$3,000,000	\$4,000,000	\$5,000,000
<b>Outboard Motors (if twin motors combine hp) Rated by the Manufacturer at:</b>					
Up to 25hp	No Charge				
26hp to 50hp	8	10	15	20	25
51hp to 100hp	15	18	27	36	45
Over 100hp	39	47	71	94	118
<b>Inboards and Inboard/Outboards</b>					
Over 26'	Not Written				
Less than 50hp	No Charge				
More than 50 h.p. Rated according to speed					
Under 16mph	35	42	63	84	105
16 to 30mph	47	56	84	113	141
Over 30mph	60	72	108	145	181
<b>Sailboats</b>					
No auxiliary power					
Not over 26' in overall length	No Charge				
Over 26'	Not Written				
With auxiliary outboard motor	Rate as Outboard				
With auxiliary inboard motor	Rate as Inboard				
<b>PWC - Jet Skis, SeaDoos, Waverunners, Flyboards, etc.</b>					
	150	175	200	225	250

# Homeowners Manual

## Wordings Section

**Ontario**

*Effective September 1, 2025*



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## ACTUAL CASH VALUE COVERAGE – BUILDINGS & CONTENTS

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

If your declaration indicates Actual Cash Value Coverage – Buildings & Contents, Coverage A - Residence, Coverage B - Additional Buildings and Structures and Coverage C - Personal Property actual cash value as defined below applies.

Therefore, any loss or damage whether directly or indirectly caused by, or resulting from, an insured event under Section I – Property Coverage will be settled on an actual cash value basis.

#### KEY WORDS

**Actual Cash Value** considers such things as the cost of replacement less any depreciation. In determining depreciation, we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

This payment under no circumstances will exceed the amount of insurance on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## ACTUAL CASH VALUE COVERAGE – BUILDING ONLY

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

If your declaration indicates Actual Cash Value Coverage – Building Only, Coverage A – Residence and Coverage B - Additional Buildings and Structures, actual cash value as defined below applies.

Therefore, any loss or damage whether directly or indirectly caused by, or resulting from, an insured event under Section I – Property Coverage will be settled on an actual cash value basis.

#### KEY WORDS

**Actual Cash Value** considers such things as the cost of replacement less any depreciation. In determining depreciation, we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

This payment under no circumstances will exceed the amount of insurance on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## ACTUAL CASH VALUE COVERAGE – CONTENTS ONLY

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

If your declaration indicates Actual Cash Value Coverage – Contents Only, Coverage C - Personal Property, actual cash value as defined below applies.

Therefore, any loss or damage whether directly or indirectly caused by, or resulting from, an insured event under Section I – Property Coverage will be settled on an actual cash value basis.

#### KEY WORDS

**Actual Cash Value** considers such things as the cost of replacement less any depreciation. In determining depreciation, we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

This payment under no circumstances will exceed the amount of insurance on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## ADDITIONAL BUILDINGS AND STRUCTURES – ALL RISK

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This coverage is added to Section I – Property Coverage.

#### THE AGREEMENT

If your declaration indicates Additional Buildings and Structures – All Risk, coverage for direct physical loss or damage extends to the additional building(s) or structure(s) described on your declaration, up to the specified limit.

#### INSURED EVENTS

You are insured against all risks of direct physical loss or damage to the additional building(s) or structure(s), subject to all exclusions under Section I – Property Coverage, What Is Excluded.

#### BASIS OF SETTLEMENT

The Basis of Settlement shown on your declaration applies.

#### DEDUCTIBLE

We will only pay that part of the loss that exceeds the deductible shown on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## ADDITIONAL BUILDINGS AND STRUCTURES – BASIC

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

This coverage is added to Section I – Property Coverage.

### THE AGREEMENT

If your declaration indicates Additional Buildings and Structures – Basic, coverage for direct physical loss or damage extends to the additional building(s) or structure(s) described on your declaration, up to the specified limit.

### INSURED EVENTS

You are insured against direct physical loss or damage to the additional building(s) or structure(s) caused by the following insured events:

- Fire;
- Lightning;
- Explosion;
- Smoke;
- Falling Object;
- Impact by Aircraft, Spacecraft or Land Vehicle;
- Riot;
- Vandalism or Malicious Acts;
- Water Damage;
- Windstorm;
- Hail;
- Transportation;
- Theft or Attempted Theft;
- Collapse Caused by Weight of Ice, Snow or Sleet;
- Ice Damming;
- Electricity; and
- Damage Caused by Bears.

### BASIS OF SETTLEMENT

The Basis of Settlement shown on your declaration applies.

### DEDUCTIBLE

We will only pay that part of the loss that exceeds the deductible shown on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## ADDITIONAL INSURED – BUILDING AND LIABILITY ONLY

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

### **THE AGREEMENT**

The person(s) or organization(s) listed under Additional Interest(s) on your declaration are added as an additional insured with respect to the location(s) designated on your declaration in regard to:

Section I – Property Coverage, specifically:

- Coverage A – Residence
- Coverage B – Additional Buildings and Structures

Section II – Personal Liability Protection, Coverage E – Legal Liability; but only for liability arising out of the ownership, maintenance or use of the location designated on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## ADDITIONAL INSURED – CONTENTS AND LIABILITY ONLY

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

### THE AGREEMENT

The person(s) or organization(s) listed under the Additional Interest(s) section are added as an additional insured with respect to the location(s) or unit(s) designated on your declaration in regards to:

Section I – Property Coverage, specifically:

- Coverage C – Personal Property
- Coverage D – Loss of Use

Section II – Personal Liability Protection; but only for liability arising out of the ownership, maintenance or use of the location designated on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## **ADDITIONAL INSURED – DESIGNATED LOCATION OR UNIT LIABILITY ONLY**

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

### **THE AGREEMENT**

The person(s) or organization(s) listed under the Additional Interest(s) section of your declaration are added as an additional insured(s) with respect to Section II – Personal Liability Protection but only for liability arising out of the ownership, maintenance or use of the location(s) or unit(s) designated on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## ADDITIONAL INSURED – DESIGNATED PREMISES

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

### THE AGREEMENT

The person(s) or organization(s) listed under the Additional Interest(s) section of your declarations are added as an additional insured(s) for the location(s) or unit(s) designated on your declarations with respect to:

Section I – Property Coverage; and

Section II – Personal Liability Protection; but only for liability arising out of the ownership, maintenance or use of the location designated on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## BARELAND CONDOMINIUM ENDORSEMENT

### THIS ENDORSEMENT CHANGES YOUR COVERAGE. PLEASE READ CAREFULLY.

This endorsement amends Section I – Property coverage and Section II - Personal Liability Protection.

#### THE AGREEMENT

If your declaration indicates Bareland Condominium Endorsement is included, the following coverages apply to the property location(s) described.

#### COLLECTIVELY OWNED CONDOMINIUM PROPERTY COVERAGE

Under Section I, Property Coverage

We will pay up to the amount of insurance stated on your declaration for your share of an assessment if:

- the assessment is valid under the laws of the province or territory and Condominium Corporation governing rules;
- it is made necessary by a direct loss to the collectively owned condominium property including any real and personal property owned by the corporation, when caused by an insured event you are covered for in your condominium policy.

This coverage does not include that part of an assessment made necessary as a result of a deductible under the Condominium Corporation's property insurance policy.

#### CONDOMINIUM DEDUCTIBLE COVERAGE

Under Section I, Property Coverage

We will pay up to the amount of insurance stated on your declaration for the part of an assessment made necessary by a deductible in the Condominium Corporation's property insurance policy, but only where the laws of the province or territory and the Condominium Corporation's governing rules specifically permit it to place the responsibility for any portion of the Condominium Corporation's property insurance policy deductible on an individual unit owner.

This includes a deductible assessment under the Condominium Corporation's property insurance, when caused by an insured event you are covered for in your condominium policy as follows:

- for loss or damage to the collectively owned condominium property;
- for loss or damage to the real and personal property of the condominium;
- for loss or damage to any unit.

However, we will only pay up to \$2,500 if an assessment of a deductible is made necessary if loss or damage results from:

- an earthquake and only if earthquake coverage is indicated on your declaration; or
- fire that is caused directly or indirectly by earthquake.

No deductible applies to this coverage.

## **CONDOMINIUM LOSS ASSESSMENT**

Under Section II, Coverage E – Legal Liability, if you are a condominium unit owner, we will pay

- your share of any special assessment made if:
  - a) the assessment is valid under the Condominium Corporation's governing rules; and
  - b) the assessment is made necessary by the liability of the Condominium Corporation for occurrence(s) which takes place during the policy period;
- up to the amount of insurance shown on your declaration under Condominium Deductible Coverage, for that part of an assessment made necessary by a deductible in the Condominium Corporation's liability insurance policy but only where the Condominium Corporation's governing rules specifically permit it to place the responsibility for any portion of the master policy deductible on an individual unit owner.

This coverage is subject to all exclusions, terms and conditions of Coverage E – Legal Liability and, does not increase the amount of insurance under Coverage E – Legal Liability.

### **KEY WORDS**

**Condominium Unit** means the condominium unit, strata lot or exclusive portion described in the condominium declaration or co-ownership declaration occupied by you as a private residence.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## BICYCLE COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This coverage is added under Section I – Property Coverage, Coverage C – Personal Property.

#### THE AGREEMENT

If your declaration indicates that Bicycle Coverage is included, we will pay for direct physical loss or damage to your described bicycle(s) up to the amount of insurance shown on your declaration.

This endorsement removes the exclusion under Property Excluded:

- sporting equipment where the loss or damage is due to its use;

#### WHAT IS EXCLUDED

In addition to the items outlined in Section I – What Is Excluded, we do not insure loss or damage:

- to bicycles used for deliveries, or for carrying passengers for compensation;
- to bicycles rented to others;
- to bicycles while used in, or in preparation for, any race or speed test;
- caused by the dishonesty of a person(s) to whom you have entrusted with the care, custody and control of the described bicycle. This exclusion does not apply where the person entrusted is a carrier for hire.

#### DEDUCTIBLE

We are responsible for the amount of loss or damage caused by an insured event that exceeds the deductible of \$25 for any one occurrence.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*

## BOAT AND MOTOR COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This coverage is added under Section I – Property Coverage, Coverage C – Personal Property.

#### THE AGREEMENT

If your declaration indicates Boat and Motor Coverage is included, we will pay for direct physical loss or damage to the watercraft listed on your declaration while being used or operated anywhere in Canada and the Continental United States.

Watercraft includes the following:

- the boat and its permanently attached equipment;
- outboard motor(s);
- personal watercraft;
- equipment used for the operation, safety and maintenance of the watercraft;
- watercraft trailer.

If the watercraft insured is a sailboat, you agree it will only be used during the navigation period stated on your declaration, otherwise the sailboat will be laid up and out of commission.

#### DEDUCTIBLE

We are responsible for the amount of loss or damage that exceeds the Boat and Motor Coverage deductible shown on your declaration for any one occurrence.

#### ADDITIONAL CONDITIONS

If you acquire another watercraft to replace the watercraft currently described on your declaration, we will insure the newly acquired watercraft for a period not exceeding 30 days from the date of acquisition. We will only pay up to the amount of insurance shown on your declaration.

In the event of an insured loss, we will pay up to \$1,500 per occurrence for the rental of a replacement watercraft of like kind and quality.

#### WHAT IS EXCLUDED

In addition to the items outlined in Section I – What Is Excluded, we do not insure:

- loss or damage caused by marine life, marine borers, electrolysis, denting, weathering, or resulting from freezing;
- watercraft used for deliveries, or carrying passengers for compensation;
- watercraft rented to others;
- loss or damage caused by the dishonesty of any person entrusted with care, custody or control of the listed watercraft. This exclusion does not apply where the person is a carrier for hire;
- watercraft while used in, or in preparation for, any race or speed test. This exclusion does not apply to sailboats.

## BASIS OF SETTLEMENT

We will pay for insured loss or damage to the watercraft listed on your declaration as follows:

- For those items on your declaration which indicate Basis of Settlement: Valued, we will pay the lesser of the:
  - a) actual cost of repairs, including replacement with new parts, without deduction for depreciation;
  - b) value stated on your declaration.
- For those items on your declaration which indicate Basis of Settlement: Actual Cash Value, we will pay the lesser of the:
  - a) actual amount necessary to repair subject to depreciation;
  - b) actual cash value of the watercraft; or
  - c) amount of insurance indicated on your declaration.

## SPECIAL CONDITIONS

The following Special Conditions apply to all losses regardless of the Basis of Settlement shown on your declaration:

- Loss or damage to sails and protective covers of fabric or similar material will be adjusted on the basis of the actual cash value at the time of loss or damage.
- We will not pay more than the actual cash value of the loss or damage if the described watercraft is not repaired or replaced.
- When an insured event results in a total or constructive total loss, we will not pay the cost of recovering the watercraft.
- As a result of any insured losses, we may take over any salvage at our discretion.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## BUILDING BYLAWS COVERAGE

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

This coverage is added to Section I – Property Coverage.

### THE AGREEMENT

If your declaration indicates that Building Bylaws Coverage is included and there is loss or damage to your residence or additional buildings and structures caused by an insured event, the specified location is covered for additional costs of demolition, construction, or repair as required to comply with any law or ordinance regulating demolition, construction or repair of buildings, but only when the residence or additional building or structure is actually repaired, rebuilt or replaced.

### BASIS OF SETTLEMENT

We will not pay:

- more than the amount of insurance on your declaration;
- more than the minimum amount required to comply with any law or ordinance;
- the additional cost, unless your property is actually repaired, rebuilt or replaced on the same location.

This coverage does not apply to the following optional additional coverages:

- Earthquake Coverage
- Limited Sewer Back Up Coverage
- Overland Water Coverage

### DEDUCTIBLE

No deductible applies to this coverage.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## BUSINESS PERSONAL PROPERTY COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

If your declaration indicates the Business Personal Property Coverage endorsement is included, Section I – Property Coverage, Coverage C – Personal Property is extended to include your business personal property indicated on your declaration.

#### THE AGREEMENT

We will pay for direct physical loss or damage to your insured business personal property caused by an insured event. Your business personal property is insured against the same events that apply to Coverage C - Personal Property.

The amount of insurance shown on your declaration for business personal property will apply to loss or damage occurring at the location or unit to which this endorsement is attached and is in addition to the amount shown for Coverage C – Personal Property.

The amount of insurance for loss or damage to business personal property away from the location or unit to which this endorsement is attached is limited to 25% of the amount of insurance shown on your declaration or \$5,000 whichever is less.

Business personal property in storage, or at any other location you own, rent, lease or occupy for business purposes is not covered.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*

**Please note:** We have updated certain coverage wordings that may apply to your insurance policy. Insurance policies dated June 2020 or later that contain coverage endorsements may look different because they now reference new titles. There may be instances where certain coverage wordings within your policy will not yet reflect these changes. We have provided the following guide to help you understand how the updated titles apply:

- Updated Title: Section I – Personal Property      Original Title: Section I – Property Coverage
- Updated Title: Section I – What is Excluded      Original Title: Section I – Loss or Damage not Insured



## CLAIMS FREE PROTECTION

### THE AGREEMENT

If your declaration indicates that Claims Free Protection is included, your premium will not be affected by the first claim paid or pending settlement rated on the location(s) or unit(s) designated on your declaration.

If more than one location is insured, this endorsement applies only to those locations where this endorsement is indicated.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*

## COMPUTER COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This coverage is added under Section I – Property Coverage, Coverage C – Personal Property.

#### THE AGREEMENT

We will pay for direct physical loss or damage to your described computer equipment up to the amount of insurance shown on your declaration. The amount of insurance shown on your declaration for this coverage does not increase the amount of insurance under Coverage C – Personal Property.

#### WHAT IS EXCLUDED

We do not insure:

- loss or damage occurring when the described computer equipment is rented to others;
- the cost to gather or assemble information required for the re-creation of any data, except for duty or licensing fees for the cost of downloading or restoring data, for which you have paid duty or license fees;
- unlicensed computer software, or any data or computer software which has been acquired illegally;
- accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents, unless they have been converted into electronic data and then only in that form.

#### DEDUCTIBLE

No deductible applies to this endorsement unless otherwise stated on the declaration.

#### KEY WORDS

**Computer Equipment** includes, but is not limited to:

- central processing unit, monitors, keyboards, mice;
- auxiliary equipment including, printers, scanners, computer speakers, webcams, microphones and headsets;
- external memory devices including, hard drives, memory sticks;
- wi-fi and networking hardware including, modems, routers, connecting cables;
- laptops, tablets and e-readers including their batteries and chargers;
- firmware, software and data installed on or used with insured computer equipment.

**Computer equipment** does not include:

- smart home devices and their equipment;
- connected security devices including cameras and sensors;
- audio and video streaming devices and home theatre equipment;
- smart lighting, speakers, displays and accessories;
- connected environmental control devices.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*

## CONTENTS OFF PREMISES COVERAGE

### THIS ENDORSEMENT CHANGES YOUR COVERAGE. PLEASE READ CAREFULLY.

This coverage is added to Section I – Property Coverage.

#### THE AGREEMENT

If your declaration indicates Contents Off Premises Coverage, we will pay for direct physical loss or damage to your personal property in long term storage, or normally kept in another location you own, rent or lease as described on your declaration, up to the specified limit.

#### WHAT IS EXCLUDED

In addition to the exclusions listed under Section I – Property Coverage, Coverage C - Personal Property, Property Excluded, we also do not cover loss or damage to:

- money, cash cards, bullion, and cryptocurrency;
- securities,
- numismatic, coin or banknote collections;
- manuscripts, stamps, and stamp collections;
- collectibles including sports cards, memorabilia and comic books;
- furs garments and garments trimmed with fur;
- luggage, footwear and handbags;
- jewellery, watches, gems;
- items of gold, platinum or silver;
- fine arts;
- business property;
- cannabis in all consumable forms and cannabis plants;
- personal property owned by others.

#### INSURED EVENTS

We insure the direct physical loss or damage to your Personal Property resulting from:

1. Fire
2. Lightning
3. Explosion
4. Smoke
5. Falling Object
6. Impact by Aircraft, Spacecraft or Land Vehicle
7. Riot
8. Vandalism or Malicious Acts
9. Water Damage
10. Windstorm
11. Hail
12. Transportation
13. Theft or Attempted Theft
14. Collapse, Including Weight of Ice, Snow or Sleet
15. Ice Damming

16. Electricity
17. Escape of Fuel
18. Damage Caused by Bears

The Basis of Settlement in your policy applies.

**DEDUCTIBLE**

We will only pay that part of the loss that exceeds the deductible shown on your declaration for the location where this coverage applies.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## COSMETIC DAMAGE EXCLUSION FOR HAIL AND WINDSTORM

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This endorsement applies to Coverage A – Residence and Coverage B – Additional Buildings and Structures under Section I – Property Coverage.

#### THE AGREEMENT

If your declaration indicates Cosmetic Damage Exclusion for Hail and Windstorm is applied to your described premises, it is a condition of this policy that any loss or damage to the exterior surfacing of your residence or additional buildings and structures determined to be cosmetic damage caused by hail or windstorm will not be covered.

Where hail or windstorm has created both functional and cosmetic damage to your residence or additional building and structures at the same time, only those areas of the exterior surfacing with functional damage will be covered.

Loss or damage caused by hail or windstorm means cosmetic damage or functional damage to an exterior surfacing caused by, resulting from, contributed to, or aggravated by any of the following: hailstorm, windstorm, wind driven water, wind driven objects, collapse due to wind, or erosion.

#### SPECIAL CONDITION

This exclusion does not apply in the event of a total loss.

#### KEY WORDS

**Cosmetic Damage** means fading, discoloration, oxidation, curling, cupping, clawing, cracking, shrinking, flaking, blistering, splicing, staining, algae growth, and lichen growth to any exterior surfacing. It also means dents, marring, pitting, and impact markings that do not puncture the exterior surfacing, and loss of granules only to the extent where the exterior surfacing continues to act as a water barrier to the same or similar extent as immediately preceding the loss event.

**Functional Damage** means the sudden and accidental puncture, rupture, fracture or tear of any exterior surfacing that reduces water shedding ability.

**Exterior Surfacing** means the material(s) used to surface the exterior of a building to protect against the elements, including but not limited to:

- roof surfacing;
- siding of any material;
- doors;
- windows;
- trim;
- cladding;
- fascia;
- soffit;
- brick and stone;
- veneer; or
- stucco.

**Roof Surfacing** means the:

- shingles and tiles;
- cladding;
- metal or synthetic sheeting, or similar materials covering the roof;
- roof flashing; or
- sealants.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## DAY CARE COVERAGE

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

### THE AGREEMENT

If your declaration indicates that your residence is insured for Day Care Coverage, your Section II – Personal Liability Protection has been extended to cover the day care operation located on your premises.

### WHAT IS COVERED

You are insured for claims made or actions brought against you for bodily injury or property damage resulting from the use of your residence for day care operations.

The following exclusion is removed from Section II – Personal Liability Protection, What is Excluded:

4. business pursuits or any business use of the premises except as provided under special limitations business and business property in Section II – Personal Liability Protection;

And replaced with:

4. business pursuits or any business use of the premises except:
  - as provided under special limitations business and business property in Section II – Personal Liability Protection;
  - your day care operation as described on your declaration.

### WHAT IS EXCLUDED

All other Section II – Personal Liability Protection, What is Excluded apply, including but not limited to claims made against you or actions brought against you for bodily injury or property damage resulting from:

- sexual, physical, psychological or emotional abuse, molestation or harassment, including corporal punishment; or
- failure to take steps to prevent sexual, physical, psychological or emotional abuse, molestation or harassment, or corporal punishment;

by you, at your direction, or with your knowledge of any of your employees or any other person involved in the day care operations.

## PERSONAL CYBER COVERAGE

Where Personal Cyber Coverage is added under Section I – Optional Coverage to your principal dwelling policy, the following amendments to such Optional Coverage shall apply:

The definition of fraud event appearing under the heading Key Words is amended by deleting the following subparagraph:

12. Fraud Event
  - b. Fraud event does not mean or include any occurrence:

- (4) Arising from any of the following:
  - (a) Your business or professional service;

The definition of affected individual appearing under the heading Key Words is amended by deleting the following subsection 1.a. in its entirety and replacing it with the following:

Affected individual must be someone whose personally identifying information is in your possession because of:

- (1) A family or personal relationship with you;
- (2) Your activities or responsibilities in connection with volunteer work for a non-profit organization; or
- (3) Your business or professional service.

The exclusions to coverage in the second paragraph under the heading Loss or Damage Not Insured are amended by deleting the words:

8. Loss arising from any business, including but not limited to any business owned or operated by you or any business employing you;

and replacing them with the following words:

8. Loss arising from any business employing you (this exclusion does not apply to losses arising from any business owned or operated by you);

This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.

**Please note:** We have updated certain coverage wordings that may apply to your insurance policy. Insurance policies dated June 2020 and later that contain coverage endorsements may look different because they now reference new titles. There may be instances where certain coverage wordings within your policy will not yet reflect these changes. We have provided the following guide to help you understand how the updated titles apply:

- |  |  |
|--|--|
| • Updated Title: Section I – Personal Property | Original Title: Section I – Property Coverage          |
| • Updated Title: Section I – What is Excluded  | Original Title: Section I – Loss or Damage not Insured |



## DELETION OF HAIL COVERAGE ENDORSEMENT (VACATION TRAILERS)

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.**

### THE AGREEMENT

If your declaration indicates the Deletion of Hail Coverage Endorsement (Vacation Trailers) is applied to a trailer described on your declaration this endorsement limits your ability to recover damages.

### WHAT IS EXCLUDED

Loss or damage not insured:

- Hail;
- Any subsequent damage caused by water entering the trailer due to an opening created as a result of hail damage.

### SPECIAL CONDITIONS

This endorsement does not apply when damage is considered a total loss caused by any other insured event.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## DESIGNATED GARDEN TRACTOR LIABILITY EXTENSION

**THIS ENDORSEMENT CHANGES YOUR COVERAGE. PLEASE READ CAREFULLY.**

This endorsement amends Section II - Personal Liability Protection.

### THE AGREEMENT

If your declaration indicates Designated Garden Tractor Liability Extension is included, the coverage provided under Coverage E – Legal Liability is only extended to the garden tractor(s) described on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## DESIGNATED PREMISES LIABILITY EXTENSION

**THIS ENDORSEMENT CHANGES YOUR COVERAGE. PLEASE READ CAREFULLY.**

This endorsement amends Section II - Personal Liability Protection.

### THE AGREEMENT

If your declaration indicates Designated Premises Liability Extension is included, the coverage provided under Coverage E – Legal Liability is extended to the personal premises location(s) as described on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*

## EARTHQUAKE COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This coverage is added under Section I – Property Coverage.

#### INSURED PROPERTY

If your declaration indicates that your residence is insured for Earthquake Coverage, we insure your property under Section I – Property Coverage against direct physical loss or damage caused by or resulting from earthquake as follows:

- Coverage A – Residence
- Coverage B – Additional Buildings and Structures
- Coverage C – Personal Property
- Coverage D – Loss of Use of Your Residence

#### WHAT IS EXCLUDED

We do not insure:

- loss or damage whether directly or indirectly caused by, resulting from, contributed to, aggravated by, or attributed to the following:
  - a) explosion;
  - b) smoke;
  - c) leakage from protective equipment;
  - d) theft;
  - e) vandalism and malicious acts; or
  - f) flood of any nature;
- loss or damage caused by or resulting from losses under Section I – What is Excluded. In addition, the following exclusion is removed:

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

and replaced with:

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

- the increased costs of repair or replacement due to any law regulating the zoning, demolition, repair or construction of buildings and their related services or increased costs associated with land stabilization.

## **AMOUNT OF INSURANCE**

The Earthquake Coverage amount of insurance is stated on your declaration for the following coverages:

- Coverage A – Residence
- Coverage B – Additional Buildings and Structures
- Coverage C – Personal Property
- Coverage D – Loss of Use of Your Residence

This endorsement does not increase the amount of insurance.

## **SPECIAL CONDITIONS**

Your earthquake endorsement includes snowslide, sinkhole and landslide occurring concurrently with and resulting from; an earthquake shock and other natural or man-made earth movements resulting from mining or fracking operations.

One or more earthquake shocks which occur within a 168 hour period is considered a single earthquake.

For this endorsement, the following is deleted from Additional Coverages - Debris Removal, "If the amount payable for the insured loss, including expenses for debris removal, is greater than the amount of insurance as indicated for Coverage A – Residence on your declaration, then an additional 5% of that limit will be available for debris removal expenses."

## **DEDUCTIBLE**

We are responsible only for the amount that exceeds the Earthquake Coverage deductible shown on your declaration. The deductible shall apply separately to losses under:

- Coverage A – Residence
- Coverage B – Additional Buildings and Structures
- Coverage C – Personal Property
- Coverage D – Loss of Use of Your Residence

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## ECO-FRIENDLY COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This coverage is added under Section I – Property Coverage.

#### WHAT IS COVERED

If your declaration indicates that the Eco-Friendly Coverage is included, we will pay the increased costs to upgrade the following insured property that is lost or damaged by an insured event:

- home appliances;
- paints and sealants;
- light fixtures and bulbs;
- faucets, plumbing fixtures and toilets;
- residential heating, ventilation and air conditioning systems;
- insulation;
- roofs, doors or windows;

to energy efficient or environmentally friendly property.

The most we will pay is the amount of insurance shown on your declaration for this Eco-Friendly Coverage.

We will not pay any increased costs:

- if no environmentally friendly or energy-efficient equivalent exists;
- for uninsured personal property owned by others while it is on that portion of your premises which you occupy;
- to increase the size or capacity of the equipment being replaced;
- to replace component parts; or
- for any property to which actual cash value applies.

#### DEDUCTIBLE

Your policy deductible applies to this coverage.

#### KEY WORDS

**Energy efficient** means those products or modes of construction that are ENERGY STAR or Canada Green Building Council/LEED Canada rated or accredited.

**Environmentally friendly** means materials or modes of construction that are Canada Green Building Council/LEED Canada accredited.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*

## EQUINE COVERAGE

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

### THE AGREEMENT

If your declaration indicates that Equine Coverage is included, we insure the following:

- horses described on your declaration;
- saddlery, liveries, blankets, harness and similar equipment described on your declaration; and
- unscheduled saddlery, liveries, blankets, harness and similar equipment. We will not pay more than \$250 on any one item.

### INSURED EVENTS

We insure horse(s) against death or destruction directly resulting from or made necessary by:

- fire, lightning, artificial electricity or electrocution;
- explosion;
- sudden and accidental damage from smoke. This does not include loss or damage by smoke from agricultural smudging or industrial operations;
- falling objects, collapse of any buildings or structures, or the falling of trees or their branches;
- riot, vandalism or malicious acts;
- windstorm or hail;
- collision, derailment or overturn of a transporting truck, trailer or rail car;
- stranding or sinking of vessels;
- collapse of bridges, culverts, docks or wharves;
- earthquake, flood or drowning;
- collision with land vehicles other than those owned or operated by you, your employee or any other person residing on your premises;
- accidental shooting or mutilation except by you, your employees or other persons residing on your premises;
- attack by dogs or wild animals. This does not include loss or damage caused by dogs or wild animals owned by you, your employee or any other person residing on your premises;
- accidental and involuntary ensnaring or restraint of an animal. This does not include loss or damage:
  - a) due to animal birth;
  - b) while in transit or being loaded or unloaded;
  - c) while being handled or forcibly restrained for care, treatment or breeding;
  - d) due to splitting;
  - e) due to the suffocation in their own fluids;
  - f) due to casting, or an animal's inherent inability to regain an upright position;
  - g) due to the animal becoming trapped or cast by the contours or depression of the land, including but not limited to any furrow, gully, ditch, hill or any slope.

We insure horse(s) against theft, but this does not include loss due to escape or mysterious disappearance.

We also insure saddlery, liveries, blankets, harness and similar equipment against all risks of direct physical loss or damage.

## **WHAT IS EXCLUDED**

In addition to the items outlined in Section I - What is Excluded, we do not insure loss or damage caused by or resulting from the dishonesty of any person to whom the insured property is entrusted, but this does not apply where the person entrusted is a carrier for hire.

## **BASIS OF SETTLEMENT**

For insured loss or damage to saddlery, liveries, blankets, harness and similar equipment, we will pay the lesser of the:

- a) actual cost of repairs;
- b) actual cost of replacement;
- c) amount of insurance on your declaration.

If the lost or damaged property is not repaired or replaced however, we will pay the lesser of the:

- a) actual cash value of the estimated repairs;
- b) actual cash value of the estimated replacement;
- c) amount of insurance on your declaration.

If you later decide to repair or replace any of the lost or damaged property, you may make an additional claim for the difference between the actual cash value and the replacement cost, provided you do so within 180 days of the date the actual cash value payment was made.

For insured loss to horses described on your declaration, we will pay the amount of insurance on your declaration.

## **DEDUCTIBLE**

We are responsible for the amount of loss or damage caused by an insured event that exceeds \$50 for any one occurrence.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*

## FINE ARTS COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

#### THE AGREEMENT

If your declaration indicates that Fine Arts Coverage is included, we insure the fine art(s) listed on your declaration against all risks of direct physical loss or damage in Canada and the Continental United States.

The fine arts listed on your declaration are also insured for the breakage of any fragile or brittle articles (other than jewellery, gems, watches, bronzes, precious and semi-precious stones, cameras and photographic lenses).

#### WHAT IS EXCLUDED

Under Section I – What is Excluded, the following exclusion is removed as it pertains to the fine arts listed on your declaration:

18. caused directly or indirectly by marring, scratching, abrasion, or chipping of any personal property or breakage of any fragile or brittle article(s) unless caused by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft, watercraft or land vehicle, riot, vandalism, malicious acts, windstorm, hail, electricity, transportation, ice damming, damage by bears, theft or attempted theft, or the insured events of water damage, not otherwise excluded in the policy;

and replaced with:

18. caused directly or indirectly by marring, scratching, abrasion, or chipping of the fine arts listed on your declaration (other than jewellery, gems, watches, bronzes, precious and semi-precious stones, cameras and photographic lenses) unless caused by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft, watercraft or land vehicle, riot, vandalism, malicious acts, windstorm, hail, electricity, transportation, ice damming, damage by bears, theft or attempted theft, or the insured events of water damage, not otherwise excluded in the policy;

In addition to all other items outlined in Section I – What is Excluded, we do not insure your fine arts while at any fairground, exhibition or exposition, if the intent is to display, demonstrate, trade or sell them.

#### BASIS OF SETTLEMENT

For insured loss or damage occurring at, or while in transit between, the unit(s) or location(s) designated on your declaration, we will pay the lesser of the:

- a) actual cost of repairs;
- b) actual cost of replacement;
- c) amount of insurance on your declaration.

For insured loss or damage occurring elsewhere, we will pay the lesser of:

- a) the actual cost of repairs;
- b) the actual cost of replacement;
- c) 10% of the amount of insurance on your declaration.

If the lost or damaged property is not repaired or replaced however, we will pay the lesser of:

- a) the actual cash value of the estimated repairs;
- b) the actual cash value of the estimated replacement;
- c) the amount of insurance on your declaration, if the loss or damage occurs at, or while in transit between, the unit(s) or location(s) designated on your declaration;
- d) 10% of the amount of insurance on your declaration, if loss or damage occurred elsewhere.

If you later decide to repair or replace any of the lost or damaged property, you may make an additional claim for the difference between the actual cash value and the replacement cost, provided you do so within 180 days of the date the actual cash value payment was made.

#### **DEDUCTIBLE**

No deductible applies to this coverage.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## GLASS BREAKAGE COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This coverage is added under Section I - Property Coverage.

#### THE AGREEMENT

If your declaration indicates Glass Breakage Coverage, we agree to pay direct loss or damage to building glass, including storm doors, storm windows, skylights, solariums and sunroom glass, and decorative building glass caused by accidental breakage.

#### WHAT IS EXCLUDED

We do not insure:

- loss or damage occurring while the residence or additional buildings and structures are under construction even if we have given permission for construction;
- loss or damage occurring while the residence is vacant even if we have given permission for vacancy;
- loss or damage to any solar panels;
- loss or damage to any glass constructed green house.

#### DEDUCTIBLE

We will only pay that part of the loss that exceeds the amount of the deductible for this coverage indicated on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## GUARANTEED REPLACEMENT COST COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This coverage is added under Section I – Basis of Settlement and applies to Coverage A – Residence.

#### THE AGREEMENT

If your declaration indicates Guaranteed Replacement Cost Coverage, we will pay for the insured loss to your residence on the basis of replacement cost regardless of the amount of insurance shown on your declaration, provided the following conditions are met:

- The amount of insurance shown on your declaration for Coverage A – Residence:
  - a) is not less than 100% of the replacement cost determined by a valuation guide acceptable to us; and
  - b) will be increased on renewal by an inflationary percentage established by us;
- You repair, rebuild or replace the residence on the same site, unless we have granted permission on a different site, with a residence of the same size and occupancy and constructed with materials of similar quality; and
- You notify us within 90 days of the start of work if you make additions or improvements to your residence that would increase its replacement cost by \$10,000 or more.

If any of the conditions of the policy and this endorsement are not met, this Guaranteed Replacement Cost Coverage will not apply.

We will only pay up to 125% of the Coverage A – Residence limit, to repair or replace the lost or damaged property in the event of:

- Earthquake;
- Fire Following Earthquake;
- Overland Water;

where coverage is provided by the policy or by any other endorsement indicated on your declaration.

