

# HOMEOWNERS COMPREHENSIVE FORM

## Agreement

We provide you, as a homeowner, with coverage against various perils and liabilities as described in this policy, in return for payment of the premium and subject to the terms and conditions set out.

Insurance cannot be a source of profit. It is only designed to indemnify you against actual losses incurred by you or for which you are liable.

## A Guide to your Policy

### Section I: Property Coverages

Describes the insurance on your dwelling building, detached private structures and personal property. This section also insures any additional living expense and/or fair rental value loss incurred by you if an insured peril makes your dwelling or part of the dwelling rented to others unfit for occupancy.

### Section II: Liability Coverages

Applies to your legal liability for injury to others or damage to their property arising out of your premises or your personal actions.

### Additional Coverage Section: Voluntary Compensation for Residence Employees

Provides benefits to occasional residence employees if they are injured while working for you.

### IMPORTANT

**This policy contains various exclusions and limitations which restrict coverage. These have been clearly identified. Please read them carefully.**

<b>SECTION I – PROPERTY COVERAGES</b> .....	3
DEFINITIONS .....	3
COVERAGES .....	4
Coverage A – Dwelling Building .....	5
Coverage B – Detached Private Structures .....	5
Coverage C – Personal Property (Contents) .....	5
Special Limits of Insurance .....	6
Coverage D – Additional Living Expense and Fair Rental Value .....	7
Extensions of Coverage .....	8
INSURED PERILS .....	10
COMMON EXCLUSIONS .....	10
BASIS OF SETTLEMENT .....	13
Deductible .....	13
Dwelling Building and Detached Private Structures .....	13
Personal Property .....	14
<b>SECTION II – LIABILITY COVERAGES</b> .....	15
DEFINITIONS .....	15
COVERAGES .....	16
Coverage E – Legal Liability .....	16
Defence, Settlement, Supplementary Payments .....	17
Coverage F – Voluntary Medical Payments .....	18
What You Must Do after an Accident or Occurrence .....	18
Coverage G – Voluntary Payment For Damage To Property .....	19
BASIS OF PAYMENT .....	19
Special Limitations .....	19
COMMON EXCLUSIONS .....	21
OTHER INSURANCE .....	22
<b>ADDITIONAL COVERAGE – VOLUNTARY COMPENSATION FOR RESIDENCE EMPLOYEE</b> .....	23
DEFINITIONS .....	23
COVERAGE .....	23
EXCLUSIONS .....	23
BENEFITS .....	24
Loss of Life .....	24
Temporary Total Disability .....	24
Permanent Total Disability .....	24
Injury Benefits .....	24
Medical expenses .....	26
CONDITIONS .....	26

## SECTION I – PROPERTY COVERAGES

### DEFINITIONS

"You" and "your" in this section refer to the Insured. "We" and "us" refer to the Company providing this insurance. Words and phrases that appear in bold face have special meanings as defined below.

- **Additional Living Expense** means any necessary increase in living expenses, including moving expenses incurred by you, so that your household can maintain its normal standard of living.
- **Business** means any continuous or regular pursuit undertaken for financial gain including trade, profession or occupation.
- **Cash Card** or **Plastic Money** means a card storing electronic cash and used as a method of payment, which at the time of the purchase transaction does not require any personal identification number (PIN), signature or authorization time.
- **Civil Authority** means an authority as defined in the Civil Protection Act or any other act or regulation.
- **Collection** means a group of related objects of the same type.
- **Data** means information (including facts, concepts or execute statements) represented in any form whatsoever.
- **Data Problem** means:
  - erasure, destruction, corruption, misappropriation or misinterpretation of data;
  - error in creating, amending, entering, deleting or using data;
  - inability to receive, transmit or use data.
- **Detached Private Structures** means structures or buildings separated from the dwelling by a clear space or connected to the dwelling by a fence, utility line or similar connection only.
- **Drawn Machinery** means a vehicle without a load space that is used to carry only equipment or machinery which is permanently installed upon it.
- **Dwelling** means the building described on the Coverage Summary page occupied by you as a private residence.
- **Fair Rental Value** means the amount of rent you would have received, less any expenses that do not continue while that part of the dwelling or detached private structures rented or held for rental is unfit for occupancy.
- **Fungi** includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any fungi or spore (s) or resultant mycotoxins, allergens, or pathogens.
- **Insured** means the person(s) named as insured on the Coverage Summary page and, while living in the same household, the following persons:
  - ◆ his or her spouse;
  - ◆ the relatives of either; and

- ◆ any person under 21 in their care.
- Spouse means a person:
  - ◆ who is married to or has entered into a civil union with another person and is living with that person;
  - ◆ who has been living with another person of the opposite or the same sex and has been publicly represented as that person's spouse for at least three years;or, in the following cases, for at least one year:
  - ◆ a child has been born or is to be born of their union;
  - ◆ they have adopted a child together;
  - ◆ one of them has adopted a child of the other.
- In addition, a student who is enrolled in and actually attends a school, college or university on a full time basis and who is dependent on the Named Insured or his or her spouse for support and maintenance is also insured even if temporarily residing away from the principal residence.
- **Plumbing system** means water supply, distribution and disposal piping on the premises, including appliances and equipment attached thereto, between their connection points to a public or private system.
- **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including vapour, soot, fumes, acids, alkalis, chemicals, pesticides, herbicides, waste and smoke, whether from agricultural smudging or industrial operations or any other source.
- **Premises** means the land contained within the lot lines on which the dwelling is situated. Premises also include premises where a student insured by this policy is residing temporarily.
- **Residence employee** means a person employed by you to perform duties in connection with the maintenance or use of the premises. This includes persons who perform household or domestic services or duties of a similar nature for you. This does not include persons while performing duties in connection with your business.
- **Retention tank or holding pond** means a basin in which sudden influxes of surface, ground or storm water runoff are held temporarily before being released gradually into the drainage system.
- **Spore(s)**, includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any fungi.
- **Terrorism** means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.
- **Vacant** refers to circumstances where, regardless of the presence of furnishings, all occupants have moved out with no intention to return. A newly constructed dwelling is vacant after it is completed and before the occupants move in.

