

The Comprehensive Homeowners Policy is a legal indemnity contract between the insured and the insurer, comprising the policy wording, the Certificate of Property Insurance, and any additional forms. It is crucial for policyholders to read the policy carefully, as it outlines various exclusions that may limit coverage. Coverage is provided in exchange for premium payments, with all amounts stated in Canadian currency. The Certificate summarizes the selected insurance coverage, premiums, limits, and deductibles, specifying that only losses occurring within the policy term are covered. The policy is intended solely for indemnification against actual losses, not for profit, and any enhancements in coverage during the policy term will automatically benefit the insured.

The policy is structured into three sections: Section I addresses property insurance, including additional living expenses; Section II covers legal liability for bodily injury or property damage; and Section III details optional coverages available for an additional premium. Key terms such as "Actual Cash Value" are defined, and permitted business activities are outlined without requiring additional coverage. Coverage A insures the principal dwelling and attached structures, while Coverage B covers detached private structures, and Coverage C insures personal property within the dwelling and temporarily away from it, with exclusions for motorized vehicles, trailers, and aircraft. Extensions of coverage include costs for tearing out walls to repair water damage and limited coverage for outdoor trees, plants, and shrubs. Certain items, such as personal property of roomers or boarders not related to the insured, are excluded.

The policy provides coverage for personal property stored in a secured facility for 30 days and extends coverage for theft beyond that period. It insures personal property of students temporarily residing away from home for school, up to \$10,000, and covers property of relatives in nursing homes under the policyholder's legal custody, up to \$5,000. Additionally, it covers property of physically or mentally challenged individuals in the policyholder's custody, also up to \$5,000. Coverage extensions include damage from temperature changes due to physical damage to the dwelling and personal property in transit to a new principal residence within Canada for 30 days.

Special limits of insurance apply to various categories, such as \$2,500 for business-related items on premises, \$5,000 for securities, and \$500 for cash, with specific limits for jewelry and collectibles.

Coverage D includes additional living expenses if the dwelling is unfit for occupancy due to a covered peril, covering necessary increases in living expenses and fair rental value for rented parts of the dwelling, but excludes claims from specific events like floods, earthquakes, and terrorism. Special coverage features include By-Laws Coverage, Credit Card and Forgery Coverage, and costs for debris removal. The policy also covers fire department charges, frozen food protection, and inflation guard adjustments. If keys are lost or stolen, up to \$500 is available for lock replacement. The Mortgage Rate Protector feature covers additional costs if a new mortgage has a higher interest rate due to a total loss of the dwelling. Personal records stored on a computer are covered for data recovery up to \$3,000, and property removed for protection is insured for 90 days, with a reward of up to \$1,000 for information leading to the arrest of individuals committing crimes against insured property.

The policy insures against all risks of direct physical loss or damage, subject to exclusions, which include buildings used for business or farming, certain types of loss or damage, and damages occurring after a dwelling has been vacant for over 30 days. Exclusions also encompass losses from nuclear incidents, war, terrorism, intentional acts, and theft from dwellings under construction. Claims are settled based on Actual Cash Value, with a deductible applying, although if a claim exceeds \$25,000 with a deductible of \$1,000 or less, the deductible will not apply. The policy allows for claims to be made on an actual cash value basis initially, with the option to claim for replacement costs later.

Section II provides liability coverage, protecting against personal liability for unintentional bodily injury or property damage occurring anywhere in the world, with exclusions for liability assumed by contract and damage to property owned by the insured. Coverage F offers voluntary medical

payments for reasonable medical expenses incurred due to unintentional injuries to others, while Coverage G covers unintentional direct damage to property caused by the insured. Coverage H provides benefits for residence employees injured while working, with specific conditions for notification and claims.

The policy includes conditions for claims, requiring prompt notice of accidents, cooperation with the insurer, and potential examination under oath. The insurer can terminate the contract with fifteen days' notice via registered mail or five days' notice if delivered personally, while the insured may terminate at any time upon request. In the event of loss or damage, the insured must promptly notify the insurer in writing and provide a verified proof of loss. The insurer has the right to access the property to assess damage, and disputes regarding the value of the property or loss must be resolved through appraisal. Loss payments are due within sixty days after proof of loss completion, and legal actions against the insurer must be initiated within one year of the loss. Overall, the policy establishes clear guidelines for coverage, exclusions, and the responsibilities of the insured.