When Guaranteed Replacement Cost Coverage is applied, any increase in Coverage A – Residence is not included in the calculation of the total Single Limit Coverage.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## HAIL AND WINDSTORM EXCLUSION

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This endorsement applies to Coverage A – Residence and Coverage B – Additional Buildings and Structures under Section I – Property Coverage.

#### THE AGREEMENT

If your declaration indicates the Hail and Windstorm Exclusion is applied to your described premises, it is a condition of this policy that should your residence or additional buildings and structures have existing hail or windstorm cosmetic or functional damage to any exterior surfacing at the time this endorsement is applied, any subsequent loss or damage caused by hail or windstorm will not be covered.

Any subsequent loss or damage caused by water which enters your residence or additional buildings and structures with existing cosmetic or functional damage of the exterior surfacing caused by hail and windstorm will not be covered.

#### SPECIAL CONDITIONS

If you supply evidence satisfactory to us that the previous loss or damage caused by hail or windstorm has been repaired, this exclusion will become void and have no effect.

This exclusion does not apply in the event of a total loss.

#### KEY WORDS:

**Cosmetic Damage** means fading, discoloration, oxidation, curling, cupping, clawing, cracking, shrinking, flaking, blistering, splicing, staining, algae growth, and lichen growth to any exterior surfacing. It also means dents, marring, pitting, and impact markings that do not puncture the exterior surfacing, and loss of granules only to the extent where the exterior surfacing continues to act as a water barrier to the same or similar extent as immediately preceding the loss event.

**Functional Damage** means the sudden and accidental puncture, rupture, fracture or tear of any exterior surfacing that reduces water shedding ability.

**Exterior Surfacing** means the material(s) used to surface the exterior of a building to protect against the elements, including but not limited to:

- roof surfacing;
- siding of any material;
- doors;
- windows;
- trim;
- cladding;
- fascia;
- soffit;
- brick and stone;
- veneer; or
- stucco.

**Roof Surfacing** means the:

- shingles and tiles;
- cladding;
- metal or synthetic sheeting, or similar materials, covering the roof;
- roof flashing; or
- sealants.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## HOME EQUIPMENT BREAKDOWN

### THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The following additional coverage is added to the SECTION I – OPTIONAL COVERAGES of your Policy.

#### AGREEMENT

We will provide the insurance described in this Endorsement in compliance with all Conditions, Key Words and Exclusions of your Policy, except as they may be altered by this Endorsement. Coverage provided under this Endorsement does not increase any amount of insurance in your Policy.

#### KEY WORDS

With respect to the coverage provided by this Endorsement, the following key words are added:

##### 1. Actual Cash Value

Actual Cash Value means cost of replacing the covered home equipment with property of similar kind, capacity, size, quality and function less depreciation. In determining depreciation, we will consider the condition immediately before the damage, the resale value and the normal life expectancy of the covered home equipment.

##### 2. Covered Home Equipment

- a. Covered home equipment means property covered under Coverage A – Residence, Coverage B – Additional Buildings and Structures or Coverage C – Personal Property:
  - (1) That generates, transmits or utilizes energy; or
  - (2) That, during normal usage, operates under vacuum or pressure, other than the weight of its contents.
- b. None of the following is covered home equipment:
  - (1) Supporting structure, cabinet or compartment;
  - (2) Insulating material associated with covered home equipment;
  - (3) Household water piping other than boiler feedwater piping, boiler condensate return piping or water piping connected to a heating or air conditioning system;
  - (4) Wastewater piping or piping forming a part of a fire protective sprinkler or irrigation system;
  - (5) Buried or encased piping or vessels, or buried or encased wiring, however, interior buried or encased piping or wiring connected to a heating or air conditioning system is covered home equipment;
  - (6) Fuel storage tank or septic tank;
  - (7) Software or electronic data; or
  - (8) Vehicles, whether or not designed for travel on public roads, this includes, but is not limited to:
    - (a) Automobiles, trucks, motorcycles, go-karts, all-terrain vehicles with three or more wheels, snowmobiles, aircraft, or any other motorized vehicles which are licensed or subject to motor vehicle registration, including equipment or accessories, whether attached or detached; or
    - (b) Drones and their equipment exceeding 250 grams.

### **3. Cyber Event**

Cyber event means cyber activity including but not limited to:

- a. The introduction of malicious code including viruses, worms, Trojans, spyware and key loggers within covered home equipment; or
- b. Unauthorized electronic access to covered home equipment or to electronic data or software within or used with covered home equipment.

### **4. Electronic Circuitry**

Electronic circuitry means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips and disk drives.

### **5. Electronic Circuitry Impairment**

Electronic circuitry impairment means an accidental event involving electronic circuitry within covered home equipment that causes covered home equipment to suddenly lose its ability to function as it had been functioning immediately before such event. An electronic circuitry impairment must also meet each of the following conditions:

- a. We shall determine that the reasonable and appropriate remedy to restore such covered home equipment's ability to function is the replacement of one or more electronic circuitry components of the covered home equipment.
- b. The covered home equipment must be owned or used by you or members of your family who reside with you.
- c. None of the following is an electronic circuitry impairment:
  - (1) Any condition that can be reasonably remedied by:
    - (a) Normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;
    - (b) Rebooting, reloading or updating software or firmware; or
    - (c) Providing necessary power or supply.
  - (2) Any condition caused by or relating to:
    - (a) Incompatibility of the covered home equipment with any software or equipment installed, introduced or networked within the prior thirty (30) days; or
    - (b) Insufficient size, capability or capacity of the covered home equipment.
  - (3) Exposure to adverse environmental conditions, including but not limited to change in temperature or humidity, unless such conditions result in an observable loss of functionality.  
Loss of warranty shall not be considered an observable loss of functionality.

### **6. Equipment Breakdown**

- a. Equipment breakdown means a sudden and accidental:

- (1) Mechanical breakdown;
  - (2) Electrical breakdown; or
  - (3) Bursting, cracking or splitting;  
of covered home equipment that results in direct physical damage and requires repair or replacement of all or part of the damaged covered home equipment.

- b. None of the following is an equipment breakdown:

- (1) Rust, corrosion (including pinhole leaks), erosion, deterioration or gradual loss of efficiency or functionality of covered home equipment;
    - (2) Leakage or seepage at or from any connection, valve, fitting, shaft or seal;
    - (3) Complete or partial interruption of electrical power, fuel or water supply, whether deliberate or accidental;

- (4) Any condition which can be corrected by resetting, recalibrating or by the performance of maintenance; or
- (5) Cosmetic or other damage that does not impair functionality.

## **7. Home System Breakdown**

- a. Home system breakdown means an equipment breakdown or electronic circuitry impairment.
- b. None of the following is a home system breakdown:
  - (1) Any programming error, programming limitation, loss of data, loss of access, loss of use, loss of functionality or other condition within or involving data or media of any kind; or
  - (2) A cyber event.  
however, an ensuing equipment breakdown or electronic circuitry impairment will be considered a home system breakdown.

## **8. One Home System Breakdown**

One home system breakdown means if an initial home system breakdown causes other home system breakdowns, all will be considered one home system breakdown. All home system breakdowns that are the result of the same event will be considered one home system breakdown.

## **9. Replacement Cost**

Replacement cost means the cost to replace refrigerated or frozen food with similar kind and quality at today's prices without deduction for depreciation.

## **PROPERTY COVERAGES**

The following coverages are added, subject to the applicable Home Equipment Breakdown amount of insurance shown in the Declaration, unless otherwise specified below:

### **1. Damage to Covered Home Equipment**

We will pay for physical loss or damage to covered home equipment that is the direct result of a home system breakdown that occurs on or off the premises. We will consider electronic circuitry impairment to be physical damage to covered home equipment.

### **2. Food Spoilage**

With respect to your food while contained in a refrigerator or freezer on the premises we will pay:

- a. For physical damage due to spoilage that is the result of a home system breakdown; and
- b. Any necessary and reasonable expenses you incur to save and preserve the food from spoilage and reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

Our payment will be determined based on the replacement cost of the food in a refrigerator or freezer at the time of the home system breakdown. We will not pay more than \$5,000 under this Food Spoilage coverage for any one home system breakdown, regardless of the number of appliances which stop working at the same time.

We do not cover any other refrigerated property, including but not limited to alcoholic beverages, medicine and beauty products.

### **3. Additional Living Expenses and Fair Rental Value**

Coverage for Additional Living Expense and Fair Rental Value, as defined under Coverage D – Loss of Use of Your Residence, is extended to the coverage provided by this Endorsement.

### **4. Expediting Expenses**

With respect to your covered home equipment that is damaged as the result of a home system breakdown, we will pay the reasonable extra cost to:

- a. Make temporary repairs; or
- b. Expedite permanent repairs or permanent replacement.

## **EXCLUSIONS**

Any exclusions in your Policy for mechanical breakdown and electrical breakdown do not apply to this Endorsement. The following exclusions are added:

### **1. Earth Movement**

We do not cover loss, damage or expense caused directly or indirectly by any earth movement including, but not limited to:

- a. Snowslide;
- b. Sinkhole;
- c. Earthquake;
- d. Landslide; or
- e. Any other earth movement regardless of any cause or event that contributes concurrently.

### **2. Electrical Disturbance**

We do not cover loss, damage or expense caused directly or indirectly by electrical power surge or brown out, whether or not caused by lightning. However, with respect to Coverage C – Personal Property, we will pay for loss, damage or expense to tubes, transistors, electronic components or circuitry that are a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus, caused by or resulting from artificially generated electrical current.

### **3. Installation or Repair**

We do not cover loss or damage to covered home equipment while it is being installed, dismantled or repaired. However, this exclusion shall not apply if a covered home system breakdown necessitated such installation, dismantling or repair.

### **4. Property Perils**

We do not cover loss, damage or expense caused directly or indirectly by any of the following perils, whether the excluded peril occurs on or off the premises:

- a. Fire, including fire resulting from a home system breakdown, or smoke;
- b. Water or other means used to extinguish a fire;
- c. Explosion;
- d. Lightning;
- e. Windstorm or hail;
- f. Impact by aircraft, spacecraft or land vehicle;
- g. Breakage of glass;
- h. Falling objects;
- i. Weight of snow, ice or sleet;
- j. Freezing caused by cold weather or resulting from a home system breakdown;
- k. Collapse;
- l. Riot or civil commotion;
- m. Vandalism or malicious act that causes damage or destruction, however, this exclusion does not apply to a cyber event;
- n. Theft, including damage by attempted theft; or
- o. Flood, surface water, waves, tides, tidal waves, overflow of any body of water or their spray, all whether driven by wind or not.

## **5. Water Damage**

We do not cover loss, damage or expense caused directly or indirectly by water, including but not limited to:

- a. Water that backs up or overflows from a sewer, drain or sump; or
- b. Any other water damage including water damage resulting from a home system breakdown.

## **6. Property Not Covered**

We will not pay for any property that is not covered home equipment except for spoiled food to the extent it is covered under Spoilage in PROPERTY COVERAGES.

## **7. Property Covered Elsewhere in Your Policy**

We will not pay for loss covered under the Property section of your Policy or under any extension endorsement attached thereto.

## **CONDITIONS**

The following conditions are added:

### **1. Amount of Insurance**

The most we will pay under this Endorsement for loss, damage or expense during the policy period, arising from any one home system breakdown to any covered home equipment is \$50,000.

Individual coverages are subject to the limits indicated in the PROPERTY COVERAGES section of this Endorsement. The most we will pay under any such coverage for loss, damage or expense arising from any one home system breakdown is the amount indicated as the limit for that coverage in the PROPERTY COVERAGES section of this Endorsement. These limits are a part of, and not in addition to the Home Equipment Breakdown amount of insurance.

### **2. Deductible**

We will pay only that part of the total payable loss, arising from any one home system breakdown, that exceeds the Home Equipment Breakdown deductible shown in the Declaration, subject to the applicable amount of insurance in this Endorsement.

### **3. Environmental, Safety and Efficiency Improvements**

If covered home equipment requires replacement due to a home system breakdown, we will pay your additional cost to replace with equipment that is better for the environment, safer, or more energy or water efficient than the equipment being replaced.

However, we will not pay to increase the size or capacity of the equipment and we will not pay more than one hundred fifty (150) percent of what the cost would have been to replace with similar kind and quality. This condition does not apply to the replacement of component parts or to any property to which actual cash value applies and does not increase the amount of insurance that applies to this Endorsement.

### **4. Loss Settlement**

Losses under this Endorsement will be settled as follows:

- a. Our payment for damaged covered home equipment that is less than fifteen (15) years old from the date of manufacture, will be the lesser of:
  - (1) The applicable amount of insurance;
  - (2) The cost to repair the damaged covered home equipment;
  - (3) The cost to replace the damaged covered home equipment with similar kind, quality and capacity on the same premises; or
  - (4) The necessary amount actually spent to repair or replace the damaged covered home equipment.
- b. Our payment for damaged covered home equipment that is fifteen (15) years old or older from the date of manufacture, will be the lesser of:
  - (1) The applicable amount of insurance;
  - (2) The cost to repair the damaged covered home equipment;
  - (3) The actual cash value to replace the damaged covered home equipment with like kind, quality and capacity on the same premises.
- c. Except as described in Environmental, Safety and Efficiency Improvements above, you are responsible for the extra cost of replacing damaged covered home equipment with property of a better kind or quality or of a different size or capacity.
- d. If you do not repair or replace the damaged covered home equipment within twenty four (24) months after the date of the home system breakdown, then we will pay only the lesser of:

- (1) The cost it would have taken to repair or replace at the time of the home system breakdown;
- (2) The actual cash value at the time of the home system breakdown; or
- (3) The applicable Home Equipment Breakdown amount of insurance.

**Please note:** We have updated certain coverage wordings that may apply to your insurance policy. Insurance policies dated June 2020 and later that contain coverage endorsements may look different because they now reference new titles. There may be instances where certain coverage wordings within your policy will not yet reflect these changes. We have provided the following guide to help you understand how the updated titles apply:

- |  |   |
|--|---|
| <ul style="list-style-type: none"><li>• Updated Title: Section I – Personal Property</li><li>• Updated Title: Section I – What is Excluded Insured</li></ul> | <p>Original Title: Section I – Property Coverage<br/>Original Title: Section I – Loss or Damage not Insured</p> |
|--|---|



## HOME-BASED BUSINESS COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

If your declaration indicates that Home-Based Business Coverage is included, the following coverage is added under Section I – Property Coverage and Section II – Personal Liability Protection.

### SECTION I – PROPERTY COVERAGE

#### WHAT IS COVERED

This endorsement extends the coverage provided for your insured principal residence to cover the business conducted from your described location or unit and operated by you under Section I – Property Coverage. The following amendments are made to your policy:

Under Section I – Property Coverage, Coverage C – Personal Property is extended to include business property belonging to you or for which you are legally responsible.

The amount of insurance under Home-Based Business Coverage indicated on your declaration is in addition to the amount shown under Coverage C – Personal Property, Special Limits of Insurance, Business property on your premises.

#### ADDITIONAL COVERAGE

The following extensions apply at the described location or unit:

- accounts receivable up to a maximum of \$10,000; and
- valuable papers and records up to a maximum of \$10,000.

This is additional insurance.

#### LOSS OF INCOME

We will pay for the actual loss of business income you sustain due to the necessary suspension of your operations during the period of restoration. The suspension must be caused by direct physical loss or damage to property at the described unit or location, that is caused by or resulting from an insured event. We will pay for your loss of business income for a maximum of 12 consecutive months after the property is lost or damaged.

We will pay the actual and necessary extra expense you incur during the period of restoration that you would not have incurred if there had been no direct physical loss or damage by an insured event to property at the described unit or location. We will pay such extra expense for a maximum of 12 months after the property is lost or damaged.

These coverages are subject to a maximum limit of \$100,000.

#### PROPERTY EXCLUDED

We do not insure the following property pertaining to a business:

- any furs, jewellery (other than costume jewellery), precious metals or watches;
- property you have loaned or rented to others or have sold under a conditional sales agreement or deferred payment plan, once it has left your custody.

## **WHAT IS EXCLUDED**

We do not insure:

- mysterious disappearance or shortage discovered when taking an inventory;
- any loss or damage caused by misinterpretation of date. But we will pay for resulting loss or damage when caused by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft or land vehicle, riot, vandalism or malicious acts, water damage, windstorm, hail, electricity, transportation, ice damming, or damage by bears;
- loss or damage caused by or resulting from any of the following:
  - a) error or omission in processing, copying, bookkeeping, accounting, or billing. But we will pay for direct physical loss or damage caused by fire, lightning or explosion;
  - b) electrical or magnetic injury, disturbance, or erasure of electronic recordings. But we will pay for direct physical loss or damage caused by fire or lightning;
  - c) unauthorized instructions to transfer property to any person or any place.

If your policy includes Basic Homeowner, Broad Homeowner or Comprehensive Homeowner coverage, the following exclusion is removed from Section I – What is Excluded, but only in regard to the Business Type specified on your declaration under Home-Based Business Coverage:

4. to structures or buildings used in whole or in part for business or farming operations, unless shown on your declaration;

and replaced with:

4. to structures or buildings used in whole or in part for farming operations, unless shown on your declaration;

## **BASIS OF SETTLEMENT – BUSINESS PROPERTY**

We will pay for direct physical loss or damage to your insured business property, but we will not pay more than your financial interest in the property, or the applicable amount of insurance as shown on your declaration, for any one occurrence, within statutory limitations.

For insured loss or damage, we will pay the lesser of the:

- a) actual cost of repairs;
- b) actual cost of replacement based on manufacturer's pricing;
- c) amount of insurance on your declaration.

If the lost or damaged property is not repaired or replaced however, we will pay the lesser of the:

- a) actual cash value of the estimated repairs;
- b) actual cash value of the estimated replacement based on manufacturer's pricing;
- c) amount of insurance on your declaration.

If you later decide to repair or replace any of the lost or damage property, you may make an additional claim for the difference between the actual cash value and the replacement cost, provided you do so within 180 days of the date the actual cash value payment was made.

We will pay for the cost of reproduction of your valuable papers and records which cannot be replaced or restored. This does not include the cost of research to produce these documents.

If Single Limit Coverage is shown on your declaration, it does not apply to the business property covered under this endorsement.

## **BASIS OF SETTLEMENT – ACCOUNTS RECEIVABLE AND LOSS OF INCOME**

The following method will be used to establish the amount of accounts receivable if you cannot accurately establish the amount outstanding as of the time of loss or damage:

1. Determine the total of the average monthly amount of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and
2. Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

The following will be deducted from the total amount of the accounts receivable, however that amount is established:

- the amount of the accounts for which there is no loss or damage;
- the amount of the accounts that you can re-establish or collect;
- an amount to allow for probable bad debts that you are normally unable to collect; and
- all unearned interest and service charges.

Your loss of income calculation may be based on the following items:

- the net income of the business before the direct physical loss or damage occurred;
- the likely net income of the business had no loss or damage occurred;
- the operating expenses, including payroll expenses, necessary to resume operations of your home-based business with the same quality of service that existed just before the direct physical loss or damage; and
- other relevant sources of information, including:
  - your financial records and accounting procedures;
  - bills, invoices, and other vouchers; and
  - deeds, liens, or contracts.

We will pay for the cost of reproduction of your valuable papers and records which cannot be replaced or restored. This does not include the cost of research to produce these documents.

If Single Limit Coverage is shown on your declaration, it does not apply to the accounts receivable, or loss of income covered under this endorsement.

## **SECTION II – PERSONAL LIABILITY PROTECTION**

### **WHAT IS COVERED**

Coverage E – Legal Liability under Section II – Personal Liability Protection is extended to include claims made or actions brought against you for bodily injury or property damage arising out of the operations of your home-based business described on your declaration.

The Coverage E - Legal Liability amount of insurance is the maximum amount we will pay, under one or more sections of Coverage E - Legal Liability, for all compensatory damages in any one occurrence.

The Special Limitations of Section II – Personal Liability Protection, Business and Business Property is amended to include the following clause:

We insure you against claims arising out of:

- claims made or actions brought against you for bodily injury or property damage arising out of the operations of your home-based business described on your declaration.

## WHAT IS EXCLUDED

This endorsement is subject to all the limitations and exclusions listed in the policy. In addition, you are not insured for claims made or actions brought against you for:

- Property damage to:
  - a) that part of real property on which you or any contractor, or subcontractor working directly or indirectly on your behalf is performing operations, if the property damage arises out of those operations;
  - b) that part of any property that must be restored, repaired, or replaced because your work was incorrectly performed on it other than property damage included within the products and completed operations hazard;
  - c) your product arising out of it or any part of it;
  - d) your work arising out of it or any part of it and included in the products and completed operations hazard, however this exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor;
  - e) impaired property or property that has not yet been physically injured, arising out of:
    - i. a defect, deficiency, inadequacy, or dangerous condition in your product or your work; or
    - ii. a delay or failure by you or anyone working on your behalf to perform a contract or agreement in accordance with its terms.
- Any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal, or disposal of your product, your work or impaired property if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it.
- Bodily injury or property damage arising out of misinterpretation of date.

## PERSONAL CYBER COVERAGE

Where Personal Cyber Coverage is added under Section I – Optional Coverage to your principal dwelling policy, the following amendments to such Optional Coverage shall apply:

The definition of fraud event appearing under the heading Key Words is amended by deleting the following subparagraph (a):

### 12. Fraud Event

- b. Fraud event does not mean or include any occurrence:
  - (4) Arising from any of the following:
    - (a) The business or professional service of an insured;

The definition of affected individual appearing under the heading Key Words is amended by deleting the following:

- a. Affected individual must be someone whose personally identifying information is in your possession because of:
  - (1) A family or personal relationship with you; or
  - (2) Your activities or responsibilities in connection with volunteer work for a non- profit organization.

and replacing with:

- a. Affected individual must be someone whose personally identifying information is in your possession because of:
  - (1) A family or personal relationship with you;
  - (2) Your activities or responsibilities in connection with volunteer work for a non-profit organization; or
  - (3) Your business or professional service.

The exclusions to coverage in the second paragraph under the heading Loss or Damage Not Insured are amended by deleting the words:

8. Loss arising from any business, including but not limited to any business owned or operated by you or any business employing you;

and replacing them with the following words:

8. Loss arising from any business employing you (this exclusion does not apply to losses arising from any business owned or operated by you);

## KEY WORDS

**Accounts Receivable** means:

- all sums due to you from your customers, that you are unable to collect, as a direct result of loss or damage to your records of accounts receivable by an insured event;
- interest charges on any loan to offset impaired collections pending repayment of those sums which the loss or damage prevents you from collecting;
- collection expenses in excess of normal collection costs, made necessary by the loss or damage;
- other expenses reasonably incurred by you in re-establishing records of accounts receivable following the loss or damage.

**Business Income** means:

- net profit or loss before income taxes, that would have been earned or incurred; and
- continuing normal operating expenses incurred, including payroll.

**Extra Expense** means expense incurred:

- to avoid or minimize the suspension of business and to continue normal business operations at the described premises; or at replacement premises or at temporary locations, including:
  - relocation expenses; and
  - costs to equip and operate the replacement or temporary locations;
- to minimize the suspension of business if you cannot continue normal business operations; or
- to repair or replace any property, or to research, replace, or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under business income or extra expense.

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

- it incorporates your product or your work that is known or thought to be defective, deficient, inadequate, or dangerous; or

- you have failed to fulfill the terms of a contract or agreement; if such property can be restored to use by:
  - a) the repair, replacement, adjustment, or removal of your product or your work; or
  - b) you're fulfilling the terms of the contract or agreement.

**Misinterpretation of Date** means the failure of any electronic data processing equipment, including microchips embedded therein; computer program; software; media; data; memory storage system; memory storage device; real time clock; date calculator; or any other related component, system process or drive; to correctly read, recognize, interpret or process any encoded, abbreviated or encrypted date, time or combined date/time data or data field. Such failure shall include any error in original or modified data entry programming.

**Operations** means your business activities occurring at the described premises.

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

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

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

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

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

**Pollutants**, for the purposes of this endorsement means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.

**Products and Completed Operations Hazard** includes all bodily injury and property damage:

- occurring away from the premises you own or rent and arising out of your product or your work except:
  - a) products that are still in your physical possession; or
  - b) work that has not yet been completed or abandoned.
- that arises out of your product manufactured, sold, handled, or distributed for consumption on premises you own or rent if the bodily injury or property damage occurs after you have relinquished possession of those products.

Your work will be deemed to be completed at the earliest of the following times:

- when all the work called for in the contract has been completed;
- when all the work to be done at the site has been completed if your contract calls for work at more than one site;
- when that part of the work done at the job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair, or replacement, but which is otherwise complete, will be treated as completed.

This hazard does not include bodily injury or property damage arising out of the existence of tools, uninstalled equipment, or abandoned or unused materials.

**Valuable Papers and Records** means written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages, manuscripts, and electronic media, but does not include money or securities, converted data or programs or instructions used in your data processing operations, including material on which the data is recorded.

**Your Product** means:

- any goods or products, other than real property, manufactured, sold, handled, distributed, or disposed of by you, others trading in your name or a person or organization whose business or assets you have acquired;
- containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

Your product includes:

- warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your product; and
- the providing or failure to provide warnings or instructions.

Your product does not include vending machines or other property rented to or located for the use of others but not sold.

**Your Work** means:

- work or operations performed by you or on your behalf; and
- materials, parts, or equipment furnished in connection with such work or operations.

Your work includes:

- warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your work; and
- the providing or failure to provide warnings or instructions.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## IDENTITY FRAUD EXPENSE COVERAGE

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

This endorsement is added under Section I – Property Coverage, Additional Coverages.

### THE AGREEMENT

If your declaration indicates Identity Fraud Expense Coverage, we agree to pay for eligible identity restoration costs and expenses resulting from an act of identity fraud discovered during the policy term up to the amount of insurance shown on your declaration.

Eligible costs and expenses include:

- your lost earnings for time off work that must be taken to complete fraud affidavits, meet with law enforcement or credit agencies, merchants, or legal counsel;
- loan application fees for reapplying for loans where the original application was rejected because of incorrect credit information;
- costs and expenses associated with restoring your identity with law enforcement agencies, financial institutions or similar credit grantors, and credit agencies including:
  - a) notarizing affidavits or similar documents;
  - b) sending certified and registered mail;
  - c) additional charges for phone calls or texts;
- The cost of reasonable fees from the use of a professional fraud mitigation or restoration service with our prior notice and approval;
- reasonable legal fees incurred, with our prior notice and approval for:
  - a) your defense against any legal action by businesses or their collection agencies;
  - b) the removal of any criminal or civil judgments wrongly entered against you;
  - c) any challenge to the information in your consumer credit report, which is required to restore your identifying information.

Identity fraud means the act of using, without legal authority, your identifying information to commit any illegal activity that constitutes a crime or violation of any federal, provincial, territorial, municipal or local law by an unauthorized person.

The amount of insurance shown on your declaration for Identity Fraud Expense Coverage is the most we will pay for covered expenses from all identity fraud acts discovered in any one policy period, regardless of the number of acts discovered or the number of people affected.

### WHAT IS EXCLUDED:

- Losses covered under Section I Property Coverage, Additional Coverages, Credit or Debit Cards, Forgery and Counterfeit Currency;
- Losses not directly and solely because of an act of identity fraud and the subsequent steps required to restore your identity;
- Expenses caused or contributed to by:
  - a) fraudulent, dishonest or criminal acts committed by you, any person acting with you, or any person acting as your authorized representative; whether acting alone or with others;
  - b) your business or commercial pursuits;

- c) your own use of your identity or credit;
- d) your intentional misuse of your identity or credit.

## **ADDITIONAL CONDITIONS**

You must comply with all the terms and requirements stipulated with the issuance of any physical or digitally stored bank card, credit card or account including secure storage of PINs (Personal Identification Numbers) and personal information. If you do not you will not be entitled to any coverage.

When an act of identity fraud is suspected or discovered, you must immediately notify us and any applicable law enforcement agency, so steps can be initiated to restore the accuracy of your identifying information.

## **DEDUCTIBLE**

We will only pay that part of the loss that exceeds the deductible shown on the declaration under Identity Fraud Expense Coverage.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*

**Please note:** We have updated certain coverage wordings that may apply to your insurance policy. Insurance policies dated June 2020 or later that contain coverage endorsements may look different because they now reference new titles. There may be instances where certain coverage wordings within your policy will not yet reflect these changes.

We have provided the following guide to help you understand how the updated titles apply:

- Updated Title: Section I – Personal Property      Original Title: Section I – Property Coverage
- Updated Title: Section I – What is Excluded      Original Title: Section I – Loss or Damage not Insured

<b>LEGAL EXPENSE COVERAGE</b>	<b>AMOUNT OF COVERAGE PER CLAIM</b>	<b>DEDUCTIBLE</b>	<b>MINIMUM AMOUNT IN DISPUTE</b>
• Employment Disputes	\$100,000	N/A	N/A
• Legal Defence (Personal & Auto)	\$100,000	N/A	N/A
• Contract Disputes (Personal & Auto)	\$100,000	N/A	\$500
• Driver's License Protection	\$100,000	N/A	N/A
• Property Protection (Personal & Business)			
○ Physical Damage	\$100,000	N/A	\$500
○ Legal Nuisance & Trespass	\$100,000	\$500	N/A
• Bodily Injury	\$100,000	N/A	N/A
• Tax Protection (Personal & Business)	\$100,000	N/A	N/A
• Telephone Legal Helpline Service	Unlimited		
<b>AGGREGATE LIMIT PER ANNUAL PERIOD</b>	<b>\$500,000</b>		

**THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.  
IN THE EVENT OF A CONFLICT BETWEEN THIS ENDORSEMENT AND YOUR POLICY, THE  
PROVISIONS OF THIS ENDORSEMENT SHALL GOVERN**

**LEGAL EXPENSE ENDORSEMENT**

ARAG Legal Solutions Inc. (ARAG) acts as the insurance manager and has the authority to issue this endorsement and administer claims on behalf of the **Insurer**.

**THIS ENDORSEMENT CONTAINS CLAUSES WHICH MAY LIMIT THE AMOUNT PAYABLE**

This is a Named Perils endorsement and provides coverage only for the insured events listed within this endorsement.

Words and phrases in **bold** have special meaning as defined in **SECTION IV - DEFINITIONS**.

**SECTION I**

**TELEPHONE LEGAL HELPLINE SERVICE**

ARAG will provide **you** access to a Legal Helpline Service through which **you** can receive confidential general legal assistance and information over the phone relating to any legal or tax problem to help determine **your** legal rights and options under the laws of the applicable province and the federal laws of Canada. The lawyer cannot provide case specific research or review documents.

ARAG will provide this service between the hours of 8am and midnight, local time, seven (7) days a week. In addition, ARAG will facilitate access to a lawyer twenty-four (24) hours a day, seven (7) days a week, in emergency situations. Calls to this service may be recorded.

**TO CONTACT THIS SERVICE, CALL 1-888-668-6027**

ARAG will not accept responsibility if the Legal Helpline Service is unavailable for reasons ARAG cannot control.

**MAKING A CLAIM**

Please contact ARAG as soon as practicable following an insured event, and in no event later than 120 days after the **date of occurrence** of the insured event.

***Please note that the Insurer will not pay for any legal costs you incur before ARAG has accepted your claim, even if ARAG later accepts the claim.***

**You** may report a claim to ARAG by calling the Telephone Legal Helpline Service while **you** are insured under this endorsement, by email at [claims@arag.ca](mailto:claims@arag.ca) or by mail to the Head Office address listed at [www.arag.ca](http://www.arag.ca)

ARAG will then advise **you** on the next steps.

## SECTION II

### INSURANCE AGREEMENT

In return for payment of the policy premium, and subject to the terms, definitions, conditions, exclusions and limitations set out in this endorsement and the Policy Declaration Page, the **Insurer** will provide insurance for **legal costs** incurred for insured events described in this endorsement, provided that:

1. the **date of occurrence** of the insured event happens within the period the **Insurer** has agreed to cover an **insured person**; and
2. the insured event occurs within the **territorial limit** and any legal proceedings will be dealt with by a court, or other body which ARAG agrees to, within the **territorial limit**; and
3. the **legal costs** are incurred after the claim has been accepted by ARAG, and are limited to:
  - a. the reasonable and necessary costs, inclusive of any applicable sales or retail taxes, incurred by the **appointed representative**, including any additional expenses and disbursements such as court fees, experts' fees, police reports and medical reports incurred by the **appointed representative**; and
  - b. costs awarded by a court in Canada to opponents in civil cases if the **insured person** has been ordered to pay them, or pays them with ARAG's agreement; and
  - c. the cost of the **insured person's** net salary or wages, that are not otherwise payable or recoverable, for the time that they are off work to attend any court proceeding, tribunal, arbitration, mediation or other hearing at the request of the **appointed representative**, up to a maximum of \$500 per **insured person** per day, and \$10,000 in total in respect of all claims resulting from any one court or tribunal proceeding, arbitration, mediation or other hearing; and
4. for civil cases and appeals relating to any insured event, **reasonable prospects** exist for the duration of the claim.

Except where stated otherwise, the **Insurer** will not pay **legal costs** incurred with respect to the enforcement of judgments or final orders, or settlement agreements, or minutes of settlement, which may arise in the pursuit or defence of **your** legal rights from an accepted claim under this endorsement.

Except where stated otherwise, the **Insurer** will pay **legal costs** incurred in making or defending an appeal, as long as:

- a. the matter being appealed was previously accepted as a claim under this endorsement,
- b. the **insured person** tells ARAG within the time limits allowed to file an appeal that they want to appeal (and within reasonable time to allow for the filing of all necessary documents for an appeal), and
- c. ARAG agrees there are **reasonable prospects** of success for the appeal.

This endorsement, together with the Policy Declaration Page, policy wording and any other endorsements, along with the application and any other information **you** have provided, forms the contract of insurance between **you** and the **Insurer**.

**THIS IS NOT AN ENDORSEMENT FOR REIMBURSEMENT OF LEGAL COSTS YOU HAVE  
ALREADY INCURRED**

**SECTION III**

**INSURED EVENTS**

**(A) EMPLOYMENT DISPUTES**

The **Insurer** will pay an **insured person's legal costs** to pursue or defend their legal rights in a legal dispute which arises out of, or relates to:

1. their **contract of employment** or future employment;
2. an alleged breach of their statutory rights under employment legislation;
3. an alleged breach of their rights under applicable human rights legislation, as it relates to their employment.

**EXCLUSIONS**

The **Insurer** will not pay any claim relating to:

1. employers' disciplinary hearings or internal grievance procedures;
2. a dispute (other than described under 3. below) where the cause of action arises within the first 30 days of inception of this endorsement;
3. lay-off or job elimination within the first 90 days of inception of this endorsement;
4. death, illness or bodily injury;
5. a contract for services.

**(B) LEGAL DEFENCE (PERSONAL & AUTO)**

The **Insurer** will pay an **insured person's legal costs** to defend their legal rights in relation to:

1. being prosecuted for a highway traffic or motor vehicle offence in connection with the ownership, use or operation of a **motor vehicle** while not acting in the capacity of the **insured person's** trade, profession, occupation, or employment;
2. being prosecuted for an alleged **criminal offence** arising from their work as an employee.

**EXCLUSIONS**

The **Insurer** will not pay any claim relating to:

1. an **insured person's** alleged use of alcohol or drugs while using or operating of a **motor vehicle**, including failure to provide a sample or be tested for the presence of such substances;
2. an **insured person's** allegedly operating a **motor vehicle** for any type of race or contest, while performing a stunt or on a bet or wager;

3. parking or obstruction offences;
4. the **insured person's** alleged use of prohibited electronic/communication device while using or operating of a **motor vehicle**;
5. automated Traffic Enforcement Camera Offences including but not limited to photo radar and photo red light tickets.