## COVERAGES

### Amounts of Insurance

The amounts of insurance are shown on the Coverage Summary page.

## Coverage A – Dwelling Building

### WE INSURE:

1. Your **dwelling** and attached structures;
2. Permanently installed outdoor equipment on the **premises**;
3. Temporary car shelters, once installed on the **premises**.

### WE ALSO INSURE:

1. Materials and supplies located on or adjacent to the **premises** intended for use in construction, alteration or repair of your **dwelling** or private structures on the **premises**;
2. Building fixtures and fittings temporarily removed from the **premises** for repair or seasonal storage, for up to 10% of the amount of insurance on your **dwelling**;
3. Trees, shrubs, plants and lawns in the open on your **premises** for up to 5% in all of the amount of insurance on your **dwelling**. We will not pay more than \$250 for any one tree, plant or shrub including debris removal expenses.

We insure these items against loss caused by fire, lightning, explosion, impact by aircraft or land vehicle, riot, vandalism, theft or attempted theft as described under Insured Perils.

## Coverage B – Detached Private Structures

### WE INSURE:

**Detached private structures** on your **premises**.

## Coverage C – Personal Property (Contents)

1. Property on the **Premises**

WE INSURE the following property while it is on the **premises**:

- a. Personal property you own, wear or use while on your **premises** which is usual to the ownership or maintenance of a **dwelling**.
  - b. Personal property, usual to the ownership or maintenance of a dwelling, that belongs to a student who is insured by this policy and temporarily resides away from the principal residence, for up to 10% of the amount of insurance stated on the Coverage Summary page or \$2,500, whichever is the greater.
  - c. Motorized wheelchairs, remote-control caddies, watercraft, drawn machinery, motorized lawn mowers, other gardening equipment and snow blowers.
  - d. If you wish, we will include uninsured personal property of others while it is on that portion of your **premises** which you occupy BUT WE DO NOT INSURE PROPERTY OF ROOMMATES, UNLESS THEY ARE NAMED ON THE COVERAGE SUMMARY PAGE, OR OF ROOMERS OR BOARDERS WHO ARE NOT RELATED TO YOU.
2. Property Away from the **Premises**

- a. Your personal property while it is temporarily away from your **premises** anywhere in the world.
- b. Motorized wheelchairs, remote-control caddies, watercraft, **drawn machinery**, motorized lawn mowers, other gardening equipment, and snow blowers, while temporarily away from your **premises**.
- c. If you wish, we will include uninsured personal property belonging to others while it is in your possession or belonging to a **residence employee** travelling for you.
- d. Property of a student who is insured by this policy, for up to 10% of the amount of insurance stated on the Coverage Summary page or \$2,500, whichever is the greater, while it is temporarily away from the premises anywhere in the world.

WE DO NOT INSURE:

1. Motorized vehicles, trailers and aircraft or their equipment (except for motorized vehicles described above). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motorized vehicle or aircraft.
2. Personal property normally kept at any other location you own.
3. Property pertaining to a **business**, while away from your **premises**.

## Special Limits of Insurance

A. WE INSURE:

1. Securities up to \$1,000 in all;
2. Money, including **cash cards** and **plastic money**, bank notes or bullion up to \$200 in all;
3. Garden-type tractors or snow blowers, including attachments and accessories, and **drawn machinery** up to \$5,000 in all;
4. Watercraft, their furnishings, equipment, accessories and motors up to \$1,000 in all;
5. Computer software up to \$1,000 in all;
6. Animals, birds or fish up to \$2,000 in all, BUT ONLY IF THE LOSS OR DAMAGE IS CAUSED BY A SPECIFIED PERIL OTHER THAN IMPACT BY AIRCRAFT OR LAND VEHICLE;
7. Books, tools, instruments, clothing, goods and other property pertaining to a **business** up to \$1,000 in all.

B. The following special limits of insurance do not apply to any claim caused by a Specified Peril:

1. Numismatic property (such as coin **collections**) up to \$100 in all;
2. Jewellery, watches, gems, fur garments and garments trimmed with fur up to \$2,000 in all;
3. Manuscripts, stamps and philatelic property (such as stamp **collections**) up to \$500 in all;
4. Silverware, meaning silverware, silver-plated ware, goldware, gold-plated ware and pewterware up to \$5,000 in all;

5. Audio and video supports, including tape recorder and VCR tapes, compact discs and video DVDs up to \$2,000 in all;
6. Collectible cards (such as sports and artistic personality cards) up to \$1,000 in all;
7. Works of art, such as paintings, pictures, drawings, etchings, engravings, prints and lithographs, including their frames, sculptures, statuettes and assemblages, and hand-made rugs and tapestries up to \$10,000 in all;
8. **Collections** up to \$2,000 in all;
9. Each bicycle, its equipment and accessories up to \$1,000 in all.

