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Special Coverages

Policy booklet



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Special Coverage for Seasonal Dwelling – Outbuildings and Belongings, Rental Dwelling – Outbuildings and Belongings and Special Belongings

Your policy is made up of a Cover Page and this booklet. This booklet explains a number of coverages. Your Cover Page shows the coverages you have chosen. Your Cover Page shows what we agree to insure, the coverage we provide, and the amount of protection. It also shows the amount of premium you have agreed to pay. All amounts of protection are shown and all losses are payable in Canadian dollars.

This policy booklet is in five parts:

Part I – Dwelling, Outbuildings and Belongings

- explains the type of property you own or use that you can protect, such as a seasonal dwelling, outbuildings, belongings, or a dwelling you rent to others. Part I also explains the added features you have with your dwelling coverage.

Part II – Perils Insured

- explains the perils you can protect your property against. There are three coverage options you can choose from. They are: Cover Code A, Cover Code B, or Cover Code C. It also explains Vacant Dwelling coverage Cover Code AE. Your Cover Page shows which covering code you have.

Part III – Special Belongings

- explains the coverage you can have to cover other items you own and use such as furs, jewellery, boats, and other property you need to insure on a separate basis.

Part IV – Other Property

- A) All Terrain Vehicles
 - explains the coverage you can have to cover all terrain vehicles.
- B) Dwelling Under Construction
 - explains the coverage you can have to cover dwellings under construction.

Part V – Policy Conditions

- explains how we settle a claim; property and causes of loss we do not cover; and general conditions that apply to Parts I, II, III and IV.

When we say “**you**” or “**your**” in explaining this policy, we mean the person(s) named on your Cover Page and the following unnamed persons living in the same household:

- the spouse of the person(s) named on the Cover Page. Spouse also means either of two persons of the same or opposite sex who have been continuously living together for two years in a conjugal relationship outside marriage, or one year if they are the natural or adoptive parents of a child.
- the relatives of any of the above.
- anyone in the care of any of the above.

All claims will be settled directly with the person(s) named on your Cover Page. Only the person(s) named on your Cover Page may make a claim against this policy and may take action against us.

Claims presented for loss or damage by any person(s) as defined above, shall be considered to be made by all named or unnamed insured person(s) jointly. Action(s) of any person either individually or jointly shall be considered action(s) by all for the purpose of investigation and settlement of losses.

When we say “**we**”, “**us**”, or “**our**”, we mean SGI CANADA.

The key to your policy is its Cover Page. It shows the type and amount of your coverage. It gives the location of property you are insuring. It describes certain types of property you are insuring. Your coverage starts at the time and date shown on the Cover Page as the **Effective Date**. It ends at 12:01 A.M. standard time on the **Expiry Date**. The Cover Page shows both of these dates. This is your policy term.

This policy contains various exclusions and limitations which eliminate or restrict coverage, please read it carefully.

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

Part I – Your Seasonal or Rental Dwelling, Outbuildings and Belongings

What We Cover

Your Premises

Means your dwelling and the grounds and outbuildings associated with it that you own and use on a seasonal basis or that you rent to others, at the location shown on your Cover Page.

Your Seasonal or Rental Dwelling

Means your dwelling or mobile home dwelling and attached additions including equipment and structures that are permanently in place as part of your dwelling and its grounds except those used in whole or in part for any business or farming purpose. This includes such things as fences, storm windows, satellite antennas, swimming pools and their attached equipment. These things are covered even while away from your premises for a short time due to repair or seasonal storage.

We cover building materials you are going to use as part of your dwelling:

- a) located on your premises;
- b) which you acquire and transport to your premises.

Permission is granted to make alterations, additions and repairs to your dwelling.

Your Outbuildings

(This does not apply to buildings located at an insured farm premises with the exception of garden sheds and gazebos as limited under Property with Specific Amounts of Protection.)

Means any building located on the grounds and separated from the dwelling. They are separate buildings even if they are attached to the dwelling by a fence, utility line or similar connection. This includes such things as garages, garden sheds, gazebos, and swimming pool enclosures.

We cover building materials you are going to use as part of your outbuildings:

- a) located on your premises;
- b) which you acquire and transport to your premises.

We will also cover boathouses, docks and boatlifts, which are located in the same resort area as your seasonal dwelling, if your seasonal dwelling is covered by this policy.

We will not cover outbuildings that are used in whole or in part for any business, residential or farming purpose. You may rent them to someone else, as long as they are not used in whole or in part for any business, residential or farming purpose.

We will not cover greenhouses, garden frames, or the like.

Permission is granted to make alterations, additions and repairs to your outbuilding.

Your Belongings

Means personal property that you own or use, kept at your premises.

Coverage is extended to include the following:

- belongings that are away from your premises temporarily, other than belongings in storage. Belongings in storage shall mean belongings not in current use and kept at a location away from your premises.
- belongings in storage in an occupied private dwelling.
- belongings in a commercial storage facility designed for that purpose.

- belongings in storage away from your premises for up to 30 consecutive days, if stored other than in an occupied private dwelling or commercial storage facility designed for that purpose. We will extend this 30 day coverage if you tell us of placing your belongings into storage and this is shown on your Cover Page. This will involve an extra premium charge.
- golf carts kept year round at a golf course.
- furs, boats, their equipment, accessories and outboard motors, and jet propulsion personal watercraft, including unlicensed boat trailers during seasonal storage away from your premises.
- belongings in transit.

There are some limits on the kinds of belongings and property we will cover and the amounts blanket coverage will pay. These are shown in **“Property with Specific Amounts of Protection”** and **“Property and Causes of Loss We Do Not Cover.”**

Any belongings we cover as special belongings or which are specifically insured elsewhere are not covered here.

Seasonal Home Pak

All SGI CANADA Seasonal Home Paks cover Dwellings, Outbuildings, Belongings, Increased Living Expenses and Lost Rental Income and Personal Liability.

There are five options available:

- Pak A** – provides Cover Code A perils on dwellings, outbuildings and belongings.
- Pak I** – provides Cover Code B perils on dwellings, outbuildings and belongings.
- Pak B** – provides Cover Code C perils on dwellings and outbuildings and Cover Code B perils on belongings.
- Pak II** – provides Cover Code B perils on dwellings and outbuildings and Cover Code C perils on belongings.
- Pak III** – provides Cover Code C perils on dwellings, outbuildings and belongings.

Your Cover Page shows which Pak you have.

Added Features of Your Part I Coverage

We give you some “added features” along with your regular coverage at no extra cost. These may be special types of coverage available to you, or they may be special uses of your regular coverage. We have noted those features that **add** to your total amount of protection. Otherwise, they are **part** of the amount of protection shown on your Cover Page.

Arson Conviction Reward

We will pay \$1,000 for information which leads to a conviction for arson in connection with a fire loss to property insured by this policy. The amount we pay adds to your total amount of protection. The \$1,000 limit will not be increased regardless of the number of persons providing information.

No deductible applies to this coverage.

Belongings of Guests and Employees

You may use up to 10% of your belongings protection for belongings of your household employees or non-paying guests. These belongings must be at your seasonal premises. Loss must be due to a peril for which your own belongings are insured. Your guests or household employees must not have any other coverage on their belongings. All claims will be settled directly with you.

