



Wawanesa
Earning Your Trust Since 1896

Your
Farm
Insurance Policy



INTRODUCTION

Thank you for choosing **The Wawanesa Mutual Insurance Company** as your Insurer.

We are proud to offer you this product through Canada's Insurance Broker network.

Please read this booklet and Declarations carefully and keep them in a safe place. If you have any questions we encourage you to contact your Insurance Broker.

Your booklet has been written in plain language to make it easier for you to understand the insurance protection you have purchased.

HOW TO READ AND UNDERSTAND YOUR POLICY

Your policy consists of this booklet, the Declarations which contain information that is unique to your insurance policy and which indicate the coverages you have purchased, and any other forms that are attached to and consequently form part of your Declarations. Together, these represent the legal contract of indemnity between you and us.

This booklet, the Declarations, and any attached forms define in detail all of the coverages you have been provided by Wawanesa.

In order to determine what coverage you have, simply read your Declarations and then find the listed coverages, either in this booklet or in any attached form.

SECTION I - of this booklet describes the insurance on your property. Where an Amount of Insurance is shown in the Declarations for **COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES, COVERAGE C - PERSONAL PROPERTY and/or COVERAGE D - ADDITIONAL LIVING EXPENSE** you have that coverage as it is defined and limited in this booklet.

Your Declarations will also indicate if you have additional coverages on such things as Boats, Fine Arts, etc.

SECTION II - of this booklet describes the insurance coverage you have in case you are legally responsible for an injury to another person or damage to someone else's property. Where an Amount of Insurance is shown in the Declarations for **COVERAGE E - FARM LIABILITY** and/or **COVERAGE F - VOLUNTARY MEDICAL PAYMENTS** you have that coverage as it is defined and limited in this booklet. Your Declarations will also indicate if coverage has been extended to include coverage which would otherwise be excluded (such as operating a Day Care in your home, etc).

SECTION III - of this booklet describes the insurance on your farm buildings, machinery, produce, livestock, and farm income. You will have purchased either **FIRE and LIGHTNING** or **FIRE and EXTENDED COVERAGE**. These coverages may vary by item. You may also have purchased **SPECIAL COVERAGE** on your buildings, contents, mobile farm machinery, or equipment, tools and parts.

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AGREEMENT

"We" provide the insurance described in this policy in return for payment of the premium and subject to the terms and conditions set out.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered.

Only claims that occur while the policy is in force will be covered. Under no circumstances will "we" entertain any claim that occurred prior to the POLICY PERIOD inception date (FROM), or which occurred after the earliest of the POLICY PERIOD expiry date (TO) shown in the Declarations or the date the coverage was terminated.

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

Words and phrases shown in "quotations" have special meaning, either as defined in this booklet under DEFINITIONS, or as otherwise specifically defined within the applicable form.

DEFINITIONS

“Actual Cash Value” will take into consideration such things as the cost of replacement less any depreciation.

In determining depreciation “we” will consider such things as:

- (1) the condition of the property;
- (2) the resale value of the property;
- (3) the normal life expectancy of the property; and
- (4) the use of the property;

immediately before the loss or damage.

“Bodily Injury” means bodily injury, sickness or disease or resulting death.

“Business” means a trade, profession or occupation. Business does not include “farming”.

“Business Property” means property on which a “business” is conducted, property rented in whole or in part to others, or property held for rental.

“Cash Cards” means cards designed to store a cash value by electronic means for use as a mode of payment, without a personal identification number and without direct access to a bank or other account.

“Civil Authority” referred to in COVERAGE D - ADDITIONAL LIVING EXPENSE in SECTION I PROPERTY COVERAGES shall mean any person acting under the authority of the Governor General in Council of Canada or the Lieutenant Governor in Council of a Province, and/or any person acting with authority under a Federal, Provincial or Territorial legislation with respect to the protection of persons and property in the event of an emergency.

“Computer Equipment” means the central processing unit and any auxiliary equipment including, but not limited to mouses, monitors, keyboards, printers, speakers, scanners, disk and tape drives, modems, routers, cassette tape recorders, word processing equipment, and any associated connecting cables.

“Computer System” means:

- (1) “your” “computer equipment” described in the Declarations; and any
 - (2) (a) “media”;
 - (b) “software” electronically stored on “computer equipment” or “media”; and
 - (c) “data” electronically stored on “computer equipment” or “media”;
- all as described in the Declarations and which are being used in conjunction with “your” “computer equipment” described in the Declarations.

“Condominium Corporation” means a condominium or strata corporation established under Provincial Legislation.

“Custom Farming” means the use of “your” farm machinery or equipment for others away from “your” farm “premises” for a charge under any agreement(s) or contract(s) where “your” annual receipts equal or exceed \$10,000. Occasional farm work that “you” do for others in return for their work for “you” will not be considered custom farming.

Custom farming does not include crop spraying.

“Data” means representations of information or concepts in any form.

“Data Problem” means:

- (1) erasure, destruction, corruption, misappropriation, or misinterpretation of “data”;
- (2) error in creating, amending, entering, deleting or using “data”; or
- (3) inability to receive, transmit or use “data”.

“Domestic Water Container” means a device or apparatus for personal use on the “premises” for the purpose of containing, heating, chilling or dispensing water.

“Dwelling”:

- (1) if “you” are a building or mobile home owner, means a building or mobile home occupied principally as a private residence;
- (2) if “you” are a tenant, means the portion of a building occupied principally as a private residence;
- (3) if “you” are a condominium unit owner, means the structure occupied as a condominium unit for private residence purposes or the portion of the structure occupied as a condominium unit for private residence purposes.

“Farming” means the ownership, maintenance or use of “premises” for the production of crops or the raising or care of livestock, including all necessary operations. Farming also includes the operation of roadside stands and farm markets maintained principally for the sale of “your” own farm products.

“Farm Employee” means a person employed by “you” to perform duties in connection with any of “your” “farming” activities which are otherwise covered by this policy.

Farm employee does not include:

- (1) any “Named Insured”;
- (2) the spouse of any person described in (1) above. Spouse includes:
 - (a) either of two persons who are married to each other or who have together entered into a marriage that is voidable or void; or
 - (b) either of two persons who are living together in a conjugal relationship outside marriage and have so lived together continuously for a period of 3 years or, if they are the natural or adoptive parents of a child, for a period of 1 year;
- (3) the relatives of any person referred to in either (1) or (2) above while the relative is living in the same household as the “Insured”;
- (4) any person under the age of 21 years in the care of any person referred to in (1), (2) or (3) above and who is living in the same household as the “Insured”;
- (5) persons while performing duties in connection with “your” “business”.

“Farm Income” means the:

- (a) net income (net profit or loss before income taxes) that would have been earned or incurred; and
- (b) continuing normal operating expenses incurred, including payroll.

“Flood” means waves, tides, tidal waves or the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made.