C. Specified Perils

Subject to the exclusions and conditions in this policy, Specified Perils means:

1. Fire.
2. Lightning.
3. Explosion.
4. Smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the **premises**.
5. Falling object which strikes the exterior of the building.
6. Impact by aircraft or land vehicle.
7. Riot.
8. Vandalism.
9. Water damage.
10. Windstorm or hail.
11. Transportation, meaning loss or damage caused by collision, upset, overturn, derailment, stranding or sinking of any motorized vehicle or attached trailer in which the insured property is being carried. This would also apply to any conveyance of a common carrier.

### Coverage D – Additional Living Expense and Fair Rental Value

The amount of insurance for Coverage D is the total amount for any one or a combination of the following coverages.

1. **ADDITIONAL LIVING EXPENSE.** If an Insured Peril makes your **dwelling** unfit for occupancy, or you have to move out while repairs are being made, we insure any **additional living expense**. Payment shall be for the reasonable time required to repair or rebuild your **dwelling** or, if you permanently relocate, the reasonable time required for your household to settle elsewhere.
2. **FAIR RENTAL VALUE.** If an insured peril makes that part of the **dwelling** or **detached private structures** rented to others or held for rental by you unfit for occupancy, we insure its fair

rental value. Payment shall be for the reasonable time required to repair or replace that part of the **dwelling** or **detached private structures** rented or held for rental.

If a civil authority prohibits access to your **premises** as a direct result of damage to neighbouring **premises** by an insured peril, we insure any resulting **additional living expense** and **fair rental value** loss for a period NOT EXCEEDING 2 WEEKS.

3. MASS EVACUATION. We will pay any necessary and reasonable increase in living expense and **fair rental value** incurred by you while access to your **dwelling** is prohibited by order of civil authority, but only when such order is given for mass evacuation as a direct result of a sudden and accidental event within Canada or the United States of America.

You are insured for a period not exceeding 2 weeks from the date of the order of evacuation.

Exclusion 23 under LOSS OR DAMAGE NOT INSURED does not apply to paragraph 3.

The periods of time stated above are not limited by the expiration of the policy.

### Extensions of Coverage

- A. Extensions of coverage 1 to 9 do not increase the amounts of insurance in this policy and are subject to the limitations and exclusions of this policy.

1. Debris Removal

We will pay the expense incurred in the removal of debris of insured property damaged by an Insured Peril.

2. Property Removed

If you must remove insured property from your **premises** to protect it from loss or damage, it is insured for 7 days or until your policy term ends, whichever occurs first.

3. Moving to Another Home

Provided if it is not insured under any other policy, WE INSURE:

- a. Personal property in a newly acquired or rented **dwelling** in Canada which is to be occupied by you as a principal residence;
- b. Personal property while in transit to your new principal residence.

Coverage applies for 30 days commencing on the date you begin to move property to your new residence, but not beyond the date the policy expires or is terminated.

4. Fire Department Charges

If you have an agreement with a fire department outside the municipality where your **dwelling** is located, we will reimburse you for up to \$1,000 if that fire department charges for attending your **dwelling** because of an Insured Peril.

5. Freezer Foods

We will pay up to \$1,000 on frozen foods contained in a freezer in your **dwelling** when loss is caused by mechanical breakdown of the freezer or power interruption.



This amount includes reasonable expenses incurred to save and preserve the food from spoilage while your freezer unit is being repaired.

We do not insure loss caused by an interruption of electrical power due to the operation of a circuit breaker or fuse or the accidental or intentional disconnection of the power supply to the freezer.

6. Credit or Debit Cards, Forgery and Counterfeit Money

We will pay for:

- a. your legal obligation to pay because of the unauthorized use by any person other than an **insured** of credit or debit cards issued to you or registered in your name provided you have complied with all of the conditions under which the card was issued;
- b. your legal obligation to pay because of unauthorized transactions by any person other than an **insured** or electronic banking transactions, including over the Internet, provided you have complied with all of the access conditions for the transactions;
- c. loss caused by the theft of your automated teller card provided you have complied with all of the conditions under which the card was issued;
- d. loss to you caused by forgery or alteration of cheques, drafts or other negotiable instruments;
- e. loss by your acceptance in good faith of counterfeit Canadian or United States paper currency.

The most we will pay under this coverage during the term of this policy is \$1,000.

7. Change of Temperature

We insure your personal property damaged by change of temperature resulting from physical damage to your **dwelling** or equipment by an insured peril. This only applies to personal property kept in the **dwelling**.

8. Lock Replacement, Rekeying or Repair

We will pay for the replacement, rekeying or repair, whichever is the least, of locks on your principal residence if your keys are stolen, subject to a maximum of \$500.

9. Tear out

We will replace or repair any parts of the insured building or **premises** that must be removed or torn apart before any repairs can be made to the system, equipment or appliance having caused insured water damage.

The cost of tearing out and replacing property to repair damage related to outdoor swimming pools, spas or saunas or equipment attached, watermains carrying drinking water or public sewers is not insured.

B. Inflation protection (IF SPECIFIED ON THE COVERAGE SUMMARY PAGE)

If there is a loss insured by this policy, we will automatically increase the amount(s) of insurance shown on the Coverage Summary page under Section I by amounts which are solely attributable to the inflation increase since the inception date of this policy, the latest renewal or anniversary date or from the date of the most recent change to the amount(s) of insurance shown on the Coverage Summary page, whichever is the latest.

On renewal or anniversary date, we will automatically increase the amounts of insurance shown on the Coverage Summary page under Section I by amounts which are solely attributable to the inflation increase since the inception date of this policy or the latest renewal or anniversary date.

## INSURED PERILS

YOU ARE INSURED against all risks of direct physical loss or damage to the property described in Coverages A, B and C except as limited or excluded in this policy.