Collapse

We cover direct physical loss or damage due to the collapse of a foundation, wall, floor, or roof of your dwelling or outbuildings caused by any of these three things:

- a peril insured by this policy.
- the weight of contents, equipment, or people.
- the weight of rain, ice, snow, or sleet on the roof.

We do not cover collapse while your dwelling or outbuilding is vacant or under construction.

Debris Removal

You may have us pay to remove debris of insured property from your premises, if your insured property has been damaged or destroyed by an insured peril.

We will also pay for removal of property of others, excluding trees, shrubs and plants, blown on to your premises by windstorm, if your insured property is damaged or destroyed by an insured peril.

Debris removal expenses shall not be considered for the purpose of applying any co-insurance.

Declaration of Emergency Endorsement (Extension of Termination or Expiry Date)

The effective date of termination of this policy by the Insurer or the expiry date of this policy is extended, subject to the conditions and definitions set out below, as follows when an "Emergency" is declared by a Canadian public authority designated by statute for the purpose of issuing such an order.

1. The "Emergency" must have a direct effect or impact on:
 - a) The Insured, the insured site or insured property located in the declared emergency area; or
 - b) The operations of the Insurer or its agent/broker located in the declared emergency area.
2. a) Any time limitation described in the Termination condition of this policy, with respect to termination of this policy by the Insurer, will not continue to run until the "Emergency" is terminated plus the lesser of:
 - i) 30 days; or
 - ii) the number of days equal to the total time the "Emergency" order was in effect.
- b) If this policy is due to expire during an "Emergency", it will continue in force until the "Emergency" is terminated plus the lesser of:
 - i) 30 days; or
 - ii) the number of days equal to the total time the "Emergency" order was in effect.
3. In no event shall the total term of the extension exceed 120 consecutive days.

The Insured agrees to pay the *pro rata* premium earned for the additional time the Insurer remains on risk as a result of the above.

4. Definitions:

"Emergency" is defined as the first statutory declaration of an emergency:

- a) 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

- b) as provided for by the relevant governing legislation if different from a) but does not include any subsequent statutory declaration(s) that may be issued relating to the same event.

All other terms and conditions of the Policy to which this endorsement applies remain unchanged.

Emergency Entry Property Damage

Coverage is automatically provided to repair damage to your dwelling (permanent or temporary residence) if damaged as a result of forcible entry by police, ambulance, fire department, or other persons to save and preserve life. The policy deductible does not apply to this coverage.

Emergency Mobile Home Removal

If your dwelling is a mobile home and must be moved to protect it from loss, we will pay to have it moved and returned. The loss or threat of loss must be due to a peril for which your dwelling is insured. We do not consider your mobile home to be "in transit" when it is moved for this emergency.

Fraud Conviction Reward

We will pay \$1,000 for information which leads to a conviction of fraud in connection with an insured loss to property covered by this policy. The amount we pay adds to your total amount of protection. The \$1,000 limit will not be increased regardless of the number of persons providing information.

No deductible applies to this coverage.

Increased Living Expenses

We will pay up to 10% of the amount of protection shown on your Cover Page for your dwelling to pay for an increase in your living expenses. The costs must be due to a peril for which your dwelling is insured. The length of time we will continue to make payments is not restricted by the expiry of your policy. The amount we pay adds to your total amount of protection.

If the loss makes your dwelling unliveable, we will pay for your moving costs. We will pay for the reasonable increase in your cost of living required to maintain your normal standard of living. We will not pay expenses for things that are not needed to support you.

We will continue to pay only until you fix or replace your dwelling, or you permanently relocate. We will give you a reasonable time to fix or replace your dwelling and to settle your household, and then we will stop paying. We will not pay for any increased costs, due to unnecessary delays on your part, to fix or replace your dwelling or outbuildings, relocate or settle your household.

We will also pay for increased living expenses when a public authority denies you access to your premises. We will pay these costs for up to two weeks. The denial can be due to actual or threatened damage to your dwelling or outbuildings, but it must be due to a peril for which your dwelling or outbuildings are insured. If you have Cover Code C, it must be due to a **Listed Peril**.

Inflation Protection Factor

To help protect you in the event of a loss, we will raise the total amount of protection on your dwelling, outbuildings, and belongings by a portion of the Inflation Protection Factor (IPF) percentage (as shown on the Cover Page) as follows:

- 2 months after inception – 25% of the IPF
- 5 months after inception – 50% of the IPF
- 8 months after inception – 75% of the IPF
- 11 months after inception – 100% of the IPF

“Inception” means the effective date of the policy, or, if the policy has been in force for more than one year, its last anniversary date. If you request a change in the amount of insurance during the policy term, the effective date of that change will be considered the “inception”, until the next policy anniversary date.

Vacant buildings do not have this added feature.

Lost Rental Income

We will pay up to 10% of the amount of protection shown on your Cover Page for your dwelling to pay for loss of rental income. The costs must be due to peril for which your dwelling is insured. The length of time we will continue to make payments is not restricted by the expiry of your policy. The amount we pay adds to your total amount of protection.

We will pay for your actual loss of rental income for those parts of your dwelling or outbuildings that you were renting out when the loss took place. We will pay for the fair rental value of this property even if it was not rented out when the loss took place. You must show us that you were trying and able to rent it out at the time. We will pay until you have had a reasonable length of time to fix your dwelling or outbuildings, and then we will stop paying. We will deduct any savings in expenses, such as electric and water bills, which stop because of this loss.

We will not pay for any increased costs, due to unnecessary delays on your part to fix or replace your dwelling or outbuildings, relocate or settle your household.

We will also pay for lost rental income when a public authority denies you access to your dwelling. We will pay these costs for up to two weeks. The denial can be due to actual or threatened damage to your dwelling, but it must be due to a cause of loss for which your dwelling is insured. If you have Cover Code C, it must be due to a **Listed Peril**.

Outdoor Trees, Shrubs, and Plants

You may use up to 5% of the amount of protection shown on your dwelling to pay for loss or damage to trees, shrubs, plants, and lawns. Loss must be due to one of these seven causes: 1) Fire. 2) Lightning. 3) Explosion or Implosion. 4) Riot. 5) Impact by aircraft, spacecraft or land vehicles. 6) Vandalism. 7) Malicious Acts.

We will pay up to \$1,000 for your lawn or any one tree. We will not pay for a loss to anything you grow for sale or that is located more than 65 metres (200 feet) from your dwelling.

Property Protection Coverage

We will pay for property that is damaged or used trying to protect your dwelling, outbuildings, or belongings from a loss. For example, we will pay to recharge a neighbor's fire extinguisher if it was used to fight your fire. We will not pay for property owned by a fire department. The amount we pay adds to your total amount of protection.

Tear Out

We will pay to remove and replace or repair parts of your dwelling or premises if that is necessary to repair rupture damage to plumbing, heating, fire sprinkler, or air conditioning systems. Such rupture damage must be covered by this policy in order to have this coverage.

We will not pay the cost of tearing out and replacing or repairing property for damage related to swimming pools, hot tubs, or similar installations, public watermains, or sewers.