“Fungi” includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew, whether or not allergenic, pathogenic or toxigenic, and any substance, vapour, or gas, produced by, emitted from or arising out of any fungi or “spore(s)”, or resultant mycotoxins, allergens or pathogens.

“Ground Water” means water in the soil beneath the surface of the ground, including but not limited to water in wells and in underground streams, and percolating water.

“Identity Fraud” means the act of using, without lawful authority, “your” identifying information, to commit any unlawful activity that constitutes a crime or violation of any Federal, Provincial, Territorial, municipal or local law.

“Insured” means the “Named Insured”.

- (1) If the “Named Insured” is an individual, Insured also means the following members of his or her household:
 - (a) his or her spouse;
 - (b) the relatives of either; and
 - (c) any person under the age of 21 years in their care.

Spouse includes:

- (1) either of two persons who are married to each other or who have together entered into a marriage that is voidable or void; or
- (2) either of two persons who are living together in a conjugal relationship outside marriage and have so lived together continuously for a period of 3 years or, if they are the natural or adoptive parents of a child, for a period of 1 year.

In addition, a student who is enrolled in and actually attends a school, college or university and who is dependent on a “Named Insured” or his or her spouse for support and maintenance is also insured even if temporarily residing away from “your” principal residence stated in the Rating Information section of the Declarations.

In addition, an Insured or parent of an Insured who is dependent on the “Named Insured” or his or her spouse for support and maintenance, is also insured while living in a nursing home.

Only a “Named Insured” may take legal action against “us”.

Under SECTION II LIABILITY COVERAGE Insured also means:

- (2) (a) if “you” are a partnership or joint venture, “your” members and “your” partners and their spouses, but only with respect to the conduct of “your” “farming” operations; or
- (b) if “you” are an organization other than a partnership or joint venture:

- (i) "your" executive officers and directors, but only with respect to their duties as "your" officers and directors; and
- (ii) "your" shareholders, but only with respect to their liability as shareholders.

No person or organization is insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a "Named Insured".

- (3) any of "your" "residence employees" or "farm employees" (other than executive officers), but only for acts that:
 - (a) cause "bodily injury" to someone other than "you" or a co-employee; and
 - (b) are within the scope of the employee's employment by "you" and which are otherwise covered by this policy. The providing of professional health care services or the failure to provide them will not be considered to be within the scope of any employee's employment by "you".
- (4) any person or organization described in (1) above, that is legally liable for damages caused by a watercraft owned by "you", and to which this insurance applies. This does not include anyone using or having custody of the watercraft in the course of any "business" operation or without the owner's permission;
- (5) any person or organization described in (1) above, that is legally liable for damages caused by an animal(s) owned by "you", and to which this insurance applies. This does not include anyone using or having custody of the animal(s) in the course of any "business" operation or without the owner's permission;
- (6) "your" legal representative having temporary custody of the insured "premises", if "you" die while insured by this policy, for "legal liability" arising out of the "premises";
- (7) 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.

"Media" means materials on which "software" and/or "data" are electronically recorded such as, but not limited to, magnetic tapes, memory sticks, diskettes, digital versatile discs (DVD's), compact discs (CD's), disc packs and cassettes, whether containing any "software" or "data" or not.

"Named Insured" means a person designated as an "Insured" in the Declarations.

"Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

"Our" means The Wawanesa Mutual Insurance Company.

"Operations" means "your" farm activities occurring at the described "premises".

"Period of Restoration" means the period of time that:

- (a) begins with the date of direct physical loss or damage caused by or resulting from any INSURED PERIL at the described "premises"; and
- (b) ends on the date when the property at the described "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

Period of restoration does not include any increased period required due to the enforcement of any ordinance or law that:

- (a) regulates the construction, use or repair, or requires the tearing down of any property; or
- (b) requires any "Insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the period of restoration.

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

"Premises" means:

- (1) the farm premises specified in the Declarations. And if "you" do not reside on the farm premises, premises also means the premises where "you" reside and which is shown as "your" principal residence in the Rating Information section of the Declarations. If "you" own that residence, premises includes grounds appurtenant to it. If "you" reside in rented premises or a condominium unit, premises means the portions of the location shown in the Declarations which are used or occupied exclusively by "your" household for residential purposes;
- (2) other residential premises specified in the Declarations, except "business property".

Under SECTION II LIABILITY COVERAGE premises also means:

- (1) other land "you" use for "farming" purposes and new farm premises acquired during the policy period;
- (2) individual or family cemetery plots or burial vaults;
- (3) "vacant" land in Canada owned by or rented to "you", other than farm land;
- (4) land in Canada owned by or rented to "you" on which an independent contractor is building a one, two or three-family residence to be occupied by "you";
- (5) premises "you" are using or where "you" are temporarily residing if "you" do not own such premises;
- (6) premises in Canada to be occupied by "you" as "your" principal residence from the date "you" acquire ownership or take possession but not beyond the earliest of:
 - (a) 30 consecutive days;
 - (b) the date the policy term expires or is terminated;
 - (c) the date upon which specific liability insurance is arranged for such premises.

"Property Damage" means physical injury to, or destruction of tangible property, including the loss of use of that property.

"Replacement Cost" means the lower of:

- (1) the cost of repairing the property with materials of similar kind and quality; or
 - (2) the cost of new articles of similar kind, quality and usefulness;
- on the date of loss or damage, without any deduction for depreciation.

"Residence Employee" means a person employed by "you" to perform duties in connection with the maintenance or use of "your" insured "premises" as stated in the Declarations. This includes persons who perform household or domestic services or duties of a similar nature for "you". This does not include:

- (1) any "Named Insured";
- (2) the spouse of any person described in (1) above. Spouse includes:
 - (a) either of two persons who are married to each other or who have together entered into a marriage that is voidable or void; or
 - (b) either of two persons who are living together in a conjugal relationship outside marriage and have so lived together continuously for a period of 3 years or, if they are the natural or adoptive parents of a child, for a period of 1 year;
- (3) the relatives of any person referred to in either (1) or (2) above while the relative is living in the same household as the "Insured";
- (4) any person under the age of 21 years in the care of any person referred to in (1), (2) or (3) above and who is living in the same household as the "Insured";
- (5) persons while performing duties in connection to "your" "business" or "farming" operation.

"Software" means programs and instructions stored on "computer equipment" or "media".

"Specified Perils" means the following perils as described and limited, subject to losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED:

- (1) FIRE OR LIGHTNING.
- (2) EXPLOSION.
- (3) SMOKE.

This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.

- (4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building.

- (5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

- (6) RIOT.

- (7) VANDALISM OR MALICIOUS ACTS.

This peril does not include loss or damage:

- (a) occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";

- (b) caused by "you";
- (c) caused by theft, including damage caused by attempted theft.

(8) WATER DAMAGE.