## COMMON EXCLUSIONS

The following exclusions are additional to those contained elsewhere in this policy.

### WE DO NOT INSURE:

1. Loss or damage caused by wear and tear, deterioration, defect or mechanical, electrical or electronic breakdown or disturbance, rust or corrosion, dampness of atmosphere, extremes of temperature, wet or dry rot, **fungi** or **spores**, but resulting damage to other property caused by a peril not otherwise excluded is insured.
2. Damage to property causing the loss, including but not limited to cases where the loss results from the breakdown, inherent vice or nature of the property.
3. The cost of making good faulty material or workmanship.
4. Settling, expansion, contraction, moving, bulging, buckling or cracking of any parts of the building EXCEPT RESULTING DAMAGE TO BUILDING GLASS.
5. Marring or scratching of any property or breakage of any fragile or brittle articles UNLESS CAUSED BY IMPACT BY AIRCRAFT OR LAND VEHICLE, RIOT, VANDALISM, HAIL, WINDSTORM, OR THEFT OR ATTEMPTED THEFT.
6. Sporting equipment where the loss or damage is due to its use.
7. Samples, goods and other property at any fairground, exhibition or exposition for the purpose of exhibition or sale.
8. Loss or damage:
  - a. to outdoor radio, T.V. and communications antennae (including satellite receivers) and their attachments caused by windstorm or hail, weight of ice, snow or sleet, or collapse;
  - b. to outdoor swimming pools, spas, saunas or their equipment;
  - c. caused by birds, vermin, rodents, raccoons or insects EXCEPT LOSS OR DAMAGE TO BUILDING GLASS;
9. Water damage:
  - a. caused by seepage or continuous or repeated discharge or overflow of water;
  - b. caused by the discharge, backing up or overflow of water from a sewer, sump, septic tank, **retention tank**, French drain, eavestrough, downspout or rainwater leader;
  - c. caused, during the usual heating season, by freezing of any part of a plumbing, heating, sprinkler or air conditioning system, domestic appliance, aquarium, waterbed, swimming pool, spa or sauna or equipment attached, which is located within:

- an unheated building;
- a heated building, if you have been away from your premises for more than 4 consecutive days, but you will still be insured if you had taken either of the following precautions:
  - ◆ arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained; or
  - ◆ shut off the water supply and had drained all the pipes and appliances.

Damage caused by freezing to any part of systems or appliances listed above is also covered if you had taken either one of the precautions mentioned.

- d. caused by seepage or influx of surface or ground water derived from natural sources through basement walls, doors, windows or other openings therein, foundations, basement floors or sidewalks, unless concurrently and directly caused by a peril not otherwise excluded;
  - e. caused by entrance or seepage of rain or snow through walls or roofs and doors, windows or other similar openings therein, unless through an aperture concurrently and directly caused by a peril not otherwise excluded.
10. Loss or damage :
- a. occurring before, during or after flood damage to the **premises**. "Flood" includes waves, tides, tidal waves and the rising or overflow of any stream of water or body of water, whether natural or man-made;
  - b. caused by impact by water-borne objects.
11. Loss or damage caused by theft or attempted theft:
- a. which happens at any other location which you own, rent or occupy EXCEPT WHILE YOU ARE TEMPORARILY LIVING THERE OR IF A STUDENT'S RESIDENCE;
  - b. caused by any tenant or member of the tenant's household to property used by them;
  - c. to property in or from a **dwelling** under construction or of materials and supplies for use in the construction until the **dwelling** is completed and ready to be occupied;
  - d. occurring while the building is **vacant** even if permission for vacancy has been given by us;
  - e. to animals, birds or fish.
12. The following loss or damage if they occur while the building is under construction or **vacant** even if permission for construction or vacancy has been given by us:
- a. glass breakage;
  - b. loss or damage caused by vandalism;
  - c. loss or damage caused by water.
13. Loss or damage occurring after your **dwelling** has, to your knowledge, been **vacant** for more than 30 consecutive days.

14. Loss or damage caused directly or indirectly:
  - a. by any nuclear incident as defined in the nuclear liability act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, EXCEPT FOR ENSUING LOSS OR DAMAGE WHICH RESULTS DIRECTLY FROM FIRE, LIGHTNING OR EXPLOSION OF NATURAL, COAL OR MANUFACTURED GAS;
  - b. by contamination by radioactive material.
15. Loss or damage caused by invasion, war or civil war, insurrection, rebellion, revolution, military or usurped power or by operation of armed forces while engaged in hostilities, whether war be declared or not.
16. Loss, damage or expense caused directly or indirectly, in whole or in part, by **terrorism** or by any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism** regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage or expense, but you are still insured for ensuing loss or damage to property which results directly from fire or explosion.
17. Buildings or structures occupied by the **Insured** or others and used in whole or in part for:
  - a. **business** or farming purposes, unless declared on the Coverage Summary page;
  - b. illegal or criminal activities.
18. Loss or damage caused directly or indirectly, proximately or remotely, arising in consequence of or contributed to by the enforcement of any by-law, regulation, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures, which by-law, regulation, ordinance or law makes it impossible to repair or reinstate the property as it was immediately prior to the loss.
19. Loss or damage to personal property while being worked on or undergoing any process, whether or not it involves the application of heat, but resulting damage to other property caused by a peril not otherwise excluded is insured.
20. Loss of or damage to any property illegally acquired or kept.
21. Loss of or damage to any property lawfully seized or confiscated.
22. Loss or damage resulting from any criminal act or wilful negligence by an **Insured**, but this exclusion does not apply to any other **Insured** who has not committed and is not involved in the criminal act or wilful negligence.
23. Loss or damage arising out of the actual or threatened discharge, dispersal, release or escape of **pollutants**.
24. Loss or damage caused directly or indirectly by volcanic eruption, tidal wave, snowslide, earthquake, landslide or other earth movements, such as:
  - a. movements caused by expansion, contraction or compression resulting from freezing and thawing of the ground;
  - b. movements caused by bulging, buckling or cracking due to the exposition to cold or heat or the drying out or irrigation of the ground.
25. Loss or damage caused:
  - a. to **data**;

- b. directly or indirectly by **data problem**. However, if fire, explosion or smoke results from **data problem**, this exclusion does not apply to damage to property insured directly caused by such perils.