There is no deductible for this added coverage.

Temperature Change

If there is a failure of any system in your dwelling or outbuildings that maintains an artificial temperature, such as your furnace or freezer, we will pay for the loss or damage to your belongings that is caused by the resulting change in temperature. The belongings must be in a building. Under Cover Code A or Cover Code B, this failure must be due to a peril for which your belongings are insured by this policy.

Theft and Theft-Related Damage

If not covered elsewhere in this policy, you may use up to \$1,000 to pay for theft related damage to your dwelling or outbuildings, but your belongings must be insured for the peril of theft. The damage must be caused by theft or attempted theft of your belongings.

Optional Coverages

Your Cover Page will show which of the following optional coverages apply to your policy.

Guaranteed Replacement Cost – Seasonal Dwelling

If your Cover Page shows that you have this coverage, we will pay to repair or replace your seasonal dwelling at today's prices with material of similar kind and quality. We will do this even if the cost is more than the amount of protection shown on your Cover Page. We will not pay for increased costs due to any law or bylaw dealing with building or repair. We will not pay for any increased costs due to unnecessary delays on your part.

After a loss, you must do three things to get this coverage:

- you must rebuild your seasonal dwelling on a permanent foundation at the same site;
- you must rebuild your seasonal dwelling within a reasonable time.
We will not pay for increased costs due to unnecessary delays on your part;
- you must re-occupy that location as a seasonal dwelling.

You must tell us if you are making changes to your seasonal dwelling that will increase its total replacement cost by \$10,000 or more. For example, when you add an addition to or renovate your seasonal dwelling. You must pay an additional premium for this increase in value. You must tell us within 90 days of the date when work started. If you do not, we will pay no more than the amount of protection shown on your Cover Page. The basis of settlement will apply as if this coverage had not been in effect, as outlined under Settling a Claim – Dwelling and Outbuildings. We will increase this amount as a result of Inflation Protection Factor.

Voluntary Fire Fighting Coverage

If your Cover Page shows that you have this coverage, we will pay up to the amount of protection shown to a fire department for its services. The services must deal with a fire loss for which your dwelling, outbuildings, or belongings are covered or they must be needed to protect your property or property of others adjacent to your premises, from such a loss.

This coverage will apply to all property and locations shown on the Cover Page.

We will not pay for property owned by a fire department.

There is no deductible for this coverage.

Optional Landlord's Coverage – Rental Dwellings

If your Cover Page shows that you have this coverage, we will pay up to \$1,500 for damage to the insured dwelling caused by theft or attempted theft. You must pay the deductible shown on the Cover Page.

Sewer Backup

If your Cover Page shows that you have this coverage, we will pay for loss or damage caused by backup, accidental discharge or escape or overflow of water or sewage from a sewer, sump, septic tank or eavestrough or downspout connected to your sewer.

We will not cover loss or damage caused by:

- a) backup, discharge or escape or overflow of water or sewage from public sewers or drains outside your dwelling;
- b) seepage or continuous or repeated leakage.

We do not cover sewer backup to your dwelling or belongings while your dwelling is vacant even if we have given permission for vacancy elsewhere in this policy.

Part II – Perils Insured

Perils Insured – Cover Code A

When Cover Code A is shown on your Cover Page, we cover direct physical loss or damage caused by the following 10 perils:

- 1) **Fire or Lightning.**
- 2) **Explosion or Implosion.**
- 3) **Smoke.** By this we mean damage due to sudden and unusual failure of a heating or cooking unit in or on the premises. This could include things such as a furnace, stove or fireplace.
- 4) **Falling Objects** that hit the outside of an insured building or structure.
- 5) **Impact by Aircraft, Spacecraft or Land Vehicles.**
- 6) **Riot.**
- 7) **Vandalism or Malicious Acts.** We do not cover loss or damage:
 - directly or indirectly caused by theft or attempted theft.
 - while your dwelling is under construction or vacant.
 - caused by you or anyone living in your household.
 - caused by any tenant, tenant’s guests, tenant’s employees, or members of their household.
- 8) **Water Escape and Rupture.** If you, or your tenant with your knowledge, are away from your premises for more than ten consecutive days during the normal heating season, you must do one of two things. You or your tenant must shut off the water supply and drain all pipes, attached fixtures, and appliances, **or** arrange to have a reliable person come in daily to check the heating. If you do not, we will not cover loss or damage caused by freezing, or resulting water damage.

We do not cover loss or damage caused by freezing to any part of a plumbing, heating, fire sprinkler or air conditioning system or household appliance not in a heated building, or any resulting water damage.

We do not cover loss or damage to your dwelling or belongings if your dwelling has been vacant for more than 30 consecutive days or while it is under construction.

Water Escape. Means accidental discharge or overflow of water or steam from a plumbing, heating, fire sprinkler, or air conditioning system, household appliance, aquarium, waterbed, a swimming pool or hot tub or their attached equipment, or a public watermain.

We do not cover loss or damage caused:

 - by seepage, or continuous or repeated leakage.
 - by backup, discharge or escape or overflow of water or sewage from a sewer, sump, septic tank, or eavestrough or downspout connected to your sewer.

Rupture. Means damage to a plumbing, heating, fire sprinkler, or air conditioning system within your dwelling caused by sudden and accidental bursting, tearing apart, cracking, burning, or bulging of the system, due to the pressure of or lack of water or steam. We do not cover loss or damage caused by rust, corrosion, or deterioration.
- 9) **Windstorm or Hail.** The interior of a building and belongings inside are also covered, but only if the damage happens immediately after wind or hail first makes an opening in the building. This peril does not cover loss or damage caused by waves, flood, high water, ice, rain, snow or sleet, whether driven by wind or not.
- 10) **Electricity.** Means sudden and accidental loss or damage caused by artificially generated electrical current.

There are other causes of loss we will not cover under this policy. These are shown under Part V – “Property and Causes of Loss We Do Not Cover”.

Perils Insured – Cover Code B

When Cover Code B is shown on your Cover Page, we cover for direct physical loss or damage caused by the perils shown in Cover Code A plus peril 11 on seasonal and rental dwellings and outbuildings or perils 1 to 13, on belongings:

- 11) **Glass Breakage.** We cover any cause of loss to glass or safety glazing material. These things must be part of a building, storm door, or window. We do not cover these things while your dwelling or outbuilding is vacant or under construction.
- 12) **Theft, including damage caused by Attempted Theft.** We do not cover the following:
 - buildings, building materials you are going to use as part of your dwelling, permanently installed equipment, and structures, except as shown under Added Features of Your Part I Coverage.
 - property on your premises while your dwelling is under construction or vacant.
 - property from that part of your premises rented by you to others caused by any tenant, tenant's guests, tenant's employees, or members of their household.
 - loss or damage caused by you or anyone living in your household.
- 13) **Transportation.** We cover loss or damage to belongings and building fixtures and fittings while they are being transported if caused by an accident to the transporting vehicle.

There are other causes of loss we will not cover under this policy. These are shown under Part V – “Property and Causes of Loss We Do Not Cover”.

Perils Insured – Cover Code C

When Cover Code C is shown on your Cover Page, we cover direct physical loss or damage caused by comprehensive perils.