This peril means loss or damage:

- (a) to a system from which the water or steam escapes, but only for damage caused by the freezing of any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";
- (b) caused by the sudden and accidental escape of water from a water main;
- (c) caused by the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";
- (d) caused by the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing; or
- (e) caused by water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE;

but under no circumstances will "we" insure loss or damage:

- (f) caused by freezing during the usual heating season:
 - (i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:
 - 1) taken reasonable care to maintain the heat in the building or structure;
 - 2) shut off the water supply and have drained the system and appliance of water;
 - 3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.
 - (ii) within an unheated portion of "your" "dwelling";
- (g) caused by continuous or repeated seepage or leakage of water;
- (h) caused by the backing up or escape of water from a sewer, sump, or septic tank;
- (i) caused by "ground water" or the rising of the water table;
- (j) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";
- (k) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
- (l) to a water main;
- (m) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

(9) WINDSTORM OR HAIL.

This peril does not include loss or damage to the interior of a building, or the personal property inside a building, caused by rain, hail, snow, sleet, sand or dust, unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening.

(10) WEIGHT OF ICE, SNOW OR SLEET.

This peril means the weight of ice, snow or sleet which causes damage to property contained in the building.

(11) COLLAPSE OF A BUILDING OR ANY PART OF A BUILDING.

This peril does not include settling, cracking, shrinking, bulging, expansion, or the falling of ceiling or wall plaster.

(12) ELECTRICITY.

This peril means sudden and accidental damage from artificially generated electrical current.

(13) DAMAGE CAUSED BY BEARS.

"Spore(s)" includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from, or arising out of any "fungi".

"Surface Waters" means water or natural precipitation temporarily diffused over the surface of the ground, including but not limited to "flood".

“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.

“Us” means The Wawanesa Mutual Insurance Company.

“Vacant” refers to the circumstance where, regardless of the presence of furnishings:

- (1) all occupants have moved out with no intention of returning and no new occupant has taken up residence; or
- (2) in the case of a newly constructed house, no occupant has yet taken up residence.

“Volunteer” means any person who donates time, to an organization for a charitable purpose or in direct service to the general public or the community.

“We” means The Wawanesa Mutual Insurance Company.

“You” or **“Your”** refers to the “Insured”.

SECTION I

PROPERTY COVERAGES

COVERAGE A - DWELLING BUILDING

"We" insure:

- (1) the "dwelling" on the "premises" described in the Declarations and all attached structures;
- (2) permanently installed outdoor equipment on the "premises", used principally for the service of the "dwelling";
- (3) outdoor swimming pool and attached equipment on the "premises";
- (4) materials and supplies located on or adjacent to the "premises" intended for use in construction, alteration or repair of the "dwelling" or private structures on the "premises";
- (5) building fixtures and fittings used principally for the service of the "dwelling" while temporarily removed from the "premises" for repair or seasonal storage.

COVERAGE B - PRIVATE STRUCTURES

"We" insure private structures, on the "premises", separated from the "dwelling" by a clear space or connected to the "dwelling" by only a fence, utility line or similar connection.

PROPERTY NOT INSURED

"We" do not insure private structures used in whole or in part for "business" or "farming" purposes nor do "we" insure structures originally built, and previously used, for "farming" purposes.

COVERAGE C - PERSONAL PROPERTY

"We" insure:

- (1) personal property "you" own, wear or use, while on "your" "premises". If "you" wish, "we" will include personal property of others while it is on that portion of "your" "premises" which "you" occupy.
- (2) "your" personal property while it is temporarily away from "your" "premises" anywhere in the world. If "you" wish, "we" will include personal property belonging to others while it is in "your" possession or belonging to a "residence employee" travelling for "you".

Personal property at any other location "you" own, rent or occupy is not insured, except while "you" are temporarily living there.

Personal property while in storage, including property in a safety deposit box, is insured.

Personal property of a student who is enrolled in and actually attends a school, college or university and who is dependent on a "Named Insured" or his or her spouse for support and maintenance, while temporarily residing away from "your" principal residence stated in the Rating Information section of the Declarations, is covered up to \$10,000.

Personal property of an "Insured" or parent of an "Insured" who is dependent on the "Named Insured" or his or her spouse for support and maintenance, while residing in a nursing home, is covered up to \$10,000.

- (3) "your" personal property while "you" are moving from the "premises" shown in the Declarations to a new "dwelling" anywhere in Canada:
 - (a) for a period of 30 days commencing on the date "you" started moving; or
 - (b) until "your" policy term expires or is terminated;whichever occurs first.

SPECIAL LIMITS OF INSURANCE

"We" insure:

- (1) books, tools and instruments pertaining to a "business", but only while on "your" "premises", and only for an amount up to \$5,000. Other property pertaining to a "business", including samples and goods held for sale, is not insured;
- (2) securities up to \$5,000 in all;
- (3) money including "cash cards", or bullion, up to \$500 in all;
- (4) watercraft, their furnishings, equipment, accessories and motors up to \$3,000 in all. These are insured only for "specified perils" and theft, including damage caused by attempted theft;

(5) lawn mowers, snow blowers, garden tractors, or other motorized garden equipment, and motorized golf carts, up to \$10,000 in all;

(6) spare automobile parts up to \$1,000 in all.

The following SPECIAL LIMITS OF INSURANCE do not apply to any claim caused by any of the "specified perils".

"We" insure:

(7) jewellery, watches, gems, fur garments and garments trimmed with fur up to \$6,000 in all;

(8) numismatic property (such as coin collections) up to \$500 in all;

(9) manuscripts, stamps and philatelic property (such as stamp collections) up to \$1,500 in all;

(10) up to \$1,000 for each bicycle, including its equipment and accessories.

PROPERTY NOT INSURED

"We" do not insure:

(1) property of roomers or boarders who are not related to "you";

(2) (a) motorized vehicles or their equipment (except for watercraft, lawn mowers, other gardening equipment, snow blowers, motorized golf carts, electric power assisted bicycles, wheelchairs, or scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability);

(b) camper units, truck caps, trailers, or their equipment;

(c) aircraft or their equipment.

Equipment includes audio, visual, recording, or transmitting equipment, powered by the electrical system of a motorized vehicle or aircraft. Equipment does not include spare automobile parts.

Toys or hobby items such as model aircraft or children's battery powered all terrain vehicles using no more than a 12 volt battery or that can attain speeds no greater than 8 kilometers per hour (5 miles per hour) are not considered motorized vehicles or aircraft.