### **(C) CONTRACT DISPUTES (PERSONAL & AUTO)**

1. The **Insurer** will pay an **insured person's legal costs** to pursue or defend their legal rights in a dispute relating to an agreement or an alleged agreement which the **insured person** has entered into for:
  - a. buying or selling **goods** (including the purchase, sale, rental, lease, service, repair, testing or cleaning of a **motor vehicle** or its spare parts or accessories);
  - b. obtaining services.
2. The **Insurer** will pay an **insured person's legal costs** arising from a dispute with a leasing company regarding the amount due under a lease in respect of a **motor vehicle** leased by the **insured person** in the event that it is declared a total loss.

***Provided that the amount in dispute exceeds \$500.***

### **EXCLUSIONS**

The **Insurer** will not pay any claim relating to:

1. the cause of action arising within the first 90 days of inception of this endorsement;
2. a contract regarding an **insured person's** trade, profession, occupation, employment or any business venture;
3. a contract regarding an **insured person** purchasing or selling **real property**;
4. a contract for legal services;
5. construction work, or designing or structurally renovating any building where the amount in dispute exceeds the statutory limits of the small claims court jurisdiction where the dispute is located;
6. the settlement payable under an insurance policy (the **Insurer** will cover a dispute arising from the **insured person's** insurer refusing their claim, but not a dispute over the amount of the claim);
7. a dispute arising from any loan, mortgage, pension, investment, borrowing or any other financial product (other than described under 6. above);
8. a dispute over the terms of a lease of land or buildings or a licence or tenancy of land or buildings. However, the **Insurer** will cover a dispute with a professional advisor in connection with the drafting of a lease, licence or tenancy agreement;
9. a contract involving a **motor vehicle** not owned or leased by an **insured person**.

## **(D) DRIVER'S LICENSE PROTECTION**

The **Insurer** will pay an **insured person's legal costs** to defend their legal rights in relation to protecting their driver's licence from being revoked or suspended following an event arising in connection with the ownership, use or operation of a **motor vehicle**.

### **EXCLUSIONS**

The **Insurer** will not pay any claim where the revocation or suspension is based upon any of the following:

1. an **insured person's** alleged use of alcohol or drugs, including failure to provide a sample or be tested for the presence of such substances;
2. an **insured persons** allegedly operating a **motor vehicle** for any type of race or contest, while performing a stunt or on a bet or wager;
3. an **insured person's** alleged use of a prohibited electronic/communication device while operating a **motor vehicle**.

## **(E) PROPERTY PROTECTION (PERSONAL & BUSINESS)**

The **Insurer** will pay an **insured person's legal costs** to pursue their legal rights in a civil action relating to physical property which they own following:

1. an event which causes physical damage to such property, provided that the amount in dispute exceeds \$500;
2. a legal nuisance (meaning any unlawful interference with the use or enjoyment of **your** land, or some right over, or in connection with it);
3. a trespass.

### **EXCLUSIONS**

The **Insurer** will not pay any claim relating to:

1. a contract entered into by the **insured person**;
2. disputes related to easements or other agreed rights over land;
3. any building or land other than **your** principal or recreational home;
4. someone legally taking the **insured person's real property** from them, whether the **insured person** is offered money or not, or restrictions or controls placed on the **insured person's real property** by any governmental, quasi-governmental or public or local authority;
5. work done by, or on behalf of, any governmental, quasi-governmental or public or local authority unless the claim is for accidental physical damage;
6. a **motor vehicle**;

7. mining, subsidence, heave or landslide;
8. defending an **insured person's** legal rights, other than in defending a counter-claim;
9. the first \$500 in **legal costs** of any claim for legal nuisance or trespass. This is payable if the dispute cannot be resolved by ARAG and requires an **appointed representative**. This amount is payable to the **appointed representative** as soon as they are retained;
10. any business not conducted in **your** principal home.

#### **(F) BODILY INJURY**

The **Insurer** will pay an **insured person's legal costs** to pursue their legal rights following a specific or sudden accident which causes their death or bodily injury.

#### **EXCLUSIONS**

The **Insurer** will not pay any claim relating to:

1. a dispute with any provincial workers' compensation board;
2. psychological injury or mental illness unless the condition arises from a specific or sudden accident that has caused physical bodily injury;
3. surgical, clinical or medical negligence;
4. death, illness or bodily injury arising from:
  - a. an **insured person's** ownership, use or operation of a **motor vehicle**;
  - b. an **insured person** being a passenger in a **motor vehicle**;
5. defending an **insured person's** legal rights, other than in defending a counter-claim.

#### **(G) TAX PROTECTION (PERSONAL & BUSINESS)**

The **Insurer** will pay an **insured person's legal costs** in respect of a **tax appeal** or a **tax audit** relating to:

1. their personal tax affairs;
2. **your** business tax affairs relating to:
  - a. Liability for income tax, GST, PST, QST or HST arising from **your** business;
  - b. Payroll deductions compliance by **your** business.

*Provided that the **insured person** or **your** business has taken reasonable care to ensure that all returns are complete and correct and submitted within the statutory time limits allowed, and that **your** business is conducted in **your** principal home.*

## **EXCLUSIONS**

The **Insurer** will not pay any claim relating to:

1. a tax avoidance scheme, arrangement, or plan of any kind;
2. **your** failure to register for GST and/or PST, QST and/or HST;
3. an investigation or inquiry by the CRA into alleged gross negligence, dishonesty or **criminal offences**.

## **SECTION IV**

### **DEFINITIONS**

The following definitions apply wherever these words or phrases appear in bold in this endorsement.

### **APPOINTED REPRESENTATIVE**

The lawyer, accountant or other suitably qualified person appointed by ARAG on behalf of the **insured person** to act for an **insured person**.

### **BROKER**

The organization, as identified on the Policy Declaration Page for this endorsement, who facilitated the purchase of this endorsement by **you**.

### **CONTRACT OF EMPLOYMENT**

Written agreement between the employer and employee setting out both party's rights, duties and obligations.

A **contract of employment** does not include a collective agreement covering a group of employees who are represented by a union.

### **CRIMINAL OFFENCE**

An offence under the Criminal Code of Canada (R.S.C., 1985, c. C-46).

### **DATE OF OCCURRENCE**

1. For civil cases: the date of the event which leads to a claim. If there is more than one event arising at different times from the same originating cause, the **date of occurrence** is the date of the first of these events.
2. For criminal cases: the date of the alleged **criminal offence**, or the earliest date in a series of related alleged **criminal offences**, for which an **insured person** is charged.
3. For a **tax appeal**: when the Canada Revenue Agency ("CRA") or a provincial tax authority first issues the **insured person** a notice of assessment, reassessment or determination with which the **insured person** disagrees.
4. For a **tax audit**: when the CRA or a provincial tax authority first contacts the **insured person** in relation to commencing an audit.

The insured event must occur within the period the **Insurer** has agreed to cover the **insured person**.

## **GOODS**

Any object which is not attached to **real property**, except by its own weight, and can be removed without damage or alterations to the **real property** requiring repair.

Any object which is plugged in and can be removed without any damage or alteration to the **real property**.

## **INSURED PERSON**

A Named Insured, and while living in the same household;

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

Anyone claiming under this policy must have **your** agreement to claim.

## **INSURER**

The Wawanesa Mutual Insurance Company.

## **LEGAL COSTS**

In respect of the insured events described in this endorsement:

1. all reasonable and necessary costs, inclusive of any applicable sales or retail taxes, incurred by the **appointed representative** including any additional expenses and disbursements such as court fees, experts' fees, police reports and medical reports incurred by the **appointed representative**; and
2. the costs awarded by a court in Canada to opponents in civil cases if the **insured person** has been ordered to pay them, or pays them with ARAG's agreement; and
3. the **insured person's** net salary or wages, that are not otherwise payable or recoverable, for the time that they are off work to attend any court proceeding, tribunal, arbitration, mediation or other hearing at the request of the **appointed representative**, up to a maximum of \$500 per **insured person** per day, and \$10,000 in total in respect of all claims resulting from any one court or tribunal proceeding, arbitration, mediation or other hearing.

## **MOTOR VEHICLE**

Includes an automobile, a motorcycle, a motor assisted bicycle, and any other vehicle propelled or driven otherwise than by muscular power.

## **REASONABLE PROSPECTS**

For civil cases **reasonable prospects** means that ARAG agrees that it is always more likely than not that an **insured person** will recover losses or damages (or obtain other legal remedy which ARAG has agreed to) or make a successful defence.

For appeals relating to any insured event, **reasonable prospects** means that ARAG agrees that it is always more likely than not that the appeal will be successful.

## **REAL PROPERTY**

**Real property** is land, and anything growing on, affixed to, or built upon land. This also includes man-made buildings as well as crops. **Real property** is characterized as property that doesn't move, or that is attached to the land.

## **TAX APPEAL**

An appeal regarding an assessment, reassessment or determination made by the CRA or a provincial tax authority, including an administrative appeal to the CRA or a provincial tax authority and an appeal to the Tax Court of Canada or a superior court of a province.

## **TAX AUDIT**

An inspection and verification by the CRA or a provincial tax authority of the **insured person's** financial accounting records to determine whether or not **you** have paid the correct amount of tax.

## **TERRITORIAL LIMIT**

Canada.

## **YOU, YOUR**

The policyholder shown in the Policy Declaration Page.

## **SECTION V**

### **LIMIT OF INSURANCE**

The **Insurer** will pay up to the limit of insurance shown in the Policy Declaration Page in respect of **legal costs** related to all claims resulting from one or more events arising at the same time or from the same originating cause.

Subject to the above, the **Insurer** will pay, in aggregate, **legal costs** of no more than the aggregate limit shown in the Policy Declaration Page in respect of all claims that arise in that period of insurance that result from different originating causes.

## **SECTION VI**

### **GENERAL EXCLUSIONS**

This insurance does not apply to:

#### **1. PROHIBITED USE**

A claim arising from any event occurring while the **motor vehicle** is being used for any illegal activity (other than in respect of any event insured under Insured Events **B. Legal Defence (Personal & Auto)** and **D. Driver's Licence Protection**).

#### **2. WILLFUL ACTS**

Any claim resulting from an act which is willfully committed, and the results of which are consciously intended, by an **insured person**.

#### **3. LATE REPORTED CLAIMS**

A claim reported to ARAG more than 120 days after the **date of occurrence**.

#### **4. LEGAL COSTS NOT AGREED WITH ARAG**

Legal costs incurred before ARAG's written agreement that the **Insurer** will pay them.

#### **5. LEGAL ACTION NOT AGREED WITH ARAG**

Legal action an **insured person** takes which ARAG or the **appointed representative** have not agreed to or where an **insured person** does anything that hinders ARAG or the **appointed representative**.

#### **6. CONTINGENCY FEE AGREEMENTS**

Any **legal costs** arising as a consequence of a contingency fee agreement.

#### **7. DISPUTES WITH ANY GOVERNMENTAL OR PUBLIC BODY**

Except as it relates to claims accepted under Insured events **(B) Legal Defence (Personal & Auto)**, **(C) Contract Disputes (Personal & Auto)**, **(D) Driver's License Protection**, and **(G) Tax Protection**, any **legal costs** relating to a review or dispute regarding the lawfulness of any decision or action of any federal or provincial governmental or quasi – governmental body, or any other local or public authority, other than in relation to an accepted claim in respect of any event insured under this endorsement.

#### **8. CLASS ACTION PROCEEDINGS**

Any claim where an **insured person** is a party to a legal action brought under applicable class proceedings legislation, or where an **insured person** has opted out of being a party to a legal action brought under applicable class proceedings legislation.

#### **9. COSTS AWARDED OUTSIDE OF CANADA**

Any **legal costs** awarded in any jurisdiction outside of Canada.

#### **10. DAMAGES, FINES AND PENALTIES**

Damages, fines, penalties, compensation or restitution orders which the **insured person** is ordered to pay by a court or other authority and any costs awarded in criminal or statutory proceedings.

#### **11. DISPUTES WITH ARAG, THE INSURER, OR THE BROKER**

Any dispute with ARAG, the **Insurer**, or the **Broker** not otherwise dealt with under **ENDORSEMENT CONDITIONS 10. Disputes over reasonable prospects for a claim**.

#### **12. FRAUDULENT CLAIMS**

Any claim which is fraudulent, exaggerated or dishonest.

#### **13. CLAIMS UNDER THIS ENDORSEMENT BY A THIRD PARTY**

Apart from ARAG, only an **insured person** may enforce all or any part of this endorsement and the rights and interests arising from or connected with it.

#### **14. NUCLEAR, WAR, TERRORISM AND POLLUTION OR CONTAMINATION RISKS**

Any claim caused by, contributed to, or arising from any of the following:

- a. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;

- b. an event 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;
- c. terrorism or a decision of a government agency or other entity to prevent, respond to or terminate terrorism;
- d. pollution or contamination.

#### **15. DEFAMATION**

A claim relating to written or oral remarks which damage an **insured person's** reputation.

#### **16. EVENTS NOT CONNECTED WITH YOUR BUSINESS**

Any event not arising in connection with the business located in **your** principal home.

#### **17. INTELLECTUAL PROPERTY DISPUTES**

Any claim related to disputes about patents, copyrights, trademarks, merchandise marks, registered designs, intellectual property, secrecy and confidentiality agreements.

#### **18. DISPUTES RELATING TO THE VALIDITY OF LEGISLATION**

Any constitutional or other challenge to the validity of Federal, Provincial, or Municipal Legislation.

### **SECTION VII**

#### **ENDORSEMENT CONDITIONS**

##### **1. OBSERVANCE OF ENDORSEMENT TERMS**

The **insured person** must:

- a. comply with the terms and conditions of this endorsement;
- b. notify ARAG immediately of any change in circumstance which may materially affect assessment of the risk;
- c. take reasonable steps to avoid and prevent claims;
- d. take reasonable steps to avoid incurring unnecessary costs;
- e. send everything ARAG reasonably ask for in writing;
- f. report to ARAG full and factual details of any claim as soon as practicable and give any information reasonably needed.

##### **2. NOTICE OF INSURED EVENT**

The **insured person** shall notify ARAG of any insured event which may give rise to coverage, as soon as they become aware of it. Any interested person may give such notice.

In the event that the requirement set out in the preceding paragraph is not fully complied with, all rights to coverage shall be forfeited by the person insured where such non-compliance has caused prejudice to ARAG.

### **3. CONDUCT AND CONTROL OF CLAIM**

- a. If it is necessary to take legal proceedings, including a **tax appeal**, an **appointed representative** will be appointed by ARAG on behalf of the **insured person** in accordance with standard terms of appointment and will be retained by the **insured person**.
- b. Where ARAG has agreements with more than one law firm with respect to a specialty, the **insured person** may select their **appointed representative** from that panel of law firms.
- c. The **insured person** must cooperate and keep ARAG up-to-date regarding the progress of the claim.
- d. The **insured person** must cooperate with the **appointed representative** and must follow the recommendations of the **appointed representative**, which have been agreed to by ARAG.
- e. The **insured person** must give the **appointed representative** any instructions ARAG requires.

### **4. CONSENT TO ACCESS INFORMATION**

The **insured person** will provide written consent, at the commencement of the retainer of the **appointed representative**, permitting the **appointed representative** to give ARAG, or their reinsurers, actuaries or auditors, or any regulatory authority or their agents, to the extent required by law, access to all correspondence, documents and records in the **appointed representative's** possession or control which are relevant to the matter. This consent will include permission to deliver up all such documents or copies of all such documents at ARAG's request.

### **5. OFFERS TO SETTLE A CLAIM**

- a. The **insured person** must tell ARAG if anyone offers to settle a claim and must not negotiate or agree to a settlement without written consent.
- b. If the **insured person** does not accept an offer ARAG, based on the advice of the **appointed representative**, consider reasonable to settle a claim, the **Insurer** may refuse to pay further **legal costs**.
- c. The **Insurer** reserves the right to pay the **insured person** the reasonable amount of damages that the **insured person** is claiming, or that is being claimed against them, or negotiate a reasonable settlement of any claim, instead of starting or continuing legal proceedings. In these circumstances the **insured person** must allow ARAG to take over and conduct in their name the pursuit or settlement of any claim. The **insured person** will also allow ARAG to pursue at their own expense and for the **Insurer's** benefit, any claim for compensation against any other party and must give ARAG all information and assistance required.

### **6. WITHDRAWAL OF COVERAGE**

If an **insured person** settles or negotiates a claim without ARAG's consent, or withdraws a claim without ARAG's consent, or does not give to the **appointed representative** any instructions required, the **Insurer** can withdraw coverage and will be entitled to reclaim from the **insured person** any **legal costs** the **Insurer** has paid.

### **7. SANCTION LIMITATION**

The **Insurer** shall not be deemed to provide coverage and the **Insurer** shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of

such claim or provision of such benefit would expose the **Insurer** to any sanction, prohibition or restriction under trade or economic sanctions, laws, or regulations of Canada, the United Nations, The United States of America, or the European Union.

## 8. ASSESSMENT AND RECOVERY OF COSTS

- a. The **insured person** must instruct the **appointed representative** to have **legal costs** taxed, assessed or audited if ARAG ask for this;
- b. The **insured person** must take every reasonable step to recover **legal costs** that the **Insurer** has to pay and must pay the **Insurer** any amounts that are recovered;
- c. Where a settlement is made on a without costs basis the **appointed representative** will determine what proportion of that settlement will be deemed **legal costs** and payable to or by the **Insurer**.

## 9. CANCELLATION OF A REPRESENTATIVE'S APPOINTMENT

If the **appointed representative**, in consultation with ARAG, refuses to continue acting for the **insured person**, or if the **insured person** dismisses the **appointed representative** without ARAG's prior consent, the claim will be closed.

## 10. DISPUTES OVER REASONABLE PROSPECTS FOR A CLAIM

If there is a dispute between an **insured person** and ARAG over **reasonable prospects**, the **insured person** may obtain, at their expense, an opinion, from a lawyer mutually agreed to by the **insured person** and ARAG, on the merits of a claim or proceedings. If the lawyer's opinion indicates that **reasonable prospects** exist, the **Insurer** will pay the reasonable cost of obtaining the opinion.

## 11. COMPLAINT HANDLING

If **you** are not satisfied with any aspect of ARAG's service, please telephone ARAG at **1-888-582-5586** or email at **customerrelations@arag.ca**.

If **you** are still unsatisfied, **you** can contact the General Insurance OmbudService (GIO). The GIO is an independent organization which exists to help resolve problems between individuals and their insurance providers. The GIO's services are available free of charge to the customer and the GIO can be contacted by telephone (toll-free Number 1-877-225-0446), or through their website at [www.giocanada.org](http://www.giocanada.org). The GIO should be contacted only after **you** have first tried to resolve the issue directly with ARAG.

If **you** are a resident of Quebec and **you** are not satisfied with the resolution offered by ARAG, **you** may request that ARAG send a copy of **your** file to *the Autorité des marchés financiers (AMF)*, which will assess the complaint and, if necessary, offer mediation services between **you** and ARAG. The *AMF* does not pay any monetary compensation with regard to consumer claims, other than cases covered under its protection and compensation programs. Additional information regarding the *AMF* complaint process can be obtained at <http://www.lautorite.qc.ca/en/file-complaint-conso.html> or toll free at 1-877-525-0337.

## **12. OTHER INSURANCE**

The **Insurer** will not pay any claim covered under any other policy, or any claim that would have been covered by any other policy if this endorsement did not exist.

## **13. APPLICABLE LAW**

This endorsement will be governed, interpreted and enforced in accordance with the laws of the province where this endorsement was issued and the federal laws of Canada.

## **14. CURRENCY**

All of the dollar limits described in this endorsement are in Canadian funds.

## **15. ACTION AGAINST ARAG OR THE INSURER**

Any action or proceeding against ARAG or the **Insurer** for the recovery of any claim under this endorsement is absolutely barred unless commenced within two years after the **date of occurrence**, or prior to the expiry of the applicable limitation period in the province where this endorsement was issued, whichever is earlier. Any such action or proceeding shall be held in the province where this endorsement was issued and in accordance with its laws and the federal laws of Canada.

## **16. COMMUNICATION WITH ARAG**

The **insured person** can communicate with ARAG by telephone, mail or email. New claims may also be reported by mail or telephone.

## **17. YOUR INFORMATION**

Your customer name, policy number, postal code, and the type of insurance coverage **you** purchased has been shared with the **Insurer** and ARAG to provide **you** this Legal Expense Insurance. This information is retained by ARAG in Canada and the United Kingdom. Any additional information collected at the time **you** make a claim, may also be stored in Canada and the United Kingdom.



## LIABILITY EXTENSION – HIS MAJESTY THE KING, IN RIGHT OF CANADA

### THIS ENDORSEMENT CHANGES YOUR COVERAGE. PLEASE READ CAREFULLY.

This endorsement applies to Section II - Personal Liability Protection only.

#### WHAT IS COVERED

If your declaration indicates His Majesty the King, in Right of Canada, as an additional interest(s) for a designated premises, we extend Coverage E – Legal Liability; but only for liability arising out of the ownership, maintenance or use of the designated premises.

#### SPECIAL CONDITION

This endorsement does not increase the limit under Section II – Personal Liability Protection.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## LIABILITY RESTRICTION FOR DESIGNATED PREMISES ENDORSEMENT

**THIS ENDORSEMENT CHANGES YOUR COVERAGE. PLEASE READ CAREFULLY.**

This endorsement amends Section II - Personal Liability Protection.

### THE AGREEMENT

If your declaration indicates Liability Restriction for Designated Premises Endorsement, the following is removed:

### COVERAGE E – LEGAL LIABILITY

We will pay all amounts which you become legally liable to pay to compensate for damages because of unintentional bodily injury or property damage caused by:

- your personal actions anywhere in the world;
- your ownership, use, or occupancy of the premises.

and replaced with:

### COVERAGE E – LEGAL LIABILITY

We will pay all amounts which you become legally liable to pay to compensate for damages because of unintentional bodily injury or property damage caused by:

- your ownership, use, or occupancy of the premises designated on your declaration.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## LIMITED EXTERIOR ENDORSEMENT

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This endorsement is added under Section I – Property Coverage, Basis of Settlement.

#### THE AGREEMENT

If your declaration indicates Limited Exterior Endorsement and the condition of the exterior surfacing of your residence, or additional buildings and structures, contributes to or results in any insured direct physical loss or damage, then the loss will be settled on an actual cash value basis.

This endorsement does not apply in the event of a total loss.

#### KEY WORDS

**Exterior surfacing** means the material(s) used to surface the exterior of a building other than the roof and to protect against the elements, including but not limited to:

- siding of any material;
- doors;
- windows;
- trim;
- cladding;
- fascia;
- soffit;
- brick or stone;
- veneer;
- stucco.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## LIMITED ROOF SURFACING ENDORSEMENT

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This endorsement is added under Section I – Property Coverage, Basis of Settlement.

#### THE AGREEMENT

If your declaration indicates Limited Roof Surfacing Endorsement and the condition of the roof surfacing of your residence, or additional buildings and structures, contributes to or results in any insured direct physical loss or damage, then the loss will be settled on an actual cash value basis.

This endorsement does not apply in the event of a total loss.

#### KEY WORDS

**Roof surfacing** means the:

- shingles and tiles;
- cladding;
- metal or synthetic sheeting, or similar materials covering the roof;
- roof flashing; or
- sealants.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## LIMITED SEWER BACKUP COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

If your declaration indicates that your residence is insured for Limited Sewer Backup Coverage this coverage is added under Section I – Property Coverage.

#### WHAT IS COVERED

You are insured against direct physical loss or damage to property insured under Section I – Property Coverage by sewer backup.

#### WHAT IS EXCLUDED

Any sewer backup loss that has been contributed to by a flood or overland water event, regardless of whether the incident occurred simultaneously or in any other sequence, unless the entry point is from sewer backup only.

#### AMOUNT OF INSURANCE

The Limited Sewer Backup Coverage limit specified on your declaration is the maximum amount payable for all expenses incurred for sewer backup losses payable under Section I – Property Coverage.

This endorsement does not increase the amounts of insurance shown in your policy.

#### DEDUCTIBLE

We will only pay the amount by which the insured loss or damage exceeds the Limited Sewer Backup Coverage deductible shown on your declaration.

#### SPECIAL CONDITION – PREVENTATIVE MEASURES

After a covered sewer backup loss, we will pay an additional amount of up to \$1,000 for the installation expenses you incur to have a recognized, normally open backwater valve installed on your mainline.

This only applies if the loss exceeds the deductible.

#### KEY WORDS

**Sewer Backup** means the sudden and accidental backing up or escape of water or sewage originating from a:

- sewer;
- septic system;
- storm drain or drain;
- sump;

located within your residence or additional buildings and structures.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*

**MOBILE / MINI HOME ENDORSEMENT****THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

This endorsement modifies the following under Section I – Property Coverage:

- What is Excluded; and
- Basis of Settlement.

**THE AGREEMENT**

If your declaration indicates Mobile / Mini Home Endorsement, we will pay for insured direct physical loss or damage to your residence subject to the Additional Exclusions and Basis of Settlement described by this endorsement.

**ADDITIONAL EXCLUSIONS**

The following exclusions are added to Section I – What is Excluded:

Under no circumstances do we insure any loss or damage:

- caused by hail to the outer metal cover of any mobile / mini home structure unless the cover is punctured by the hail; or
- caused by the displacement or overturn of any mobile / mini home that does not have an approved anchor system or tie-down system. However, any resultant fire or explosion remains covered.

**BASIS OF SETTLEMENT**

The Basis of Settlement, Coverage A – Residence and Coverage B – Additional Buildings and Structures found in your policy is amended as it pertains to Coverage A – Residence and is replaced with the following:

**COVERAGE A – RESIDENCE**

The Basis of Settlement on your mobile / mini home will be based on the age of your residence:

**Mobile / Mini Home Residence Aged 15 Years or Newer**

For insured loss or damage, we will pay the lesser of the:

- actual cost of repairs;
- actual cost of replacement; or
- amount of insurance shown on your declaration.

If the lost or damaged property is not repaired or replaced, we will pay the lesser of the:

- actual cash value of the estimated repairs;
- actual cash value of the estimated replacement; or
- amount of insurance shown on your declaration.

**Mobile / Mini Home Residence Aged 16 Years or Older**

We will pay Actual Cash Value.

The payment under no circumstances will exceed the amount of insurance on your declaration.

The Basis of Settlement, Coverage A – Residence and Coverage B – Additional Buildings and Structures found in your policy still applies to your Coverage B – Additional Buildings and Structures.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## MOTORIZED VEHICLE COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This coverage is added under Section I – Property Coverage, Coverage C – Personal Property.

#### THE AGREEMENT

If your declaration indicates that Motorized Vehicle Coverage is included, we will pay for direct physical loss or damage to your described motorized vehicle up to the amount of insurance shown on your declaration.

This endorsement removes the exclusion under Property Excluded:

- sporting equipment where the loss or damage is due to its use;

#### WHAT IS EXCLUDED

In addition to the items outlined in Section I – What Is Excluded, we do not insure loss or damage:

- caused by the dishonesty of a person(s) to whom you have entrusted with the care, custody and control of the described motorized vehicle. This exclusion does not apply where the person is a carrier for hire;
- to tires and tubes unless caused by fire, theft, vandalism or malicious acts or unless the same event causes other insured loss under this coverage;
- to motorized vehicles used for deliveries, or for carrying passengers for compensation;
- to motorized vehicles rented to others;
- to motorized vehicles while used in, or in preparation for, any race or speed test; or
- to motorized vehicles subject to licensing or to motor vehicle registration.

#### DEDUCTIBLE

We are responsible for the amount of loss or damage caused by an insured event that exceeds the deductible shown on your declaration for any one occurrence.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## OVERLAND WATER COVERAGE

### **THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

If your declaration indicates that you are insured for Overland Water Coverage this coverage is added under Section I – Property Coverage.

#### **WHAT IS COVERED**

You are insured against direct physical loss or damage to property insured under Section I – Property Coverage caused by:

- overland water;
- water that enters through foundations, basement walls, or basement floors from ground water or rising of the water table; and
- any sewer backup loss at your residence or additional buildings and structures resulting from an overland water event, unless the loss is caused by sewer backup only. In order for this coverage to respond, there must be evidence that overland water has entered the residence or additional buildings and structures from an entry point other than where sewer back up enters.

#### **WHAT IS EXCLUDED**

You are not covered for losses excluded under Section I – What is Excluded, regardless of any other cause or event that contributes concurrently, or in any other sequence to the loss or damage. In addition, you are also not covered for the following:

- loss or damage caused by:
  - a) the rising of, breaking out or overflow of any body of salt water, whether natural or manmade. This includes, but is not limited to, tsunamis, tides, or tidal waves;
  - b) shoreline ice build-up or water borne ice or, other waterborne objects, whether driven by wind or not;
  - c) spray, storm surges, waves, seiche, whether driven by wind or not;
- loss or damage resulting from sewer backup only;
- loss or damage caused by an overland water event as a result of a civil authority's intentional breach of any man-made structure that has been constructed for the purpose of holding back, containing or controlling any body of water or watercourse. These structures include but are not limited to dams, dikes, and levees; and
- loss or damage caused by continuous or repeated leakage, seepage, or discharge of water, including resultant deterioration, rust or corrosion, condensation, dampness of atmosphere, wet or dry rot, contamination, or fungi.

#### **AMOUNT OF INSURANCE**

The Overland Water Coverage limit specified on your declaration is the maximum amount payable for all expenses incurred for insured events covered by this endorsement.

This endorsement does not increase the amounts of insurance shown in your policy.

#### **DEDUCTIBLE**

We will only pay the amount by which the insured loss or damage exceeds the Overland Water Coverage deductible shown on your declaration.

## **GUARANTEED REPLACEMENT COST**

If your declaration indicates that your residence is insured for Guaranteed Replacement Cost Coverage, and you are restricted by law or ordinance from rebuilding on the same site as a result of an insured event covered by this endorsement, the following condition is removed:

- You repair, rebuild or replace the residence on the same site, unless we have granted permission for a different site, with a residence of the same size and occupancy and constructed with materials of similar quality;

and replaced with:

- You rebuild or replace the residence on an alternate site, with a residence of the same size and occupancy and constructed with materials of similar quality;

## **REPLACEMENT COST**

If your location provides for replacement cost coverage and:

- the cost of repair or replacement exceeds the amount of insurance for the Coverage A - Residence under this endorsement; or
- you are restricted by law or ordinance from rebuilding on the same site;

you may elect a cash settlement without deduction for depreciation, up to but not exceeding the amount of insurance:

- for Coverage A - Residence as stated on your declaration for Overland Water Coverage when policy limits is selected; or
- the specified amount of insurance as indicated on your declaration for Overland Water Coverage when specified limits are selected.

In no event will this provision result in this endorsement exceeding the amount of insurance as stated on your declaration for Overland Water Coverage.

## **SPECIAL CONDITION – PREVENTATIVE MEASURES**

After a covered overland water loss, we will pay an additional amount of up to \$1,000 for the installation expenses you incur to have a recognized, normally open backwater valve installed on the mainline. This only applies if the loss exceeds the deductible.

## **KEY WORDS**

**Sewer Backup** means the sudden and accidental backing up or escape of water or sewage originating from a:

- sewer;
- septic system;
- storm drain or drain;
- sump;

located within your residence or additional buildings and structures.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## **PERMISSION FOR UNOCCUPANCY (ESTATE OF)**

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

This endorsement is added under Section I – Property Coverage.

### **THE AGREEMENT**

If your declaration indicates Permission for Unoccupancy (Estate of) is included, the unit or location shown on your declaration will be considered unoccupied, and not vacant, provided:

- it is not under construction, renovation
- it is under the supervision and care of a competent person;
- the water supply is shut off;
- the heat is being maintained;
- lawncare and snow removal from driveways, walkways and stairs are maintained;
- the doors and windows are kept securely closed and locked; and
- It is kept clear of any debris including mail;

otherwise this endorsement is null and void.

This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.



## PERSONAL ARTICLES COVERAGE

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

### THE AGREEMENT

If your declaration indicates that Personal Articles Coverage is included, we insure the personal article(s) described on your declaration against all risks of direct physical loss or damage.

### WHAT IS EXCLUDED

In addition to the items outlined in Section I - What is Excluded, we do not insure:

- loss or damage caused by or resulting from the dishonesty of any person entrusted with care, custody or control of the described personal articles. This exclusion does not apply where the person entrusted is a carrier for hire;
- any musical instrument or equipment played for a fee unless we have given permission;
- your luggage, handbags or footwear while at any fairground, exhibition or exposition, if the intent is to display, demonstrate, trade or sell them.

### BASIS OF SETTLEMENT

For insured loss or damage, we will pay the lesser of the:

- a) actual cost of repairs;
- b) actual cost of replacement;
- c) amount of insurance on your declaration.

If the lost or damaged property is not repaired or replaced however, we will pay the lesser of the:

- a) actual cash value of the estimated repairs;
- b) actual cash value of the estimated replacement;
- c) amount of insurance on your declaration.

If you later decide to repair or replace any of the lost or damaged property, you may make an additional claim for the difference between the actual cash value and the replacement cost, provided you do so within 180 days of the date the actual cash value payment was made.

### DEDUCTIBLE

No deductible applies to this coverage.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*

**PERSONAL CYBER COVERAGE**  
**Cyber Attack, Cyber Extortion, Online Fraud, Data Breach and Cyberbullying**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ CAREFULLY.**

This endorsement is added under SECTION I – OPTIONAL COVERAGES.

**KEY WORDS**

Solely for the purposes of this endorsement, the following key words are added:

1. **Affected individual** means any person whose personally identifying information is lost, stolen, accidentally released or accidentally published by a data breach covered under this endorsement. This definition is subject to the following provisions:
  - a. Affected individual must be someone whose personally identifying information is in your possession because of:
    - (1) A family or personal relationship with you; or
    - (2) Your activities or responsibilities in connection with volunteer work for a non-profit organization.
  - b. Affected individual does not mean or include any of the following:
    - (1) You;
    - (2) Anyone whose personally identifying information is in your possession because of the activities or responsibilities of you in connection with a for-profit organization or in connection with a non-profit organization for which you are a paid employee or contract worker. Such organizations include, but are not limited to, organizations that you own or operate; or
    - (3) Any business, organization or entity. Only an individual person may be an affected individual.
2. **Computing device** means a desktop, laptop or tablet computer or wi-fi router or other Internet access point. Such device must be owned or leased by you and operated under your control.
3. **Connected home device** means any electronic device, other than a computing device, that connects to the Internet or to other electronic devices. This includes, but is not limited to, networked versions of any of the following:
  - a. Smart phones;
  - b. Thermostats;
  - c. Entertainment systems;
  - d. Appliances;
  - e. Smoke, fire and home security monitoring systems; or
  - f. Cameras.Such device must be owned or leased by you and operated under your control.
4. **Cyber attack** means one of the following involving a computing device or connected home device:
  - a. Unauthorized Access or Use - meaning the gaining of access to your computing device or connected home device by an unauthorized person or persons or by an authorized person or persons for unauthorized purposes; or
  - b. Malware Attack – meaning damage to your computing device, connected home device or data arising from malicious code, including viruses, worms, Trojans, spyware and keyloggers. This does not mean damage from shortcomings or mistakes in legitimate electronic code or damage from code installed on your computing device or connected home device during the manufacturing process.