Comprehensive Perils. Shown below are some perils or causes of loss that we exclude. If these are the cause of loss or damage, we do not cover such loss. If the peril that causes loss or damage is not one of the perils shown below, then you are covered.

We do not cover loss or damage:

- a) caused by flood, surface water, waves, tidal waves, overflow of streams or other bodies of water, spray, ice, or waterborne objects, whether any of the former are driven by wind or not. But we will cover if it was due to a sudden and unexpected escape of water from a swimming pool or its attached equipment, fire fighting activities, or a public watermain. We will cover loss or damage to boats due to sudden and unexpected flood, surface water and waves.
- b) caused by water below ground level including that which exerts pressure on or flows, seeps or leaks through any opening in a sidewalk, driveway, foundation, wall, window, door or floor. But we will cover if it was due to a sudden and unexpected escape of water from a swimming pool or its attached equipment, fire fighting activities, or a public watermain.
- c) due to theft or attempted theft, vandalism or malicious acts caused by:
 - i) any tenant, tenant's guests, tenant's employees, or members of their household.
 - ii) you or anyone living in your household.
- d) due to theft or attempted theft, vandalism or malicious acts while your premises are under construction or vacant.

- e) caused by escape of water or steam from a plumbing, heating, fire sprinkler, or air conditioning system, household appliance, swimming pool or hot tub or their attached equipment, or public watermain occurring after your dwelling has been vacant for more than 30 consecutive days or while your dwelling is under construction.
- f) caused by sudden and accidental bursting, tearing apart, cracking, burning, or bulging due to the pressure of or lack of water or steam in a plumbing, heating, fire sprinkler, or air conditioning system, or an appliance for heating water occurring after your dwelling has been vacant for more than 30 consecutive days or while your dwelling is under construction.
- g) caused by freezing or resulting water escape from a plumbing, heating, fire sprinkler, or air conditioning system, or household appliance during the normal heating season and you, or your tenant with your knowledge, are away from your premises for more than ten consecutive days. In order to have this coverage, you or your tenant must do one of two things. You must shut off the water supply and drain all pipes, attached fixtures, and appliances, **or** arrange to have a reliable person come in daily to check the heating. But we will not cover loss or damage if your dwelling has been vacant for more than 30 consecutive days or while your dwelling is under construction.
- h) caused by seepage or continuous or repeated leakage of water or steam from a plumbing, heating, fire sprinkler, or air conditioning system, household appliance, a swimming pool or hot tub or attached equipment, or a public watermain.
- i) to an outdoor swimming pool or hot tub and the attached equipment of either, any part of a plumbing, heating, fire sprinkler, or air conditioning system, or household appliance not in a heated building or a public watermain caused by rupture, or freezing.
- j) caused by dampness of atmosphere, extremes of temperature, condensation, wet or dry rot, mould, contamination, inherent vice, unknown flaw and defect or mechanical breakdown.
- k) caused by vermin including skunks, rodents, raccoons, moths, insects, and domesticated animals including birds.
- l) caused by wear and tear, rust, corrosion, or deterioration.
- m) caused by smoke from agricultural or industrial operations.
- n) to sporting equipment due to the use of it.
- o) to retaining walls not constituting part of an insured building, unless caused by a **Listed Peril**.
- p) caused by cracking of ceilings or walls.
- q) due to marring or scratching of any property or breakage of any fragile or brittle article unless caused by a **Listed Peril**, theft or attempted theft.
- r) caused by accidental discharge or seepage or continuous or repeated leakage of sewage or water from a sewer, sump, septic tank or eavestrough or downspout connected to a sewer. We do not cover loss or damage caused by backup, discharge or escape or overflow of water or sewage from public sewers or drains outside your dwelling.
- s) to glass while your dwelling or outbuilding is vacant or under construction.
- t) to contact lenses unless the loss or damage is caused by a **Listed Peril**, theft or attempted theft.

We do not cover the following three things if they happen at the same time as an excluded peril or cause of loss above or elsewhere in this policy or contribute with an excluded peril or cause of loss to produce a loss:

- weather conditions.
- acts or decisions of any person, civic authorities, or government authorities.
- faulty, inadequate, or defective planning, design, material, construction, or maintenance of public utilities or public structures.

The **Listed Perils** referred to previously are fire, lightning, explosion or implosion, smoke, falling objects, impact by aircraft, spacecraft or land vehicles, riot, vandalism or malicious acts, water escape, rupture, windstorm or hail and electricity; all as defined under Perils Insured.

There are other causes of loss we will not cover under this policy. These are shown under Part V – “Property and Causes of Loss We Do Not Cover”.

Perils Insured – Cover Code AE – Vacant Dwelling Coverage

If Cover Code AE is shown on your Cover Page, we will cover your vacant seasonal dwelling or your vacant rental dwelling for those listed perils as described under Cover Code A.

If your dwelling is vacant for more than 90 days, the most we will pay for loss or damage caused by fire or lightning is 2/3 of the actual amount of such loss or damage.

Cover Code AE requires that the following conditions must be met:

- a. You must have a person you can rely on take care of your dwelling.
- b. All windows and doors must be closed and locked.
- c. All rubbish must be removed.

Part III – Special Belongings Coverage

Your Cover Page will show if you have special belongings coverage and the specific type and description of special belongings that are covered. It will indicate the perils insured by showing the Cover Code that applies. Special belongings are subject to the perils insured in Part II and all the exclusions and conditions of Part V. Special belongings are covered only while at your premises or while temporarily away from your premises.

Conditions for Certain Special Belongings

Boats, their Equipment, Accessories, Outboard Motors, and Jet Propulsion Personal Watercraft, including Unlicensed Boat Trailers

- coverage is limited to Canada and the continental U.S.A.
- we will not pay for loss or damage when:
 - they are rented to others or used to carry passengers for a fee.
 - they collide with ice while in the water.
 - they are used in any race or speed test.
 - they are not being operated in accordance with *The Canada Shipping Act* regulations governing age and horsepower restrictions and operator competency requirements.
- we will not pay for loss or damage caused by freezing.
- we will not pay for damage to a propeller or impeller, if that is the only part that is damaged. But if other parts of your unit are damaged at the same time, then we will pay.

Added Feature: If you insure a boat, motor or a jet propulsion personal watercraft, we will pay up to \$2,500 for damage to a new unit acquired by you as owner, if it does not replace insured property. Should the new unit replace an item we already insure, then we will pay up to the amount of protection shown on the Cover Page for the replaced property, if it is more than \$2,500.

We will not pay for loss or damage to new or replacement property when you have not told us of your ownership within 30 days after its delivery.

Home Computers

Coverage for your computer equipment, component parts, and active data processing media which are owned, leased, or rented by you. We do not cover those things if they are used professionally or for any business, including farming, unless this use is shown on your Cover Page.

“Active data processing media” means all forms of converted data, program vehicles, and instruction vehicles that you use.