## BASIS OF SETTLEMENT

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

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

If any property is subject to more than one limitation, only the smallest limitation will apply.

Under Section I only the person(s) named on the Coverage Summary page may take legal action against us.

## Deductible

We are responsible only for the amount by which the loss or damage caused by any of the insured perils exceeds the amount of the deductible shown on the Coverage Summary page in any one occurrence.

## Dwelling Building and Detached Private Structures

If you repair or replace the damaged or destroyed dwelling building, you may choose as the basis of loss settlement either 1., 2. or 3. below. If you repair or replace the damaged or destroyed **detached private structures**, you may choose as the basis of loss settlement either 1. or 2.

1. The Actual Cash Value of the damage at the date of the occurrence, up to the applicable amount of insurance. The Actual Cash Value will take into account such things as the cost of replacement less any depreciation, and in determining depreciation we will consider the condition immediately before the damage, the resale value and the normal life expectancy.
2. The Replacement Cost. This means the cost of repairs or replacement (whichever is less) without deduction for depreciation, subject to the applicable amount of insurance. This option is subject to the following conditions:
  - a. Repair or replacement must be effected on the same location with materials of similar quality within a reasonable time after the loss or damage;
  - b. The building occupancy must be the same as prior to the loss;
  - c. We will pay in the proportion that the applicable amount of insurance bears to 80% of the replacement cost of the damaged building at the date of damage, but not exceeding the actual cost incurred.
3. The Guaranteed Replacement Cost (IF SPECIFIED ON THE COVERAGE SUMMARY PAGE), in which case we will pay for the actual cost of repairs or replacement UP TO 125% OF THE AMOUNT OF INSURANCE, PROVIDED:
  - a. The amount of insurance shown for the dwelling building on the Coverage Summary page is equal to 100% of the replacement cost, as determined by a valuation guide acceptable to us;

- b. Repair or replacement is effected on the same location with materials of similar quality within a reasonable time after the loss or damage;
- c. The building occupancy is the same as prior to the loss;
- d. You notify us within 30 days of the start of any additions or alterations which increase the replacement cost of your **dwelling** by \$5,000 or more.

If you fail to comply with the conditions set out in 2. or 3. or if you decide not to repair or replace your damaged or destroyed building, settlement will be as in 1.

## Personal Property

If you repair or replace the damaged, destroyed or stolen property, you may choose as the basis of loss settlement either 1. or 2. below subject to the applicable amount of insurance:

1. The Actual Cash Value of the damage at the date of the occurrence. The Actual Cash Value will take into account such things as the cost of replacement less any depreciation, and in determining depreciation we will consider the condition immediately before the damage, the resale value and the normal life expectancy.
2. The Replacement Cost. This means the cost, at the time of loss, of repairs or replacement (whichever is less) with new property of similar kind and quality, without deduction for depreciation. This option is subject to the following conditions:
  - a. The property at the time of loss must have been useable for its original purpose.
  - b. Repair or replacement must be effected within a reasonable time after the loss or damage.

### REPLACEMENT COST DOES NOT APPLY TO:

- articles that cannot be replaced with new articles because of their 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;
- property that has not been maintained in good or workable condition.

If the conditions set out in 2. are not met or if you decide not to repair or replace your property, settlement will be as in 1.

## SECTION II – LIABILITY COVERAGES

### DEFINITIONS

"You" and "your" in this Section refer to the insured. "We" and "us" refer to the Company providing this insurance. Words and phrases that appear in bold face have special meanings as defined below.

- **Bodily injury** means bodily injury, sickness or resulting death.
- **Business** means any continuous or regular pursuit undertaken for financial gain including a trade, profession or occupation.
- **Business property** means property on which a business is conducted, property rented in whole or in part to others, or held for rental.
- **Data** means information (including facts, concepts or execute statements) represented in any form whatsoever.
- **Insured** in this Section has the same meaning as in Section I (see definition on page 3). In addition, the following persons are insured:
  - any person or organization legally liable for damages caused by a watercraft or animal owned by you, and to which this insurance applies. This does not include anyone using or having custody of the watercraft or animal in the course of any business or without the owner's permission;
  - a residence employee while performing duties in connection with the ownership, use or operation of motorized vehicles and trailers for which coverage is provided in this policy;
  - your legal representative having temporary custody of the premises, if you die while insured by this policy, for legal liability arising out of the premises;
  - any person who is insured by this policy at the time of your death and who continues residing on the premises.
- **Legal liability** means responsibility which courts recognize and enforce between persons who sue one another.
- **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including vapour, soot, fumes, acids, alkalis, chemicals, pesticides, herbicides, waste and smoke whether from agricultural smudging or industrial operations or any other source.
- **Premises** in this Section means all premises where the person(s) named as Insured on the Coverage Summary page, or his or her spouse, maintains a residence, including seasonal and other residences, provided such premises are specifically described on the Coverage Summary page. THIS DOES NOT INCLUDE BUSINESS PROPERTY OR FARMS. Premises also include:
  - premises where a student insured by this policy is residing temporarily;
  - premises where you are residing temporarily or which you are using temporarily, as long as YOU DO NOT OWN such premises;
  - provided they are not insured under any other policy, premises contained within the lot lines on which your new principal residence in Canada is situated, from the date you acquire ownership of or occupy the premises but not beyond the earlier of 30 consecutive days or the date the policy expires or is terminated;