5. **Cyberbullying costs** means the following costs arising as a direct result of a cyberbullying event when incurred by you or a named insured within 12 months after the cyberbullying event:
- Costs for counseling from a licensed mental health professional for the victim of the cyberbullying event;
  - Temporary relocation expenses;
  - Temporary private tutoring;
  - Enrollment expenses incurred due to relocation to a similar, alternate school, but enrollment expenses do not include tuition costs;
  - Professional cybersecurity consultation services;
  - Purchase of mobile applications, social monitoring software and web-based products when used to prevent further occurrence of cyberbullying events;
  - Legal expenses, including legal expenses for the removal of online content related to the cyberbullying event; or
  - Lost wages, childcare and eldercare expenses.
6. **Cyberbullying event** means two or more similar or related acts of harassment, intimidation, defamation, invasion of privacy, threats of violence or other similar acts. These related acts must be perpetrated, wholly or partially, using computers, cell phones, tablets or any similar device. The cyberbullying event, for purposes of this insurance, begins on the date of the first similar or related act of cyberbullying.
7. **Cyber extortion event** means one of the following involving a computing device or connected home device:
- A demand for money or other consideration based on a credible threat to damage, disable, deny access to or disseminate content from your computing device, connected home device or data; or
  - A demand for money or other consideration based on an offer to restore access or functionality in connection with an attack on your computing device, connected home device, or data.
8. **Cyber extortion response costs** means any payment as directed by the extortion threat, but only when that payment is:
- Incurred as a direct result of a cyber extortion event directed against you; and
  - Approved in advance by us. However, at our sole discretion, we may pay for cyber extortion response costs that were not approved in advance by us if we determine the following:
    - It was not practical for you to obtain our prior approval; and
    - If consulted at the time, we would have approved the payment.
9. **Data breach**
- Data breach means the loss, theft, accidental release or accidental publication of personally identifying information regarding one or more affected individuals. At the time of the breach, such information must be in:
    - Your care, custody or control; or
    - The care, custody or control of a professional entity with whom you have a contract and to whom you have entrusted the information.
  - With respect to Data Breach coverage, if the date of the data breach as defined in a. above cannot be determined, such date shall be deemed to be the date you first become aware of the loss, theft, release or publication of the personally identifying information, provided that such date falls within the policy period.
10. **Data recovery costs**
- Data recovery costs means the costs of a professional firm hired by you to replace electronic data that has been lost or corrupted.
  - Data recovery costs does not mean costs to research, re-create or replace any of the following:
    - Software programs or operating systems that are not commercially available;

- (2) Data that cannot reasonably be replaced. This includes, but is not limited to, personal photos, movies or recordings for which no back-up is available; or
- (3) Data that is obsolete, unnecessary or useless to you.
11. **Fraud costs** means the amount fraudulently taken from you. This is the direct financial loss only. Fraud costs does not include any of the following:
- Other expenses that arise from the fraud event;
  - Indirect loss, such as bodily injury, lost time, lost wages, identity recovery expenses or damaged reputation;
  - Any interest, time value or potential investment gain on the amount of financial loss; or
  - Any portion of such amount that has been or can reasonably be expected to be reimbursed by a third party, such as a financial institution.
12. **Fraud event**
- Fraud event means any of the following, when such event results in direct financial loss to you:
    - An identity theft;
    - The unauthorized use of a card, card number or account number associated with a bank account or credit account issued to or registered in your name, when you are legally liable for such use;
    - The forgery or alteration of any cheque or negotiable instrument;
    - Acceptance in good faith of counterfeit currency; or
    - An intentional and criminal deception of you to induce you to part voluntarily with something of value.
  - Fraud event does not mean or include any occurrence:
    - In which you are threatened or coerced to part with something of value;
    - Between you and any of the following:
      - Any named insured;
      - Your current or former spouse, common law spouse or domestic partner; or
      - Your grandparent, parent, sibling, child or grandchild.
    - Involving use of a card, card number or account number associated with a bank account or credit account:
      - By a person who has ever received any authorization from you to use such card, card number or account number, unless such authorization was obtained through a criminal deception of you; or
      - If you have not complied with all terms and conditions under which such card, card number or account number was issued.
    - Arising from any of the following:
      - The business or professional service of an insured;
      - A dispute or a disagreement over the completeness, authenticity or value of a product, a service or a financial instrument;
      - A gift or charitable contribution to an individual or any legitimate organization;
      - An online auction or the use of an online auction site;
      - A lottery, gambling or a game of chance; or
      - An advance fee fraud or other fraud in which you provide money based on an expectation of receiving at some future time a larger amount of money or something with a greater value than the money provided.
13. **Identity theft** means the fraudulent use of personally identifying information. This includes fraudulently using such information to establish credit accounts, secure loans, enter into contracts or commit crimes.

14. **One cyber occurrence** means all cyber attacks, cyberbullying events, cyber extortion events, fraud events and data breaches that:
- Take place at the same time; or
  - Arise during the same policy period from the same source, cause or vulnerability.
15. **Personally identifying information**
- Personally identifying information means information that could be used to commit fraud or other illegal activity involving the credit or identity of an affected individual. This information includes, but is not limited to, Social Insurance Numbers or other account numbers correlated with names or addresses.
  - Personally identifying information does not mean or include information that is otherwise available to the public, such as names and addresses with no correlated or associated Social Insurance Numbers or other account numbers.
16. **School administrator** means a principal, vice principal, headmaster or dean.
17. **System restoration costs**
- System restoration costs means the costs of a professional firm hired by you to do the following in order to restore your computing device or connected home device to the level of functionality it had before the cyber attack:
    - Replace or reinstall computer software programs;
    - Remove any malicious code; and
    - Configure or correct the configuration of your computing device or connected home device.
  - System restoration costs does not mean any of the following:
    - Cost to repair or replace hardware. However, at our sole discretion, we may pay to repair or replace hardware if doing so reduces the amount of loss payable under this endorsement;
    - Cost to increase the speed, capacity or utility of your computing device or connected home device;
    - Cost of your time or labour;
    - Any costs in excess of the replacement value of your computing device or connected home device, including applicable hardware and software; nor
    - Cost to replace computer software programs or operating systems which are not commercially available.

## **COVERAGE**

We will pay for the following subject to the amount of insurance stated in the Declaration unless otherwise specified below. Coverage provided under this endorsement does not increase any amount of insurance under your policy.

## **SECTION 1 – CYBER ATTACK**

### **CONDITIONS**

This Cyber Attack coverage applies only if all of the following conditions are met:

1. There has been a cyber attack; and
2. Such cyber attack is first discovered by you during the policy period for which this endorsement is applicable; and
3. Such cyber attack is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

### **COVERAGE**

If all of the conditions listed in the Cyber Attack CONDITIONS have been met, then we will provide you the following coverages for loss directly arising from such cyber attack:

1. Data Recovery  
We will pay your necessary and reasonable data recovery costs.
2. System Restoration  
We will pay your necessary and reasonable system restoration costs.

## **SECTION 2 – CYBER EXTORTION**

### **CONDITIONS**

This Cyber Extortion coverage applies only if all of the following conditions are met:

1. There has been a cyber extortion event against you; and
2. Such cyber extortion event is first discovered by you during the policy period for which this endorsement is applicable; and
3. Such cyber extortion event is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you; and
4. Such cyber extortion event is reported in writing by you to the police.

### **COVERAGE**

If all of the conditions listed in the Cyber Extortion CONDITIONS have been met, then we will provide you with the following:

1. Professional assistance from a subject matter expert provided by us for advice and consultation regarding how best to respond to the threat; and
2. Reimbursement of your necessary and reasonable cyber extortion response costs.

## **SECTION 3 – ONLINE FRAUD**

### **CONDITIONS**

This Online Fraud coverage applies only if all of the following conditions are met:

1. There has been a fraud event against you that is wholly or partially perpetrated through a computing device or connected home device; and
2. Such fraud event is first discovered by you during the policy period for which this endorsement is applicable; and
3. Such fraud event is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you; and
4. Such fraud event is reported in writing by you to the police.

### **COVERAGE**

If all of the conditions listed in the Online Fraud CONDITIONS have been met, then we will pay your necessary and reasonable fraud costs.

## **SECTION 4 – DATA BREACH**

### **CONDITIONS**

This Data Breach coverage applies only if all of the following conditions are met:

1. There has been a data breach involving personally identifying information; and
2. Such data breach is first discovered by you during the policy period for which this endorsement is applicable; and
3. Such data breach is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

### **COVERAGE**

If all of the conditions listed in the Data Breach CONDITIONS have been met, then we will provide you the following coverages for loss directly arising from such data breach:

#### 1. Forensic IT Review

We will pay the necessary and reasonable expense for a professional information technologies review, if needed, to determine within the constraints of what is possible and reasonable, the nature and extent of the data breach and the number and identities of the affected individuals.

This does not include costs to analyze, research or determine any of the following:

- a. Vulnerabilities in systems, procedures or physical security;
- b. Compliance with security standards; or
- c. The nature or extent of loss or damage to data that is not personally identifying information.

If there is reasonable cause to suspect that a covered data breach may have occurred, we will pay for costs covered under Forensic IT Review, even if it is eventually determined that there was no covered data breach. However, once it is determined that there was no covered data breach, we will not pay for any further costs.

#### 2. Legal Review

We will pay the necessary and reasonable expense for a professional legal counsel review, if needed, of the data breach and how you should best respond to it.

If there is reasonable cause to suspect that a covered data breach may have occurred, we will pay for costs covered under Legal Review, even if it is eventually determined that there was no covered data breach. However, once it is determined that there was no covered data breach, we will not pay for any further costs.

3. Notification to Affected Individuals  
We will pay your necessary and reasonable costs to provide notification of the data breach to affected individuals.
4. Services to Affected Individuals  
This coverage only applies if you have provided notification of the data breach to affected individuals as covered under paragraph 3, Notification to Affected Individuals and in accordance with Additional Conditions 5, Pre-Notification Consultation.  
We will pay your necessary and reasonable costs to provide the following services to affected individuals.
  - a. The following services apply to any data breach:
    - 1) Informational Materials  
A packet of loss prevention and customer support information.
    - 2) Help Line  
A toll-free telephone line for affected individuals with questions about the data breach. Where applicable, the line can also be used to request additional services as listed in b. 1) and 2).
  - b. The following additional services apply to data breaches involving personally identifying information:
    - 1) Fraud Alert  
An alert placed on a credit file advising the creditor to validate the legitimacy of a credit application by contacting the affected individual. This service is initiated by the affected individual contacting the service provider who will provide assistance with placement of alerts with all designated Canadian credit bureaus.
    - 2) Identity Restoration Case Management  
Regarding any affected individual who is or appears to be a victim of identity theft that may reasonably have arisen from the data breach, the services of an identity restoration professional who will assist that affected individual through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.

## SECTION 5 – CYBERBULLYING

### CONDITIONS

This Cyberbullying coverage applies only if all of the following conditions are met:

1. There has been a cyberbullying event against you or a named insured; and
2. Such cyberbullying event is first discovered by you or a named insured during the policy period for which this endorsement is applicable; and
3. Such cyberbullying event has caused harm significant enough for you or a named insured to:
  - a. Report such cyberbullying event to a school administrator or law enforcement; or
  - b. Require treatment by a licensed medical or mental health practitioner who is not a member of your immediate family. In the occurrence of such cyberbullying event, at our discretion, we reserve the right to require you or a named insured to submit to an independent medical examination.

### COVERAGE

If all of the conditions listed in the Cyberbullying CONDITIONS have been met, then we will provide reimbursement of your necessary and reasonable cyberbullying costs.

## **LOSS OR DAMAGE NOT INSURED**

The following additional exclusions apply to all coverages under this endorsement.

We will not pay for loss, damage or expense caused by or resulting from:

1. Any of the following by you:
  - a. Criminal, fraudulent or dishonest act, error or omission;
  - b. Intentional violation of the law; or
  - c. Intentional causing or contributing to a covered loss event;
2. Any criminal investigations or proceedings;
3. Any physical damage;
4. Any damage to a motor vehicle, watercraft, aircraft, or other vehicle.
5. Any third party liability or legal defense costs;
6. Any fines or penalties;
7. Loss to the Internet, an Internet service provider or any device or system that is not owned or leased by you and operated under your control;
8. Loss arising from any business, including but not limited to any business owned or operated by you or any business employing you;
9. Loss arising from any farming operations, including but not limited to any farming operations owned or operated by you or any farming operations employing you;
10. Except as specifically provided under the System Restoration portion of Cyber Attack coverage, costs to research or correct any deficiency;
11. Any cyber attack, cyberbullying event, cyber extortion event, fraud event or data breach first discovered by you prior to the inception of your coverage under this endorsement; or
12. Any cyber attack, cyberbullying event, cyber extortion event, fraud event or data breach first occurring more than 60 days prior to the inception of your coverage under this endorsement.
13. Any costs or expenses associated with a cyber attack, cyberbullying event, cyber extortion event, fraud event or data breach event if such costs or expenses are incurred more than one year from the expiration date of the policy as shown in the Declaration page.

## AMOUNT OF INSURANCE

The Home Cyber Protection Annual Aggregate Limit shown on the Declaration for this endorsement is the most we will pay under this endorsement for all loss, damage or expense arising during any one policy period. This limit shall apply to the total of all loss, damage or expense arising from all cyber attacks, cyberbullying events, cyber extortion events, fraud events or data breaches occurring during such policy period. Our costs under Section 2 – Cyber Extortion to provide you with professional assistance from a subject matter expert shall not count towards the loss, damage or expense included within your coverage limit.

If one cyber occurrence causes loss, damage or expense in more than one policy period, all such loss, damage and expense will be subject to the Personal Cyber Coverage Annual Aggregate Limit of the first policy period.

## DEDUCTIBLE

We will only pay that part of the loss that exceeds the Personal Cyber Coverage deductible shown in the Declaration. No other deductible applies to this coverage.

## ADDITIONAL CONDITIONS

### 1. Confidentiality

With respect to Section 2 – Cyber Extortion, you must make every reasonable effort not to divulge the existence of this coverage to anyone other than the police.

### 2. Due Diligence

You agree to use due diligence to prevent and mitigate costs covered under this endorsement. This includes, but is not limited to, complying with reasonable and widely-practiced steps for:

- a. Providing and maintaining appropriate system and data security; and
- b. Maintaining and updating at appropriate intervals, backups of electronic data.

### 3. Legal Advice

We are not your legal advisor. Our determination of what is or is not insured under this endorsement does not represent advice or counsel from us about what you should or should not do.

### 4. Other Coverage

If elements of coverage under this endorsement are covered under the policy to which this endorsement is attached or under any other policy in force at the time of a covered event, then coverage under this endorsement will apply as excess coverage only. If loss payment has been made under this or any other policy for the same event, the amount of such payment will count towards the deductible that applies to coverage under this endorsement.

### 5. Pre-Notification Consultation

- a. You agree to consult with us prior to the issuance of notification to affected individuals under Section 4 – Data Breach. We assume no responsibility for any services promised to affected individuals without our prior agreement.

- b. We will suggest a service provider for Notification to Affected Individuals and Services to Affected Individuals. If you prefer to use an alternate service provider, our coverage is subject to the following limitations:

- (1) Such alternate service provider must be approved by us; and
- (2) Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

- c. You will provide us and the service provider the following at our pre-notification

consultation with you:

- (1) The exact list of affected individuals to be notified, including contact information;
- (2) Information about the data breach that may appropriately be communicated to affected individuals; and
- (3) The scope of services that you desire for the affected individuals. For example, coverage may be structured to provide fewer services in order to make those services available to more affected individuals without exceeding the available limit of coverage.

6. Services

- a. We will only pay under this endorsement for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this endorsement. We will not unreasonably withhold such approval.
- b. You will have a direct relationship with the professional service firms paid for in whole or in part under this endorsement. Those firms work for you.
- c. With respect to any services provided by any service firm paid for in whole or in part under this endorsement:
  - (1) The effectiveness of such services depends on your cooperation and assistance;
  - (2) We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events;
  - (3) We do not warrant or guarantee that services will be available or applicable to all individuals.

All other provisions of this policy apply.

**Please note:** We have updated certain coverage wordings that may apply to your insurance policy. Insurance policies dated June 2020 and later that contain coverage endorsements may look different because they now reference new titles. There may be instances where certain coverage wordings within your policy will not yet reflect these changes. We have provided the following guide to help you understand how the updated titles apply:

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• Updated Title: Section I – Personal Property</li><li>• Updated Title: Section I – What is Excluded Insured</li></ul> | <p>Original Title: Section I – Property Coverage</p> <p>Original Title: Section I – Loss or Damage not Insured</p> |
|--|--|



## REMOTE OR HOME OFFICE LIABILITY COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

If your declaration indicates that Remote or Home Office Liability Coverage is included, the following coverage is added under Section II – Personal Liability Protection, Coverage E – Legal Liability.

#### WHAT IS COVERED

Coverage provided under Coverage E – Legal Liability is extended to include remote or home office use to any owner occupied premises shown on your declaration.

#### WHAT IS EXCLUDED

In addition to the exclusions outlined in Section II – What is Excluded, for the purpose of this endorsement, we do not insure:

- remote or home office use for any insured who is self-employed, or who has full or partial ownership of a business.

#### KEY WORDS

**Remote or Home Office Use** is the business conducted on the premises which includes full time, part-time, or occasional use of the premises, in performance of their employment, and is incidental to the occupancy of the premises.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*

## RESIDENCE UNDER CONSTRUCTION COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This coverage is added under Section I – Property Coverage, Coverage A – Residence and Coverage B – Additional Buildings and Structures.

#### THE AGREEMENT

If the declaration indicates that Residence Under Construction Coverage has been added, the following additional perils apply to direct loss or damage at the location to which this form applies:

- Theft or attempted theft in or from your residence under construction;
- Vandalism or malicious acts occurring while your residence is under construction; loss caused by you is not covered.
- Breakage of glass that forms or is to form part of the building;
- Collision, upset, overturn, derailment, stranding or sinking of any automobile or trailer, or any conveyance of a common carrier, in which materials or supplies intended to form part of the building is being carried.

We also insure:

- loss or damage caused by, or resulting from, the sudden and accidental: escape of water or steam from within a plumbing, heating, cooling, sprinkler, air conditioning system, or domestic water container within your residence, or additional buildings and structures;
- escape of water from a domestic water container which is located outside your residence, and additional buildings and structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing;
- escape of water from a watermain located outside your residence, and additional buildings and structures; or opening of your residence, or additional buildings and structures which has been created by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft or land vehicle, riot, vandalism or malicious acts, windstorm, hail, electricity, transportation, ice damming, or damage by bears

Under no circumstances do we insure any loss or damage caused by:

- continuous or repeated leakage, seepage, or discharge of water;
- the backing up or escape of water or sewage from any sewer, storm drain, drain, septic system, or sump;
- to a plumbing, heating, cooling, sprinkler or air conditioning system or domestic water container from which the water escaped;
- freezing during the usual heating season, within a heated portion of your residence, or additional buildings and structures if the heat has been intentionally turned off by you or at your direction; or
- freezing during the usual heating season, within an unheated portion of your residence, or additional buildings and structures;

#### DEDUCTIBLE

We will only pay that part of the loss that exceeds the deductible shown on your declaration for the location where this coverage applies.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## ROOF SURFACING - BASIS OF SETTLEMENT

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This endorsement applies to Section I – Property Coverage, Basis of Settlement.

#### THE AGREEMENT

If your declaration indicates Roof Surfacing - Basis of Settlement, all direct physical loss or damage to any roof surfacing with evidence of excessive wear and tear or deterioration due to age, will be settled according to actual cash value. Otherwise the Section I – Property Coverage, Basis of Settlement applies.

This endorsement does not apply in the event of a total loss.

#### KEY WORDS

**Excessive wear and tear or deterioration due to age** includes, but is not limited to:

- curling, clawing or cupping of shingles;
- natural shrinkage of the roof structure;
- brittle, cracked or blistered shingles;
- loss of granules exposing the felt or underlying tar membrane or other membrane; or
- moss, algae or lichen growth.

**Roof surfacing** means the:

- shingles and tiles;
- cladding;
- metal or synthetic sheeting, or similar materials covering the roof;
- roof flashing; or
- sealants.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## SERVICE LINE COVERAGE

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ CAREFULLY.**

### WHAT IS COVERED

If your declaration indicates that Service Line Coverage is included, we will pay up to the amount of insurance shown on your declaration for loss, damage or expense arising from any one service line failure.

This coverage does not increase any amount of insurance provided under Section I – Property Coverage of this policy.

### PROPERTY COVERAGES

The following coverages are added, subject to the applicable Service Line Coverage amount of insurance shown on your declaration, unless otherwise specified below:

**a) Damage to Covered Service Line**

We will pay for physical loss or damage to your covered service line that is the direct result of a service line failure.

**b) Excavation Costs**

With respect to your covered service line that is damaged as the result of a service line failure, we will pay the necessary and reasonable excavation costs that are required to repair or replace the damaged covered service line.

**c) Expediting Expenses**

With respect to your covered service line that is damaged as the result of a service line failure, we will pay the necessary and reasonable extra cost to:

- (i) make temporary repairs; and
- (ii) expedite permanent repairs or permanent replacement.

**d) Additional Living Expense and Fair Rental Value**

Coverage for Additional Living Expense and Fair Rental Value in your policy, as described under Coverage D – Loss of Use, is extended to this endorsement.

This coverage only applies if Coverage D – Loss of Use is shown on your declaration.

**e) Outdoor Property**

We will pay for your outdoor property, including but not limited to trees, shrubs, plants, lawns, walkways and driveways, that is damaged as a result of a service line failure or that is damaged during the excavation of your covered service line following a service line failure.

### WHAT IS EXCLUDED

In addition to all other exclusions indicated in your policy, the following exclusions are added to this endorsement:

#### Earth Movement

We will not pay for loss, damage or expense caused directly or indirectly by earth movement, except for

earth movement that results from the ground thawing after a freeze.

### **Increased Usage of Services**

We will not pay additional costs incurred for loss or increased usage of water, natural gas, propane or any other service caused by or resulting from a service line failure.

### **Installation or Repair**

We will not pay for loss or damage to a covered service line that is damaged while it is being installed, dismantled or repaired. However, this exclusion shall not apply if a covered service line failure necessitated such installation, dismantling or repair.

### **Pollutant Clean Up**

We will not pay to clean up or remove pollutants, hazardous waste or sewage.

### **Property Perils**

We will not pay for loss, damage or expense caused directly or indirectly by any of the following perils:

- a) fire, including fire resulting from a service line failure, or smoke;
- b) water or other means used to extinguish a fire;
- c) explosion;
- d) lightning;
- e) windstorm or hail;
- f) impact by aircraft; spacecraft or land vehicle;
- g) breakage of glass;
- h) riot or civil commotion;
- i) theft, including damage by attempted theft; or
- j) flood, surface water, waves, tides, tidal waves, overflow of any body of water or their spray, all whether driven by wind or not, or water that backs up or overflows from a sewer, drain or sump.

### **Property Not Covered**

We will not pay for loss or damage to:

- a) septic systems, including leach fields, septic tanks, pumps, motors or piping that runs from the septic tank to the leach fields, other than loss or damage to covered waste disposal piping running from your residence or other structure to a septic tank;
- b) water wells, including well pumps or motors;
- c) above ground heating and cooling systems, including heat pumps; or
- d) sprinkler system pumps, motors or heads.

### **Property Covered Elsewhere**

We will not pay for loss covered under Section I – Property Coverage of your policy or under any extension endorsement attached thereto.

### **CONDITIONS**

In addition to all other conditions indicated in your policy, the following conditions are added to this endorsement:

### **Amount of Insurance**

The amount of insurance shown on your declaration for this endorsement is the most we will pay for loss, damage or expense during the policy period, arising from any one service line failure to covered service line.

## **Deductible**

We will pay only that part of the total payable loss, arising from any one service line failure, that exceeds the Service Line deductible shown on your declaration, subject to the applicable amount of insurance in this endorsement.

## **Environmental, Safety and Efficiency Improvements**

If a covered service line requires replacement due to a service line failure, we will pay your additional cost to replace with materials that are better for the environment, safer for people, or more energy or water efficient than the materials being replaced.

However, we will not pay to increase the size or capacity of the materials and we will not pay more than one hundred and fifty (150) percent of what the cost would have been to replace with similar kind and quality. This condition does not increase the amount of insurance that applies to this endorsement.

## **Loss Settlement**

Our payment for the damaged covered service line will be the lesser of:

- a) the applicable amount of insurance;
- b) the cost to repair the damaged covered service line;
- c) the cost to replace the damaged covered service line with similar kind, quality and capacity on the same premises; or
- d) the necessary amount actually spent to repair or replace the damaged covered service line.

Except as described in Environmental, Safety and Efficiency Improvements above, you are responsible for the extra cost of replacing damaged covered service line with materials of a better kind, quality or of a different size or capacity.

You are responsible for the extra cost to alter or relocate covered service line, unless such alteration or relocation is required by law or ordinance.

You are responsible for any extra cost incurred to remove, replace or repair any structure when such cost is incurred to access the covered service line.

## **KEY WORDS**

With respect to the coverage provided by this optional coverage, the following key words are added:

**Covered Service Line** means exterior underground piping and wiring, including permanent connections, valves or attached devices providing one of the following services to your premises:

- a) communications, including cable transmission, data transmission, internet access and telecommunications;
- b) compressed air;
- c) drainage;
- d) electrical power;
- e) heating, including geothermal, natural gas, propane and steam;
- f) waste disposal; or
- g) water.

A covered service line must be owned by you or you must be responsible for its repair or replacement as required by law, regulation or service agreement. Should repair or replacement be your responsibility, a covered service line ends at the precise location where your responsibility for such repair or replacement ends. However, in no event will a covered service line extend beyond the point of connection to the main service or utility line.

Covered service line does not include:

- a) piping or wiring that is not connected and ready for use;
- b) that part of piping or wiring that runs through or under a body of water, including but not limited to a swimming pool, pond or lake;
- c) that part of piping or wiring that runs under the residence or other structure. However, this clause c) shall not apply to piping or wiring that runs under:
  - (i) a driveway or walkway;
  - (ii) a structure, such as a deck raised sufficiently from the ground that such piping or wiring can be accessed without damaging or dismantling any structure; or
- d) sprinkler system pipes.

**Earth Movement** means:

- a) earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b) landslide, mudslide or mudflow;
- c) subsidence or sinkhole collapse;
- d) tsunami or volcanic eruption; or
- e) any other naturally occurring earth movement including earth sinking, rising or shifting.

**One Service Line Failure** means if an initial service line failure causes other service line failures, all will be considered one service line failure. All service line failures that are the result of the same event will be considered one service line failure.

**Service Line Failure** means a leak, break, tear, rupture, collapse or electrical arcing of a covered service line not otherwise excluded by this coverage. A service line failure may be caused by, but is not limited to, the following perils:

- a) wear and tear, marring, deterioration or hidden decay;
- b) rust or other corrosion;
- c) mechanical breakdown, latent defect or inherent vice;
- d) weight of vehicles, equipment, animals or people;
- e) vermin, insects, rodents or other animals;
- f) artificially generated electrical current;
- g) freezing or frost heave;
- h) external force from a shovel, backhoe or other form of excavation; or
- i) tree or other root invasion.

Service line failure does not include blockage, sag or low pressure of a covered service line when there is no physical damage to the covered service line.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy except as may be varied herein.*

## SHORT TERM RENTAL ENDORSEMENT

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This coverage is added under Section I - Property Coverage

#### THE AGREEMENT

If your declaration indicates Short Term Rental Endorsement, we will pay for direct physical loss or damage to your insured property caused by an individual who is renting the premises as a short-term rental.

This endorsement adds the following exclusion to Section I – What is Excluded:

We do not insure loss or damage caused by or resulting from:

- vandalism or malicious acts committed by any tenant, tenant's employee or member of the tenant's household.
- wear and tear, deterioration, inherent vice, latent defect, rust or corrosion, extremes of temperature, condensation, dampness of atmosphere, wet or dry rot, contamination or fungi as a result of acts by any tenants, tenant's employee or member of the tenant's household, except where otherwise provided for in this policy

This endorsement removes the exclusion under Section I - What is Excluded:

23. caused by theft or attempted theft committed by any tenant, tenant's employee or member of the tenant's household.

#### MAXIMUM RENTAL TERM

- The cumulative number of days any location or unit may be rented may not exceed the limit shown on your declaration.
- A Short-Term Rental of a Primary Residence may not be longer than 30 consecutive days in a single rental term.
- A Short-Term Rental of a Seasonal Residence may not be longer than 60 consecutive days in a single rental term.

#### SPECIAL CONDITIONS

Coverage will only apply when all legislation, bylaws and municipal regulations are followed.

Loss or damage to personal property owned by your tenant or guest will be covered up to \$1,500 when an insured event occurs during the rental period. This limit applies per rental booking, regardless of the number of tenants or guests.

#### DEDUCTIBLE

A minimum deductible of \$2,500 applies to any loss or damage caused by theft or attempted theft by your tenant, tenant's employee or member of your tenant's household. The deductible shown on the declarations will apply to all other loss or damage.

#### KEY WORDS

Primary Residence means the location or unit listed on your declaration, where you live most of the time.

Seasonal Residence means any location or unit listed on your declaration, occupied by you on a seasonal basis.

Short Term Rental means the renting out, in whole or in part a furnished primary residence or seasonal residence, on a temporary basis.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## SINGLE LIMIT COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This coverage is added to the Basis of Settlement under Section I – Property Coverage.

#### THE AGREEMENT

If your declaration indicates Single Limit Coverage, we will pay for insured loss or damage arising out of any one occurrence, up to your financial interest in the property, and not exceeding your Single Limit Coverage, as defined.

Single Limit Coverage means the total of the amounts of insurance shown on your declaration for the following coverages under Section I – Property Coverage:

- Coverage A – Residence
- Coverage B – Additional Building and Structures
- Coverage C – Personal Property
- Coverage D – Loss of use of Your Residence

#### SPECIAL CONDITIONS

In the event that Guaranteed Replacement Cost Coverage and Single Limit Coverage apply, the total amount paid for Coverage A – Residence under Single Limit Coverage will be reduced by the lesser of:

- the amount of insurance shown on your declaration under Coverage A – Residence; or
- the amount payable under Coverage A – Residence.

When Guaranteed Replacement Cost Coverage is applied, any increase in Coverage A – Residence is not included in the calculation of the total Single Limit Coverage.

Single Limit Coverage does not apply to the losses insured under the following forms:

- Earthquake Coverage
- Fire Following Earthquake Coverage
- Limited Sewer Backup Coverage
- Overland Water Coverage

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## SPECIAL LIMITS ENHANCEMENT PLUS

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This endorsement is added under Section I – Property Coverage.

#### THE AGREEMENT

If the declaration indicates the Special Limits Enhancement Plus is included, the Special Limits of Insurance under Section I - Property Coverage, Coverage C - Personal Property is replaced with the following:

#### Personal Property Temporarily Away from your Premises

We insure your personal property away from your premises including:

- your personal property while it is temporarily away from your premises anywhere in the world;
- personal property belonging to a residence employee travelling with you;
- uninsured personal property belonging to others while it is in your possession;
- your personal property while in storage, including in a safety deposit box;
- your personal property while attending a school, college, or university;
- your personal property while residing in a long-term care facility;

#### SPECIAL LIMITS OF INSURANCE

Coverage for the following types of personal property are amended subject to the special limits as shown below. These limits are the most we will pay for any loss or damage in any one occurrence.

For all insured losses	Limit
Cannabis in all consumable forms and cannabis plants	\$500
Money, cash cards, bullion, and crypto currency	\$1,000
Drones (not more than 250 grams) and their equipment	\$1,000
Spare automobile parts	\$4,000
Utility trailers (where legislation allows)	\$2,000
Watercraft, including personal watercraft, their furnishings, equipment, motors and accessories	\$6,000
Business property on your premises	\$25,000
Business property away from premises	\$10,000
Securities	\$10,000
Golf carts, motorized yard tractors and accessories	\$20,000

The following special limits of insurance only apply to losses caused by theft or mysterious disappearance.

For theft and mysterious disappearance losses	Limit
Numismatic, coin and banknote collections	\$3,000
Manuscripts, stamps and stamp collections	\$3,000
Collectibles including sports cards, memorabilia and comic books	\$10,000
Fur garments and garments trimmed with fur	\$10,000
Luggage, pet carriers, footwear and handbags including but not limited to purses, wallets, totes, clutches, carrier bags and other items of similar nature	\$10,000
Jewellery, watches and gems	\$50,000

The following Additional Coverages under Section I - Property Coverage are replaced with the following:

#### **CREDIT OR DEBIT CARDS, FORGERY AND COUNTERFEIT CURRENCY**

We will pay up to \$25,000 for:

- your legal obligation to pay because of a theft or unauthorized use of credit card(s) issued to you or registered in your name;
- loss caused by theft of your debit or automated teller cards;
- loss caused by forgery or alteration of any cheque or negotiable instrument;
- loss sustained by your acceptance in good faith of counterfeit Canadian and United States paper currency.

We will not pay for loss under this coverage:

- unless you have complied with all the conditions under which the cards are issued;
- caused by the use of your cards by a resident of your household or by a person to whom the cards have been entrusted; or
- for losses arising out of business pursuits.

At our option and expense, we may defend any claim against you under this coverage as noted above.

This is additional insurance.

No deductible applies to this coverage.

#### **DEBRIS REMOVAL**

We will pay the cost of removing debris of insured property, as a result of an insured event.

This additional coverage does not apply to losses under the following forms:

- Earthquake Coverage
- Limited Sewer Backup Coverage
- Overland Water Coverage
- Guaranteed Replacement Cost Coverage

## **LOCK REPLACEMENT**

We will pay up to \$2,500 to replace, re-key or re-code locks on your premises or your private passenger automobiles including ignition, if your keys are stolen.

This is additional insurance.  
No deductible applies to this coverage.

The following item is added under Coverage C – Personal Property, Additional Coverages:

## **DATA**

We will pay up to \$10,000 for duty or licensing fees for the cost of downloading or restoring data, for which you have paid duty or license fees, when loss of data is caused by an insured event.

We will not pay the cost of gathering or assembling information or data, nor do we cover any data pertaining to business use.

Your policy deductible applies to this coverage.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## SPORTS EQUIPMENT COVERAGE

### **THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

This coverage is added under Section I – Property Coverage, Coverage C – Personal Property.

#### **THE AGREEMENT**

If your declaration indicates that Sports Equipment Coverage is included, we agree to pay direct physical loss or damage to your described sports equipment and clothing.

This endorsement removes the restriction under Property Excluded:

- sporting equipment where the loss or damage is due to its use;

#### **WHAT IS EXCLUDED**

The following exclusion is removed from Section I – What Is Excluded:

8. caused by the dishonesty of a person(s) to whom you have entrusted with the care, custody and control of your personal property;

and replaced with:

8. caused by the dishonesty of any person to whom you have entrusted the care, custody or control of the described sports equipment. This exclusion does not apply where the person entrusted is a carrier for hire;

#### **DEDUCTIBLE**

No deductible applies to this endorsement.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## STRONGER HOME COVERAGE

### THIS COVERAGE CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This coverage modifies the following under Section I - Property Coverage:

- Coverage A – Residence
- Coverage B – Additional Buildings and Structures
- Basis of Settlement

### WHAT IS COVERED

If your declaration indicates that the Stronger Home Coverage is included, and loss or damage to your insured property originates from any of the following insured events:

- **Wildfire**;
- Hail;
- Windstorm;
- Overland Water (if shown on your declaration);

You may:

- a) replace your damaged roof with **upgraded roof shingles**;
- b) replace your damaged siding with **upgraded siding**; and
- c) implement up to two **mitigation measures** in your home to reduce losses from the above-mentioned insured events.