We will not cover loss or damage:

- to accounts, bills, evidence of debt, valuable papers, records, abstracts, deeds, manuscripts, or other documents, except as they may be converted to a data processing media form and then only in that form.
- to any active data processing media which cannot be replaced with other of similar kind and quality.
- to data processing media caused by failure, breakdown or malfunction of the system on which it is being run unless loss or damage is caused by ensuing fire or explosion and then only for such ensuing loss or damage.
- caused by dryness or dampness of atmosphere, extremes of temperature, corrosion, or rust, unless directly resulting from physical damage to the data processing system’s air conditioning facilities, caused by an insured peril.

- caused by electronic or magnetic injury, disturbance, or erasure of electronic recordings, except that caused by lightning or electricity.

Special Limit of Liability. Our liability for loss or damage to active data processing media shall not exceed the actual reproduction costs of the property or, if it is not replaced or reproduced, the value of the blank media.

Collectibles

- Coin, stamp and trading card collections with respect to any single item contained in any collection, a limit of \$200 applies unless that single item is specifically listed and a separate amount of protection is shown. Any single item means any one stamp, coin, or other individual article, pair, strip, block, series sheet, cover, frame, card, or the like.
- We will not cover any collection or part of that collection while it is on exhibit or display, or any time your property is being held for sale by others.

Automatic Acquisitions

(Not applicable to Boats, their equipment, accessories, outboard motors, and Jet Propulsion Personal Watercraft, including Unlicensed Boat Trailers and All Terrain Vehicles)

Automatic Acquisition: Where an amount of protection is shown on your Cover Page for special belongings, additional articles of the same type and nature acquired by you as owner during the policy period will be covered automatically provided you report and insure such new article(s) within 30 days of the date of acquisition.

Under this clause we will pay up to 25% of the amount of protection shown on your Cover Page for the same type and nature of special belongings or \$5,000, whichever is the lesser amount.

Part IV – Other Property

All Terrain Vehicles

Available for Saskatchewan residents only – subject to *The All Terrain Vehicles Act*.

We cover direct physical loss or damage to all terrain vehicle(s) that are owned, leased or rented by you, including attached equipment, accessories and any unlicensed trailers that are designed for their use.

Your Cover Page must show which all terrain vehicle(s) you have chosen to cover, its Cover Code and amount of protection.

Added Feature: If you insure an all terrain vehicle, we will pay up to \$2,000 for damage to a new unit acquired by you as owner, if it does not replace insured property. Should the new unit replace an item we already insure, then we will use the amount of protection shown on the Cover Page for the replaced property, if it is more than \$2,000.

We will not pay for damage to new or replacement property when you have not told us of your ownership within 30 days after its delivery.

Claims We Do Not Cover

- 1) We do not cover loss or damage when:
 - (a) operated by any person under the influence of intoxicating liquor or drugs;
 - (b) not being operated in accordance with *The All Terrain Vehicles Act*;
 - (c) used in any race or speed test;
 - (d) used for any illicit or prohibited trade or transportation;
 - (e) used for carrying passengers for a fee;
 - (f) while rented or leased to others.
- 2) We do not cover loss or damage:
 - (a) to tires unless the loss or damage is coincident with other loss or damage covered by this policy or is caused by fire, theft, or vandalism;
 - (b) conversion kits, equipment, or accessories that alter the design and or usage of the All Terrain Vehicle as defined in *The All Terrain Vehicles Act*.

Basis of Settlement

The amount that we pay you for a loss will not be more than any of the following:

- 1) the amount of protection shown on your Cover Page; or
- 2) your financial interest in the property at the time of the loss; or
- 3) the actual cash value of the property at the time of the loss. See Part V – “How We Settle A Claim” for an explanation of Actual Cash Value.

Conditions

Parts I and III of this booklet do not apply to All Terrain Vehicle coverage.

Dwelling Under Construction (Comprehensive Coverage)

If you have this coverage your Cover Page shows what property you have chosen to cover, the location and the amount of protection.

Property Covered

The property covered as shown on the Cover Page shall have the following meaning:

Dwelling shall mean a newly constructed private dwelling and its outbuildings including additions in contact therewith, dwelling fixtures, and fittings, appliances, frescoes, glass, materials and supplies intended for use in construction of such dwelling(s) located on the premises shown on the Cover Page or while in your possession. Building materials and supplies acquired by you and intended for use in construction of such dwelling(s) are covered during transport to your premises, as shown on the Cover Page.

Perils Insured Cover Code H

When the dwelling under construction is covered, as shown on your Cover Page, we insure it against direct physical loss or damage caused by comprehensive perils. Comprehensive perils means that if the cause of loss or damage or the peril that causes loss or damage is not shown below, then you are covered.

Property and Causes of Loss We Do Not Cover

- a) Loss or damage caused by flood, surface water, waves, tidal waves, overflow of streams or other bodies of water, spray, ice or waterborne objects, whether any of the former are driven by wind or not. We will cover the loss or damage if it was due to a sudden and unexpected escape of water from a swimming pool or its attached equipment, fire fighting activities, or a public watermain.
- b) Loss or damage caused by water below ground level including that which exerts pressure on or flows, seeps or leaks through any opening in a sidewalk, driveway, foundation, wall, window, door or floor. We will cover the loss or damage if it was due to a sudden and unexpected escape of water from a swimming pool or its attached equipment, fire fighting activities, or a public watermain.
- c) Loss or damage caused by dampness of atmosphere, extremes of temperature, condensation, wet or dry rot, mould, contamination, inherent vice, unknown flaw and defect or mechanical breakdown.
- d) Loss or damage caused by vermin including skunks, rodents, moths, insects, raccoons, and domesticated animals, including birds.
- e) Loss or damage caused by wear and tear, rust, corrosion, or deterioration.
- f) Loss or damage caused by accidental discharge or seepage or continuous or repeated leakage of sewage or water from a sewer, sump, septic tank, or eavestrough or downspout connected to your sewer. We do not cover loss or damage caused by backup, discharge or escape or overflow of water or sewage from public sewers or drains outside your dwelling.
- g) Any loss of use of occupancy under any circumstance.
- h) Loss or damage caused by war, invasion, act of foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection, or military power.
- i) Loss or damage caused by a nuclear incident as defined in *The Nuclear Liability Act*. Nor do we cover nuclear explosion or contamination by radioactive material.
- j) Property otherwise specifically insured.
- k) Penalties for delay in completion or non-completion of contract and non-compliance with contract provisions or conditions.
- l) Loss or damage caused by frost or freezing.

- m) Books of account, evidence of debt or title, and documents or other evidence to establish ownership or the right or claim to a benefit or thing.
- n) The cost of excavations, brick, stone or concrete foundations, piers or other supports which are below the under surface of the lowest basement floor, or where there is no basement, which are below the surface of the ground.
- o) Loss or damage to temporary coverings of polyethylene or other plastic materials, tarpaulins and fabrics.
- p) Loss or damage caused by snowslide, earthquake, landslide or any earth movement. If any of those results in fire or explosion, we will pay for the resulting loss or damage.
- q) Loss or damage directly or indirectly caused by fault, defect, error or omission in design, plan or specifications.
- r) Loss or damage directly or indirectly caused by any dishonest or criminal act on the part of:
 - you, your employees, your agents, or any person whose property is insured under this policy;
 - anyone to whom you have entrusted your property, except a hired transportation carrier.
- s) Loss or damage caused by you resulting from any additions, renovations or alterations on any existing dwellings, or from any materials used.
- t) Loss or damage not due to a sudden, unexpected event.
- u) Loss or damage caused directly or indirectly by faulty design, material, workmanship or construction.
- v) Wind turbine systems including all related equipment and structures manufactured for a rated power generation exceeding 1kW.