- individual or family cemetery plots or burial vaults in Canada;
  - vacant land in Canada you own or rent, EXCLUDING farm land;
  - land in Canada where an independent contractor is building a one or two-family residence to be occupied by you.
- **Property damage** means damage to, or destruction of, or loss of use of property.
- **Residence employee** means a person employed by you to perform duties in connection with the maintenance or use of the premises. This includes persons who perform household or domestic services or duties of a similar nature for you. This does not include persons while performing duties in connection with your business.
- **Terrorism** means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

## COVERAGES

This insurance applies only to accidents or occurrences which take place during the term of this policy.

### Amounts of Insurance

The amounts of insurance are shown on the Coverage Summary page. They are applicable to each **Insured** separately but this does not increase the limit of insurance.

## Coverage E – Legal Liability

We will pay all sums which you become legally liable to pay as compensatory damages because of **bodily injury** or **property damage**. We will not pay any fines, penalties, punitive damages, exemplary damages or any other sum over and above actual compensatory damages.

The amount of insurance is the maximum amount we will pay, under one or more sections of Coverage E, for all compensatory damages in respect of one accident or occurrence other than as provided under Defence, Settlement, Supplementary Payments.

### Personal Liability

1. YOU ARE INSURED for claims made against you arising from:

**Legal liability** for unintentional **bodily injury** or **property damage** arising out of your personal actions anywhere in the world. However, if the dwelling building described on the Coverage Summary page is not occupied by you as a principal residence, you are insured only for **legal liability** arising out of the ownership, maintenance or use of the premises described on the Coverage Summary page.

2. YOU ARE NOT INSURED for claims made against you arising from:

- a. the personal actions of a named insured who does not reside on the premises described on the Coverage Summary page;
- b. the ownership, use or operation of any motorized vehicle, trailer or watercraft, EXCEPT THOSE FOR WHICH COVERAGE IS SHOWN IN THIS POLICY;



- c. damage to property you own, use, occupy or lease;
- d. damage to property in your care, custody or control;
- e. damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
- f. **bodily injury** to you or to any person residing in your household OTHER THAN A RESIDENCE EMPLOYEE.

#### Premises Liability

1. **Legal liability** arising out of your ownership, use or occupancy of the **premises** defined in Section II. This insurance also applies if you assume, by a written contract, the **legal liability** of other persons in relation to your **premises**, but we do not insure claims arising from liability you have assumed by contract with a railway company.
2. YOU ARE NOT INSURED for claims made against you arising from:
  - a. damage to property you own, use, occupy or lease;
  - b. damage to property in your care, custody or control;
  - c. damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
  - d. **bodily injury** to you or to any person residing in your household OTHER THAN A RESIDENCE EMPLOYEE.

#### Tenant's Legal Liability

1. **Legal liability** for unintentional **property damage** to **premises** or their contents which you are using, renting or have in your custody or control caused by fire, explosion, water damage or smoke. FIRE, EXPLOSION, SMOKE OR WATER DAMAGE HAVE THE SAME MEANINGS AS IN SECTION I.
2. YOU ARE NOT INSURED for liability you have assumed by contract unless your **legal liability** would have applied even if no contract had been in force.

#### Employers' Liability

1. **Legal liability** for unintentional **bodily injury** to **residence employees** arising out of and in the course of their employment by you.
2. YOU ARE NOT INSURED FOR:
  - a. claims made against you resulting from the ownership, use or operation of aircraft while being operated or maintained by your employee;
  - b. liability imposed upon or assumed by you under any Workers' Compensation Statute.

### Defence, Settlement, Supplementary Payments

Under Coverage E, we will defend you against any suit alleging **bodily injury** or **property damage** and seeking compensatory damages, even if it is groundless, false or fraudulent. We reserve the right to investigate, negotiate and settle any claim or suit if we decide this is appropriate.

In addition to the limit of insurance under Coverage E, we will pay:

1. all expenses which we incur;
2. all costs charged against you in any suit insured under Coverage E;
3. any interest awarded by the court on that part of the judgment which is within the amount of insurance of Coverage E;
4. premiums for appeal bonds required in any insured lawsuit involving you and bonds to release any property that is being held as security, up to the amount of insurance, but we are not obligated to apply for or provide these bonds;
5. expenses which you have incurred for emergency medical or surgical treatment to others following an accident or occurrence insured by this policy;
6. reasonable expenses, EXCEPT LOSS OF EARNINGS, which you incur at our request.

### **Coverage F – Voluntary Medical Payments**

WE WILL PAY reasonable medical expenses incurred within 1 year of the date of the accident, if you unintentionally injure another person or if they are accidentally injured on your **premises**. This coverage is available even though you are not legally liable. Medical expenses include surgical, dental, hospital, nursing, ambulance service and funeral expenses.

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

WE WILL NOT PAY:

1. expenses covered by any medical, dental, surgical or hospitalization plan or law, or under any other insurance contract;
2. medical expenses of any person covered by any workers' compensation statute;
3. your medical expenses or those of persons residing with you, OTHER THAN RESIDENCE EMPLOYEES;
4. expenses for **bodily injury** caused intentionally by you or at your direction;
5. for claims arising out of the ownership, use or operation of any motorized vehicle, trailer or watercraft, EXCEPT THOSE FOR WHICH COVERAGE IS SHOWN IN THIS POLICY.