### AMOUNT OF INSURANCE

The Stronger Home Coverage limit specified on your declaration is the maximum amount we will pay for all additional expenses incurred as a result of loss or damage to your insured property. This maximum amount applies for all insured loss or damage sustained as a result of any of the insured events mentioned in the WHAT IS COVERED section of this coverage.

### DEDUCTIBLE

Your policy deductible applies to this coverage.

### BASIS OF SETTLEMENT

The following clause has been removed from Basis of Settlement; Coverage A – Residence and Coverage B – Additional Buildings and Structures:

We will pay the replacement cost or the cost of repairs (whichever is less), if you repair or replace the damaged or destroyed building(s), on the same site, with a building of the same occupancy, constructed with materials of similar quality, within a reasonable time after the damage.

and replaced with:

We will pay the replacement cost or the cost of repairs (whichever is less), if you repair or replace the damaged or destroyed building(s), with a building of the same occupancy, constructed with materials of similar quality and upgrades as outlined in this coverage, within a reasonable time after the damage.

## KEY WORDS

**Mitigation measures** mean any of the following:

- Backwater valve(s) or equivalent measures;
- Battery backup power system for sump pump with failure alarm;
- Extend downspouts and sump discharge pipes at least 2 meters from foundation;
- Managing combustibles surrounding the home;
- Installation of a non-combustible 3-millimeter screen to all external vents, except dryer vents;
- Installation of non-combustible ground surfaces within 1.5 meters of the house, including but not limited to, mineral soil, rock, concrete, or stone;
- Secondary water barrier beneath the roof cover:
  - Application of flashing tape to seal seams between the sheathing panels;
  - Alternative options available, such as the underlayment or the application of ice-and-water shield for the entire roof deck.
- Wind clamps or wind straps.

**Upgraded roof shingles** means impact resistant asphalt shingles or high-wind rated shingles.

**Upgraded siding** means non-combustible siding or non-combustible exterior cladding.

**Wildfire** means an uncontrolled fire that is spreading across wildland, including forests, grasslands.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## TELEPHONE LEGAL HELPLINE SERVICE

This document certifies that you have unlimited access to a Legal Helpline Service, provided by ARAG Legal Solutions Inc. (ARAG) on behalf of Wawanesa Mutual Insurance Company and subject to the terms, definitions, conditions, exclusions and limitations set forth in this endorsement.

### TELEPHONE LEGAL HELPLINE SERVICE

ARAG will provide **you** access to a Legal Helpline Service through which **you** can receive confidential general legal assistance and information over the phone relating to any legal or tax problem to help determine **your** legal rights and options under the laws of the applicable province and the federal laws of Canada. The lawyer cannot provide case specific research or review documents.

ARAG will provide this service between the hours of 8am and midnight, local time, seven (7) days a week. In addition, ARAG will facilitate access to a lawyer twenty-four (24) hours a day, seven (7) days a week, in emergency situations. Calls to this service may be recorded.

### TO CONTACT THIS SERVICE, CALL 1-888-668-6027

ARAG will not accept responsibility if the Legal Helpline Service is unavailable for reasons ARAG cannot control.



## **THEFT, ATTEMPTED THEFT AND MYSTERIOUS DISAPPEARANCE EXCLUSION**

**THIS ENDORSEMENT LIMITS YOUR COVERAGE. PLEASE READ CAREFULLY.**

This endorsement limits your coverage under Section I – Property Coverage.

### **THE AGREEMENT**

If your declaration indicates Theft, Attempted Theft and Mysterious Disappearance Exclusion, there is no coverage for any loss or damage caused by or resulting from theft, attempted theft or mysterious disappearance.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## TOOLS COVERAGE

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

### THE AGREEMENT

If your declaration indicates that Tools Coverage is included, we insure the tools described on your declaration against the following risks of direct physical loss or damage:

- fire, lightning and explosion;
- windstorm or hail;
- flood;
- earthquake;
- collapse of bridges and culverts;
- collision, upset, overturn or derailment of a land vehicle carrying or transporting your tools;
- stranding, sinking, burning, or collision of any regular ferry carrying or transporting your tools; or
- theft.

### WHAT IS EXCLUDED

In addition to the items outlined in Section I – What Is Excluded, we do not insure loss or damage caused by or resulting from:

- strikes, lockouts, labor disturbances, riots, or civil commotions;
- the dishonesty of any person entrusted with the care, custody or control of the described tools. This exclusion does not apply where the person entrusted is a carrier for hire;
- unexplained loss, mysterious disappearance or shortage revealed when taking inventory; or
- theft while the insured property is off premises and left unattended, unless it is kept in a secured vehicle or location and the loss is a direct result of a burglary with visible signs of forced entry.

### DEDUCTIBLE

We are responsible for the amount of loss or damage caused by an insured event that exceeds \$50 for any one occurrence.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## VACANCY PERMIT

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.**

### THE AGREEMENT

If your declaration indicates Vacancy Permit is included, we insure the unit or location listed on the declaration while it is vacant provided:

- it is not under construction or renovation;
- it is under the supervision and care of a competent person;
- the water supply is shut off;
- the heat is being maintained;
- lawncare and snow removal from driveways, walkways and stairs are maintained
- the doors and windows are kept securely closed and locked; and
- it is kept clear of any debris including mail;

Otherwise this endorsement is null and void.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## VACATION TRAILER COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

This coverage is added under Section I – Property Coverage, Coverage C – Personal Property.

#### THE AGREEMENT

If your declaration indicates that Vacation Trailer Coverage is included, we will pay for direct physical loss or damage to your described vacation trailer up to the amount of insurance shown on your declaration.

#### ADDITIONAL CONDITION

If you acquire another vacation trailer to replace the vacation trailer currently described on your declaration, we will insure the newly acquired vacation trailer for a period not exceeding 30 days from the date of acquisition. We will pay the lesser of:

- the amount of insurance shown on your declaration; or
- the invoice cost of the replacement vacation trailer.

#### WHAT IS EXCLUDED

In addition to the items outlined in Section I – What Is Excluded, we do not insure:

- motorized vehicles, motors, aircraft, watercraft, electric bicycles or other means of transportation including their furnishings, equipment or accessories;
- vacation trailers rented to others;
- vacation trailers in transport on water except by ferry;
- the dishonesty of any person entrusted with the care, custody or control of the described vacation trailer. This exclusion does not apply where the entrusted person is a carrier for hire.

#### ADDITIONAL COVERAGES

The following Additional Coverages are subject to the exclusions, limitations and conditions of this endorsement.

#### Attachments and Private Structures

We will pay for loss or damage to your attachments and private structures, including permanently installed outdoor equipment, at the location where your described vacation trailer is situated, that is caused by an insured event.

This coverage does not increase the amount of insurance shown on your declaration for your described vacation trailer.

#### Debris Removal

In the event of a total loss, we will pay the actual cost to remove debris of your vacation trailer, and its attachments and private structures up to \$1,000 per occurrence.

This is additional insurance.

No deductible applies to this coverage.

## **Emergency Roadside Service Expense**

If you are unable to tow your vacation trailer and you incur emergency road service expenses, we will reimburse you up to \$1,000 per occurrence provided you submit to us all receipted bills and acceptable evidence of loss.

This coverage does not extend to the towing vehicle. Nor will we pay for any parts, tires or supplies.

This is additional insurance.

No deductible applies to this coverage.

## **Loss of Use**

If your vacation trailer is unfit for use as a result of an insured loss, we will pay up to \$1,000 per occurrence towards:

- the rental cost of a replacement vacation trailer of similar kind and quality; or
- reimbursement of prepaid deposits and camp site reservations that cannot be refunded for the time period, or
- the reasonable expense to return your vacation trailer back to your premises.

This is additional insurance.

## **Personal Property**

Your personal property, that is located at or being used with your described vacation trailer, is included up to 25% of the amount of insurance shown on your declaration for your vacation trailer.

This is additional insurance.

Your vacation trailer deductible applies to this coverage.

## **BASIS OF SETTLEMENT**

For insured loss or damage to vacation trailers less than 11 years of age, and to attachments, private structures and personal property, we will pay the lesser of the:

- a) actual cost of repairs;
- b) actual cost of replacement;
- c) amount of insurance on your declaration.

However, if you are the original purchaser of the vacation trailer, the loss occurs within 24 months of the original purchase date and the vacation trailer is insured to 100% of the original purchase price, we will pay the full cost of replacement; even if it is more than the amount of insurance on your declaration.

If the lost or damaged property is not repaired or replaced, or the vacation trailer is 11 years of age or older, we will pay the lesser of the:

- a) actual cash value of the estimated repairs;
- b) actual cash value of the estimated replacement;
- c) amount of insurance on your declaration.

If you later decide to repair or replace the vacation trailer which is less than 11 years of age, or any of the lost or damaged attachments, private structures or personal property, you may make an additional claim for the difference between the actual cash value and the replacement cost, provided you do so within 180 days of the date the actual cash value payment was made.

## **DEDUCTIBLE**

We are responsible for the amount of loss or damage caused by an insured event that exceeds the deductible shown on the declaration for any one occurrence.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## VANDALISM BY TENANT COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This coverage is added under Section I – Property Coverage.

#### THE AGREEMENT

If your declaration indicates Vandalism by Tenant Coverage is included, we agree to pay for direct physical loss or damage to your insured property intentionally caused by:

- your tenant;
- member of your tenant's household; or
- another person at the direction of either your tenant or member of your tenant's household.

#### EXCLUSIONS

The following events are not considered Vandalism by Tenant and are excluded from this coverage:

- damaged caused by or at the direction of you, any member of your household, or by a residence employee;
- damage caused by property you own, or in your care, custody or control;
- accidental loss or damage;
- damage to property undergoing any process or while being worked on, where the damage results from such process or work. However, any resulting damage to other property by an insured event is covered;
- damage caused directly or indirectly by the growing, manufacturing, sale or distribution of any drug, narcotic, or illegal substance including alterations to the premises to facilitate such activity;
- damage caused or contributed to by poor housekeeping or lack of maintenance;
- abandonment of any property not owned by you.

#### DEDUCTIBLE

We will only pay that part of the loss that exceeds the deductible shown on your declaration for the location where this coverage applies.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



## WAIVER OF DEDUCTIBLE COVERAGE

### THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ CAREFULLY.

If your declaration indicates that Waiver of Deductible Coverage is included, the following coverage is added under Section I – Property Coverage.

#### WHAT IS COVERED

The following Deductible section under the Basis of Settlement of your policy is removed:

##### Deductible

We are responsible for the amount of any loss or damage caused by an insured event that exceeds the amount of the deductible shown on your declaration in any one occurrence.

and replaced with:

##### Deductible

We are responsible for the amount of any loss or damage caused by an insured event that exceeds the amount of the deductible shown on your declaration in any one occurrence. However, if the loss or damage amount exceeds \$50,000, your deductible for that occurrence will be waived.

This endorsement does not apply to losses where the insured event involves only the following coverages:

- Earthquake Coverage;
- Condominium Unit Owners Earthquake Coverage;
- Tenants Earthquake Coverage;
- Legal Expense Endorsement; or
- Personal Cyber Coverage.

*This endorsement does not change any other limits, terms, conditions, provisions, Key Words, and exclusions of your policy.*



# Welcome to The Wawanesa Mutual Insurance Company

## Thank you for purchasing our Basic Homeowner Package

We are pleased to provide this coverage through Canada's Insurance Broker network. Along with your broker, we want to provide you with the information you need to make your insurance decisions.

Our goal is for the policy to provide you, our valued customer, with answers to your questions during the policy term and in the event of a claim. Your policy outlines what is insured. This policy provides coverage against the insured events specifically stated in this policy on your residence, additional buildings and structures, and personal property. It is important for you to review the entire policy to determine your coverage, rights and responsibilities. We have included some Key Words at the end of the policy to help you understand the specific use of these words.

If you have any questions about your policy, please contact your broker.

## THE AGREEMENT

- We will provide the insurance as described in this policy in exchange for payment of the premium noted on the policy declaration.
- Insurance cannot be a source of profit to you. It is intended to help you recover from actual losses or expenses incurred by you or costs for which you are liable.
- We will pay for direct physical loss or damage to your insured property, up to your financial interest, but not exceeding the applicable amount of insurance shown on your declaration for any one occurrence.
- We will pay for direct physical loss or damage caused by an insured event, subject to the exclusions and limitations of this policy.
- The policy contains information about your insurance and describes the coverage you have purchased.
- If we broaden coverage while your policy is in effect, you will receive the benefit of increased coverage at no additional charge until your renewal.
- Only a named insured may take legal action against us.
- All amounts of insurance, premiums and other amounts are in Canadian currency.

## HOW TO READ AND UNDERSTAND YOUR POLICY

Your policy consists of:

**The Declaration** – Identifies the subject of insurance, coverages and limits you have purchased.

**The Policy** – Identifies your responsibility and ours.

**Endorsements and Limitations** – Identifies the additional coverages and limits that apply.

**Key Words** – Includes terms that may vary from standard definitions and clarify the intention of your policy.

**Statutory Conditions** – Applies to all forms and are required by provincial and territorial law.

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

Your policy is made up of three sections:

### **Section I – Property Coverage**

Describes the insurance on your property and loss of use of your residence.

### **Section II – Personal Liability Protection**

Describes the insurance for your legal liability including bodily injury or property damage to others.

### **Section III – Statutory Conditions**

Describes conditions required by provincial and territorial law that outline mandatory responsibilities.

## **IMPORTANT PARTIES**

By **You** or **Your**, we mean those named on your declaration as named insureds and the following people while living in your household:

Under Section I – Property Coverage and Section II – Personal Liability Protection, **You** and **Your** includes the following:

- a spouse as defined by the provincial and territorial legislation;
- the family of any named insured;
- any person under the age of 21 years and in your care; and
- any named insured, spouse or dependents under the following circumstances:
  - a) a student who is enrolled in and attending a school, college or university and living elsewhere; or
  - b) while living in a long-term care facility.

Under Section II – Personal Liability Protection, **You** and **Your** also includes the following:

- any person or organization legally liable for damages caused by a watercraft or animal owned by you and insured by your policy. However, we exclude any use or custody of the watercraft or animal without your permission or in the course of any business or farming operations;
- any person while performing duties as your residence employee;
- your legal representative while having temporary custody of your premises upon your death, provided your premises is insured by your policy, and for legal liability arising out of your premises; and
- any person who is insured by this policy at the time of your death and continues residing on the premises.

By **We**, **Us** or **Our**, we mean the Insurer and are referring to The Wawanesa Mutual Insurance Company.

**All other Key Words can be found at the end of this policy.**

## **SECTION I – PROPERTY COVERAGE**

This policy provides coverage for your property as described under Coverage A – Residence, Coverage B – Additional Buildings and Structures and Coverage C – Personal Property and insures against the direct physical loss or damage caused by the following insured events and limited by the exclusions, conditions and Key Words of this policy:

1. Fire;
2. Lightning;
3. Explosion;

4. Smoke;
5. Falling Object;
6. Impact by Aircraft, Spacecraft or Land Vehicle, does not include any loss or damage to animals;
7. Riot;
8. Vandalism or Malicious Acts;
9. Water Damage;
10. Windstorm;
11. Hail;
12. Electricity;
13. Transportation;
14. Collapse Caused by the Weight of Ice, Sleet or Snow;
15. Ice Damming;
16. Damage Caused by Bears; or
17. Theft or Attempted Theft.

Pay special attention to how the insured events in this list are described in Key Words and how the exclusions are outlined under Section I – What is excluded.

## **COVERAGE A – RESIDENCE**

We insure:

- your residence and its attached structures on the premises described on your declaration;
- permanently installed outdoor equipment on the premises;
- outdoor domestic water containers on the premises, including swimming pools, spas, saunas, hot tubs, and their attached equipment;
- materials and supplies located on or adjacent to the premises and intended for use in construction, renovation, or repair of the residence, or additional buildings and structures on the premises;
- building fixtures and fittings used principally for the residence while temporarily removed from the premises for repair or seasonal storage.

## **COVERAGE B – ADDITIONAL BUILDINGS AND STRUCTURES**

We insure your personal use additional buildings and structures on the premises that are separated from the residence by a clear space but not insured under Coverage A – Residence. If they are connected to the residence by only a fence, utility line, or similar connection, they are considered additional buildings and structures.

We do not insure additional buildings and structures originally built and previously used for farming purposes regardless of their current use unless listed on your declaration.

## **COVERAGE C – PERSONAL PROPERTY**

### **Personal Property on Your Premises**

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

We insure the uninsured personal property owned by others while it is on that portion of your premises that you occupy, but we do not insure property of roomers or boarders not related to you. This coverage does not increase the amount of your insurance.

## **Personal Property Temporarily Away From Your Premises**

We insure personal property away from your premises including:

- your personal property while it is temporarily away from your premises anywhere in the world;
- personal property belonging to a residence employee travelling with you;
- uninsured personal property belonging to others while it is in your possession;
- your personal property while in storage, including while in a safety deposit box;
- your personal property while you are attending a school, college, or university, up to \$25,000;
- your personal property while you are residing in a long-term care facility, up to \$25,000.

## **Moving to a New Location**

We insure your personal property in transit while you are moving from the location shown on your declaration, to and at a new location in Canada which is to be occupied by you as your principal residence.

Coverage applies up to 90 consecutive days commencing on the date the personal property is first removed from your residence, but not beyond the date the policy expires or is terminated. This coverage does not increase the amount of insurance.

## **Special Limits of Insurance**

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

For all insured losses	Limit
Cannabis in all consumable forms and cannabis plants	\$500
Money, cash cards, bullion and crypto currency	\$1,000
Drones, including attached equipment, of not more than 250 grams, and all other equipment used exclusively for the operation of the drone	\$1,000
Spare automobile parts	\$2,000
Utility trailers (where legislation allows)	\$2,000
Watercraft, including personal watercraft, their furnishings, equipment, motors and accessories	\$3,000
Business property on your premises	\$5,000
Securities	\$5,000
Golf carts, motorized yard equipment and accessories that are not subject to vehicle registration	\$10,000

The following Special Limits of Insurance only apply to losses caused by theft.

For theft losses	Limit
Numismatic, coin and banknote collections	\$1,000
Manuscripts, stamps and stamp collections	\$2,500
Collectibles including sports cards, memorabilia and comic books	\$5,000
Fur garments and garments trimmed with fur	\$6,000
Luggage, pet carriers, footwear and handbags including but not limited to purses, wallets, totes, clutches, carrier bags and other items of similar nature	\$10,000
Jewellery, watches and gems	\$10,000

## Property Excluded

We do not insure:

- personal property of tenants, roomers, or boarders who are not related to you;
- personal property normally kept at any other location you own, rent, lease or occupy. We do not exclude property you bring with you while you are temporarily staying there;
- motorized vehicles or their equipment except:
  - those shown under Special Limits of Insurance up to the amount of insurance indicated;
  - those shown separately on your declaration up to the amount of insurance indicated;
  - wheelchairs or medical scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability;
- e-bikes that do not meet our description under Key Words;
- drones and their equipment exceeding the weight and limit of insurance shown under Special Limits of Insurance;
- toys or hobby items such as model aircraft or children's battery powered all-terrain vehicles, if using more than a 12-volt battery or that can attain speeds greater than 10 kilometers per hour;
- watercraft, including personal watercraft, their furnishings, equipment, motors and accessories exceeding the limit of insurance shown under Special Limits of Insurance;
- camper units, truck caps, trailers other than utility trailers, or their equipment;
- utility trailers exceeding the limit of insurance shown under Special Limits of Insurance;
- sporting equipment where the loss or damage is due to its use;
- animals, birds, or fish unless the loss or damage is caused by fire, lightning, explosion, riot, theft or attempted theft, vandalism, and malicious acts;
- livestock;
- property at any fairground, exhibition or exposition, if the intent is to display, demonstrate, trade or sell such property;
- evidences of debt or title;
- business property exceeding the limit of insurance shown under Special Limits of Insurance, including samples and goods held for sale; or
- data.

## **COVERAGE D – LOSS OF USE**

The amount of insurance for Coverage D – Loss of Use is the total amount for any one or a combination of the Additional Living Expense, Fair Rental Value and Prohibited Access by Civil Authority coverages as described below. The periods of time shown below are not limited by the expiry date shown on your declaration.

### **Additional Living Expense**

As a result of an insured event, if your residence is unfit for occupancy, your access is restricted, or you have to move out while repairs are being made, we will pay for any necessary increase in living expenses, including moving expenses, incurred by you so that your household can maintain its normal standard of living.

Payment will continue for the reasonable time required to repair or rebuild your residence, or if you permanently relocate, the reasonable time required for your household to settle elsewhere.

### **Fair Rental Value**

We will pay you the Fair Rental Value of your residence rented to others, or held for rental by you, if an insured event makes it unfit for occupancy.

Payment will continue for the reasonable time required to repair or replace that part of your residence rented to others or held for rental by you. If the residence is not rented at the time the residence is ready for occupancy, we will continue to pay for 30 additional days.

This coverage does not apply when your residence or that part of your residence rented to others has been vacant for more than 30 consecutive days at the time of the loss, unless otherwise provided or limited by this policy.

Fair Rental Value excludes any expense that does not continue while that part of your residence rented to others or held for rental is unfit for occupancy.

### **Prohibited Access by Civil Authority**

If a civil authority prohibits access to your premises:

- as a direct result of damage to neighbouring premises by an insured event in this policy, we insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding 30 days; or
- by order for mass evacuation as a direct result of a sudden and accidental event within Canada or the United States of America, we will insure any necessary and reasonable increase in living expense incurred by you for the period access is prohibited, not exceeding 30 days.

You are not insured for any claim arising from Prohibited Access by Civil Authority resulting from:

- losses excluded under Section I – What is Excluded;
- flood;
- earthquake, unless earthquake coverage is shown on your declaration;
- overland water, unless overland water coverage is shown on your declaration;
- any communicable disease.

We do not insure loss or expense due to the cancellation of a lease or agreement.  
No deductible applies to Prohibited Access by Civil Authority.

## **ADDITIONAL COVERAGES**

Unless otherwise stated, the following additional coverages do not increase the amounts of insurance in this policy and are subject to the exclusions, limitations and conditions of this policy.

### **Change of Temperature**

If there is loss or damage caused by a change of temperature resulting from physical damage to your residence or equipment by an insured event, we will cover personal property on your premises up to the amount of insurance shown on your declaration.

### **Credit or Debit Cards, Forgery and Counterfeit Currency**

We will pay up to \$10,000 for:

- your legal obligation to pay because of a theft or unauthorized use of credit card(s) issued to you or registered in your name;
- loss caused by theft of your debit or automated teller cards;
- loss caused by forgery or alteration of any cheque or negotiable instrument;
- loss sustained by your acceptance in good faith of counterfeit Canadian or United States paper currency.

We will not pay for loss under this coverage:

- unless you have complied with all the conditions under which the cards are issued;
- caused by the use of your cards by a resident of your household or by a person to whom the cards have been entrusted; or
- arising out of business pursuits.

At our option and expense, we may defend any claim against you under this coverage.

This is additional insurance.

No deductible applies to this coverage.

### **Debris Removal**

We will pay the cost of removing debris of insured property, as a result of an insured event. If the amount payable for the insured loss, including expenses for debris removal, is greater than the amount of insurance for Coverage A – Residence shown on your declaration, then an additional 5% of the amount of Coverage A – Residence will be available for debris removal expenses.

The additional 5% does not apply to losses under the following coverages:

- Earthquake Coverage
- Fire Following Earthquake
- Limited Sewer Backup Coverage
- Overland Water Coverage

For the purposes of this Additional Coverage, the amount of insurance for Coverage A – Residence will not be increased as a result of the application of any other endorsement.

If debris removal is made necessary by a tree striking the exterior of the building resulting in insured damage to the residence or additional buildings or structures, we will pay for tree removal up to a maximum of \$1,000.

## **Fire Department Charges**

We will pay for fire department service charges as a result of an insured event that has occurred at your premises.

This is additional insurance.

No deductible applies to this coverage.

## **Fire Following Earthquake**

We insure Coverage A – Residence, Coverage B – Additional Buildings and Structures, Coverage C – Personal Property and Coverage D – Loss of Use against direct physical loss or damage as a result of a fire from an earthquake.

In determining the cost of repairs or replacement we will not pay or include the increased costs of repair or replacement due to the operation of any law or ordinance regulating the zoning, demolition, repair or construction of buildings and their related services.

Your policy deductible applies to this coverage.

## **Special Condition**

One or more earthquake shocks that occur within a 168-hour period constitute a single earthquake.

The additional 5% coverage under Debris Removal does not apply to losses under Fire Following Earthquake.

## **Food Spoilage**

We will pay for your food contained in a refrigeration or freezer unit, located on your premises, against loss or damage caused by or resulting from:

- a power failure originating on or off your premises;
- spoilage caused by the accidental disconnection of the power supply;
- the mechanical breakdown of your refrigeration or freezer unit(s) caused by an insured event; or
- an insured event where the municipality interrupts power to prevent further damage.

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

We do not insure:

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

This is additional insurance.

No deductible applies to this coverage.

## **Inflation Protection Coverage**

With respect to Section I – Property Coverage, if there is an insured loss, we will automatically increase the amount of insurance shown on your declaration by amounts that are caused by inflation since:

- the inception date of this policy;
- the latest renewal date; or

- the date of the most recent change to the amount of insurance shown on your declaration; whichever is the most recent.

On the renewal date of your policy, we will automatically increase the amount of insurance shown on your declaration under Section I – Property Coverage by amounts which are caused by the inflation increase since the inception date of this policy or the latest renewal date, whichever is the most recent, and adjust the premium.

### **Lock Replacement**

We will pay up to \$2,000 to replace, re-key or re-code locks on your premises or your private passenger automobiles including ignition, if your keys are stolen.

This is additional insurance.

No deductible applies to this coverage.

### **Outdoor Trees, Shrubs, Plants and Lawns**

You may apply up to 5% of the Coverage A – Residence amount of insurance shown on your declaration to cover outdoor trees, shrubs, plants and lawns on your premises for loss caused by fire, lightning, explosion, vandalism, malicious acts, or impact by aircraft, spacecraft or land vehicle. We will not pay more than \$1,000 for any one outdoor tree, shrub, or plant, including debris removal.

For clarification purposes:

- lawns include natural and artificial turf;
- we do not insure items grown for commercial purposes;
- cannabis plants grown legally are limited to a maximum of four plants and are subject to Special Limits of Insurance.

If the amount payable for loss under Coverage A – Residence is greater than the amount of insurance applicable, then an additional 5% of the Coverage A – Residence amount of insurance will be available to cover your outdoor trees, shrubs, plants, or lawns.

For the purposes of this Additional Coverage, the amount of Coverage A – Residence will not be increased as a result of the application of any other endorsement.

### **Reward Coverage**

We will pay up to \$1,000, regardless of the number of persons providing information, that leads to a conviction for arson, robbery, or burglary in connection with a loss to property insured by this policy.

This is additional insurance.

No deductible applies to this coverage.

### **Tear Out**

In the event of an insured water damage loss we will pay the cost of tearing out and restoring any of the walls, ceilings, or other parts of your residence, or additional buildings and structures in order to facilitate repairs.

We do not insure the cost of tearing out and restoring property to repair damage related to domestic water containers, including swimming pools, spas, hot tubs, saunas, and their attached equipment or any public watermain.

## **SECTION I – WHAT IS EXCLUDED**

### **1. Exclusions Relating to Vacancy**

Under no circumstances do we insure any loss or damage:

- caused by theft or attempted theft, occurring while your residence is vacant, even if we have given permission for the policy to remain in force during vacancy. This exclusion applies immediately upon your residence becoming vacant;
- caused by vandalism, malicious acts, or glass breakage occurring while your residence is vacant, even if we have given permission for the policy to remain in force during vacancy. This exclusion applies immediately upon your residence becoming vacant;
- caused by water while your residence is vacant, even if we have given permission for the policy to remain in force during vacancy. This exclusion applies immediately upon your residence becoming vacant; or
- caused by an insured event, other than those listed above, occurring after your residence has, to your knowledge, been vacant for more than 30 consecutive days unless a vacancy permit is shown on your declaration.

If your premises has been vacant for less than 30 consecutive days or we have given permission for vacancy, we insure any loss or damage caused by or resulting from the sudden and accidental:

- escape of water from a domestic water container that is located outside your residence, or additional buildings and structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing; or
- escape of water from a watermain located outside your residence, and additional buildings and structures.

### **2. Exclusions Relating to Under Construction**

Under no circumstances do we insure any loss or damage caused by:

- theft or attempted theft of property in or from your residence under construction, or of materials and supplies for use in the construction, until construction is complete and your residence is ready to be occupied;
- theft or attempted theft of property in or from your additional buildings and structures under construction or of materials and supplies for use in the construction, until construction is complete and your additional buildings and structures are ready to be used;
- vandalism, malicious acts, or glass breakage occurring while your residence, or additional buildings and structures are under construction, even if we have given permission for the policy to remain in force during construction; or
- water damage occurring while your residence or additional buildings and structures are under construction, even if we have given permission for the policy to remain in force during construction.

These exclusions apply immediately upon the commencement of construction.

### **3. Exclusions Relating to Water**

We do not insure any loss or damage caused by water unless caused by, or resulting from, the sudden and accidental:

- escape of water or steam from within a plumbing, heating, cooling, sprinkler, or air conditioning system, or domestic water container within your residence, or additional buildings and structures;

- escape of water from a domestic water container that is located outside your residence, or additional buildings and structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing;
- escape of water from a watermain located outside your residence, or additional buildings and structures;
- entry of water through an opening in your residence, or additional buildings and structures that has been created by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft or land vehicle, riot, vandalism, malicious acts, windstorm, hail, electricity, transportation, or damage by bears; or
- entry of water caused by ice damming.

However, under no circumstances do we insure any loss or damage caused by or resulting from:

- ground water or rising of the water table;
- surface waters;
- shoreline ice build-up or water borne ice or other waterborne objects, all whether driven by wind or not;
- flood of any nature. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage that results directly from fire or explosion;
- continuous or repeated leakage, seepage, or discharge of water;
- the backing up or escape of water or sewage from any sewer, storm drain, drain, septic system, or sump;
- freezing during the usual heating season within a heated portion of your residence, or additional buildings and structures if the heat has been intentionally turned off by you or at your direction; or
- freezing during the usual heating season within an unheated portion of your residence, or additional buildings and structures.

We also do not insure direct physical loss or damage to a plumbing, heating, cooling, sprinkler or air conditioning system or domestic water container caused by freezing or from which the water escaped.

We also do not insure loss or damage:

4. to structures or buildings used in whole or in part for business or farming operations, unless shown on your declaration;
5. to property undergoing any process or while being worked on, where the damage results from such process or work. However, any resulting damage to other property by an insured event is covered;
6. to any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
7. to any property illegally acquired, kept, stored, transported, or subject to forfeiture;
8. caused by the dishonesty of a person(s) to whom you have entrusted with the care, custody and control of your personal property;
9. caused by or from the intentional or criminal act or the failure to act by you or any other person at your direction. However, coverage is provided if you did not take part in or have knowledge of the intentional or criminal act leading to the loss or damage to the insured property, but only to the extent of your proportional interest;
10. caused by or resulting from vermin, birds, insects, rodents, bats, raccoons, skunks, or squirrels, except loss or damage to building glass or if damage results in fire, explosion, smoke, falling objects, electricity, ice damming, or the insured events of water damage, not otherwise excluded in the policy;

- 11.** caused by or resulting from wear and tear, deterioration, inherent vice, latent defect, rust or corrosion, extremes of temperature, condensation, dampness of atmosphere, wet or dry rot, contamination, or fungi except where otherwise provided for in this policy;
- 12.** related directly to mechanical breakdown except where otherwise provided for in this policy;
- 13.** caused by or resulting from repeated exposure to the same harmful conditions;
- 14.** caused by continuous or repeated leakage or seepage of fuel oil;
- 15.** caused by or resulting from contamination by radioactive material;
- 16.** resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud;
- 17.** caused by or resulting from smoke from agricultural smudging or industrial operations;
- 18.** caused directly or indirectly by marring, scratching, abrasion, or chipping of any personal property or breakage of any fragile or brittle article(s) unless caused by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft, watercraft or land vehicle, riot, vandalism, malicious acts, windstorm, hail, electricity, transportation, ice damming, damage by bears, theft or attempted theft, or the insured events of water damage, not otherwise excluded in the policy;
- 19.** caused by or resulting from the manufacturing, distribution or sale of any drug, narcotic, or illegal substance, whether or not you have knowledge of such activity. This includes any alterations of the premises to facilitate such activity. However, a total of four or less cannabis plants legally grown on your residential premises for recreational consumption by you, where it is allowed by law, is not excluded;
- 20.** resulting from the cost of correcting faulty design, material, or workmanship;
- 21.** related to the increased costs of repair or replacement due to the operation of any law or ordinance regulating the zoning, demolition, repair, or construction of buildings and their related services;
- 22.** caused directly or indirectly by settling, expansion, contraction, moving, bulging, buckling, or cracking, except resulting damage to building glass that forms part of your residence, or additional buildings and structures;
- 23.** from the part of your residence, or additional buildings and structures rented to others caused by theft or attempted theft by any tenant, tenant's employee, or member of the tenant's household;
- 24.** caused directly or indirectly, in whole or in part, by snowslide, sinkhole, earthquake, landslide, or any other earth movement regardless of any cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage that results directly from fire or explosion;
- 25.** caused by any nuclear incident (as defined in the Nuclear Liability and Compensation Act (Canada) or any other nuclear liability and compensation act, law, or statute, or any updates to the law), or nuclear explosion, except for ensuing loss or damage caused directly or indirectly by fire, lightning, or explosion of natural, coal, or manufactured gas;
- 26.** caused directly or indirectly, in whole or in part, by war, invasion, act of foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution or insurrection, or military power. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;
- 27.** caused directly or indirectly, in whole or in part, by terrorism or by any activity or decision of a governmental agency or other entity to prevent, respond to or terminate terrorism, but you are still insured for ensuing loss or damage that results directly from fire or explosion;
- 28.** caused by domestic animals or pets of any kind:
  - owned by you;
  - in your care, custody or control; or
  - owned by or in the care, custody or control of anyone residing on your premises;
- 29.** to a watermain;

30. arising from pollution or contamination caused by the discharge or escape of any waste material, irritants, pollutants or contaminants unless caused by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft or land vehicle, riot, vandalism, malicious acts, windstorm, hail, electricity, transportation, ice damming, damage by bears, or soot due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises, not otherwise excluded in the policy;
31. caused directly or indirectly, in whole or in part by any communicable disease regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;
32. caused by or resulting from vandalism or malicious acts committed by any tenant, tenant's employee or member of the tenant's household; or
33. occurring while your residence is being moved. Moving begins with the commencement of the removal of leveling blocks and jacks or the disconnection of utilities and continues until the residence has been fully installed and is ready for occupancy at its new location. This exclusion does not apply while your mobile/mini home is being moved because of an emergency to protect it when it is endangered by any insured event.