Deductible Clause

A deductible means that you will have to bear the first part of your loss yourself. We will subtract this amount from your total loss, and then we will pay for the rest of your loss. We will pay up to your total amount of protection. We will use a separate deductible amount for each dwelling insured, even if more than one dwelling is damaged at the same time, as a result of the same cause of loss. We will not pay if your loss is less than the deductible. The deductible is shown on the Cover Page.

Special Conditions and Limitations

a) Basis of Settlement Clause:

Any loss under this policy shall be adjusted with the named Insured or his/her authorized representative and any settlement shall be based on the cost of repairing, replacing or reinstating (whichever is lesser) with material of similar kind and quality, and for like occupancy, without deduction for depreciation. The repair, replacement or reinstatement must take place on the same site and shall be subject to the following provisions:

1. Our payment shall in no event exceed the actual cost for repair, replacement or reinstatement.
2. If repairs, replacement or reinstatement with materials of similar kind and quality is restricted or prohibited by any bylaw, regulation, ordinance or law, any increase in costs shall not be covered by this policy.
3. The maximum amount that we will pay shall in no event exceed the amount of protection shown on the Cover Page.
4. Our liability shall be limited to that proportion of the cost of repair, replacement or reinstatement which the amount of protection, applicable to such dwelling(s) at the time of loss or damage, bears to 80% of the actual replacement cost of the "completed value" of the entire dwelling(s). The term "completed value" shall mean the total value of the dwelling(s) after all construction has been completed. The value of the dwelling(s) shall include the cost of all material and labor.

5. To determine if the amount of protection applicable to such dwelling(s) is 80% or more of the actual replacement cost of such dwelling(s), we shall disregard the cost of excavations, underground flues and pipes, underground wiring and drains, brick, stone and concrete foundations, piers and other supports that are below the surface of the lowest basement floor. In the event that there is no basement, then those items that are below the surface of the ground inside the foundation walls shall be disregarded.
6. If the policy covers two or more dwellings, the Basis of Settlement Clause shall apply separately to each dwelling.

b) Occupancy Clause:

It is a condition of this insurance that the dwelling(s) shall not be occupied unless you tell us and we show this on your Cover Page.

c) Arson Conviction Reward:

We will pay \$1,000 for information which leads to a conviction for arson in connection with a fire loss to property insured by this policy. The amount we pay adds to your total amount of protection. The \$1,000 limit will not be increased regardless of the number of persons providing information. This coverage is not subject to a deductible.

d) Fraud Conviction Reward:

We will pay \$1,000 for information which leads to a conviction of fraud in connection with an insured loss to property covered by this policy. The amount we pay adds to your total amount of protection. The \$1,000 limit will not be increased regardless of the number of persons providing information. This coverage is not subject to a deductible.

e) Debris Removal Clause:

We will pay to remove debris of insured property from your premises, if your insured property has been damaged or destroyed by an insured peril.

We will also pay for removal of property of others, excluding trees, shrubs and plants blown on to your premises by windstorm, if your insured property is damaged or destroyed by an insured peril.

Debris removal expenses shall not be considered for the purpose of applying any co-insurance.

Conditions

Parts I – Added Features of Your Part I Coverage, II, III and V(A.) and (B.) of this booklet do not apply to dwellings under construction.

Part V – Policy Conditions

A. Settling a Claim

Your Cover Page will show the amount of protection on property insured in Part I, III and IV. Those amounts, along with the features we have said add to your amount of protection, are the most we will pay for your loss. We will only pay up to your financial interest in the property.

Our payment will also depend on your share of the loss and other rules used to settle claims. These are explained below.

Deductible

A deductible is used for losses to property covered in Parts I, III and IV.

A deductible means that you will have to bear the first part of your loss yourself. We will subtract this amount from your total loss. Then we will pay for the rest of your loss. We will pay up to your total amount of protection. We will not pay if your loss is less than the deductible. The deductible is shown on your Cover Page.

You may have different deductibles, depending on the type of property and the type of loss that we cover. When two or more items are lost or damaged in one loss, or several insured perils occur at the same time contributing to the loss, we will use only one deductible. We will use the largest single deductible of all that apply.

Replacement Cost and Actual Cash Value

We will use one of these methods to find the amount of your loss:

Replacement Cost: This is the cost to replace or repair property with material of similar kind and quality at today's prices.

Actual Cash Value: This is the cost to replace or repair your property considering depreciation which includes such things as its age, condition, resale value, obsolescence, and normal life expectancy at the time of loss. The value of the property usually falls as it ages. Thus, actual cash value is normally lower than the cost to replace your property at today's prices.

If the dwelling is a mobile home, the basis of settlement will be actual cash value unless otherwise shown on your Cover Page.

The basis of settlement for swimming pool liners will be actual cash value in all situations.

Obsolescence

We will not pay for increased costs that result when you cannot fix or replace your property because materials or parts are unavailable, obsolete, or outmoded. We will only pay the cost that would have been needed if materials or parts were available. We will pay the last known cost of materials or parts.

Dwelling and Outbuildings

If you repair or replace the damaged or destroyed building on the same site with material of similar kind and quality within a reasonable time after the damage, you may choose as the basis of loss settlement either (A) replacement cost or (B) actual cash value. We will only pay up to the total amount of protection shown on your Cover Page.

(A) The actual cost of repairs or replacement (whichever is less) without deduction for depreciation. In this case, if the loss is over \$1,000 we will pay in the proportion that the applicable amount of protection bears to 80% of the replacement cost of the damaged building at the date of loss. This means that if the amount of protection you have chosen is less than 80% of the replacement cost of your building you have to pay part of the loss.

Settlement will be as in (B) actual cash value, if any of the following applies:

- you do not repair or replace your dwelling or outbuilding on a permanent foundation at the same site.
- you do not repair or replace your dwelling or outbuilding within reasonable time.
- at the time of loss or damage your dwelling was vacant.
- you do not re-occupy your dwelling on the same basis as the time of loss.
- loss or damage to a seasonal mobile home or its outbuildings over 10 years of age according to the manufacturer's date of construction.

(B) The actual cash value of the property at the date of loss.

We will not pay for increased costs due to any law or bylaw dealing with building or repair. We will not pay for any increased costs due to unnecessary delays on your part.

Special Belongings

Boats, their equipment, accessories, outboard motors and jet propulsion personal watercraft, including unlicensed boat trailers are covered for actual cash value or replacement cost if they are not more than ten years of age from the date they were originally purchased as new. If they are more than ten years of age, they are covered for actual cash value.

The amount of protection for each scheduled item of special belongings must be maintained to 80% of its value. If you fail to do so you shall become a co-insurer and bear that proportion of the loss to bring the total amount of protection up to 80% of its value. We will pay in the proportion that the applicable amount of protection bears to 80% of the value of the lost or damaged property. When we say value we mean, replacement cost or actual cash value, whichever applies, as explained above.