(3) sporting equipment where the loss or damage is due to its use;

(4) breakage of eyeglasses, glassware, statuary, marbles, bric-a-brac, porcelain, and similar fragile articles (other than jewellery, gems, watches, bronzes, precious and semi-precious stones, cameras and photographic lenses) unless the loss or damage is caused by:

(a) any of the "specified perils";

(b) collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer, or of any conveyance of a common carrier, in which the insured property is being carried; or

(c) theft, including damage caused by attempted theft;

(5) animals, birds or fish unless the loss or damage is caused by any of the "specified perils" other than IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE;

(6) property at any fairground, exhibition or exposition, for the purpose of exhibition except as provided for in (9) EXHIBITION COVERAGE in ADDITIONAL COVERAGES in SECTION I PROPERTY COVERAGES;

(7) evidences of debt or title.

COVERAGE D - ADDITIONAL LIVING EXPENSE

The Amount of Insurance for COVERAGE D - ADDITIONAL LIVING EXPENSE is the total amount for any one or a combination of the following coverages. The periods of time stated below are not limited by the expiration of this policy.

(1) ADDITIONAL LIVING EXPENSE

If because of an insured loss, "your" "dwelling" is unfit for occupancy or "you" have to move out while repairs are being made, "we" insure any necessary increase in living expenses, including moving expenses, incurred by "you", so that "your" household can maintain its normal standard of living. Payment shall be for the reasonable time required to repair or rebuild "your" "dwelling", or if "you" permanently relocate, the reasonable time required for "your" household to settle elsewhere.

(2) FAIR RENTAL VALUE

If an insured loss makes that part of the "dwelling" or private structures rented to others or held for rental by "you" unfit for occupancy, "we" insure its Fair Rental Value. Payments shall be for the reasonable time required to repair or replace that part of the "dwelling" or private structures rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the "dwelling" or private structures rented or held for rental is unfit for occupancy.

(3) PROHIBITED ACCESS

If a "civil authority" prohibits access to "your" "premises":

- (a)** as a direct result of damage to neighbouring "premises" by an INSURED PERIL in this policy, "we" insure any resulting Additional Living Expense and Fair Rental Value loss for a period not exceeding two weeks; or
- (b)** by order for mass evacuation as a direct result of a sudden and accidental event within Canada or the United States of America, "we" insure any resulting necessary and reasonable increase in living expense incurred by "you" for the period access is prohibited, not exceeding two weeks.

"You" are not insured for any claim arising from evacuation resulting from:

- (i)** losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;
- (ii)** "flood";
- (iii)** earthquake.

"We" do not insure loss or expense due to the cancellation of a lease or agreement.

ADDITIONAL COVERAGES

All ADDITIONAL COVERAGES are subject to the SECTION I Deductible stated in the Declarations unless the terms of the ADDITIONAL COVERAGES state otherwise.

(1) 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 \$1,000 limit will not be increased regardless of the number of persons providing information.

This ADDITIONAL COVERAGE may increase the amount otherwise applicable to the loss.

No deductible applies to this coverage.

(2) AUTOMATIC PRINCIPAL RESIDENCE COVERAGE

When "you" purchase a "dwelling" in Canada to replace "your" principal residence as shown in the Rating Information section of the Declarations, and "you" notify "us" within 30 days of the title registration to "you", the insurance afforded to "your" principal residence by this policy is extended to cover both residences:

- (a)** for a period of 30 days before or after that registration; or
- (b)** until the policy term expires or is terminated;

whichever occurs first.

This is additional insurance, however we will not pay more for either residence than the principal residence Amount of Insurance stated in the Declarations.

The following do not apply to this ADDITIONAL COVERAGE:

- (a)** SINGLE INCLUSIVE LIMIT - FORM 1050; and
- (b)** GUARANTEED REPLACEMENT COST - COVERAGE A - DWELLING BUILDING.

Any applicable vacancy restrictions, as described and limited in this policy, will apply to both residences.

(3) CHANGE OF TEMPERATURE

"We" will pay for "your" personal property covered under COVERAGE C - PERSONAL PROPERTY if that property is damaged by change of temperature resulting from physical damage to "your" "dwelling" or equipment by any of the INSURED PERILS. This only applies to personal property kept in the "dwelling".

This ADDITIONAL COVERAGE does not increase the Amount of Insurance applicable to property insured under COVERAGE C - PERSONAL PROPERTY.

(4) CONDOMINIUM ADDITIONAL COVERAGE

If "you" are a condominium unit owner and a Condominium Additional Coverage Amount of Insurance is indicated in the Declarations, "we" insure "your" unit, excluding "your" improvements to it, if the "Condominium Corporation" has no insurance or its insurance is inadequate or is not effective. Inadequate includes a deductible in the "Condominium Corporation's" property insurance policy, but only where the "Condominium Corporation's" governing rules specifically permit it to place the responsibility for any portion of the Master Policy Deductible on an individual unit owner.

SPECIAL FORM INSURED PERILS apply to this coverage.

(5) CONDOMINIUM UNIT OWNERS LOSS ASSESSMENT COVERAGE

If "you" are a condominium unit owner, "we" will pay for an additional amount of up to 250% of the Amount of Insurance on COVERAGE C - PERSONAL PROPERTY for "your" share of any special assessment if:

- (a) the assessment is valid under the governing rules of the "Condominium Corporation"; and
- (b) it is made necessary by a direct loss to the collectively owned condominium property caused by an INSURED PERIL "you" are covered for in "your" Condominium policy.

"We" will pay up to \$25,000 for that part of an assessment made necessary by a deductible in the insurance policy of the "Condominium Corporation".

(6) CREDIT OR DEBIT CARDS, FORGERY AND COUNTERFEIT MONEY

(a) "We" will pay up to \$5,000 for:

- (i) "your" legal obligation to pay because of the theft or unauthorized use of credit cards issued to "you" or registered in "your" name;
- (ii) loss caused by theft of "your" debit or automated teller cards;
- (iii) loss caused by forgery or alteration of any cheque or negotiable instrument; and
- (iv) loss sustained through acceptance in good faith of counterfeit Canadian or United States paper currency.

(b) "We" do not pay for loss:

- (i) unless "you" have complied with all the conditions under which the cards have been issued;
- (ii) caused by the use of "your" cards by a resident of "your" household or by a person to whom cards have been entrusted.

At "our" option and expense "we" may defend any claim against "you" under (6)(a)(i), (6)(a)(ii) and (6)(a)(iii) above.

This is additional insurance.

No deductible applies to this coverage.

(7) DAMAGE TO DWELLING

If "you" are a tenant, "you" may use up to \$2,000 of "your" Amount of Insurance on COVERAGE C - PERSONAL PROPERTY to pay for damage, not including FIRE damage:

- (a) to the "dwelling" directly caused by theft, including damage caused by attempted theft;
- (b) to the interior of the "dwelling" directly caused by VANDALISM OR MALICIOUS ACTS as described and limited in "specified perils".

If the amount payable for loss to property insured under COVERAGE C - PERSONAL PROPERTY including any loss payable under this ADDITIONAL COVERAGE is greater than the Amount of Insurance shown in the Declarations for COVERAGE C - PERSONAL PROPERTY, then up to an additional \$2,000 will be available to cover any loss payable under this ADDITIONAL COVERAGE.