## BASIS OF SETTLEMENT

We will pay for direct physical loss or damage to your insured property, but we will not pay more than your financial interest in the property, or the applicable amount of insurance, as shown on your declaration for any one occurrence.

### Coverage A – Residence and Coverage B – Additional Buildings and Structures

We will pay the replacement cost or the cost of repairs (whichever is less), if you repair or replace the damaged or destroyed building(s), on the same site, with a building of the same occupancy, constructed with materials of similar quality, within a reasonable time after the loss or damage occurs, within statutory limitations.

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

In determining the cost of repairs or replacement we will not pay for or include the increased costs of repair or replacement due to the operation of any law or ordinance regulating the zoning, demolition, repair or construction of buildings and their related services.

### Coverage C – Personal Property

We will pay based on replacement cost only if the property that is lost or damaged is repaired or replaced as soon as reasonably possible, within statutory limitations.

For insured loss or damage, we will pay the lesser of the:

- actual cost of repairs;
- actual cost of replacement; or
- amount of insurance shown on your declaration.

If the lost or damaged property is not repaired or replaced, we will pay the lesser of the:

- actual cash value of the estimated repairs;
- actual cash value of the estimated replacement; or
- amount of insurance shown on your declaration.

We will only pay actual cash value for the following types of personal property:

- articles that cannot be replaced with new articles because of their age or inherent nature, including antiques, fine arts, paintings and statuary;
- articles for which their age or history substantially contributes to their value, such as memorabilia, souvenirs, and collectors' items;
- personal property that has not been maintained in good or workable condition;
- personal property that is no longer used for its original purpose; or
- personal property belonging to others not including personal property belonging to a residence employee.

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

You may initially choose payment based on actual cash value. If you later decide to repair or replace any lost or damaged property, you may make an additional claim for the difference between the actual cash value and the replacement cost within 180 days from the date the actual cash value payment was made.

### **Pairs and Sets**

**Pair:** If there is loss to one item of an identical pair caused by an insured event, we will pay for the pair. The undamaged item becomes our property.

**Set:** For items that are part of a set of two or more pieces, we will only pay for those particular items which were lost or damaged by an insured event.

### **Parts**

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

### **Deductible**

We are responsible for the amount of any loss or damage caused by an insured event that exceeds the amount of the deductible shown on your declaration in any one occurrence.

## **POLICY CONDITIONS**

The following conditions apply to Section I – Property Coverage:

### **Amounts Not Reduced**

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

### **Declaration of Emergency - Extension of Termination or Expiry Date**

If an emergency is declared by a Canadian public authority designated by statute, we will extend the expiry date, or the termination date when initiated by us, subject to the Special Conditions outlined and Important Definition below.

In order for this to apply, the emergency must have a direct effect or impact on:

- you, your residence, your property, or your premises if located in the declared emergency area; or
- our operations or those of your broker located in the declared emergency area.

## **Special Conditions**

In no event will this extension exceed 120 consecutive days.

You agree to pay the pro rata premium earned for the additional time that we remain on risk as a result of this extension.

The following events are included:

- When we initiate a termination based on the Statutory Condition – Termination of this policy, we will extend the termination date until the emergency is terminated plus the lesser of:
  - a) 30 days; or
  - b) the number of days the emergency order was in effect.
- If this policy is due to expire during an emergency, it will remain in force until the emergency is terminated plus the lesser of:
  - a) 30 days; or
  - b) the number of days the emergency order was in effect.

## **Important Definition**

Emergency means the first statutory declaration of an emergency:

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

## **Insurance Under More Than One Policy**

If you have 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.

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

## **Notice to Authorities**

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

## **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

### The Additional Agreement

This coverage applies on your premises and for your personal actions. Benefits following injury or damage to property of others in certain other circumstances are also included. This is the part of the policy you look to for protection if you are sued.

This insurance applies to:

- accidents or occurrences which take place during the policy term, while in force;
- each of the insureds separately when a claim or action has been made against or brought against you.

### COVERAGE E – LEGAL LIABILITY

We will pay all amounts which you become legally liable to pay to compensate for damages because of unintentional bodily injury or property damage caused by:

- your personal actions anywhere in the world;
- your ownership, use, or occupancy of the premises.

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

Defense, costs and supplementary expense payments as described under defense, settlement and supplementary payments are in addition to the amount of insurance.

### What is Excluded

We do not insure claims made against you arising from:

- liability you have assumed by contract unless your legal liability would have applied even if no contract had been in force. 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;
- damage to property you own;
- damage to property you use, occupy, lease or rent, or that is in your care, custody, or control, except unintentional property damage to premises owned by others, or their contents, which you are using, renting or have in your care, custody or control caused by fire, explosion, water damage, or smoke;
- damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
- bodily injury to you or any person residing in your household other than a residence employee;
- the personal actions of a named insured who does not reside on the premises described on your declaration.

There are other exclusions that apply to all coverages under Section II – Personal Liability Protection. Please refer to Section II – What is Excluded.

### Defense, Settlement, Supplementary Payments

If a claim is made against you for which you are insured under Coverage E – Legal Liability, 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:

- all expenses which we incur;
- all costs charged against you in any suit insured under Coverage E – Legal Liability;
- any interest accruing after judgment on that part of the judgment which is within the amount of insurance of Coverage E – Legal Liability;
- premiums for appeal bonds required in any 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;
- expenses which you have incurred for emergency medical or surgical treatment to others following an accident or occurrence insured by this policy;
- reasonable expenses including actual loss of income up to \$100 per day, which you incur at our request.

### **Unauthorized Settlements**

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

### **COVERAGE F – VOLUNTARY MEDICAL PAYMENTS**

We will pay reasonable medical expenses incurred within one year of the date of the accident or occurrence, 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 your declaration is the most we will pay for each person in respect to one accident or occurrence. Payment under Coverage F is not an admission of liability by you or us.

We will not pay for:

- expenses covered by any medical, dental, surgical, or hospitalization plan or law, or under any other insurance contract;
- your medical expenses or those of persons residing with you, other than residence employees; or
- medical expenses of any person covered by any workers' compensation statute.

There are other exclusions that apply to all coverages under Section II – Personal Liability Protection. Please refer to Section II – What is Excluded.

### **COVERAGE G – VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY OF OTHERS**

We will pay for unintentional direct damage you cause to property of others even though you are not legally liable. You may also use this coverage to reimburse others for direct property damage caused intentionally by a child insured under this policy that is 12 years of age or under.

We do not insure:

- damage to property owned or rented to you or your tenant;
- damage to property which is insured under Section I – Property Coverage; or
- claims resulting from the loss of use, disappearance or theft of property.

There are other exclusions that apply to all coverages under Section II – Personal Liability Protection. Please refer to Section II – What is Excluded.

## **Basis of Payment**

We will pay the lesser of:

- what it would cost to repair or replace the property with materials of similar quality at the time of loss; or
- the amount of insurance shown on your declaration.

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.

## **COVERAGE H – VOLUNTARY COMPENSATION FOR RESIDENCE EMPLOYEES**

This coverage is automatically provided for all your occasional residence employees. It will be extended to your permanent residence employees if stated on your declaration.

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.

## **What is Excluded**

We will not pay benefits for any hernia injury.

There are other exclusions that apply to all Coverages under Section II – Personal Liability Protection. Please refer to Section II – What is Excluded.

## **Schedule of Benefits**

### **Loss of Life**

If your residence employee dies because of an accident while performing duties as hired by you, and the death occurs within 26 weeks of this accident, we will pay:

- a total of 100 times the weekly compensation to those entirely dependent on your residence employee. If there is more than one dependent, the amount will be divided equally among them;
- actual funeral expenses not to exceed \$1,000.

This payment is in addition to any benefit for temporary total disability paid up to the date of their death.

### **Temporary Total Disability**

If your residence employee becomes totally disabled from injuries received within 14 days of an accident while performing duties as hired by you, and cannot work at any job, we will pay a weekly compensation up to 26 weeks while such disability continues. We will not pay for the first seven days unless the disability lasts for six weeks or more.

### **Permanent total disability**

- a) If your residence employee becomes permanently and totally disabled from injuries received within 26 weeks of an accident while performing duties as hired by you, and cannot work at any job, we will pay weekly compensation for 100 weeks in addition to the benefits provided under temporary total disability.

## **Injury benefits**

- a) If 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 the weekly compensation for the number of weeks shown below. These benefits will be paid in addition to temporary total disability benefits, but no other injury benefit.
- b) We will not pay more than 100 weeks in total, even if the accident results in loss of more than one of the following:

Type of Injury	Number of Weeks
One finger or toe; or	25 weeks
More than one finger or toe	50 weeks
One or more of the following: <ul style="list-style-type: none"><li>• Hand</li><li>• Arm</li><li>• Foot</li><li>• Leg</li></ul>	100 weeks
One eye; or	50 weeks
Both eyes	100 weeks
Hearing of one ear; or	25 weeks
Hearing of both ears	100 weeks

## **Medical Expenses**

If as a result of the accident your residence employee incurs medical expenses, including surgical, dental, hospital, nursing and ambulance expenses received within 26 weeks of an accident while performing duties as hired by you, 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 you can recover from other insurance plans.

Weekly Compensation 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.

## **SPECIAL LIMITATIONS**

### **Business and Business Property**

We insure you against claims arising out of:

- your personal actions during the course of your trade, profession, or occupation which are not related directly to your trade, profession, or occupation;
- the occasional rental to others of the portion of your described private residence usually occupied by you, excluding short term rentals;
- the rental to others of portions of your two, three, or four family residence usually occupied in part by you as a residence premises provided no family residence unit or suite includes more than two roomers or boarders;

- the rental of space in your residence to others for incidental office, school or studio occupancy;
- the rental to others, or holding for rent, of not more than three car spaces or stalls in garages or stables; or
- the temporary or part time business pursuits of an insured person under the age of 21 years.

Claims arising from any other business pursuit or operation are insured only if liability coverage is shown on your declaration.

### **Golf Carts**

We insure you against claims arising out of your use of motorized golf carts for liability providing they are:

- on your premises;
- on a golf course and within the boundaries of a golf course;
- on any municipal roadway where permitted by municipal law; or
- on private property such as campgrounds, recreational parks, mobile home communities, retirement communities and gated communities where:
  - a) the community by-laws permit the use of golf carts; and
  - b) the roadways within that community are privately maintained and controlled.

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

- used on public roads or highways unless permitted by law;
- used for carrying passengers for compensation;
- used for business purposes;
- used in any race or speed test;
- rented to others; or
- being used or operated without the owner's consent if you are not the owner.

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

### **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.

### **Watercraft and Motorized Vehicles**

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

- watercraft including their attachments, equipped with an outboard motor(s), of not more than 25 HP (19kW) in total, when used with or on a single watercraft;
- watercraft, personal watercraft including their attachments, equipped with any other type of motor of not more than 50 HP (38 kW);
- non-motorized watercraft, including their attachments, not more than 8 metres in length;
- self-propelled lawn mowers, snow blowers, garden-type tractors of not more than 50 HP (38kW);
- motorized wheelchairs, including motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability;
- motorized golf carts while in use on a golf course; or
- e-bikes that meet our description under Key Words.

Any other watercraft, personal watercraft, or motorized vehicle is insured only if liability coverage for it is shown on your declaration. If a watercraft, personal watercraft, or a watercraft motor is acquired after the effective date of the policy, you will be insured automatically for a period of 30 days only from the date of acquisition.

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

- watercraft, and personal watercraft; or
- 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.

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

- used for carrying passengers for compensation;
- used for business purposes;
- used in any race or speed test or in preparation for either;
- rented to others; or
- being used or operated without the owner's consent if you are not the owner.

## SECTION II – WHAT IS EXCLUDED

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. caused directly or indirectly, in whole or in part, by terrorism or by an activity or decision of a government agency or other entity to prevent, respond to or terminate terrorism. 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;
3. 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;
4. business pursuits or any business use of the premises except as provided under Special Limitations Business and Business Property in Section II – Personal Liability Protection;
5. the rendering of or failure to render any professional service(s);
6. liability imposed upon or assumed by you under any workers' compensation statute;
7. bodily injury or property damage caused by any intentional or criminal act or failure to act by:
  - you; or
  - any other person at your direction;
8. sexual, physical, psychological or emotional abuse, molestation or harassment, including corporal punishment by:
  - you; or
  - anyone else at your direction, or with your knowledge; or
  - your failure to take steps to prevent sexual, physical, psychological, or emotional abuse, molestation or harassment, or corporal punishment, however caused;
9. any communicable disease;
10. the ownership, use or operation of any watercraft, personal watercraft, motorized vehicle, or trailer except as provided under watercraft and motorized vehicles and trailers in Section II – Personal Liability Protection;

**11.** the ownership, use or operation of:

- any aircraft or drone; or
- premises used as an airport or landing facility; and all activities related to either;

**12.** any claim that arises directly or indirectly, in whole or in part, out of the use or misuse of social media or the Internet. This includes the use of, distribution by, publication by, display of any material that offends another using social media or the Internet.

## **SECTION II – CONDITIONS**

### **Action Against Us**

No suit may be brought against us until:

- you have fully complied with all of the terms of this coverage; and
- 60 days after the written proof of claim has been filed with us.

### **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.

When this policy and another policy written by us are issued to you, and apply to the same claim or action, the most we will pay is the highest amount of insurance that applies under any one of those policies. However, this provision does not apply if the other policy is a personal umbrella that was specifically purchased by you to apply in excess of the amounts of insurance shown on your declaration.

### **Unauthorized Settlements**

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

### **What you must do after an accident or occurrence**

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

- the date, time, place and circumstances of the accident or occurrence; and
- the interest of all persons in the property affected.

If requested by us you must help us to verify the damage.

If requested by us you must arrange for the injured person(s) to:

- give us, as soon as possible, written proof of claim, under oath if requested;
- submit to a physical examination at our expense by doctors we select as often as we may reasonably require; and
- authorize us to obtain medical and other records.

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

## KEY WORDS

**Actual Cash Value** considers such factors as the cost of replacement less any depreciation. In determining depreciation, we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

**Amount of Insurance** means the maximum amount we will pay for any 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 your declaration.

**Aircraft** means any device used or designed for flight, including any parts whether or not attached to the aircraft. Aircraft includes but is not limited to airplanes, helicopters, hot air balloons, unmanned aerial vehicles or hovercrafts.

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

**Business** includes any full-time, part-time or occasional trade, profession, or occupation undertaken for financial compensation or other consideration, and carried on through any business arrangement owned in whole or in part by you but does not include farming operations.

**Business Premises** means the location at which a business is conducted, or premises are rented in whole or in part to others, or held for rental.

**Business Property** means property pertaining to a business including samples and goods held for sale.

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

**Civil Authority** means any person acting under the authority of federal, provincial or territorial, or municipal legislation with respect to the protection of persons or property in the event of an emergency.

**Collapse caused by the Weight of Ice, Snow or Sleet** means the collapse or partial collapse of your residence, or additional buildings and structures.

**Collectibles** means items bought for their novelty, personal interest, rarity or value.

**Construction – see Under Construction or Construction**

**Crypto Currency** means a digital currency in which encryption techniques are used to regulate the generation of units of currency and verify the transfer of funds, operating independently of a central bank.

**Data** means representations of information, images, or concepts in any form.

**Direct Physical Loss or Damage** means physical alteration or other form of physical damage to insured property, requiring its repair or replacement.

**Domestic Water Container** means a device or apparatus for containing, heating, chilling or dispensing water for personal use, this does not include plumbing, heating, cooling, sprinkler or air conditioning systems.

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

**Drone** means a remote-controlled pilotless aircraft.

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

**Electricity** means an artificially generated electrical current.

**Falling Object** means an object that falls and strikes the exterior of a building or structure.

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

**Flood** includes, but is not limited to, waves, tides, tidal waves, tsunami, dam breaks, seiche or the rising of, the breaking out, or the overflow of any body of water or watercourse, whether natural or man-made.

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

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

**Ice Damming** means loss or damage caused by water that enters your residence, or additional buildings and structures through a roof due to the accumulation of ice or snow on the exterior of the roof or eavestrough.

**Insured Event** means a cause of loss or damage insured under the coverage form shown on your declaration.

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

**Livestock** means any breed or population of animal kept for a useful or commercial purpose, including the production of meat, dairy products, eggs and clothing materials.

**Named Insured** means the person(s) in whose name the policy is issued.

## **Occurrence**

Under Section I – Property Coverage means a loss to insured property during the policy period, caused by one or more insured events.

Under Section II – Personal Liability Protection means an accident, including continuous or repeated exposure to the same general harmful conditions, and occurring during the policy period.

**Overland Water** means water that accumulates upon or submerges land that is usually dry resulting from:

- the unusual and rapid accumulation or run off of water or natural precipitation, not caused by escape of water from a domestic water container or watermain; or
- the rising of, the breaking out or the overflow of any body of fresh water or watercourse, whether natural or man-made.

**Personal Watercraft** means a small self-propelled or jet powered craft intended to be ridden on water with under four people.

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

## **Premises**

Under Section I – Property Coverage means:

- the location where you reside, and the land contained within the lot lines where your residence is situated;
- the portion of the location which you occupy exclusively for your residential purposes or occupied by your tenant;
- any other residential premises specified on your declaration, except business premises and farms;
- your cemetery plots or burial vaults.

Under Section II – Personal Liability Protection also means:

- vacant land in Canada owned by or rented to you, other than farm land;
- land in Canada owned by or rented to you on which an independent contractor is building a one, two, three or four family residence to be occupied by you;
- the location where you are residing temporarily or which you are using temporarily, provided you are not the owner and not under any agreement to rent or lease the location for longer than 90 consecutive days;
- a new principal residence in Canada to be occupied by you from the date you acquire ownership or take possession but not beyond the earliest of:
  - a) 30 consecutive days;
  - b) the date the policy term expires or is terminated; or
  - c) the date specific liability insurance is arranged for your premises.

**Property Damage** means:

- physical damage to or destruction of real property or personal property;
- the loss of use of real property or personal property.

**Replacement Cost** means the cost, without any deduction for depreciation, on the date of the loss or damage, of the lesser of:

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

**Residence** means the residential building or mobile/mini home described on your declaration, that is wholly or partially occupied by you as a private home.

**Residence Employee** means a person employed by you to perform household, domestic or similar duties in connection with the maintenance or use of the premises, excluding duties in connection to your business or farming operations.

**Short Term Rental** means the renting out, in whole or in part, a furnished primary residence or seasonal residence, on a temporary basis.

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

**Spouse** means a person as defined by federal, provincial or territorial legislation.

**Sump** means a pit that is located on your premises and used for collecting and removing water. It may be equipped with a mechanical pump or gravity feed evacuation pump system.

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

**Terrorism** means an ideologically motivated unlawful act or acts, including but not limited to the use of violence, 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 or instilling fear in the public or a section of the public.

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

**Under Construction or Construction** means:

- construction of a new residence building or additional buildings and structures;
- alterations, additions or repairs to existing residence buildings or additional buildings and structures which also includes any of the following:
  - a) site preparation;
  - b) demolition;
  - c) laying of foundations;
  - d) removal or weakening of any structural support; or
  - e) the opening of an exterior wall or roof component that extends beyond 48 consecutive hours.

The period of under construction starts from the date work is initiated and continues until all interior and exterior finishes are completed.

**Vacant** or **Vacancy** means that regardless of the presence of furnishings, all occupants have moved out with no intention of returning to reside continuously in the residence (even if you return to inspect, maintain, use or occupy the property on a casual or intermittent basis), and no new occupant has moved in.

A newly constructed or newly acquired residence is also considered vacant when no occupant has moved in.

**Vacant Land** means land with no man-made structures.

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

**Windstorm** means any strong wind but does not include loss or damage caused by or resulting from the weight of ice or snow, including, but not limited to shoreline ice buildup or waterborne ice or other objects, whether driven by wind or not.



# Welcome to The Wawanesa Mutual Insurance Company

## Thank you for purchasing our Broad Homeowner Package

We are pleased to provide this coverage through Canada's Insurance Broker network. Along with your broker, we want to provide you with the information you need to make your insurance decisions.

Our goal is for the policy to provide you, our valued customer, with answers to your questions during the policy term and in the event of a claim. Your policy outlines what is insured. This policy provides all risk coverage on your residence and additional buildings and structures. Your personal property is covered against the insured events specifically stated in this policy. It is important for you to review the entire policy to determine your coverage, rights and responsibilities. We have included some Key Words at the end of the policy to help you understand the specific use of these words.

If you have any questions about your policy, please contact your broker.

### THE AGREEMENT

- We will provide the insurance as described in this policy in exchange for payment of the premium noted on the policy declaration.
- Insurance cannot be a source of profit to you. It is intended to help you recover from actual losses or expenses incurred by you or costs for which you are liable.
- We will pay for direct physical loss or damage to your insured property, up to your financial interest, but not exceeding the applicable amount of insurance shown on your declaration for any one occurrence.
- We will pay for direct physical loss or damage caused by an insured event, subject to the exclusions and limitations of this policy.
- The policy contains information about your insurance and describes the coverage you have purchased.
- If we broaden coverage while your policy is in effect, you will receive the benefit of increased coverage at no additional charge until your renewal.
- Only a named insured may take legal action against us.
- All amounts of insurance, premiums and other amounts are in Canadian currency.

### HOW TO READ AND UNDERSTAND YOUR POLICY

Your policy consists of:

**The Declaration** – Identifies the subject of insurance, coverages and limits you have purchased.

**The Policy** – Identifies your responsibility and ours.

**Endorsements and Limitations** – Identifies the additional coverages and limits that apply.

**Key Words** – Includes terms that may vary from standard definitions and clarify the intention of your policy.

**Statutory Conditions** – Applies to all forms and are required by provincial and territorial law.

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

Your policy is made up of three sections:

### **Section I – Property Coverage**

Describes the insurance on your property and loss of use of your residence.

### **Section II – Personal Liability Protection**

Describes the insurance for your legal liability including bodily injury or property damage to others.

### **Section III – Statutory Conditions**

Describes conditions required by provincial and territorial law that outline mandatory responsibilities.

## **IMPORTANT PARTIES**

By **You** or **Your**, we mean those named on your declaration as named insureds and the following people while living in your household:

Under Section I – Property Coverage and Section II – Personal Liability Protection, **You** and **Your** includes the following:

- a spouse as defined by the provincial and territorial legislation;
- the family of any named insured;
- any person under the age of 21 years and in your care; and
- any named insured, spouse or dependents under the following circumstances:
  - a) a student who is enrolled in and attending a school, college or university and living elsewhere; or
  - b) while living in a long-term care facility.

Under Section II – Personal Liability Protection, **You** and **Your** also includes the following:

- any person or organization legally liable for damages caused by a watercraft or animal owned by you and insured by your policy. However, we exclude any use or custody of the watercraft or animal without your permission or in the course of any business or farming operations;
- any person while performing duties as your residence employee;
- your legal representative while having temporary custody of your premises upon your death, provided your premises is insured by your policy, and for legal liability arising out of your premises; and
- any person who is insured by this policy at the time of your death and continues residing on the premises.

By **We**, **Us** or **Our**, we mean the Insurer and are referring to The Wawanesa Mutual Insurance Company.

**All other Key Words can be found at the end of this policy.**

## **SECTION I – PROPERTY COVERAGE**

This policy provides all risk coverage on your property described under Coverage A – Residence and Coverage B – Additional Buildings and Structures, limited by the exclusions, conditions and Key Words of this policy.

### **COVERAGE A – RESIDENCE**

We insure:

- your residence and its attached structures on the premises described on your declaration;

- permanently installed outdoor equipment on the premises;
- outdoor domestic water containers on the premises, including swimming pools, spas, saunas, hot tubs, and their attached equipment;
- materials and supplies located on or adjacent to the premises and intended for use in construction, renovation, or repair of the residence, or additional buildings and structures on the premises;
- building fixtures and fittings used principally for the residence while temporarily removed from the premises for repair or seasonal storage.

## **COVERAGE B – ADDITIONAL BUILDINGS AND STRUCTURES**

We insure your personal use additional buildings and structures on the premises that are separated from the residence by a clear space but not insured under Coverage A – Residence. If they are connected to the residence by only a fence, utility line, or similar connection, they are considered additional buildings and structures.

We do not insure additional buildings and structures originally built and previously used for farming purposes regardless of their current use unless listed on your declaration.

## **COVERAGE C – PERSONAL PROPERTY**

Your personal property is insured against the direct physical loss or damage caused by the following insured events and limited by the exclusions, conditions and Key Words of this policy:

1. Fire;
2. Lightning;
3. Explosion;
4. Smoke;
5. Falling Object;
6. Impact by Aircraft, Spacecraft or Land Vehicle – this does not include any loss or damage to animals;
7. Riot;
8. Vandalism or Malicious Acts;
9. Water Damage;
10. Windstorm;
11. Hail;
12. Electricity;
13. Transportation;
14. Collapse caused by the Weight of Ice, Snow or Sleet;
15. Ice Damming;
16. Damage Caused by Bears;
17. Theft or Attempted Theft.

Pay special attention to how the insured events in this list are described in Key Words and how the exclusions are outlined under Section I – What is excluded.

### **Personal Property on Your Premises**

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

We insure the uninsured personal property owned by others while it is on that portion of your premises that you occupy, but we do not insure property of roomers or boarders not related to you.

This coverage does not increase the amount of your insurance.

## Personal Property Temporarily Away From Your Premises

We insure personal property away from your premises including:

- your personal property while it is temporarily away from your premises anywhere in the world;
- personal property belonging to a residence employee travelling with you;
- uninsured personal property belonging to others while it is in your possession;
- your personal property while in storage, including while in a safety deposit box;
- your personal property while you are attending a school, college, or university, up to \$25,000;
- your personal property while you are residing in a long-term care facility, up to \$25,000.

## Moving to a New Location

We insure your personal property in transit while you are moving from the location shown on your declaration, to and at a new location in Canada which is to be occupied by you as your principal residence.

Coverage applies up to 90 consecutive days commencing on the date the personal property is first removed from your residence, but not beyond the date the policy expires or is terminated. This coverage does not increase the amount of insurance.

## Special Limits of Insurance

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

For all insured losses	Limit
Cannabis in all consumable forms and cannabis plants	\$500
Money, cash cards, bullion and crypto currency	\$1,000
Drones, including attached equipment, of not more than 250 grams, and all other equipment used exclusively for the operation of the drone	\$1,000
Spare automobile parts	\$2,000
Utility trailers (where legislation allows)	\$2,000
Watercraft, including personal watercraft, their furnishings, equipment, motors and accessories	\$3,000
Business property on your premises	\$5,000
Securities	\$5,000
Golf carts, motorized yard equipment and accessories that are not subject to vehicle registration	\$10,000

The following Special Limits of Insurance only apply to losses caused by theft.

For theft losses	Limit
Numismatic, coin and banknote collections	\$1,000
Manuscripts, stamps and stamp collections	\$2,500
Collectibles including sports cards, memorabilia and comic books	\$5,000
Fur garments and garments trimmed with fur	\$6,000
Luggage, pet carriers, footwear and handbags including but not limited to purses, wallets, totes, clutches, carrier bags and other items of similar nature	\$10,000
Jewellery, watches and gems	\$10,000

## Property Excluded

We do not insure:

- personal property of tenants, roomers, or boarders who are not related to you;
- personal property normally kept at any other location you own, rent, lease or occupy. We do not exclude property you bring with you while you are temporarily staying there;
- motorized vehicles or their equipment except:
  - those shown under Special Limits of Insurance up to the amount of insurance indicated;
  - those shown separately on your declaration up to the amount of insurance indicated;
  - wheelchairs or medical scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability;
- e-bikes that do not meet our description under Key Words;
- drones and their equipment exceeding the weight and limit of insurance shown under Special Limits of Insurance;
- toys or hobby items such as model aircraft or children's battery powered all-terrain vehicles, if using more than a 12-volt battery or that can attain speeds greater than 10 kilometers per hour;
- watercraft, including personal watercraft, their furnishings, equipment, motors and accessories exceeding the limit of insurance shown under Special Limits of Insurance;
- camper units, truck caps, trailers other than utility trailers, or their equipment;
- utility trailers exceeding the limit of insurance shown under Special Limits of Insurance;
- sporting equipment where the loss or damage is due to its use;
- animals, birds, or fish unless the loss or damage is caused by fire, lightning, explosion, riot, theft or attempted theft, vandalism, and malicious acts;
- livestock;
- property at any fairground, exhibition or exposition, if the intent is to display, demonstrate, trade or sell such property;
- evidences of debt or title;
- business property exceeding the limit of insurance shown under Special Limits of Insurance, including samples and goods held for sale; or
- data.

## **COVERAGE D – LOSS OF USE**

The amount of insurance for Coverage D – Loss of Use is the total amount for any one or a combination of the Additional Living Expense, Fair Rental Value and Prohibited Access by Civil Authority coverages as described below. The periods of time shown below are not limited by the expiry date shown on your declaration.

### **Additional Living Expense**

As a result of an insured event, if your residence is unfit for occupancy, your access is restricted, or you have to move out while repairs are being made, we will pay for any necessary increase in living expenses, including moving expenses, incurred by you so that your household can maintain its normal standard of living.

Payment will continue for the reasonable time required to repair or rebuild your residence, or if you permanently relocate, the reasonable time required for your household to settle elsewhere.

### **Fair Rental Value**

We will pay you the Fair Rental Value of your residence rented to others, or held for rental by you, if an insured event makes it unfit for occupancy.

Payment will continue for the reasonable time required to repair or replace that part of your residence rented to others or held for rental by you. If the residence is not rented at the time the residence is ready for occupancy, we will continue to pay for 30 additional days.

This coverage does not apply when your residence or that part of your residence rented to others has been vacant for more than 30 consecutive days at the time of the loss, unless otherwise provided or limited by this policy.

Fair Rental Value excludes any expense that does not continue while that part of your residence rented to others or held for rental is unfit for occupancy.

### **Prohibited Access by Civil Authority**

If a civil authority prohibits access to your premises:

- as a direct result of damage to neighbouring premises by an insured event in this policy, we insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding 30 days; or
- by order for mass evacuation as a direct result of a sudden and accidental event within Canada or the United States of America, we will insure any necessary and reasonable increase in living expense incurred by you for the period access is prohibited, not exceeding 30 days.

You are not insured for any claim arising from Prohibited Access by Civil Authority resulting from:

- losses excluded under Section I – What is Excluded;
- flood;
- earthquake, unless earthquake coverage is shown on your declaration;
- overland water, unless overland water coverage is shown on your declaration;
- any communicable disease.

We do not insure loss or expense due to the cancellation of a lease or agreement.  
No deductible applies to Prohibited Access by Civil Authority.

## **ADDITIONAL COVERAGES**

Unless otherwise stated, the following additional coverages do not increase the amounts of insurance in this policy and are subject to the exclusions, limitations and conditions of this policy.

### **Change of Temperature**

If there is loss or damage caused by a change of temperature resulting from physical damage to your residence or equipment by an insured event, we will cover personal property on your premises up to the amount of insurance shown on your declaration.

### **Credit or Debit Cards, Forgery and Counterfeit Currency**

We will pay up to \$10,000 for:

- your legal obligation to pay because of a theft or unauthorized use of credit card(s) issued to you or registered in your name;
- loss caused by theft of your debit or automated teller cards;
- loss caused by forgery or alteration of any cheque or negotiable instrument;
- loss sustained by your acceptance in good faith of counterfeit Canadian or United States paper currency.

We will not pay for loss under this coverage:

- unless you have complied with all the conditions under which the cards are issued;
- caused by the use of your cards by a resident of your household or by a person to whom the cards have been entrusted; or
- arising out of business pursuits.

At our option and expense, we may defend any claim against you under this coverage.

This is additional insurance.

No deductible applies to this coverage.

### **Debris Removal**

We will pay the cost of removing debris of insured property, as a result of an insured event. If the amount payable for the insured loss, including expenses for debris removal, is greater than the amount of insurance for Coverage A – Residence shown on your declaration, then an additional 5% of the amount of Coverage A – Residence will be available for debris removal expenses.

The additional 5% does not apply to losses under the following coverages:

- Earthquake Coverage
- Fire Following Earthquake
- Limited Sewer Backup Coverage
- Overland Water Coverage

For the purposes of this Additional Coverage, the amount of insurance for Coverage A – Residence will not be increased as a result of the application of any other endorsement.

If debris removal is made necessary by a tree striking the exterior of the building resulting in insured damage to the residence or additional buildings or structures, we will pay for tree removal up to a maximum of \$1,000.

## **Fire Department Charges**

We will pay for fire department service charges as a result of an insured event that has occurred at your premises.

This is additional insurance.

No deductible applies to this coverage.

## **Fire Following Earthquake**

We insure Coverage A – Residence, Coverage B – Additional Buildings and Structures, Coverage C – Personal Property and Coverage D – Loss of Use against direct physical loss or damage as a result of a fire from an earthquake.

In determining the cost of repairs or replacement we will not pay or include the increased costs of repair or replacement due to the operation of any law or ordinance regulating the zoning, demolition, repair or construction of buildings and their related services.

Your policy deductible applies to this coverage.

## **Special Condition**

One or more earthquake shocks that occur within a 168-hour period constitute a single earthquake.

The additional 5% coverage under Debris Removal does not apply to losses under Fire Following Earthquake.

## **Food Spoilage**

We will pay for your food contained in a refrigeration or freezer unit, located on your premises, against loss or damage caused by or resulting from:

- a power failure originating on or off your premises;
- spoilage caused by the accidental disconnection of the power supply;
- the mechanical breakdown of your refrigeration or freezer unit(s) caused by an insured event; or
- an insured event where the municipality interrupts power to prevent further damage.

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

We do not insure:

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

This is additional insurance.

No deductible applies to this coverage.

## **Inflation Protection Coverage**

With respect to Section I – Property Coverage, if there is an insured loss, we will automatically increase the amount of insurance shown on your declaration by amounts that are caused by inflation since:

- the inception date of this policy;
- the latest renewal date; or

- the date of the most recent change to the amount of insurance shown on your declaration; whichever is the most recent.

On the renewal date of your policy, we will automatically increase the amount of insurance shown on your declaration under Section I – Property Coverage by amounts which are caused by the inflation increase since the inception date of this policy or the latest renewal date, whichever is the most recent, and adjust the premium.

### **Lock Replacement**

We will pay up to \$2,000 to replace, re-key or re-code locks on your premises or your private passenger automobiles including ignition, if your keys are stolen.

This is additional insurance.

No deductible applies to this coverage.

### **Outdoor Trees, Shrubs, Plants and Lawns**

You may apply up to 5% of the Coverage A – Residence amount of insurance shown on your declaration to cover outdoor trees, shrubs, plants and lawns on your premises for loss caused by fire, lightning, explosion, vandalism, malicious acts, or impact by aircraft, spacecraft or land vehicle. We will not pay more than \$1,000 for any one outdoor tree, shrub, or plant, including debris removal.

For clarification purposes:

- lawns include natural and artificial turf;
- we do not insure items grown for commercial purposes;
- cannabis plants grown legally are limited to a maximum of four plants and are subject to Special Limits of Insurance.

If the amount payable for loss under Coverage A – Residence is greater than the amount of insurance applicable, then an additional 5% of the Coverage A – Residence amount of insurance will be available to cover your outdoor trees, shrubs, plants, or lawns.

For the purposes of this Additional Coverage, the amount of Coverage A – Residence will not be increased as a result of the application of any other endorsement.

### **Reward Coverage**

We will pay up to \$1,000, regardless of the number of persons providing information, that leads to a conviction for arson, robbery, or burglary in connection with a loss to property insured by this policy.