### **What You Must Do after an Accident or Occurrence**

- A. You shall arrange for the injured person, if requested, to:
1. give us, as soon as possible, written proof of claim, under oath if required;
  2. authorize us to obtain medical and other records;
  3. submit to physical examination at our expense by doctors we select as often as we may reasonably require.

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

- B. You shall not bring suit against us until you have fully complied with all the terms of this policy, nor until 60 days after the required PROOF OF LOSS FORM has been filed with us.

### **Coverage G – Voluntary Payment For Damage To Property**

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

YOU ARE NOT INSURED for claims:

1. resulting from the ownership, use or operation of any motorized vehicle, trailer or watercraft, EXCEPT THOSE FOR WHICH COVERAGE IS PROVIDED BY THIS POLICY;
2. for property you or your tenants own or rent;
3. which are insured under Section I;
4. caused by the loss of use, disappearance or theft of property.

### **BASIS OF PAYMENT**

- A. We will pay whichever is the least of the following:
1. the actual cash value of the property at the time of loss;
  2. what it would cost to repair or replace the property with materials of similar quality at the time of loss;
  3. the amount shown on the Coverage Summary page.
- B. 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.
- C. Within 60 days after the loss, you must submit to us (under oath if required) a PROOF OF LOSS FORM containing the following information:
1. the amount, place, time and cause of loss;
  2. the interest of all persons in the property affected;
  3. the actual cash value of the property at the time of loss.
- D. If necessary, you must help us verify the damage.
- E. You shall not bring suit against us until you have fully complied with all the terms of this policy, nor until 60 days after the required PROOF OF LOSS FORM has been filed with us.

### **Special Limitations**

- A. Watercraft You Own

YOU ARE INSURED against claims arising out of your ownership, use or operation:

- a. of watercraft equipped with an outboard, inboard or inboard-outboard motor or motors of not more than 12 kW (16 H.P.) in total when used with or on a single watercraft;
- b. any other type of watercraft not more than 8 metres (26 feet) in length.

If you own any motors or watercraft larger than those stated above, you are insured ONLY IF THEY ARE SHOWN ON THE POLICY. If you acquire any watercraft similar to those described above after the effective date of this policy, you will be insured automatically for a period of 14 DAYS ONLY from the date of acquisition or until your policy expires or is terminated – whichever occurs first.

#### B. Watercraft You Do Not Own

1. YOU ARE INSURED against claims arising out of your use or operation of watercraft which is not owned by an **Insured** provided the watercraft is being used or operated with the owner's consent.
2. YOU ARE NOT INSURED for damage to the watercraft itself.

#### C. Motorized Vehicles

1. YOU ARE INSURED against claims arising out of your ownership, use or operation of the following including their trailers or attachments:
  - a. lawn mowers, snow blowers, garden-type tractors of not more than 19 kW (25 H.P.) used or operated mainly on your property, PROVIDED THEY ARE NOT USED FOR COMPENSATION OR HIRE;
  - b. remote-control caddies;
  - c. motorized golf carts while in use on a golf course;
  - d. motorized wheelchairs.
2. YOU ARE NOT INSURED for damage to vehicles you do not own.

#### D. Trailers

YOU ARE INSURED against claims arising out of your ownership, use or operation of any trailer or its equipment, PROVIDED THAT SUCH TRAILER IS NOT BEING TOWED BY, ATTACHED TO OR CARRIED ON A MOTORIZED VEHICLE.

#### E. Business and Business Property

1. YOU ARE INSURED against claims arising out of:
  - a. the occasional rental of your residence to others;
  - b. the rental to others of a one or two-family dwelling usually occupied in part by you as a residence, PROVIDED NO FAMILY UNIT INCLUDES MORE THAN 2 ROOMERS OR BOARDERS;
  - c. the rental of space in your residence to others for incidental office, school or studio occupancy;
  - d. the rental to others, or holding for rent, of not more than 3 car spaces or stalls in garages or stables;

- e. activities during the course of your trade, profession or occupation which are ordinarily incidental to non-business pursuits;
  - f. the temporary or part time **business** pursuits of an **Insured** under the age of 21 years.
2. Claims arising from the following **business** pursuits are insured ONLY IF THE PROPERTIES OR OPERATIONS ARE DECLARED ON THE COVERAGE SUMMARY PAGE:
    - a. the rental of residential buildings containing not more than 6 dwelling units;
    - b. the use of part of your residence by you for incidental **business** pursuits.

## COMMON EXCLUSIONS

The following exclusions are additional to those contained elsewhere in this policy.

YOU ARE NOT INSURED for claims arising from:

1. Invasion, war or civil war, insurrection, rebellion, revolution, military or usurped power or by operation of armed forces while engaged in hostilities, whether war be declared or not.
2. **Bodily injury** or **property damage** arising directly or indirectly, in whole or in part, out of **terrorism** or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism**. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the **bodily injury** or **property damage**.
3. **Bodily injury** or **property damage** which is also insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of insurers regardless of exhaustion of such policy limits or its termination.
4. Your **business** or any **business** use of your **premises** EXCEPT AS SPECIFIED IN THIS POLICY.
5. The rendering or failure to render any professional service.
6. **Bodily injury** or **property damage** caused by:
  - a. erasure, destruction, corruption, misappropriation or misinterpretation of **data**;
  - b. error in creating, amending, entering, deleting or using **data**;including any loss of use.
7. The distribution or display of **data** via a Website, the Internet, intranet or extranet or any similar device or system designed or intended for electronic communication of **data**.
8. The ownership, use or operation of any aircraft or **premises** used as an airport or landing strip, and all necessary or incidental operations.
9. The ownership, use or operation of any motorized vehicle, trailer or watercraft EXCEPT THOSE FOR WHICH COVERAGE IS PROVIDED IN THIS POLICY.
10. The use or operation of any watercraft or motorized vehicle insured under Section II while it is:
  - a. used for carrying passengers for compensation;