(8) DEBRIS REMOVAL

"We" will pay the reasonable expenses incurred by "you" in the removal of debris of property insured under SECTION I as a result of an INSURED PERIL.

If the amount payable for loss, including expense for removal of debris, is greater than the Amount of Insurance applicable to the lost or damaged property, then an additional 5% of that amount will be available to cover "your" debris removal expense.

(9) EXHIBITION COVERAGE

"We" will pay up to \$5,000 for direct physical loss or damage to property insured under COVERAGE C - PERSONAL PROPERTY while at any fairground, exhibition or exposition for the purpose of exhibition or sale, caused by an INSURED PERIL.

This ADDITIONAL COVERAGE does not increase the Amount of Insurance applying to the damaged property.

This ADDITIONAL COVERAGE is subject to a \$500 deductible.

(10) FARM OFFICE FURNISHINGS AND FARM OFFICE EQUIPMENT COVERAGE

"We" insure "your" farm office furnishings and farm office equipment while located in an insured building on a "premises" described in the Declarations.

The most "we" will pay under this ADDITIONAL COVERAGE is \$5,000.

This is additional insurance.

(11) FIRE DEPARTMENT CHARGES (applicable to SECTION I and SECTION III)

"We" will pay up to \$3,000 to reimburse "you" if "you" are charged for fire fighting services incurred in response to an occurrence caused by an INSURED PERIL at "your" "premises", provided a fire department was also called to respond.

This is additional insurance.

No deductible applies to this coverage.

(12) GRAVE MARKERS

"We" will pay up to \$3,000 for loss or damage to grave markers and mausoleums that mark the grave of a spouse, child, parent or grandparent of an "Insured", caused by any of the "specified perils".

This is additional insurance.

No deductible applies to this coverage.

(13) HOME FREEZER AND FOOD SPOILAGE

"We" will pay up to \$3,000 in all for loss or damage to "your" food freezer(s) and "your" frozen food contained in the freezer(s).

SPECIAL FORM INSURED PERILS apply to "your" food freezer(s) and "your" frozen food contained in the freezer(s).

In addition, "your" frozen food contained in the freezer(s) is insured for spoilage caused by:

- (a) a power failure originating on or off "your" "premises"; and
- (b) the mechanical breakdown of "your" food freezer(s).

This ADDITIONAL COVERAGE is in addition to the Amount of Insurance applicable to property insured under COVERAGE C - PERSONAL PROPERTY.

No deductible applies to this coverage.

(14) LOCK REPLACEMENT COVERAGE

(NOT APPLICABLE TO SEASONAL DWELLINGS)

"We" will pay up to \$1,000 to replace or re-key, at "our" option, locks on the "premises" described in the Declarations, if "your" keys are stolen.

This ADDITIONAL COVERAGE is in addition to the Amount of Insurance applicable to property insured under COVERAGE A - DWELLING BUILDING.

No deductible applies to this coverage.

(15) OUTDOOR TREES, PLANTS AND SHRUBS

(NOT APPLICABLE TO ANY SEASONAL DWELLINGS)

"You" may use up to 5% of either the COVERAGE A - DWELLING BUILDING or COVERAGE C - PERSONAL PROPERTY Amount of Insurance to cover any trees, plants and shrubs on "your" "premises".

"We" insure these items against loss caused by FIRE OR LIGHTNING, EXPLOSION, VANDALISM OR MALICIOUS ACTS, or IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE all as described and limited in "specified perils".

"We" do not insure lawns, items grown for commercial purposes, or items located more than 75m (250 ft) from the "dwelling".

If the amount payable for loss to property insured under COVERAGE A - DWELLING BUILDING and COVERAGE C - PERSONAL PROPERTY including "your" trees, plants and shrubs, is greater than the combined Amount of Insurance shown in the Declarations for COVERAGE A - DWELLING BUILDING and COVERAGE C - PERSONAL PROPERTY at the described location, then an additional 5% of that amount will be available to cover any trees, shrubs and plants at that described location.

"We" will not pay more than \$1,000 for any one tree, shrub or plant, including its debris removal expense.

(16) PROPERTY REMOVED

If "you" must remove insured property from "your" principal residence stated in the Rating Information section of the Declarations, to protect it from loss or damage, it is insured by this policy:

- (a) for a period of 90 days commencing on the day "you" begin removing the property; or
 - (b) until the policy term expires or is terminated;
- whichever occurs first.

This coverage does not increase the Amount of Insurance applying to the property being removed.

(17) TEAR OUT

- (a) Homeowners and Mobile Home Owners:

If "you" are a homeowner or mobile home owner and any walls, ceilings or other parts of insured buildings or structures must be torn apart before covered water damage can be repaired, "we" will pay the costs of such work and its restoration.

This ADDITIONAL COVERAGE does not increase the Amount of Insurance applicable to property insured under COVERAGE A - DWELLING BUILDING.

- (b) Tenants or Condominium Unit Owners:

If "you" are a tenant or condominium unit owner and any of "your" improvements must be torn apart before covered water damage can be repaired, "we" will pay the costs of such work and its restoration.

This ADDITIONAL COVERAGE does not increase the Amount of Insurance applicable to property insured under COVERAGE C - PERSONAL PROPERTY.

The cost of tearing out and replacing property to repair damage related to outdoor swimming pools or public water mains is not insured.

(18) TENANT OR CONDOMINIUM UNIT OWNER IMPROVEMENTS

If "you" are a tenant or condominium unit owner, "we" also insure improvements to the "dwelling" made by "you" or acquired at "your" expense, including:

- (a) any private structure(s) or swimming pool on the "premises";
- (b) materials and supplies located on or adjacent to the "premises" for use in such improvements.

If "you" are a tenant, payment under this coverage reduces the COVERAGE C - PERSONAL PROPERTY Amount of Insurance by the sum paid. If "you" are a condominium unit owner, "we" will pay for an additional amount of up to 100% of the Amount of Insurance on COVERAGE C - PERSONAL PROPERTY.