This is additional insurance.

No deductible applies to this coverage.

### **Tear Out**

In the event of an insured water damage loss we will pay the cost of tearing out and restoring any of the walls, ceilings, or other parts of your residence, or additional buildings and structures in order to facilitate repairs.

We do not insure the cost of tearing out and restoring property to repair damage related to domestic water containers, including swimming pools, spas, hot tubs, saunas, and their attached equipment or any public watermain.

## **SECTION I – WHAT IS EXCLUDED**

### **1. Exclusions Relating to Vacancy**

Under no circumstances do we insure any loss or damage:

- caused by theft or attempted theft, occurring while your residence is vacant, even if we have given permission for the policy to remain in force during vacancy. This exclusion applies immediately upon your residence becoming vacant;
- caused by vandalism, malicious acts, or glass breakage occurring while your residence is vacant, even if we have given permission for the policy to remain in force during vacancy. This exclusion applies immediately upon your residence becoming vacant;
- caused by water while your residence is vacant, even if we have given permission for the policy to remain in force during vacancy. This exclusion applies immediately upon your residence becoming vacant; or
- caused by an insured event, other than those listed above, occurring after your residence has, to your knowledge, been vacant for more than 30 consecutive days unless a vacancy permit is shown on your declaration.

If your premises has been vacant for less than 30 consecutive days or we have given permission for vacancy, we insure any loss or damage caused by or resulting from the sudden and accidental:

- escape of water from a domestic water container that is located outside your residence, or additional buildings and structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing; or
- escape of water from a watermain located outside your residence, and additional buildings and structures.

### **2. Exclusions Relating to Under Construction**

Under no circumstances do we insure any loss or damage caused by:

- theft or attempted theft of property in or from your residence under construction, or of materials and supplies for use in the construction, until construction is complete and your residence is ready to be occupied;
- theft or attempted theft of property in or from your additional buildings and structures under construction or of materials and supplies for use in the construction, until construction is complete and your additional buildings and structures are ready to be used;
- vandalism, malicious acts, or glass breakage occurring while your residence, or additional buildings and structures are under construction, even if we have given permission for the policy to remain in force during construction; or
- water damage occurring while your residence or additional buildings and structures are under construction, even if we have given permission for the policy to remain in force during construction.

These exclusions apply immediately upon the commencement of construction.

### **3. Exclusions Relating to Water**

We do not insure any loss or damage caused by water unless caused by, or resulting from, the sudden and accidental:

- escape of water or steam from within a plumbing, heating, cooling, sprinkler, or air conditioning system, or domestic water container within your residence, or additional buildings and structures;

- escape of water from a domestic water container that is located outside your residence, or additional buildings and structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing;
- escape of water from a watermain located outside your residence, or additional buildings and structures;
- entry of water through an opening in your residence, or additional buildings and structures that has been created by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft or land vehicle, riot, vandalism, malicious acts, windstorm, hail, electricity, transportation, or damage by bears; or
- entry of water caused by ice damming.

However, under no circumstances do we insure any loss or damage caused by or resulting from:

- ground water or rising of the water table;
- surface waters;
- shoreline ice build-up or water borne ice or other waterborne objects, all whether driven by wind or not;
- flood of any nature. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage that results directly from fire or explosion;
- continuous or repeated leakage, seepage, or discharge of water;
- the backing up or escape of water or sewage from any sewer, storm drain, drain, septic system, or sump;
- freezing during the usual heating season within a heated portion of your residence, or additional buildings and structures if the heat has been intentionally turned off by you or at your direction; or
- freezing during the usual heating season within an unheated portion of your residence, or additional buildings and structures.

We also do not insure direct physical loss or damage to a plumbing, heating, cooling, sprinkler or air conditioning system or domestic water container caused by freezing or from which the water escaped.

We also do not insure loss or damage:

4. to structures or buildings used in whole or in part for business or farming operations, unless shown on your declaration;
5. to property undergoing any process or while being worked on, where the damage results from such process or work. However, any resulting damage to other property by an insured event is covered;
6. to any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
7. to any property illegally acquired, kept, stored, transported, or subject to forfeiture;
8. caused by the dishonesty of a person(s) to whom you have entrusted with the care, custody and control of your personal property;
9. caused by or from the intentional or criminal act or the failure to act by you or any other person at your direction. However, coverage is provided if you did not take part in or have knowledge of the intentional or criminal act leading to the loss or damage to the insured property, but only to the extent of your proportional interest;
10. caused by or resulting from vermin, birds, insects, rodents, bats, raccoons, skunks, or squirrels, except loss or damage to building glass or if damage results in fire, explosion, smoke, falling objects, electricity, ice damming, or the insured events of water damage, not otherwise excluded in the policy;

- 11.** caused by or resulting from wear and tear, deterioration, inherent vice, latent defect, rust or corrosion, extremes of temperature, condensation, dampness of atmosphere, wet or dry rot, contamination, or fungi except where otherwise provided for in this policy;
- 12.** related directly to mechanical breakdown except where otherwise provided for in this policy;
- 13.** caused by or resulting from repeated exposure to the same harmful conditions;
- 14.** caused by continuous or repeated leakage or seepage of fuel oil;
- 15.** caused by or resulting from contamination by radioactive material;
- 16.** resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud;
- 17.** caused by or resulting from smoke from agricultural smudging or industrial operations;
- 18.** caused directly or indirectly by marring, scratching, abrasion, or chipping of any personal property or breakage of any fragile or brittle article(s) unless caused by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft, watercraft or land vehicle, riot, vandalism, malicious acts, windstorm, hail, electricity, transportation, ice damming, damage by bears, theft or attempted theft, or the insured events of water damage, not otherwise excluded in the policy;
- 19.** caused by or resulting from the manufacturing, distribution or sale of any drug, narcotic, or illegal substance, whether or not you have knowledge of such activity. This includes any alterations of the premises to facilitate such activity. However, a total of four or less cannabis plants legally grown on your residential premises for recreational consumption by you, where it is allowed by law, is not excluded;
- 20.** resulting from the cost of correcting faulty design, material, or workmanship;
- 21.** related to the increased costs of repair or replacement due to the operation of any law or ordinance regulating the zoning, demolition, repair, or construction of buildings and their related services;
- 22.** caused directly or indirectly by settling, expansion, contraction, moving, bulging, buckling, or cracking, except resulting damage to building glass that forms part of your residence, or additional buildings and structures;
- 23.** from the part of your residence, or additional buildings and structures rented to others caused by theft or attempted theft by any tenant, tenant's employee, or member of the tenant's household;
- 24.** caused directly or indirectly, in whole or in part, by snowslide, sinkhole, earthquake, landslide, or any other earth movement regardless of any cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage that results directly from fire or explosion;
- 25.** caused by any nuclear incident (as defined in the Nuclear Liability and Compensation Act (Canada) or any other nuclear liability and compensation act, law, or statute, or any updates to the law), or nuclear explosion, except for ensuing loss or damage caused directly or indirectly by fire, lightning, or explosion of natural, coal, or manufactured gas;
- 26.** caused directly or indirectly, in whole or in part, by war, invasion, act of foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution or insurrection, or military power. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;
- 27.** caused directly or indirectly, in whole or in part, by terrorism or by any activity or decision of a governmental agency or other entity to prevent, respond to or terminate terrorism, but you are still insured for ensuing loss or damage that results directly from fire or explosion;
- 28.** caused by domestic animals or pets of any kind:
  - owned by you;
  - in your care, custody or control; or
  - owned by or in the care, custody or control of anyone residing on your premises;
- 29.** to a watermain;

30. arising from pollution or contamination caused by the discharge or escape of any waste material, irritants, pollutants or contaminants unless caused by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft or land vehicle, riot, vandalism, malicious acts, windstorm, hail, electricity, transportation, ice damming, damage by bears, or soot due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises, not otherwise excluded in the policy;
31. caused directly or indirectly, in whole or in part by any communicable disease regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;
32. caused by or resulting from vandalism or malicious acts committed by any tenant, tenant's employee or member of the tenant's household; or
33. occurring while your residence is being moved. Moving begins with the commencement of the removal of leveling blocks and jacks or the disconnection of utilities and continues until the residence has been fully installed and is ready for occupancy at its new location. This exclusion does not apply while your mobile/mini home is being moved because of an emergency to protect it when it is endangered by any insured event.

### BASIS OF SETTLEMENT

We will pay for direct physical loss or damage to your insured property, but we will not pay more than your financial interest in the property, or the applicable amount of insurance, as shown on your declaration for any one occurrence.

### Coverage A – Residence and Coverage B – Additional Buildings and Structures

We will pay the replacement cost or the cost of repairs (whichever is less), if you repair or replace the damaged or destroyed building(s), on the same site, with a building of the same occupancy, constructed with materials of similar quality, within a reasonable time after the loss or damage occurs, within statutory limitations.

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

In determining the cost of repairs or replacement we will not pay for or include the increased costs of repair or replacement due to the operation of any law or ordinance regulating the zoning, demolition, repair or construction of buildings and their related services.

### Coverage C – Personal Property

We will pay based on replacement cost only if the property that is lost or damaged is repaired or replaced as soon as reasonably possible, within statutory limitations.

For insured loss or damage, we will pay the lesser of the:

- actual cost of repairs;
- actual cost of replacement; or
- amount of insurance shown on your declaration.

If the lost or damaged property is not repaired or replaced, we will pay the lesser of the:

- actual cash value of the estimated repairs;
- actual cash value of the estimated replacement; or
- amount of insurance shown on your declaration.

We will only pay actual cash value for the following types of personal property:

- articles that cannot be replaced with new articles because of their age or inherent nature, including antiques, fine arts, paintings and statuary;
- articles for which their age or history substantially contributes to their value, such as memorabilia, souvenirs, and collectors' items;
- personal property that has not been maintained in good or workable condition;
- personal property that is no longer used for its original purpose; or
- personal property belonging to others not including personal property belonging to a residence employee.

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

You may initially choose payment based on actual cash value. If you later decide to repair or replace any lost or damaged property, you may make an additional claim for the difference between the actual cash value and the replacement cost within 180 days from the date the actual cash value payment was made.

### **Pairs and Sets**

**Pair:** If there is loss to one item of an identical pair caused by an insured event, we will pay for the pair. The undamaged item becomes our property.

**Set:** For items that are part of a set of two or more pieces, we will only pay for those particular items which were lost or damaged by an insured event.

### **Parts**

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

### **Deductible**

We are responsible for the amount of any loss or damage caused by an insured event that exceeds the amount of the deductible shown on your declaration in any one occurrence.

## **POLICY CONDITIONS**

The following conditions apply to Section I – Property Coverage:

### **Amounts Not Reduced**

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

### **Declaration of Emergency - Extension of Termination or Expiry Date**

If an emergency is declared by a Canadian public authority designated by statute, we will extend the expiry date, or the termination date when initiated by us, subject to the Special Conditions outlined and Important Definition below.

In order for this to apply, the emergency must have a direct effect or impact on:

- you, your residence, your property, or your premises if located in the declared emergency area; or
- our operations or those of your broker located in the declared emergency area.

## **Special Conditions**

In no event will this extension exceed 120 consecutive days.

You agree to pay the pro rata premium earned for the additional time that we remain on risk as a result of this extension.

The following events are included:

- When we initiate a termination based on the Statutory Condition – Termination of this policy, we will extend the termination date until the emergency is terminated plus the lesser of:
  - a) 30 days; or
  - b) the number of days the emergency order was in effect.
- If this policy is due to expire during an emergency, it will remain in force until the emergency is terminated plus the lesser of:
  - a) 30 days; or
  - b) the number of days the emergency order was in effect.

## **Important Definition**

Emergency means the first statutory declaration of an emergency:

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

## **Insurance Under More Than One Policy**

If you have 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.

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

## **Notice to Authorities**

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

## **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

### The Additional Agreement

This coverage applies on your premises and for your personal actions. Benefits following injury or damage to property of others in certain other circumstances are also included. This is the part of the policy you look to for protection if you are sued.

This insurance applies to:

- accidents or occurrences which take place during the policy term, while in force;
- each of the insureds separately when a claim or action has been made against or brought against you.

### COVERAGE E – LEGAL LIABILITY

We will pay all amounts which you become legally liable to pay to compensate for damages because of unintentional bodily injury or property damage caused by:

- your personal actions anywhere in the world;
- your ownership, use, or occupancy of the premises.

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

Defense, costs and supplementary expense payments as described under defense, settlement and supplementary payments are in addition to the amount of insurance.

### What is Excluded

We do not insure claims made against you arising from:

- liability you have assumed by contract unless your legal liability would have applied even if no contract had been in force. 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;
- damage to property you own;
- damage to property you use, occupy, lease or rent, or that is in your care, custody, or control, except unintentional property damage to premises owned by others, or their contents, which you are using, renting or have in your care, custody or control caused by fire, explosion, water damage, or smoke;
- damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
- bodily injury to you or any person residing in your household other than a residence employee;
- the personal actions of a named insured who does not reside on the premises described on your declaration.

There are other exclusions that apply to all coverages under Section II – Personal Liability Protection. Please refer to Section II – What is Excluded.

### Defense, Settlement, Supplementary Payments

If a claim is made against you for which you are insured under Coverage E – Legal Liability, 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:

- all expenses which we incur;
- all costs charged against you in any suit insured under Coverage E – Legal Liability;
- any interest accruing after judgment on that part of the judgment which is within the amount of insurance of Coverage E – Legal Liability;
- premiums for appeal bonds required in any 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;
- expenses which you have incurred for emergency medical or surgical treatment to others following an accident or occurrence insured by this policy;
- reasonable expenses including actual loss of income up to \$100 per day, which you incur at our request.

### **Unauthorized Settlements**

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

### **COVERAGE F – VOLUNTARY MEDICAL PAYMENTS**

We will pay reasonable medical expenses incurred within one year of the date of the accident or occurrence, 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 your declaration is the most we will pay for each person in respect to one accident or occurrence. Payment under Coverage F is not an admission of liability by you or us.

We will not pay for:

- expenses covered by any medical, dental, surgical, or hospitalization plan or law, or under any other insurance contract;
- your medical expenses or those of persons residing with you, other than residence employees; or
- medical expenses of any person covered by any workers' compensation statute.

There are other exclusions that apply to all coverages under Section II – Personal Liability Protection. Please refer to Section II – What is Excluded.

### **COVERAGE G – VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY OF OTHERS**

We will pay for unintentional direct damage you cause to property of others even though you are not legally liable. You may also use this coverage to reimburse others for direct property damage caused intentionally by a child insured under this policy that is 12 years of age or under.

We do not insure:

- damage to property owned or rented to you or your tenant;
- damage to property which is insured under Section I – Property Coverage; or
- claims resulting from the loss of use, disappearance or theft of property.

There are other exclusions that apply to all coverages under Section II – Personal Liability Protection. Please refer to Section II – What is Excluded.

## **Basis of Payment**

We will pay the lesser of:

- what it would cost to repair or replace the property with materials of similar quality at the time of loss; or
- the amount of insurance shown on your declaration.

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.

## **COVERAGE H – VOLUNTARY COMPENSATION FOR RESIDENCE EMPLOYEES**

This coverage is automatically provided for all your occasional residence employees. It will be extended to your permanent residence employees if stated on your declaration.

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.

### **What is Excluded**

We will not pay benefits for any hernia injury.

There are other exclusions that apply to all Coverages under Section II – Personal Liability Protection. Please refer to Section II – What is Excluded.

### **Schedule of Benefits**

#### **Loss of Life**

If your residence employee dies because of an accident while performing duties as hired by you, and the death occurs within 26 weeks of this accident, we will pay:

- a total of 100 times the weekly compensation to those entirely dependent on your residence employee. If there is more than one dependent, the amount will be divided equally among them;
- actual funeral expenses not to exceed \$1,000.

This payment is in addition to any benefit for temporary total disability paid up to the date of their death.

#### **Temporary Total Disability**

If your residence employee becomes totally disabled from injuries received within 14 days of an accident while performing duties as hired by you, and cannot work at any job, we will pay a weekly compensation up to 26 weeks while such disability continues. We will not pay for the first seven days unless the disability lasts for six weeks or more.

#### **Permanent total disability**

- a) If your residence employee becomes permanently and totally disabled from injuries received within 26 weeks of an accident while performing duties as hired by you, and cannot work at any job, we will pay weekly compensation for 100 weeks in addition to the benefits provided under temporary total disability.

## **Injury benefits**

- a) If 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 the weekly compensation for the number of weeks shown below. These benefits will be paid in addition to temporary total disability benefits, but no other injury benefit.
- b) We will not pay more than 100 weeks in total, even if the accident results in loss of more than one of the following:

Type of Injury	Number of Weeks
One finger or toe; or	25 weeks
More than one finger or toe	50 weeks
One or more of the following: <ul style="list-style-type: none"><li>• Hand</li><li>• Arm</li><li>• Foot</li><li>• Leg</li></ul>	100 weeks
One eye; or	50 weeks
Both eyes	100 weeks
Hearing of one ear; or	25 weeks
Hearing of both ears	100 weeks

## **Medical Expenses**

If as a result of the accident your residence employee incurs medical expenses, including surgical, dental, hospital, nursing and ambulance expenses received within 26 weeks of an accident while performing duties as hired by you, 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 you can recover from other insurance plans.

Weekly Compensation 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.

## **SPECIAL LIMITATIONS**

### **Business and Business Property**

We insure you against claims arising out of:

- your personal actions during the course of your trade, profession, or occupation which are not related directly to your trade, profession, or occupation;
- the occasional rental to others of the portion of your described private residence usually occupied by you, excluding short term rentals;
- the rental to others of portions of your two, three, or four family residence usually occupied in part by you as a residence premises provided no family residence unit or suite includes more than two roomers or boarders;

- the rental of space in your residence to others for incidental office, school or studio occupancy;
- the rental to others, or holding for rent, of not more than three car spaces or stalls in garages or stables; or
- the temporary or part time business pursuits of an insured person under the age of 21 years.

Claims arising from any other business pursuit or operation are insured only if liability coverage is shown on your declaration.

### **Golf Carts**

We insure you against claims arising out of your use of motorized golf carts for liability providing they are:

- on your premises;
- on a golf course and within the boundaries of a golf course;
- on any municipal roadway where permitted by municipal law; or
- on private property such as campgrounds, recreational parks, mobile home communities, retirement communities and gated communities where:
  - a) the community by-laws permit the use of golf carts; and
  - b) the roadways within that community are privately maintained and controlled.

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

- used on public roads or highways unless permitted by law;
- used for carrying passengers for compensation;
- used for business purposes;
- used in any race or speed test;
- rented to others; or
- being used or operated without the owner's consent if you are not the owner.

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

### **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.

### **Watercraft and Motorized Vehicles**

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

- watercraft including their attachments, equipped with an outboard motor(s), of not more than 25 HP (19kW) in total, when used with or on a single watercraft;
- watercraft, personal watercraft including their attachments, equipped with any other type of motor of not more than 50 HP (38 kW);
- non-motorized watercraft, including their attachments, not more than 8 metres in length;
- self-propelled lawn mowers, snow blowers, garden-type tractors of not more than 50 HP (38kW);
- motorized wheelchairs, including motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability;
- motorized golf carts while in use on a golf course; or
- e-bikes that meet our description under Key Words.

Any other watercraft, personal watercraft, or motorized vehicle is insured only if liability coverage for it is shown on your declaration. If a watercraft, personal watercraft, or a watercraft motor is acquired after the effective date of the policy, you will be insured automatically for a period of 30 days only from the date of acquisition.

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

- watercraft, and personal watercraft; or
- 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.

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

- used for carrying passengers for compensation;
- used for business purposes;
- used in any race or speed test or in preparation for either;
- rented to others; or
- being used or operated without the owner's consent if you are not the owner.

## SECTION II – WHAT IS EXCLUDED

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. caused directly or indirectly, in whole or in part, by terrorism or by an activity or decision of a government agency or other entity to prevent, respond to or terminate terrorism. 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;
3. 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;
4. business pursuits or any business use of the premises except as provided under Special Limitations Business and Business Property in Section II – Personal Liability Protection;
5. the rendering of or failure to render any professional service(s);
6. liability imposed upon or assumed by you under any workers' compensation statute;
7. bodily injury or property damage caused by any intentional or criminal act or failure to act by:
  - you; or
  - any other person at your direction;
8. sexual, physical, psychological or emotional abuse, molestation or harassment, including corporal punishment by:
  - you; or
  - anyone else at your direction, or with your knowledge; or
  - your failure to take steps to prevent sexual, physical, psychological, or emotional abuse, molestation or harassment, or corporal punishment, however caused;
9. any communicable disease;
10. the ownership, use or operation of any watercraft, personal watercraft, motorized vehicle, or trailer except as provided under watercraft and motorized vehicles and trailers in Section II – Personal Liability Protection;

**11.** the ownership, use or operation of:

- any aircraft or drone; or
- premises used as an airport or landing facility; and all activities related to either;

**12.** any claim that arises directly or indirectly, in whole or in part, out of the use or misuse of social media or the Internet. This includes the use of, distribution by, publication by, display of any material that offends another using social media or the Internet.

## **SECTION II – CONDITIONS**

### **Action Against Us**

No suit may be brought against us until:

- you have fully complied with all of the terms of this coverage; and
- 60 days after the written proof of claim has been filed with us.

### **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.

When this policy and another policy written by us are issued to you, and apply to the same claim or action, the most we will pay is the highest amount of insurance that applies under any one of those policies. However, this provision does not apply if the other policy is a personal umbrella that was specifically purchased by you to apply in excess of the amounts of insurance shown on your declaration.

### **Unauthorized Settlements**

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

### **What you must do after an accident or occurrence**

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

- the date, time, place and circumstances of the accident or occurrence; and
- the interest of all persons in the property affected.

If requested by us you must help us to verify the damage.

If requested by us you must arrange for the injured person(s) to:

- give us, as soon as possible, written proof of claim, under oath if requested;
- submit to a physical examination at our expense by doctors we select as often as we may reasonably require; and
- authorize us to obtain medical and other records.

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

## KEY WORDS

**Actual Cash Value** considers such factors as the cost of replacement less any depreciation. In determining depreciation, we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

**Amount of Insurance** means the maximum amount we will pay for any 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 your declaration.

**Aircraft** means any device used or designed for flight, including any parts whether or not attached to the aircraft. Aircraft includes but is not limited to airplanes, helicopters, hot air balloons, unmanned aerial vehicles or hovercrafts.

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

**Business** includes any full-time, part-time or occasional trade, profession, or occupation undertaken for financial compensation or other consideration, and carried on through any business arrangement owned in whole or in part by you but does not include farming operations.

**Business Premises** means the location at which a business is conducted, or premises are rented in whole or in part to others, or held for rental.

**Business Property** means property pertaining to a business including samples and goods held for sale.

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

**Civil Authority** means any person acting under the authority of federal, provincial or territorial, or municipal legislation with respect to the protection of persons or property in the event of an emergency.

**Collapse caused by the Weight of Ice, Snow or Sleet** means the collapse or partial collapse of your residence, or additional buildings and structures.

**Collectibles** means items bought for their novelty, personal interest, rarity or value.

**Construction – see Under Construction or Construction**

**Crypto Currency** means a digital currency in which encryption techniques are used to regulate the generation of units of currency and verify the transfer of funds, operating independently of a central bank.

**Data** means representations of information, images, or concepts in any form.

**Direct Physical Loss or Damage** means physical alteration or other form of physical damage to insured property, requiring its repair or replacement.

**Domestic Water Container** means a device or apparatus for containing, heating, chilling or dispensing water for personal use, this does not include plumbing, heating, cooling, sprinkler or air conditioning systems.

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

**Drone** means a remote-controlled pilotless aircraft.

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

**Electricity** means an artificially generated electrical current.

**Falling Object** means an object that falls and strikes the exterior of a building or structure.

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

**Flood** includes, but is not limited to, waves, tides, tidal waves, tsunami, dam breaks, seiche or the rising of, the breaking out, or the overflow of any body of water or watercourse, whether natural or man-made.

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

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

**Ice Damming** means loss or damage caused by water that enters your residence, or additional buildings and structures through a roof due to the accumulation of ice or snow on the exterior of the roof or eavestrough.

**Insured Event** means a cause of loss or damage insured under the coverage form shown on your declaration.

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

**Livestock** means any breed or population of animal kept for a useful or commercial purpose, including the production of meat, dairy products, eggs and clothing materials.

**Named Insured** means the person(s) in whose name the policy is issued.

## **Occurrence**

Under Section I – Property Coverage means a loss to insured property during the policy period, caused by one or more insured events.

Under Section II – Personal Liability Protection means an accident, including continuous or repeated exposure to the same general harmful conditions, and occurring during the policy period.

**Overland Water** means water that accumulates upon or submerges land that is usually dry resulting from:

- the unusual and rapid accumulation or run off of water or natural precipitation, not caused by escape of water from a domestic water container or watermain; or
- the rising of, the breaking out or the overflow of any body of fresh water or watercourse, whether natural or man-made.

**Personal Watercraft** means a small self-propelled or jet powered craft intended to be ridden on water with under four people.

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

## **Premises**

Under Section I – Property Coverage means:

- the location where you reside, and the land contained within the lot lines where your residence is situated;
- the portion of the location which you occupy exclusively for your residential purposes or occupied by your tenant;
- any other residential premises specified on your declaration, except business premises and farms;
- your cemetery plots or burial vaults.

Under Section II – Personal Liability Protection also means:

- vacant land in Canada owned by or rented to you, other than farm land;
- land in Canada owned by or rented to you on which an independent contractor is building a one, two, three or four family residence to be occupied by you;
- the location where you are residing temporarily or which you are using temporarily, provided you are not the owner and not under any agreement to rent or lease the location for longer than 90 consecutive days;
- a new principal residence in Canada to be occupied by you from the date you acquire ownership or take possession but not beyond the earliest of:
  - a) 30 consecutive days;
  - b) the date the policy term expires or is terminated; or
  - c) the date specific liability insurance is arranged for your premises.

**Property Damage** means:

- physical damage to or destruction of real property or personal property;
- the loss of use of real property or personal property.

**Replacement Cost** means the cost, without any deduction for depreciation, on the date of the loss or damage, of the lesser of:

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

**Residence** means the residential building or mobile/mini home described on your declaration, that is wholly or partially occupied by you as a private home.

**Residence Employee** means a person employed by you to perform household, domestic or similar duties in connection with the maintenance or use of the premises, excluding duties in connection to your business or farming operations.

**Short Term Rental** means the renting out, in whole or in part, a furnished primary residence or seasonal residence, on a temporary basis.

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

**Spouse** means a person as defined by federal, provincial or territorial legislation.

**Sump** means a pit that is located on your premises and used for collecting and removing water. It may be equipped with a mechanical pump or gravity feed evacuation pump system.

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

**Terrorism** means an ideologically motivated unlawful act or acts, including but not limited to the use of violence, 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 or instilling fear in the public or a section of the public.

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

**Under Construction or Construction** means:

- construction of a new residence building or additional buildings and structures;
- alterations, additions or repairs to existing residence buildings or additional buildings and structures which also includes any of the following:
  - a) site preparation;
  - b) demolition;
  - c) laying of foundations;
  - d) removal or weakening of any structural support; or
  - e) the opening of an exterior wall or roof component that extends beyond 48 consecutive hours.

The period of under construction starts from the date work is initiated and continues until all interior and exterior finishes are completed.

**Vacant** or **Vacancy** means that regardless of the presence of furnishings, all occupants have moved out with no intention of returning to reside continuously in the residence (even if you return to inspect, maintain, use or occupy the property on a casual or intermittent basis), and no new occupant has moved in.

A newly constructed or newly acquired residence is also considered vacant when no occupant has moved in.

**Vacant Land** means land with no man-made structures.

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

**Windstorm** means any strong wind but does not include loss or damage caused by or resulting from the weight of ice or snow, including, but not limited to shoreline ice buildup or waterborne ice or other objects, whether driven by wind or not.



# Welcome to The Wawanesa Mutual Insurance Company

## Thank you for purchasing our Comprehensive Homeowner Package

We are pleased to provide this coverage through Canada's Insurance Broker network. Along with your broker, we want to provide you with the information you need to make your insurance decisions.

Our goal is for the policy to provide you, our valued customer, with answers to your questions during the policy term and in the event of a claim. Your policy outlines what is insured. This is an all risk policy that outlines exclusions, restrictions and extensions of coverage. It is important for you to review the entire policy to determine your coverage, rights and responsibilities. We have included some Key Words at the end of the policy to help you understand the specific use of these words.

If you have any questions about your policy, please contact your broker.

### THE AGREEMENT

- We will provide the insurance as described in this policy in exchange for payment of the premium noted on the policy declaration.
- Insurance cannot be a source of profit to you. It is intended to help you recover from actual losses or expenses incurred by you or costs for which you are liable.
- We will pay for direct physical loss or damage to your insured property, up to your financial interest, but not exceeding the applicable amount of insurance shown on your declaration for any one occurrence.
- We will pay for direct physical loss or damage caused by an insured event, subject to the exclusions and limitations of this policy.
- The policy contains information about your insurance and describes the coverage you have purchased.
- If we broaden coverage while your policy is in effect, you will receive the benefit of increased coverage at no additional charge until your renewal.
- Only a named insured may take legal action against us.
- All amounts of insurance, premiums and other amounts are in Canadian currency.

### HOW TO READ AND UNDERSTAND YOUR POLICY

Your policy consists of:

**The Declaration** – Identifies the subject of insurance, coverages and limits you have purchased.

**The Policy** – Identifies your responsibility and ours.

**Endorsements and Limitations** – Identifies the additional coverages and limits that apply.

**Key Words** – Includes terms that may vary from standard definitions and clarify the intention of your policy.

**Statutory Conditions** – Applies to all forms and are required by provincial and territorial law.

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

Your policy is made up of three sections:

### **Section I – Property Coverage**

Describes the insurance on your property and loss of use of your residence.

### **Section II – Personal Liability Protection**

Describes the insurance for your legal liability including bodily injury or property damage to others.

### **Section III – Statutory Conditions**

Describes conditions required by provincial and territorial law that outline mandatory responsibilities.

## **IMPORTANT PARTIES**

By **You** or **Your**, we mean those named on your declaration as named insureds and the following people while living in your household:

Under Section I – Property Coverage and Section II – Personal Liability Protection, **You** and **Your** includes the following:

- a spouse as defined by the provincial and territorial legislation;
- the family of any named insured;
- any person under the age of 21 years and in your care; and
- any named insured, spouse or dependents under the following circumstances:
  - a) a student who is enrolled in and attending a school, college or university and living elsewhere; or
  - b) while living in a long-term care facility.

Under Section II – Personal Liability Protection, **You** and **Your** also includes the following:

- any person or organization legally liable for damages caused by a watercraft or animal owned by you and insured by your policy. However, we exclude any use or custody of the watercraft or animal without your permission or in the course of any business or farming operations;
- any person while performing duties as your residence employee;
- your legal representative while having temporary custody of your premises upon your death, provided your premises is insured by your policy, and for legal liability arising out of your premises; and
- any person who is insured by this policy at the time of your death and continues residing on the premises.

By **We**, **Us** or **Our**, we mean the Insurer and are referring to The Wawanesa Mutual Insurance Company.

**All other Key Words can be found at the end of this policy.**

## **SECTION I – PROPERTY COVERAGE**

This policy provides all risk coverage on your property described under Coverage A - Residence, Coverage B – Additional Buildings and Structures and Coverage C – Personal Property, and limited by the exclusions, conditions and Key Words of this policy.

### **COVERAGE A – RESIDENCE**

We insure:

- your residence and its attached structures on the premises described on your declaration;

- permanently installed outdoor equipment on the premises;
- outdoor domestic water containers on the premises, including swimming pools, spas, saunas, hot tubs, and their attached equipment;
- materials and supplies located on or adjacent to the premises and intended for use in construction, renovation, or repair of the residence, or additional buildings and structures on the premises;
- building fixtures and fittings used principally for the residence while temporarily removed from the premises for repair or seasonal storage.

## **COVERAGE B – ADDITIONAL BUILDINGS AND STRUCTURES**

We insure your personal use additional buildings and structures on the premises that are separated from the residence by a clear space but not insured under Coverage A – Residence. If they are connected to the residence by only a fence, utility line, or similar connection, they are considered additional buildings and structures.

We do not insure additional buildings and structures originally built and previously used for farming purposes regardless of their current use unless listed on your declaration.

## **COVERAGE C – PERSONAL PROPERTY**

### **Personal Property on Your Premises**

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

We insure the uninsured personal property owned by others while it is on that portion of your premises that you occupy, but we do not insure property of roomers or boarders not related to you. This coverage does not increase the amount of your insurance.

### **Personal Property Temporarily Away From Your Premises**

We insure personal property away from your premises including:

- your personal property while it is temporarily away from your premises anywhere in the world;
- personal property belonging to a residence employee travelling with you;
- uninsured personal property belonging to others while it is in your possession;
- your personal property while in storage, including while in a safety deposit box;
- your personal property while you are attending a school, college, or university, up to \$25,000;
- your personal property while you are residing in a long-term care facility, up to \$25,000.

### **Moving to a New Location**

We insure your personal property in transit while you are moving from the location shown on your declaration, to and at a new location in Canada which is to be occupied by you as your principal residence.

Coverage applies up to 90 consecutive days commencing on the date the personal property is first removed from your residence, but not beyond the date the policy expires or is terminated. This coverage does not increase the amount of insurance.

### **Special Limits of Insurance**

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

For all insured losses	Limit
Cannabis in all consumable forms and cannabis plants	\$500
Money, cash cards, bullion and crypto currency	\$1,000
Drones, including attached equipment, of not more than 250 grams, and all other equipment used exclusively for the operation of the drone	\$1,000
Spare automobile parts	\$2,000
Utility trailers (where legislation allows)	\$2,000
Watercraft, including personal watercraft, their furnishings, equipment, motors and accessories	\$3,000
Business property on your premises	\$5,000
Securities	\$5,000
Golf carts, motorized yard equipment and accessories that are not subject to vehicle registration	\$10,000

The following Special Limits of Insurance only apply to losses caused by theft or mysterious disappearance.

For theft and mysterious disappearance losses	Limit
Numismatic, coin and banknote collections	\$1,000
Manuscripts, stamps and stamp collections	\$2,500
Collectibles including sports cards, memorabilia and comic books	\$5,000
Fur garments and garments trimmed with fur	\$6,000
Luggage, pet carriers, footwear and handbags including but not limited to purses, wallets, totes, clutches, carrier bags and other items of similar nature	\$10,000
Jewellery, watches and gems	\$10,000

## Property Excluded

We do not insure:

- personal property of tenants, roomers, or boarders who are not related to you;
- personal property normally kept at any other location you own, rent, lease or occupy. We do not exclude property you bring with you while you are temporarily staying there;
- motorized vehicles or their equipment except:
  - those shown under Special Limits of Insurance up to the amount of insurance indicated;
  - those shown separately on your declaration up to the amount of insurance indicated;

- wheelchairs or medical scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability;
- e-bikes that do not meet our description under Key Words;
- drones and their equipment exceeding the weight and limit of insurance shown under Special Limits of Insurance;
- toys or hobby items such as model aircraft or children's battery powered all-terrain vehicles, if using more than a 12-volt battery or that can attain speeds greater than 10 kilometers per hour;
- watercraft, including personal watercraft, their furnishings, equipment, motors and accessories exceeding the limit of insurance shown under Special Limits of Insurance;
- camper units, truck caps, trailers other than utility trailers, or their equipment;
- utility trailers exceeding the limit of insurance shown under Special Limits of Insurance;
- sporting equipment where the loss or damage is due to its use;
- animals, birds, or fish unless the loss or damage is caused by fire, lightning, explosion, riot, theft or attempted theft, vandalism, and malicious acts;
- livestock;
- property at any fairground, exhibition or exposition, if the intent is to display, demonstrate, trade or sell such property;
- evidences of debt or title;
- business property exceeding the limit of insurance shown under Special Limits of Insurance, including samples and goods held for sale; or
- data.