- b. used for **business** purposes;
  - c. used in any race or speed or skill test;
  - d. rented to others; or
  - e. being used or operated without the owner's consent.
11. **Bodily injury** or **property damage** arising out of the actual or threatened discharge, dispersal, release or escape of **pollutants**.
12. Indecent acts, sexual assault, sexual harassment, corporal punishment or abuse:
- a. by or with the express or implied consent of an **Insured**;
  - b. by any other person at the direction of an **Insured**.
13. The publication or utterance of a libel or slander or of other defamatory or disparaging material, or a publication or utterance in violation of an individual's rights of privacy.
14. The transmission of communicable disease by an **Insured**.
15. **Bodily injury** or **property damage** caused by any criminal act or wilful negligence by an **Insured**, but this exclusion does not apply to any other **Insured** who has not committed and is not involved in the criminal act or wilful negligence.

## OTHER INSURANCE

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

## ADDITIONAL COVERAGE

### VOLUNTARY COMPENSATION FOR RESIDENCE EMPLOYEE

This coverage is automatically provided for all your occasional residence employees. It will be extended to your permanent residence employees, IF SO STATED ON THE COVERAGE SUMMARY PAGE.

#### DEFINITIONS

"You" and "your" in this Section refer to the insured, as defined in Section II of the policy. "We" and "us" refer to the Company providing this insurance.

Words and phrases that appear in bold face have special meanings as defined below.

- **Employee** means your residence employee, as defined in section ii of the policy.
- **Weekly indemnity** means two-thirds of your employee's weekly wage at the date of the accident, but we will not pay more than \$100 per week.
- **Terrorism** means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

#### COVERAGE

We offer to pay the benefits described below if your **employee** is injured or dies accidentally while actually performing duties for you, even though you are not legally liable.

If your **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 legal liability insurance.

An **employee** or any person 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 **employee's** injury or death.

#### EXCLUSIONS

WE WILL NOT PAY benefits:

1. for any hernia injury;
2. for injury or death caused by invasion, war or civil war, insurrection, rebellion, revolution, military or usurped power or by operation of armed forces while engaged in hostilities, whether war be declared or not;
3. for injury or death arising directly or indirectly, in whole or in part, out of **terrorism** or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism**. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the injury or death;
4. for injury or death caused by any nuclear incident as defined in the nuclear liability act or any other Nuclear Liability Act, law or statute, or any law amendatory thereof or nuclear explosion.

## BENEFITS

### Loss of Life

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

1. to those wholly dependent upon him or her, a total of 100 times the **weekly indemnity** in addition to any benefit for Temporary Total Disability paid up to the date of death;
2. actual funeral expenses up to \$500.

### Temporary Total Disability

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

### Permanent Total Disability

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

### Injury Benefits

If, as a result of the accident, your **employee** suffers the loss of, or permanent loss of use of any of the following within 26 weeks of the accident, we will pay **weekly indemnity** for the number of weeks shown. these benefits will be paid in addition to Temporary Total Disability benefits but no others and for not more than 100 times the **weekly indemnity**.



## SCHEDULE OF BENEFITS

For loss of	No. of weeks
1. Arm:	
a. at or above elbow, or	100
b. below elbow, or	80
2. Hand at wrist, or	80
3.* (i) Thumb	
a. at or above the second phalangeal joint, or	25
b. below the second phalangeal joint, involving a portion of the second phalange, or	18
* (ii) Index Finger	
a. at or above the second phalangeal joint, or	25
b. at or above the third phalangeal joint, or	18
c. below the third phalangeal joint, involving a portion of the third phalange	12
* (iii) Any Other Finger	
a. at or above the second phalangeal joint, or	15
b. at or above the third phalangeal joint, or	15
c. below the third phalangeal joint, involving a portion of the third phalange	5
4. Leg	
a. at or above knee, or	100
b. below knee, or	75
5. Foot at ankle, or	75
6.** (i) Great Toe	
a. at or above the second phalangeal joint, or	15
b. below the second phalangeal joint, involving a portion of the second phalange	8
(ii) Any Other Toe	
a. at or above the second phalangeal joint, or	10
b. at or above the third phalangeal joint, or	5
c. below the third phalangeal joint, involving a portion of the third phalange	3
7. (i) One eye, or	50
(ii) Both eyes	100
8. (i) Hearing of one ear, or	50
(ii) Hearing of both ears	100

Note: For a combination of two or more of the items marked\*, we will not pay more than 80 times the **weekly indemnity**.

For a combination of two or more items marked\*\*, we will not pay more than 35 times the **weekly indemnity**.

**Medical expenses**

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

We will pay for the cost of supplying or renewing artificial limbs or braces, made necessary by the accident, for up to 52 weeks after the accident, subject to a maximum of \$5,000.

WE DO NOT INSURE you for costs recoverable from other insurance plans.

**CONDITIONS**

An injured **employee** will, if requested:

1. submit to physical examination at our expense by doctors we select as often as we may reasonably require;
2. authorize us to obtain medical and other records.

In case of death, we can require an autopsy before we make payment.