SPECIAL FORM

If the Rating Information section of "your" Declarations indicates that a location is a Homeowners Special Form (Forms Applicable - SPEC H), Special Condominium Form (Forms Applicable - SPEC C), Special Mobile Home (Forms Applicable - SPEC M), Special Rented Dwelling (Forms Applicable - SPEC R) or Tenants Special Form (Forms Applicable - SPEC T), "your" covered property at that location is insured against the following perils:

INSURED PERILS

Where the Declarations indicate an Amount of Insurance for COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and/or COVERAGE C - PERSONAL PROPERTY, that covered property is insured against all risks of direct physical loss or damage except:

- (1) losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;
- (2) settling, expansion, contraction, moving, bulging, buckling, cracking, or the falling of ceiling or wall plaster. If loss or damage to building glass results, "we" will pay only for that resulting damage; loss or damage caused by or resulting from:
 - (3) smoke from agricultural smudging or industrial operations;
 - (4) theft, including damage caused by attempted theft of 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;
 - (5) theft, including damage caused by attempted theft from the part of the "dwelling" rented to others, committed by any tenant, tenant's employee or member of the tenant's household;
 - (6) hail, whether driven by wind or not, to the outer metal cover of any mobile home, unless the cover is punctured by the hail;
 - (7) vandalism or malicious acts or glass breakage occurring while "your" "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
 - (8) water:
 - (a) damage to a system from which the water or steam escapes, except for damages caused by freezing to any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";
 - (b) unless the loss or damage resulted from the sudden and accidental escape of water from a water main;
 - (c) unless the loss or damage resulted from the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";
 - (d) unless the loss or damage resulted from the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing;
 - (e) unless the loss or damage resulted from water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE; or
 - (f) unless the loss or damage resulted from water that enters "your" "dwelling" through a roof due to the accumulation of ice or snow on the exterior of the roof or eaves trough;but under no circumstances will "we" insure loss or damage:
 - (g) caused by freezing during the usual heating season:
 - (i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:
 - 1) taken reasonable care to maintain the heat in the building or structure;
 - 2) shut off the water supply and have drained the system and appliance of water;
 - 3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.
 - (ii) within an unheated portion of "your" "dwelling";
 - (h) caused by continuous or repeated seepage or leakage of water other than in (8)(f) above;
 - (i) caused by the backing up or escape of water from a sewer, sump, or septic tank;
 - (j) caused by "ground water" or the rising of the water table;

- (k) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";
 - (l) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
 - (m) to a water main;
 - (n) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.
- (9) snowslide, earthquake, landslide, or any other earth movement. If any of these results in fire or explosion, "we" will pay only for the resulting loss or damage;
- (10) (a) freezing;
- (b) thawing; or
- (c) pressure or weight of water, ice, snow or sleet, whether driven by wind or not; to any fence, deck, patio, pavement, swimming pool or attached equipment, water main, foundation, retaining wall, bulkhead, pier, wharf or dock;
- (11) fuel oil leakage, unless the loss or damage is caused by or resulting from the sudden and accidental escape of fuel oil from a permanently installed domestic fixed fuel tank, any attached equipment, apparatus or piping;
- but "we" do not insure:
- (a) loss or damage caused by prior fuel oil leakage; or
 - (b) loss or damage caused by or resulting from continuous or repeated seepage or leakage of fuel oil.

BROAD FORM

If the Rating Information section of “your” Declarations indicates that a location is a Homeowners Broad Form (Forms Applicable - BROAD H), Condominium Package Broad Form (Forms Applicable - BROAD C), Broad Mobile Home (Forms Applicable - BROAD M) or Tenants Package Broad Form (Forms Applicable - BROAD T), “your” covered property at that location is insured against the following perils:

INSURED PERILS FOR COVERAGE A - DWELLING BUILDING AND COVERAGE B - PRIVATE STRUCTURES

Where the Declarations indicate an Amount of Insurance for COVERAGE A - DWELLING BUILDING and COVERAGE B - PRIVATE STRUCTURES, that covered property is insured against all risks of direct physical loss or damage except:

- (1) losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;
 - (2) settling, expansion, contraction, moving, bulging, buckling, cracking, or the falling of ceiling or wall plaster. If loss or damage to building glass results, “we” will pay only for that resulting damage;
- loss or damage caused by or resulting from:
- (3) smoke from agricultural smudging or industrial operations;
 - (4) theft, including damage caused by attempted theft of 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;
 - (5) theft, including damage caused by attempted theft from the part of the “dwelling” rented to others, committed by any tenant, tenant’s employee, or member of the tenant’s household;
 - (6) hail, whether driven by wind or not, to the outer metal cover of any mobile home, unless the cover is punctured by the hail;
 - (7) vandalism or malicious acts or glass breakage occurring while “your” “dwelling” is under construction or “vacant”, even if permission for construction or vacancy has been given by “us”;
 - (8) water:
 - (a) damage to a system from which the water or steam escapes, except for damages caused by freezing to any part of the plumbing, heating, sprinkler or air conditioning system, or “domestic water container”, which is located within the heated portion of “your” “dwelling”;
 - (b) unless the loss or damage resulted from the sudden and accidental escape of water from a water main;
 - (c) unless the loss or damage resulted from the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or “domestic water container”, which is located inside “your” “dwelling”;
 - (d) unless the loss or damage resulted from the sudden and accidental escape of water from a “domestic water container” located outside “your” “dwelling”, but such damage is not insured when the escape of water is caused by freezing;
 - (e) unless the loss or damage resulted from water that enters “your” “dwelling” through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE; or
 - (f) unless the loss or damage resulted from water that enters “your” “dwelling” through a roof due to the accumulation of ice or snow on the exterior of the roof or eaves trough;but under no circumstances will “we” insure loss or damage:
 - (g) caused by freezing during the usual heating season:
 - (i) occurring within a heated portion of “your” “dwelling” that is unoccupied, unless “you” have done at least one of the following:
 - 1) taken reasonable care to maintain the heat in the building or structure;
 - 2) shut off the water supply and have drained the system and appliance of water;
 - 3) connected “your” heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.
 - (ii) within an unheated portion of “your” “dwelling”;
 - (h) caused by continuous or repeated seepage or leakage of water other than in (8)(f) above;
 - (i) caused by the backing up or escape of water from a sewer, sump, or septic tank;
 - (j) caused by “ground water” or the rising of the water table;

- (k) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";
 - (l) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
 - (m) to a water main;
 - (n) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.
- (9) snowslide, earthquake, landslide, or any other earth movement. If any of these results in fire or explosion, "we" will pay only for the resulting loss or damage;
- (10) (a) freezing;
- (b) thawing; or
- (c) pressure or weight of water, ice, snow or sleet, whether driven by wind or not;
- to any fence, deck, patio, pavement, swimming pool or attached equipment, water main, foundation, retaining wall, bulkhead, pier, wharf or dock;
- (11) fuel oil leakage, unless the loss or damage is caused by or resulting from the sudden and accidental escape of fuel oil from a permanently installed domestic fixed fuel tank, any attached equipment, apparatus or piping;
- but "we" do not insure:
- (a) loss or damage caused by prior fuel oil leakage; or
 - (b) loss or damage caused by or resulting from continuous or repeated seepage or leakage of fuel oil.

INSURED PERILS FOR COVERAGE C - PERSONAL PROPERTY

Where the Declarations indicate an Amount of Insurance for COVERAGE C - PERSONAL PROPERTY, that covered property is insured against direct loss or damage caused by the following perils as described and limited, subject to losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED:

(1) FIRE OR LIGHTNING.

(2) EXPLOSION.

(3) SMOKE.

This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.

(4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building.