Belongings and Special Belongings

We will pay the cost of repair or the cost of new belongings or special belongings (whichever is less) of similar kind, quality, and usefulness up to the total amount of protection for your belongings or to the amount of protection shown for special belongings. If you replace a belonging or special belonging with one of lesser quality, we will only pay the amount you paid for the replacement. You must give us written proof of replacement or repair in order to get replacement cost. You may choose payment on an Actual Cash Value basis initially. You may make a subsequent claim on a Replacement Cost basis but not later than 180 days after the date of loss or damage. We will not pay for increased costs due to unnecessary delays on your part. We will keep any salvage or proceeds from salvage.

We will only pay the actual cash value for loss or damage to these seven types of belongings or special belongings, unless otherwise shown on the Cover Page:

- (1) A belonging that is not in good, useable condition at the time of loss.
- (2) A belonging not in current use by you at the time of loss that you had stored away and for which you had no specific future use.
- (3) A belonging of an age or condition that makes it out of date or no longer usable for its original purpose.
- (4) Art works, antiques, rare objects, and other items that cannot be replaced.
- (5) A belonging that has not been fixed or replaced after a loss.
- (6) Spare automobile parts and accessories.
- (7) Belongings in a Mobile Home, unless otherwise shown on your Cover Page.

Pairs and Sets

(Applies to Belongings and Special Belongings)

Pair: If there is a loss to half of a pair, we will pay you as though the complete pair had the loss. The undamaged piece becomes our property.

Set: For items that are part of a set of two or more pieces, we will only pay for those parts that had the loss. For example, if your chair is destroyed, we would pay for that damage. We would not pay for the matching sofa, unless it was damaged as well.

Dent Exclusion Clause for Mobile Homes

When the cause of loss is windstorm or hail, we will not pay for dent damage to metal roofs or siding of mobile homes covered by this policy unless the metal is actually punctured.

Property with Specific Amounts of Protection – Belongings (Not Applicable to Special Belongings)

For certain types of property the amount we will pay is explained below. The deductible on your Cover Page applies.

- (1) **Unless otherwise specified, for losses due to any insured peril** we will pay up to these amounts:
 - a) \$5,000 in all for books, tools, and instruments pertaining to a business, profession, trade or occupation. We will also pay up to \$5,000 in all for computer hardware used in a business, profession, trade or occupation. They are only covered at your premises. We do not cover other business or farm property, such as samples, supplies, or goods held for sale.
 - b) \$2,500 in all for securities.
 - c) \$300 for bullion and \$300 for money. Money also includes gift cards, cash cards and gift certificates. We will pay for loss only while these items are in your dwelling, a place you are living in for a short time (like a hotel room), a bank or trust company; but we will cover loss due to the peril of theft, where covered, at any location except where such property is on exhibit or display, or any time such property is being held for sale by others.
 - d) \$2,500 in all for boats, their equipment, accessories, outboard motors, and jet propulsion personal watercraft, including unlicensed boat trailers that are not required to be licensed. Coverage applies anywhere in Canada or the continental U.S.A. for fire or lightning. Other perils you are insured for apply only at your premises. We do not cover loss or damage caused by freezing.
 - e) \$1,500 in all for computer software. We will not pay the cost of gathering or assembling information or data.
 - f) \$1,500 in all for death or destruction made necessary of animals, birds or fish within 30 days of injury caused by fire, lightning or smoke.
 - g) \$5,000 in all for any one lawnmower, garden tractor, snowblower and their attachments and accessories.
 - h) \$200 on any one item and a total amount of \$2,500 in all for losses, in any one policy term, for trading cards and comic books.
 - i) \$2,500 in all for garden sheds and gazebos while located on a farm premises.
 - j) \$1,000 in all for spare automobile parts and accessories.
- (2) **For losses due to Peril 12 – Theft, and Comprehensive Perils** (excluding the **Listed Perils**) we will pay up to these amounts:
 - a) \$10,000 in all for jewellery, watches and gems.
 - b) \$10,000 in all for furs, fur garments, and garments trimmed with fur.
 - c) \$2,500 in all for manuscripts, stamps, and philatelic property (such as stamp collections).
 - d) \$300 in all for numismatic property (such as coin collections).

- e) \$5,000 in all for silverware, silver-plated ware, goldware, gold-plated ware, and pewterware.
- f) \$1000 for each bicycle, tricycle, unicycle or electric assisted bicycle (up to 500 watts and not exceeding 32km/h) including accessories and attached equipment.
- g) \$500 in all for audio cassettes, compact discs and digital video discs while in or on motor vehicles, watercraft or aircraft.

B. Property and Causes of Loss We Do Not Cover

We do not cover the following property or causes of loss:

- a) buildings, outbuildings, structures, belongings and any other property when designed, used, or intended for use, in whole or in part for:
 - (i) business or farming purposes; but we do give permission to use personal computers and related office equipment for farming purposes; or
 - (ii) storage, housing, or upkeep of agricultural products or supplies, livestock, or animals other than household pets;

except as provided under “**Property with Specific Amounts of Protection**”.

Incidental office use is permitted.

- b) property illegally acquired, used, kept, or imported.
- c) books of account, evidence of debt or title, and documents or other evidence to establish ownership or the right or claim to a benefit or thing.
- d) property lawfully seized or confiscated. But we will cover such property if it is destroyed to prevent the spread of fire.
- e) motorized vehicles, trailers, and aircraft. This includes such things as cars, trucks, motorcycles, snowmobiles, all terrain vehicles, dirt bikes, go-carts, dune buggies, hang gliders, ultralights or other similar aircraft of any name. Nor do we cover any parts, furnishings, and equipment of those things. For example: CB’s, stereo equipment, tire, or antennae.

However, we will cover motorized wheel chairs, lawnmowers, snowblowers, garden equipment, golf carts, electric assisted bicycles (up to 500 watts and not exceeding 32km/h) and skid steers on your premises for personal use only (if shown on your Cover Page).

An unlicensed boat trailer kept at your premises and spare automobile parts and accessories are special cases. These are shown under Part III – **Conditions for Certain Special Belongings** and under Part V – “**Property with Specific Amounts of Protection**”.

- f) losses or increased costs of repair due to any bylaw, ordinance or law regulating the zoning, demolition, repair, or construction of buildings or structures and their related services.
- g) the cost of making good any faulty design, material, or workmanship.
- h) loss or damage caused by settling, expansion, contraction, moving, shifting, bulging, buckling, or cracking unless fire or explosion follows, then we will pay for the resulting damage. We will cover damage to building glass where Cover Code B or Cover Code C apply.
- i) belongings undergoing any process, including cleaning or being worked on, where the damage results from such process. Resulting damage to other property caused by an insured peril is covered.
- j) theft of tools that are left unattended, unless the loss is the direct result of forcible entry into a vehicle, trailer, locked tool box, compartment, closet, or building.
- k) loss or damage caused by snowslide, earthquake, landslide, or any earth movement. If any of those results in fire or explosion, we will pay for the resulting loss or damage.