## **COVERAGE D – LOSS OF USE**

The amount of insurance for Coverage D – Loss of Use is the total amount for any one or a combination of the Additional Living Expense, Fair Rental Value and Prohibited Access by Civil Authority coverages as described below. The periods of time shown below are not limited by the expiry date shown on your declaration.

### **Additional Living Expense**

As a result of an insured event, if your residence is unfit for occupancy, your access is restricted, or you have to move out while repairs are being made, we will pay for any necessary increase in living expenses, including moving expenses, incurred by you so that your household can maintain its normal standard of living.

Payment will continue for the reasonable time required to repair or rebuild your residence, or if you permanently relocate, the reasonable time required for your household to settle elsewhere.

### **Fair Rental Value**

We will pay you the Fair Rental Value of your residence rented to others, or held for rental by you, if an insured event makes it unfit for occupancy.

Payment will continue for the reasonable time required to repair or replace that part of your residence rented to others or held for rental by you. If the residence is not rented at the time the residence is ready for occupancy, we will continue to pay for 30 additional days.

This coverage does not apply when your residence or that part of your residence rented to others has been vacant for more than 30 consecutive days at the time of the loss, unless otherwise provided or limited by this policy.

Fair Rental Value excludes any expense that does not continue while that part of your residence rented to others or held for rental is unfit for occupancy.

### **Prohibited Access by Civil Authority**

If a civil authority prohibits access to your premises:

- as a direct result of damage to neighbouring premises by an insured event in this policy, we insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding 30 days; or
- by order for mass evacuation as a direct result of a sudden and accidental event within Canada or the United States of America, we will insure any necessary and reasonable increase in living expense incurred by you for the period access is prohibited, not exceeding 30 days.

You are not insured for any claim arising from Prohibited Access by Civil Authority resulting from:

- losses excluded under Section I – What is Excluded;
- flood;
- earthquake, unless earthquake coverage is shown on your declaration;
- overland water, unless overland water coverage is shown on your declaration;
- any communicable disease.

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

No deductible applies to Prohibited Access by Civil Authority.

### **ADDITIONAL COVERAGES**

Unless otherwise stated, the following additional coverages do not increase the amounts of insurance in this policy and are subject to the exclusions, limitations and conditions of this policy.

#### **Change of Temperature**

If there is loss or damage caused by a change of temperature resulting from physical damage to your residence or equipment by an insured event, we will cover personal property on your premises up to the amount of insurance shown on your declaration.

#### **Credit or Debit Cards, Forgery and Counterfeit Currency**

We will pay up to \$10,000 for:

- your legal obligation to pay because of a theft or unauthorized use of credit card(s) issued to you or registered in your name;
- loss caused by theft of your debit or automated teller cards;
- loss caused by forgery or alteration of any cheque or negotiable instrument;
- loss sustained by your acceptance in good faith of counterfeit Canadian or United States paper currency.

We will not pay for loss under this coverage:

- unless you have complied with all the conditions under which the cards are issued;
- caused by the use of your cards by a resident of your household or by a person to whom the cards have been entrusted; or
- arising out of business pursuits.

At our option and expense, we may defend any claim against you under this coverage.  
This is additional insurance.

No deductible applies to this coverage.

### **Debris Removal**

We will pay the cost of removing debris of insured property, as a result of an insured event. If the amount payable for the insured loss, including expenses for debris removal, is greater than the amount of insurance for Coverage A – Residence shown on your declaration, then an additional 5% of the amount of Coverage A – Residence will be available for debris removal expenses.

The additional 5% does not apply to losses under the following coverages:

- Earthquake Coverage
- Fire Following Earthquake
- Limited Sewer Backup Coverage
- Overland Water Coverage

For the purposes of this Additional Coverage, the amount of insurance for Coverage A – Residence will not be increased as a result of the application of any other endorsement.

If debris removal is made necessary by a tree striking the exterior of the building resulting in insured damage to the residence or additional buildings or structures, we will pay for tree removal up to a maximum of \$1,000.

### **Fire Department Charges**

We will pay for fire department service charges as a result of an insured event that has occurred at your premises.

This is additional insurance.

No deductible applies to this coverage.

### **Fire Following Earthquake**

We insure Coverage A – Residence, Coverage B – Additional Buildings and Structures, Coverage C – Personal Property and Coverage D – Loss of Use against direct physical loss or damage as a result of a fire from an earthquake.

In determining the cost of repairs or replacement we will not pay or include the increased costs of repair or replacement due to the operation of any law or ordinance regulating the zoning, demolition, repair or construction of buildings and their related services.

Your policy deductible applies to this coverage.

### **Special Condition**

One or more earthquake shocks that occur within a 168-hour period constitute a single earthquake.

The additional 5% coverage under Debris Removal does not apply to losses under Fire Following Earthquake.

### **Food Spoilage**

We will pay for your food contained in a refrigeration or freezer unit, located on your premises, against loss or damage caused by or resulting from:

- a power failure originating on or off your premises;

- spoilage caused by the accidental disconnection of the power supply;
- the mechanical breakdown of your refrigeration or freezer unit(s) caused by an insured event; or
- an insured event where the municipality interrupts power to prevent further damage.

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

We do not insure:

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

This is additional insurance.

No deductible applies to this coverage.

### **Inflation Protection Coverage**

With respect to Section I – Property Coverage, if there is an insured loss, we will automatically increase the amount of insurance shown on your declaration by amounts that are caused by inflation since:

- the inception date of this policy;
- the latest renewal date; or
- the date of the most recent change to the amount of insurance shown on your declaration; whichever is the most recent.

On the renewal date of your policy, we will automatically increase the amount of insurance shown on your declaration under Section I – Property Coverage by amounts which are caused by the inflation increase since the inception date of this policy or the latest renewal date, whichever is the most recent, and adjust the premium.

### **Lock Replacement**

We will pay up to \$2,000 to replace, re-key or re-code locks on your premises or your private passenger automobiles including ignition, if your keys are stolen.

This is additional insurance.

No deductible applies to this coverage.

### **Outdoor Trees, Shrubs, Plants and Lawns**

You may apply up to 5% of the Coverage A – Residence amount of insurance shown on your declaration to cover outdoor trees, shrubs, plants and lawns on your premises for loss caused by fire, lightning, explosion, vandalism, malicious acts, or impact by aircraft, spacecraft or land vehicle. We will not pay more than \$1,000 for any one outdoor tree, shrub, or plant, including debris removal.

For clarification purposes:

- lawns include natural and artificial turf;
- we do not insure items grown for commercial purposes;
- cannabis plants grown legally are limited to a maximum of four plants and are subject to Special Limits of Insurance.

If the amount payable for loss under Coverage A – Residence is greater than the amount of insurance applicable, then an additional 5% of the Coverage A – Residence amount of insurance will be available to cover your outdoor trees, shrubs, plants, or lawns.

For the purposes of this Additional Coverage, the amount of Coverage A – Residence will not be increased as a result of the application of any other endorsement.

### Reward Coverage

We will pay up to \$1,000, regardless of the number of persons providing information, that leads to a conviction for arson, robbery, or burglary in connection with a loss to property insured by this policy.

This is additional insurance.

No deductible applies to this coverage.

### Tear Out

In the event of an insured water damage loss we will pay the cost of tearing out and restoring any of the walls, ceilings, or other parts of your residence, or additional buildings and structures in order to facilitate repairs.

We do not insure the cost of tearing out and restoring property to repair damage related to domestic water containers, including swimming pools, spas, hot tubs, saunas, and their attached equipment or any public watermain.

## SECTION I – WHAT IS EXCLUDED

### 1. Exclusions Relating to Vacancy

Under no circumstances do we insure any loss or damage:

- caused by theft or attempted theft, occurring while your residence is vacant, even if we have given permission for the policy to remain in force during vacancy. This exclusion applies immediately upon your residence becoming vacant;
- caused by vandalism, malicious acts, or glass breakage occurring while your residence is vacant, even if we have given permission for the policy to remain in force during vacancy. This exclusion applies immediately upon your residence becoming vacant;
- caused by water while your residence is vacant, even if we have given permission for the policy to remain in force during vacancy. This exclusion applies immediately upon your residence becoming vacant; or
- caused by an insured event, other than those listed above, occurring after your residence has, to your knowledge, been vacant for more than 30 consecutive days unless a vacancy permit is shown on your declaration.

If your premises has been vacant for less than 30 consecutive days or we have given permission for vacancy, we insure any loss or damage caused by or resulting from the sudden and accidental:

- escape of water from a domestic water container that is located outside your residence, or additional buildings and structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing; or
- escape of water from a watermain located outside your residence, and additional buildings and structures.

## **2. Exclusions Relating to Under Construction**

Under no circumstances do we insure any loss or damage caused by:

- theft or attempted theft of property in or from your residence under construction, or of materials and supplies for use in the construction, until construction is complete and your residence is ready to be occupied;
- theft or attempted theft of property in or from your additional buildings and structures under construction or of materials and supplies for use in the construction, until construction is complete and your additional buildings and structures are ready to be used;
- vandalism, malicious acts, or glass breakage occurring while your residence, or additional buildings and structures are under construction, even if we have given permission for the policy to remain in force during construction; or
- water damage occurring while your residence or additional buildings and structures are under construction, even if we have given permission for the policy to remain in force during construction.

These exclusions apply immediately upon the commencement of construction.

## **3. Exclusions Relating to Water**

We do not insure any loss or damage caused by water unless caused by, or resulting from, the sudden and accidental:

- escape of water or steam from within a plumbing, heating, cooling, sprinkler, or air conditioning system, or domestic water container within your residence, or additional buildings and structures;
- escape of water from a domestic water container that is located outside your residence, or additional buildings and structures; but under no circumstances do we insure any loss or damage when the escape of water is caused by freezing;
- escape of water from a watermain located outside your residence, or additional buildings and structures;
- entry of water through an opening in your residence, or additional buildings and structures that has been created by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft or land vehicle, riot, vandalism, malicious acts, windstorm, hail, electricity, transportation, or damage by bears; or
- entry of water caused by ice damming.

However, under no circumstances do we insure any loss or damage caused by or resulting from:

- ground water or rising of the water table;
- surface waters;
- shoreline ice build-up or water borne ice or other waterborne objects, all whether driven by wind or not;
- flood of any nature. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage that results directly from fire or explosion;
- continuous or repeated leakage, seepage, or discharge of water;
- the backing up or escape of water or sewage from any sewer, storm drain, drain, septic system, or sump;
- freezing during the usual heating season within a heated portion of your residence, or additional buildings and structures if the heat has been intentionally turned off by you or at your direction; or

- freezing during the usual heating season within an unheated portion of your residence, or additional buildings and structures.

We also do not insure direct physical loss or damage to a plumbing, heating, cooling, sprinkler or air conditioning system or domestic water container caused by freezing or from which the water escaped.

We also do not insure loss or damage:

4. to structures or buildings used in whole or in part for business or farming operations, unless shown on your declaration;
5. to property undergoing any process or while being worked on, where the damage results from such process or work. However, any resulting damage to other property by an insured event is covered;
6. to any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
7. to any property illegally acquired, kept, stored, transported, or subject to forfeiture;
8. caused by the dishonesty of a person(s) to whom you have entrusted with the care, custody and control of your personal property;
9. caused by or from the intentional or criminal act or the failure to act by you or any other person at your direction. However, coverage is provided if you did not take part in or have knowledge of the intentional or criminal act leading to the loss or damage to the insured property, but only to the extent of your proportional interest;
10. caused by or resulting from vermin, birds, insects, rodents, bats, raccoons, skunks, or squirrels, except loss or damage to building glass or if damage results in fire, explosion, smoke, falling objects, electricity, ice damming, or the insured events of water damage, not otherwise excluded in the policy;
11. caused by or resulting from wear and tear, deterioration, inherent vice, latent defect, rust or corrosion, extremes of temperature, condensation, dampness of atmosphere, wet or dry rot, contamination, or fungi except where otherwise provided for in this policy;
12. related directly to mechanical breakdown except where otherwise provided for in this policy;
13. caused by or resulting from repeated exposure to the same harmful conditions;
14. caused by continuous or repeated leakage or seepage of fuel oil;
15. caused by or resulting from contamination by radioactive material;
16. resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud;
17. caused by or resulting from smoke from agricultural smudging or industrial operations;
18. caused directly or indirectly by marring, scratching, abrasion, or chipping of any personal property or breakage of any fragile or brittle article(s) unless caused by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft, watercraft or land vehicle, riot, vandalism, malicious acts, windstorm, hail, electricity, transportation, ice damming, damage by bears, theft or attempted theft, or the insured events of water damage, not otherwise excluded in the policy;
19. caused by or resulting from the manufacturing, distribution or sale of any drug, narcotic, or illegal substance, whether or not you have knowledge of such activity. This includes any alterations of the premises to facilitate such activity. However, a total of four or less cannabis plants legally grown on your residential premises for recreational consumption by you, where it is allowed by law, is not excluded;
20. resulting from the cost of correcting faulty design, material, or workmanship;
21. related to the increased costs of repair or replacement due to the operation of any law or ordinance regulating the zoning, demolition, repair, or construction of buildings and their related services;

- 22.** caused directly or indirectly by settling, expansion, contraction, moving, bulging, buckling, or cracking, except resulting damage to building glass that forms part of your residence, or additional buildings and structures;
- 23.** from the part of your residence, or additional buildings and structures rented to others caused by theft or attempted theft by any tenant, tenant's employee, or member of the tenant's household;
- 24.** caused directly or indirectly, in whole or in part, by snowslide, sinkhole, earthquake, landslide, or any other earth movement regardless of any cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage that results directly from fire or explosion;
- 25.** caused by any nuclear incident (as defined in the Nuclear Liability and Compensation Act (Canada) or any other nuclear liability and compensation act, law, or statute, or any updates to the law), or nuclear explosion, except for ensuing loss or damage caused directly or indirectly by fire, lightning, or explosion of natural, coal, or manufactured gas;
- 26.** caused directly or indirectly, in whole or in part, by war, invasion, act of foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution or insurrection, or military power. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;
- 27.** caused directly or indirectly, in whole or in part, by terrorism or by any activity or decision of a governmental agency or other entity to prevent, respond to or terminate terrorism, but you are still insured for ensuing loss or damage that results directly from fire or explosion;
- 28.** caused by domestic animals or pets of any kind:
  - owned by you;
  - in your care, custody or control; or
  - owned by or in the care, custody or control of anyone residing on your premises;
- 29.** to a watermain;
- 30.** arising from pollution or contamination caused by the discharge or escape of any waste material, irritants, pollutants or contaminants unless caused by fire, lightning, explosion, smoke, falling object, impact by aircraft, spacecraft or land vehicle, riot, vandalism, malicious acts, windstorm, hail, electricity, transportation, ice damming, damage by bears, or soot due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises, not otherwise excluded in the policy;
- 31.** caused directly or indirectly, in whole or in part by any communicable disease regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;
- 32.** caused by or resulting from vandalism or malicious acts committed by any tenant, tenant's employee or member of the tenant's household; or
- 33.** occurring while your residence is being moved. Moving begins with the commencement of the removal of leveling blocks and jacks or the disconnection of utilities and continues until the residence has been fully installed and is ready for occupancy at its new location. This exclusion does not apply while your mobile/mini home is being moved because of an emergency to protect it when it is endangered by any insured event.

## BASIS OF SETTLEMENT

We will pay for direct physical loss or damage to your insured property, but we will not pay more than your financial interest in the property, or the applicable amount of insurance, as shown on your declaration for any one occurrence.

## **Coverage A – Residence and Coverage B – Additional Buildings and Structures**

We will pay the replacement cost or the cost of repairs (whichever is less), if you repair or replace the damaged or destroyed building(s), on the same site, with a building of the same occupancy, constructed with materials of similar quality, within a reasonable time after the loss or damage occurs, within statutory limitations.

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

In determining the cost of repairs or replacement we will not pay for or include the increased costs of repair or replacement due to the operation of any law or ordinance regulating the zoning, demolition, repair or construction of buildings and their related services.

## **Coverage C – Personal Property**

We will pay based on replacement cost only if the property that is lost or damaged is repaired or replaced as soon as reasonably possible, within statutory limitations.

For insured loss or damage, we will pay the lesser of the:

- actual cost of repairs;
- actual cost of replacement; or
- amount of insurance shown on your declaration.

If the lost or damaged property is not repaired or replaced, we will pay the lesser of the:

- actual cash value of the estimated repairs;
- actual cash value of the estimated replacement; or
- amount of insurance shown on your declaration.

We will only pay actual cash value for the following types of personal property:

- articles that cannot be replaced with new articles because of their age or inherent nature, including antiques, fine arts, paintings and statuary;
- articles for which their age or history substantially contributes to their value, such as memorabilia, souvenirs, and collectors' items;
- personal property that has not been maintained in good or workable condition;
- personal property that is no longer used for its original purpose; or
- personal property belonging to others not including personal property belonging to a residence employee.

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

You may initially choose payment based on actual cash value. If you later decide to repair or replace any lost or damaged property, you may make an additional claim for the difference between the actual cash value and the replacement cost within 180 days from the date the actual cash value payment was made.

## **Pairs and Sets**

Pair: If there is loss to one item of an identical pair caused by an insured event, we will pay for the pair. The undamaged item becomes our property.

**Set:** For items that are part of a set of two or more pieces, we will only pay for those particular items which were lost or damaged by an insured event.

### **Parts**

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

### **Deductible**

We are responsible for the amount of any loss or damage caused by an insured event that exceeds the amount of the deductible shown on your declaration in any one occurrence.

## **POLICY CONDITIONS**

The following conditions apply to Section I – Property Coverage:

### **Amounts Not Reduced**

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

### **Declaration of Emergency - Extension of Termination or Expiry Date**

If an emergency is declared by a Canadian public authority designated by statute, we will extend the expiry date, or the termination date when initiated by us, subject to the Special Conditions outlined and Important Definition below.

In order for this to apply, the emergency must have a direct effect or impact on:

- you, your residence, your property, or your premises if located in the declared emergency area;  
or
- our operations or those of your broker located in the declared emergency area.

### **Special Conditions**

In no event will this extension exceed 120 consecutive days.

You agree to pay the pro rata premium earned for the additional time that we remain on risk as a result of this extension.

The following events are included:

- When we initiate a termination based on the Statutory Condition – Termination of this policy, we will extend the termination date until the emergency is terminated plus the lesser of:
  - a) 30 days; or
  - b) the number of days the emergency order was in effect.
- If this policy is due to expire during an emergency, it will remain in force until the emergency is terminated plus the lesser of:
  - a) 30 days; or
  - b) the number of days the emergency order was in effect.

## **Important Definition**

Emergency means the first statutory declaration of an emergency:

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

## **Insurance Under More Than One Policy**

If you have 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.

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

## **Notice to Authorities**

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

## **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

### The Additional Agreement

This coverage applies on your premises and for your personal actions. Benefits following injury or damage to property of others in certain other circumstances are also included. This is the part of the policy you look to for protection if you are sued.

This insurance applies to:

- accidents or occurrences which take place during the policy term, while in force;
- each of the insureds separately when a claim or action has been made against or brought against you.

### COVERAGE E – LEGAL LIABILITY

We will pay all amounts which you become legally liable to pay to compensate for damages because of unintentional bodily injury or property damage caused by:

- your personal actions anywhere in the world;
- your ownership, use, or occupancy of the premises.

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

Defense, costs and supplementary expense payments as described under defense, settlement and supplementary payments are in addition to the amount of insurance.

### What is Excluded

We do not insure claims made against you arising from:

- liability you have assumed by contract unless your legal liability would have applied even if no contract had been in force. 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;
- damage to property you own;
- damage to property you use, occupy, lease or rent, or that is in your care, custody, or control, except unintentional property damage to premises owned by others, or their contents, which you are using, renting or have in your care, custody or control caused by fire, explosion, water damage, or smoke;
- damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
- bodily injury to you or any person residing in your household other than a residence employee;
- the personal actions of a named insured who does not reside on the premises described on your declaration.

There are other exclusions that apply to all coverages under Section II – Personal Liability Protection. Please refer to Section II – What is Excluded.

### Defense, Settlement, Supplementary Payments

If a claim is made against you for which you are insured under Coverage E – Legal Liability, 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:

- all expenses which we incur;
- all costs charged against you in any suit insured under Coverage E – Legal Liability;
- any interest accruing after judgment on that part of the judgment which is within the amount of insurance of Coverage E – Legal Liability;
- premiums for appeal bonds required in any 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;
- expenses which you have incurred for emergency medical or surgical treatment to others following an accident or occurrence insured by this policy;
- reasonable expenses including actual loss of income up to \$100 per day, which you incur at our request.

### **Unauthorized Settlements**

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

### **COVERAGE F – VOLUNTARY MEDICAL PAYMENTS**

We will pay reasonable medical expenses incurred within one year of the date of the accident or occurrence, 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 your declaration is the most we will pay for each person in respect to one accident or occurrence. Payment under Coverage F is not an admission of liability by you or us.

We will not pay for:

- expenses covered by any medical, dental, surgical, or hospitalization plan or law, or under any other insurance contract;
- your medical expenses or those of persons residing with you, other than residence employees; or
- medical expenses of any person covered by any workers' compensation statute.

There are other exclusions that apply to all coverages under Section II – Personal Liability Protection. Please refer to Section II – What is Excluded.

### **COVERAGE G – VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY OF OTHERS**

We will pay for unintentional direct damage you cause to property of others even though you are not legally liable. You may also use this coverage to reimburse others for direct property damage caused intentionally by a child insured under this policy that is 12 years of age or under.

We do not insure:

- damage to property owned or rented to you or your tenant;
- damage to property which is insured under Section I – Property Coverage; or
- claims resulting from the loss of use, disappearance or theft of property.

There are other exclusions that apply to all coverages under Section II – Personal Liability Protection. Please refer to Section II – What is Excluded.

## **Basis of Payment**

We will pay the lesser of:

- what it would cost to repair or replace the property with materials of similar quality at the time of loss; or
- the amount of insurance shown on your declaration.

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.

## **COVERAGE H – VOLUNTARY COMPENSATION FOR RESIDENCE EMPLOYEES**

This coverage is automatically provided for all your occasional residence employees. It will be extended to your permanent residence employees if stated on your declaration.

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.

## **What is Excluded**

We will not pay benefits for any hernia injury.

There are other exclusions that apply to all Coverages under Section II – Personal Liability Protection. Please refer to Section II – What is Excluded.

## **Schedule of Benefits**

### **Loss of Life**

If your residence employee dies because of an accident while performing duties as hired by you, and the death occurs within 26 weeks of this accident, we will pay:

- a total of 100 times the weekly compensation to those entirely dependent on your residence employee. If there is more than one dependent, the amount will be divided equally among them;
- actual funeral expenses not to exceed \$1,000.

This payment is in addition to any benefit for temporary total disability paid up to the date of their death.

### **Temporary Total Disability**

If your residence employee becomes totally disabled from injuries received within 14 days of an accident while performing duties as hired by you, and cannot work at any job, we will pay a weekly compensation up to 26 weeks while such disability continues. We will not pay for the first seven days unless the disability lasts for six weeks or more.

### **Permanent total disability**

- a) If your residence employee becomes permanently and totally disabled from injuries received within 26 weeks of an accident while performing duties as hired by you, and cannot work at any job, we will pay weekly compensation for 100 weeks in addition to the benefits provided under temporary total disability.

## **Injury benefits**

- a) If 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 the weekly compensation for the number of weeks shown below. These benefits will be paid in addition to temporary total disability benefits, but no other injury benefit.
- b) We will not pay more than 100 weeks in total, even if the accident results in loss of more than one of the following:

Type of Injury	Number of Weeks
One finger or toe; or	25 weeks
More than one finger or toe	50 weeks
One or more of the following: <ul style="list-style-type: none"><li>• Hand</li><li>• Foot</li><li>• Arm</li><li>• Leg</li></ul>	100 weeks
One eye; or	50 weeks
Both eyes	100 weeks
Hearing of one ear; or	25 weeks
Hearing of both ears	100 weeks

## **Medical Expenses**

If as a result of the accident your residence employee incurs medical expenses, including surgical, dental, hospital, nursing and ambulance expenses received within 26 weeks of an accident while performing duties as hired by you, 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 you can recover from other insurance plans.

Weekly Compensation 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.

## **SPECIAL LIMITATIONS**

### **Business and Business Property**

We insure you against claims arising out of:

- your personal actions during the course of your trade, profession, or occupation which are not related directly to your trade, profession, or occupation;
- the occasional rental to others of the portion of your described private residence usually occupied by you, excluding short term rentals;
- the rental to others of portions of your two, three, or four family residence usually occupied in part by you as a residence premises provided no family residence unit or suite includes more than two roomers or boarders;

- the rental of space in your residence to others for incidental office, school or studio occupancy;
- the rental to others, or holding for rent, of not more than three car spaces or stalls in garages or stables; or
- the temporary or part time business pursuits of an insured person under the age of 21 years.

Claims arising from any other business pursuit or operation are insured only if liability coverage is shown on your declaration.

### **Golf Carts**

We insure you against claims arising out of your use of motorized golf carts for liability providing they are:

- on your premises;
- on a golf course and within the boundaries of a golf course;
- on any municipal roadway where permitted by municipal law; or
- on private property such as campgrounds, recreational parks, mobile home communities, retirement communities and gated communities where:
  - a) the community by-laws permit the use of golf carts; and
  - b) the roadways within that community are privately maintained and controlled.

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

- used on public roads or highways unless permitted by law;
- used for carrying passengers for compensation;
- used for business purposes;
- used in any race or speed test;
- rented to others; or
- being used or operated without the owner's consent if you are not the owner.

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

### **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.

### **Watercraft and Motorized Vehicles**

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

- watercraft including their attachments, equipped with an outboard motor(s), of not more than 25 HP (19kW) in total, when used with or on a single watercraft;
- watercraft, personal watercraft including their attachments, equipped with any other type of motor of not more than 50 HP (38 kW);
- non-motorized watercraft, including their attachments, not more than 8 metres in length;
- self-propelled lawn mowers, snow blowers, garden-type tractors of not more than 50 HP (38kW);
- motorized wheelchairs, including motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability;
- motorized golf carts while in use on a golf course; or
- e-bikes that meet our description under Key Words.

Any other watercraft, personal watercraft, or motorized vehicle is insured only if liability coverage for it is shown on your declaration. If a watercraft, personal watercraft, or a watercraft motor is acquired after the effective date of the policy, you will be insured automatically for a period of 30 days only from the date of acquisition.

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

- watercraft, and personal watercraft; or
- 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.

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

- used for carrying passengers for compensation;
- used for business purposes;
- used in any race or speed test or in preparation for either;
- rented to others; or
- being used or operated without the owner's consent if you are not the owner.

## SECTION II – WHAT IS EXCLUDED

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. caused directly or indirectly, in whole or in part, by terrorism or by an activity or decision of a government agency or other entity to prevent, respond to or terminate terrorism. 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;
3. 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;
4. business pursuits or any business use of the premises except as provided under Special Limitations Business and Business Property in Section II – Personal Liability Protection;
5. the rendering of or failure to render any professional service(s);
6. liability imposed upon or assumed by you under any workers' compensation statute;
7. bodily injury or property damage caused by any intentional or criminal act or failure to act by:
  - you; or
  - any other person at your direction;
8. sexual, physical, psychological or emotional abuse, molestation or harassment, including corporal punishment by:
  - you; or
  - anyone else at your direction, or with your knowledge; or
  - your failure to take steps to prevent sexual, physical, psychological, or emotional abuse, molestation or harassment, or corporal punishment, however caused;
9. any communicable disease;
10. the ownership, use or operation of any watercraft, personal watercraft, motorized vehicle, or trailer except as provided under watercraft and motorized vehicles and trailers in Section II – Personal Liability Protection;

**11.** the ownership, use or operation of:

- any aircraft or drone; or
- premises used as an airport or landing facility; and all activities related to either;

**12.** any claim that arises directly or indirectly, in whole or in part, out of the use or misuse of social media or the Internet. This includes the use of, distribution by, publication by, display of any material that offends another using social media or the Internet.

## SECTION II – CONDITIONS

### Action Against Us

No suit may be brought against us until:

- you have fully complied with all of the terms of this coverage; and
- 60 days after the written proof of claim has been filed with us.

### 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.

When this policy and another policy written by us are issued to you, and apply to the same claim or action, the most we will pay is the highest amount of insurance that applies under any one of those policies. However, this provision does not apply if the other policy is a personal umbrella that was specifically purchased by you to apply in excess of the amounts of insurance shown on your declaration.

### Unauthorized Settlements

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

### What you must do after an accident or occurrence

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

- the date, time, place and circumstances of the accident or occurrence; and
- the interest of all persons in the property affected.

If requested by us you must help us to verify the damage.

If requested by us you must arrange for the injured person(s) to:

- give us, as soon as possible, written proof of claim, under oath if requested;
- submit to a physical examination at our expense by doctors we select as often as we may reasonably require; and
- authorize us to obtain medical and other records.

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

## KEY WORDS

**Actual Cash Value** considers such factors as the cost of replacement less any depreciation. In determining depreciation, we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

**Amount of Insurance** means the maximum amount we will pay for any 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 your declaration.

**Aircraft** means any device used or designed for flight, including any parts whether or not attached to the aircraft. Aircraft includes but is not limited to airplanes, helicopters, hot air balloons, unmanned aerial vehicles or hovercrafts.

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

**Business** includes any full-time, part-time or occasional trade, profession, or occupation undertaken for financial compensation or other consideration, and carried on through any business arrangement owned in whole or in part by you but does not include farming operations.

**Business Premises** means the location at which a business is conducted, or premises are rented in whole or in part to others, or held for rental.

**Business Property** means property pertaining to a business including samples and goods held for sale.

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

**Civil Authority** means any person acting under the authority of federal, provincial or territorial, or municipal legislation with respect to the protection of persons or property in the event of an emergency.

**Collapse caused by the Weight of Ice, Snow or Sleet** means the collapse or partial collapse of your residence, or additional buildings and structures.

**Collectibles** means items bought for their novelty, personal interest, rarity or value.

**Construction – see Under Construction or Construction**

**Crypto Currency** means a digital currency in which encryption techniques are used to regulate the generation of units of currency and verify the transfer of funds, operating independently of a central bank.

**Data** means representations of information, images, or concepts in any form.

**Direct Physical Loss or Damage** means physical alteration or other form of physical damage to insured property, requiring its repair or replacement.

**Domestic Water Container** means a device or apparatus for containing, heating, chilling or dispensing water for personal use, this does not include plumbing, heating, cooling, sprinkler or air conditioning systems.

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

**Drone** means a remote-controlled pilotless aircraft.

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

**Electricity** means an artificially generated electrical current.

**Falling Object** means an object that falls and strikes the exterior of a building or structure.

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

**Flood** includes, but is not limited to, waves, tides, tidal waves, tsunami, dam breaks, seiche or the rising of, the breaking out, or the overflow of any body of water or watercourse, whether natural or man-made.

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

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

**Ice Damming** means loss or damage caused by water that enters your residence, or additional buildings and structures through a roof due to the accumulation of ice or snow on the exterior of the roof or eavestrough.

**Insured Event** means a cause of loss or damage insured under the coverage form shown on your declaration.

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

**Livestock** means any breed or population of animal kept for a useful or commercial purpose, including the production of meat, dairy products, eggs and clothing materials.

**Named Insured** means the person(s) in whose name the policy is issued.

## **Occurrence**

Under Section I – Property Coverage means a loss to insured property during the policy period, caused by one or more insured events.

Under Section II – Personal Liability Protection means an accident, including continuous or repeated exposure to the same general harmful conditions, and occurring during the policy period.

**Overland Water** means water that accumulates upon or submerges land that is usually dry resulting from:

- the unusual and rapid accumulation or run off of water or natural precipitation, not caused by escape of water from a domestic water container or watermain; or
- the rising of, the breaking out or the overflow of any body of fresh water or watercourse, whether natural or man-made.

**Personal Watercraft** means a small self-propelled or jet powered craft intended to be ridden on water with under four people.

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

## **Premises**

Under Section I – Property Coverage means:

- the location where you reside, and the land contained within the lot lines where your residence is situated;
- the portion of the location which you occupy exclusively for your residential purposes or occupied by your tenant;
- any other residential premises specified on your declaration, except business premises and farms;
- your cemetery plots or burial vaults.

Under Section II – Personal Liability Protection also means:

- vacant land in Canada owned by or rented to you, other than farm land;
- land in Canada owned by or rented to you on which an independent contractor is building a one, two, three or four family residence to be occupied by you;
- the location where you are residing temporarily or which you are using temporarily, provided you are not the owner and not under any agreement to rent or lease the location for longer than 90 consecutive days;
- a new principal residence in Canada to be occupied by you from the date you acquire ownership or take possession but not beyond the earliest of:
  - a) 30 consecutive days;
  - b) the date the policy term expires or is terminated; or
  - c) the date specific liability insurance is arranged for your premises.

**Property Damage** means:

- physical damage to or destruction of real property or personal property;
- the loss of use of real property or personal property.

**Replacement Cost** means the cost, without any deduction for depreciation, on the date of the loss or damage, of the lesser of:

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

**Residence** means the residential building or mobile/mini home described on your declaration, that is wholly or partially occupied by you as a private home.

**Residence Employee** means a person employed by you to perform household, domestic or similar duties in connection with the maintenance or use of the premises, excluding duties in connection to your business or farming operations.

**Short Term Rental** means the renting out, in whole or in part, a furnished primary residence or seasonal residence, on a temporary basis.

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

**Spouse** means a person as defined by federal, provincial or territorial legislation.

**Sump** means a pit that is located on your premises and used for collecting and removing water. It may be equipped with a mechanical pump or gravity feed evacuation pump system.

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

**Terrorism** means an ideologically motivated unlawful act or acts, including but not limited to the use of violence, 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 or instilling fear in the public or a section of the public.

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

**Under Construction or Construction** means:

- construction of a new residence building or additional buildings and structures;
- alterations, additions or repairs to existing residence buildings or additional buildings and structures which also includes any of the following:
  - a) site preparation;
  - b) demolition;
  - c) laying of foundations;
  - d) removal or weakening of any structural support; or
  - e) the opening of an exterior wall or roof component that extends beyond 48 consecutive hours.

The period of under construction starts from the date work is initiated and continues until all interior and exterior finishes are completed.

**Vacant** or **Vacancy** means that regardless of the presence of furnishings, all occupants have moved out with no intention of returning to reside continuously in the residence (even if you return to inspect, maintain, use or occupy the property on a casual or intermittent basis), and no new occupant has moved in.

A newly constructed or newly acquired residence is also considered vacant when no occupant has moved in.

**Vacant Land** means land with no man-made structures.

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

**Windstorm** means any strong wind but does not include loss or damage caused by or resulting from the weight of ice or snow, including, but not limited to shoreline ice buildup or waterborne ice or other objects, whether driven by wind or not.