(5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

(6) RIOT.

(7) VANDALISM OR MALICIOUS ACTS.

This peril does not include loss or damage:

(a) occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";

(b) caused by "you";

(c) caused by theft, including damage caused by attempted theft.

(8) WATER DAMAGE.

This peril means loss or damage:

(a) to a system from which the water or steam escapes, but only for damage caused by the freezing of any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";

(b) caused by the sudden and accidental escape of water from a water main;

(c) caused by the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";

- (d) caused by the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing;
- (e) caused by water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE; or
- (f) caused by water that enters "your" "dwelling" through a roof due to the accumulation of ice or snow on the exterior of the roof or eaves trough;

but under no circumstances will "we" insure loss or damage:

- (g) caused by freezing during the usual heating season:
 - (i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:
 - 1) taken reasonable care to maintain the heat in the building or structure;
 - 2) shut off the water supply and have drained the system and appliance of water;
 - 3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.
 - (ii) within an unheated portion of "your" "dwelling";
- (h) caused by continuous or repeated seepage or leakage of water other than in (8)(f) above;
- (i) caused by the backing up or escape of water from a sewer, sump, or septic tank;
- (j) caused by "ground water" or the rising of the water table;
- (k) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";
- (l) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
- (m) to a water main;
- (n) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

(9) WINDSTORM OR HAIL.

This peril does not include loss or damage to the interior of a building, or the personal property inside a building, caused by rain, hail, snow, sleet, sand or dust, unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening.

(10) BREAKAGE OF GLASS.

This peril means breakage of glass which is part of a building or private structure (if "you" are a homeowner, bareland condominium unit owner or mobile home owner), or part of "your" improvements (if "you" are a tenant or condominium unit owner), on "your" "premises" including glass in storm windows and doors.

This peril does not include loss or damage occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us".

(11) TRANSPORTATION.

This peril means loss or damage to "your" personal property while it is temporarily away from "your" "premises", caused by collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer, or of any conveyance of a common carrier, in which the insured property is being carried.

This peril does not include loss or damage to any watercraft, their furnishings, equipment, accessories and motors.

(12) THEFT, INCLUDING DAMAGE CAUSED BY ATTEMPTED THEFT.

This peril does not include loss or damage:

- (a) caused by theft from the part of the "dwelling" rented to others, caused by theft or attempted theft committed by any tenant, tenant's employee or member of the tenant's household;
- (b) 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.

(13) WEIGHT OF ICE, SNOW OR SLEET.

This peril means the weight of ice, snow or sleet which causes damage to property contained in the building.

(14) COLLAPSE OF A BUILDING OR ANY PART OF A BUILDING.

This peril does not include settling, cracking, shrinking, bulging, expansion, or the falling of ceiling or wall plaster.

(15) ELECTRICITY.

This peril means sudden and accidental damage from artificially generated electrical current.

(16) FUEL LEAKAGE.

This peril means loss or damage caused by or resulting from the sudden and accidental escape of fuel oil from a permanently installed domestic fixed fuel tank, any attached equipment, apparatus or piping;

but "we" do not insure:

(a) loss or damage caused by prior fuel oil leakage; or

(b) loss or damage caused by or resulting from continuous or repeated seepage or leakage of fuel oil.

(17) DAMAGE CAUSED BY BEARS.

BASIC DWELLING FORM

If the Rating Information section of "your" Declarations indicates that a location is a Basic Dwelling (Forms Applicable - 1008) or Secondary Residence (Forms Applicable - 1008), "your" covered property at that location is insured against the following perils:

INSURED PERILS

Where the Declarations indicate an Amount of Insurance for COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and/or COVERAGE C - PERSONAL PROPERTY, that covered property is insured against direct loss or damage caused by the following perils as described and limited, subject to losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED:

(1) FIRE OR LIGHTNING.

(2) EXPLOSION.

(3) SMOKE.

This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.

(4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building.

(5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

(6) RIOT.

(7) WATER DAMAGE.

This peril means loss or damage:

(a) to a system from which the water or steam escapes, but only for damage caused by the freezing of any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";

(b) caused by the sudden and accidental escape of water from a water main;

(c) caused by the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";

(d) caused by the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing; or

(e) caused by water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE;

but under no circumstances will "we" insure loss or damage:

(f) caused by freezing during the usual heating season:

(i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:

1) taken reasonable care to maintain the heat in the building or structure;

2) shut off the water supply and have drained the system and appliance of water;

3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.

(ii) within an unheated portion of "your" "dwelling";

(g) caused by continuous or repeated seepage or leakage of water;

(h) caused by the backing up or escape of water from a sewer, sump, or septic tank;

(i) caused by "ground water" or the rising of the water table;

(j) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";

(k) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;

(l) to a water main;

(m) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

(8) WINDSTORM OR HAIL.

This peril does not include loss or damage:

- (a)** to the interior of a building or the personal property inside a building, caused by rain, hail, snow, sleet, sand or dust, unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening;
- (b)** due to weight or pressure or melting of ice or snow, or "flood", all whether driven by wind or not;
- (c)** to the outer metal cover of any mobile home caused by hail, whether driven by wind or not, unless the cover is punctured by the hail.

(9) VANDALISM OR MALICIOUS ACTS.

This peril does not include loss or damage:

- (a)** occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
- (b)** caused by "you", any tenant, tenant's employee or member of the tenant's household;
- (c)** to glass which forms part of a building;
- (d)** caused by theft, including damage caused by attempted theft.

(10) BURGLARY.

This peril means theft of "your" personal property from the "premises" following illegal and forcible entry or exit, leaving visible marks at the point of forced entry or exit. Damage to the "dwelling" is included.

"We" do not insure loss or damage:

- (a)** occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
- (b)** caused by any tenant, tenant's employee or member of the tenant's household.

(11) ROBBERY.

This peril means theft by violence or threat of violence to any person.

(12) DAMAGE CAUSED BY BEARS.

(13) ELECTRICITY.

This peril means sudden and accidental damage from artificially generated electrical current.

BASIC SEASONAL DWELLING FORM

If the Rating Information section of "your" Declarations indicates that a location is a Basic Seasonal Dwelling (Forms Applicable - 1009), "your" covered property at that location is insured against the following perils:

INSURED PERILS

Where the Declarations indicate an Amount of Insurance for COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and/or COVERAGE C - PERSONAL PROPERTY, that covered property is insured against direct loss or damage caused by the following perils as described and limited, subject to losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED:

(1) FIRE OR LIGHTNING.

(2) EXPLOSION.

(3) SMOKE.

This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.

(4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building.

(5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

(6) RIOT.

(7) WATER DAMAGE.