- l) loss or damage to property on exhibit or display, or any time your property is being held for sale by others.
- m) loss or damage not due to a sudden, unexpected event.
- n) loss or damage caused by a nuclear incident as defined in *The Nuclear Liability Act*. Nor do we cover nuclear explosion or contamination by radioactive material.
- o) loss or damage caused by war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection, or military power.
- p) loss or damage caused by criminal or wilful acts done by you or by any person whose property is insured under this policy, including acts done for you by someone else.
- q) loss or damage caused by acts you deliberately did or acts you failed to do.
- r) dwellings or outbuildings that have been placarded or condemned by any authority or belongings contained therein.
- s) loss or damage to dwellings, outbuildings or belongings contained therein, while being moved, while being raised off or lowered onto its foundation.
- t) loss or damage resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud.
- u) loss or damage resulting from contamination or pollution, or the release, discharge or dispersal of contaminants or pollutants.
- v) loss or damage caused directly or indirectly, in whole or in part, by terrorism or by any activity or decision of a government agency or other entity to prevent, respond to or terminate terrorism 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 which results directly from fire or explosion.
- w)
 - i) loss or damage to data, or
 - ii) loss or damage caused directly or indirectly by a data problem. However, if loss or damage caused by a data problem results in the occurrence of further loss of or damage to property insured that is directly caused by fire, explosion, smoke or water damage, this exclusion shall not apply to such resulting loss or damage.
- x)
 - i) loss or damage caused directly or indirectly, in whole or in part, by any fungi or spores.
 - ii) the cost or expense for any testing, monitoring, evaluating or assessing of fungi or spore(s).

Fungi means, 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.

Spore(s) means, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any fungi.
- y) loss or damage caused directly or indirectly by any illegal or unauthorized activity related to and including the growing, harvesting, manufacturing, processing, storing, sale or distribution of any drug or narcotic or the possession of any substances or items of any kind which constitutes a criminal offence, to any dwellings, outbuildings or belongings contained therein, whether or not you have knowledge of or are able or unable to control such illegal activity. This includes any alteration of the premises to facilitate such illegal activity.
- z) loss or damage to any outdoor hot water heating unit(s) on the premises, including the structure or enclosure housing the unit(s), and all contents of the same structure if caused by or resulting from the use of the heating unit.
- aa) Wind turbine systems including all related equipment and structures manufactured for a rated power generation exceeding 1kW.

C. General Conditions

The following general conditions apply to this policy:

- 1) We will not cover people who were holding, storing, or transporting your insured property for a fee at the time of loss.
- 2) After we pay for your claim, we may find that someone else is legally responsible for your loss. We have the right to get our payment back from that person. If we ask, you must co-operate with us in any legal action we take at our expense and through our lawyers. You may release another person from their legal responsibility to you for loss or damage to your property. But you must tell us, the agreement must be in writing, and you must make the agreement before any loss or damage takes place.
- 3) Any payment for a loss will not lower your total amount of protection for the rest of the policy term.
- 4) The Statutory Conditions apply to all parts of this policy.
- 5) When you have other insurance on property covered by Part I, III, and IV of this policy, we will only pay our share of the loss. We will do this even if your other insurance covers different perils than this policy. Our share will be in the same proportion that the amount of our protection bears to the total of all your fire protection.
- 6) You must tell us when your dwelling becomes vacant. Vacant refers to the circumstance where, regardless of the presence of belongings:
 - all occupants have moved out with no intentions of returning and no new occupant has taken up residence; or
 - no occupant has yet taken up residence.

You must also tell us when no one has been living in your dwelling for a full year. We feel that those dwellings are vacant too – even if belongings are still in place.

If you do not tell us within 30 days of your dwelling becoming vacant, we will not cover any loss or damage that happens after 30 consecutive days of vacancy. You will be covered after 30 days, only if you tell us your dwelling is vacant and Vacant Dwelling coverage – Cover Code AE is shown on your Cover Page.

A secondary dwelling insured under an Agro Pak policy is considered vacant when it is occupied overnight less than 90 nights per year. A secondary dwelling is defined as a dwelling you own and occupy overnight for a period less than 6 months, but not less than 90 nights per year.

Any permission for vacancy that we allow in this condition does not change any coverage restriction, due to vacancy, mentioned in other parts of this policy.

- 7) If your loss was due to a crime, you must report the loss to the police or other authorities at once. This includes such crimes as theft, burglary, and vandalism.
- 8) You must take all reasonable steps to protect your property.
- 9) If Cover Code C applies to a loss and it is more restrictive than Cover Code A or Cover Code B shown in this booklet, we will adjust your claim using the Cover Code most beneficial to you.
- 10) If we adopt any revision which would broaden coverage under your policy without any additional premium, during the policy period, the broadened coverage will immediately apply to your policy.

Statutory Conditions

The Statutory Conditions apply with respect to all perils insured by this policy. In the following “you”, the name shown on the Cover Page, are called the “Insured”. “We” are called the “Insurer”.

1. Misrepresentation

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

2. Property of Others

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

3. Change of Interest

The Insurer shall be liable for loss or damage occurring after an authorized assignment under the *Bankruptcy and Insolvency Act* or change of title by succession, by operation of law, or by death.

4. Material Change

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

5. Termination of Contract

(1) This contract may be terminated:

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

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

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

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

- (4) The refund may be made by money, postal or express company money order, or by cheque payable at par.
- (5) The fifteen days mentioned in clause (a) of subcondition (1) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

6. Requirements After Loss

- (1) Upon the occurrence of any loss or damage to the insured property, the Insured shall, if such loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11:
 - (a) forthwith give notice thereof in writing to the Insurer;
 - (b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration:
 - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, cost, actual cash value and particulars of amount of loss claimed;
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes;
 - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured;
 - (iv) showing the amount of other insurance and the names of other Insurers;
 - (v) showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property;
 - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract;
 - (vii) showing the place where the property insured was at the time of loss;
 - (c) if required give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;
 - (d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
- (2) The evidence furnished under clauses (c) and (d) of subparagraph (1) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

7. Fraud

Any fraud or wilfully false statement in a statutory declaration in relation to any of the above particulars, shall vitiate the claim of the person making the declaration.

8. Who May Give Notice and Proof

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

9. Salvage

- (1) The Insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to any such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.
- (2) The Insurer shall contribute *pro rata* towards any reasonable and proper expenses in connection with steps taken by the Insured and required under sub-paragraph (1) of this condition according to the respective interests of the parties.

10. Entry, Control, Abandonment

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

11. Appraisal

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

12. When Loss Payable

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

13. Replacement

- (1) The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.
- (2) In that event the Insurer shall commence to so repair, rebuild, or replace the property within forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

14. Action

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

*Repealed

Statutory Condition 14 has been superceded by section 5 of the *Limitations Act*, S.S. 2004 chapter L-16.1, which provides that "no proceedings shall be commenced with respect to a claim after two years from the day on which the claim is discovered."

15. Notice

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

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Regina, Sask. S4P 0J9
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Regina, Saskatchewan, S4P 4B4
Phone: 306-787-8350
Toll free within Saskatchewan: 1-877-748-2298
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