This peril means loss or damage:

(a) to a system from which the water or steam escapes, but only for damage caused by the freezing of any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";

(b) caused by the sudden and accidental escape of water from a water main;

(c) caused by the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";

(d) caused by the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing; or

(e) caused by water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE;

but under no circumstances will "we" insure loss or damage:

(f) caused by freezing during the usual heating season:

(i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:

1) taken reasonable care to maintain the heat in the building or structure;

2) shut off the water supply and have drained the system and appliance of water;

3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.

(ii) within an unheated portion of "your" "dwelling";

(g) caused by continuous or repeated seepage or leakage of water;

(h) caused by the backing up or escape of water from a sewer, sump, or septic tank;

(i) caused by "ground water" or the rising of the water table;

(j) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";

(k) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;

(l) to a water main;

(m) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

(8) WINDSTORM OR HAIL.

This peril does not include loss or damage:

- (a)** to the interior of a building or the personal property inside a building, caused by rain, hail, snow, sleet, sand or dust, unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening;
- (b)** due to weight or pressure or melting of ice or snow, or "flood", all whether driven by wind or not;
- (c)** to the outer metal cover of any mobile home caused by hail, whether driven by wind or not, unless the cover is punctured by the hail.

(9) ELECTRICITY.

This peril means sudden and accidental damage from artificially generated electrical current.

BROAD SEASONAL DWELLING FORM

If the Rating Information section of "your" Declarations indicates that a location is a Broad Seasonal (Forms Applicable - 1010) or Seasonal Dwelling Broad Form (Forms Applicable - 1010), "your" covered property at that location is insured against the following perils:

INSURED PERILS

Where the Declarations indicate an Amount of Insurance for COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and/or COVERAGE C - PERSONAL PROPERTY, that covered property is insured against direct loss or damage caused by the following perils as described and limited, subject to losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED:

(1) FIRE OR LIGHTNING.

(2) EXPLOSION.

(3) SMOKE.

This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.

(4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building.

(5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

(6) RIOT.

(7) WATER DAMAGE.

This peril means loss or damage:

(a) to a system from which the water or steam escapes, but only for damage caused by the freezing of any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";

(b) caused by the sudden and accidental escape of water from a water main;

(c) caused by the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";

(d) caused by the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing; or

(e) caused by water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE;

but under no circumstances will "we" insure loss or damage:

(f) caused by freezing during the usual heating season:

(i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:

1) taken reasonable care to maintain the heat in the building or structure;

2) shut off the water supply and have drained the system and appliance of water;

3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.

(ii) within an unheated portion of "your" "dwelling";

(g) caused by continuous or repeated seepage or leakage of water;

(h) caused by the backing up or escape of water from a sewer, sump, or septic tank;

(i) caused by "ground water" or the rising of the water table;

(j) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";

(k) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;

(l) to a water main;

(m) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

(8) WINDSTORM OR HAIL.

This peril does not include loss or damage:

- (a)** to the interior of a building or the personal property inside a building, caused by rain, hail, snow, sleet, sand or dust, unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening;
- (b)** due to weight or pressure or melting of ice or snow, or "flood", all whether driven by wind or not;
- (c)** to the outer metal cover of any mobile home caused by hail, whether driven by wind or not, unless the cover is punctured by the hail.

(9) VANDALISM OR MALICIOUS ACTS.

This peril does not include loss or damage:

- (a)** occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
- (b)** caused by "you", any tenant, tenant's employee or member of the tenant's household;
- (c)** to glass which forms part of a building;
- (d)** caused by theft, including damage caused by attempted theft.

(10) BURGLARY.

This peril means theft of "your" personal property from the "premises" following illegal and forcible entry or exit, leaving visible marks at the point of forced entry or exit. Damage to the "dwelling" is included.

"We" do not insure loss or damage:

- (a)** occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
- (b)** caused by any tenant, tenant's employee or member of the tenant's household.

(11) ROBBERY.

This peril means theft by violence or threat of violence to any person.

(12) DAMAGE CAUSED BY BEARS.

(13) ELECTRICITY.

This peril means sudden and accidental damage from artificially generated electrical current.

SEASONAL HOMEOWNERS FORM

If the Rating Information section of "your" Declarations indicates that a location is a Seasonal Homeowners (Forms Applicable - 93), "your" covered property at that location is insured against the following perils:

INSURED PERILS

Where the Declarations indicate an Amount of Insurance for COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and COVERAGE C - PERSONAL PROPERTY, that covered property is insured against direct loss or damage caused by the following perils as described and limited, subject to losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED:

(1) FIRE OR LIGHTNING.

(2) EXPLOSION.

(3) SMOKE.

This peril means sudden and accidental loss or damage from smoke. This peril does not include loss or damage by smoke from agricultural smudging or industrial operations.

(4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building.

(5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

(6) RIOT.

(7) WATER DAMAGE.

This peril means loss or damage:

(a) to a system from which the water or steam escapes, but only for damage caused by the freezing of any part of the plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located within the heated portion of "your" "dwelling";

(b) caused by the sudden and accidental escape of water from a water main;

(c) caused by the sudden and accidental escape of water or steam from within a plumbing, heating, sprinkler or air conditioning system, or "domestic water container", which is located inside "your" "dwelling";

(d) caused by the sudden and accidental escape of water from a "domestic water container" located outside "your" "dwelling", but such damage is not insured when the escape of water is caused by freezing; or

(e) caused by water that enters "your" "dwelling" through an opening which has been created suddenly and accidentally by a peril insured by this coverage form, other than WATER DAMAGE;

but under no circumstances will "we" insure loss or damage:

(f) caused by freezing during the usual heating season:

(i) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:

1) taken reasonable care to maintain the heat in the building or structure;

2) shut off the water supply and have drained the system and appliance of water;

3) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service.

(ii) within an unheated portion of "your" "dwelling";

(g) caused by continuous or repeated seepage or leakage of water;

(h) caused by the backing up or escape of water from a sewer, sump, or septic tank;

(i) caused by "ground water" or the rising of the water table;

(j) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";

(k) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;

(l) to a water main;

(m) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

(8) WINDSTORM OR HAIL.

This peril does not include loss or damage:

- (a)** to the interior of a building or the personal property inside a building, caused by rain, hail, snow, sleet, sand or dust, unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening;
- (b)** due to weight or pressure or melting of ice or snow, or "flood", all whether driven by wind or not;
- (c)** to the outer metal cover of any mobile home caused by hail, whether driven by wind or not, unless the cover is punctured by the hail.

(9) VANDALISM OR MALICIOUS ACTS.

This peril does not include loss or damage:

- (a)** occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us";
- (b)** caused by "you", any tenant, tenant's employee or member of the tenant's household;
- (c)** to glass which forms part of a building;
- (d)** caused by theft, including damage caused by attempted theft.

(10) DAMAGE CAUSED BY BEARS.

(11) THEFT, INCLUDING DAMAGE CAUSED BY ATTEMPTED THEFT.

This peril does not include loss or damage:

- (a)** caused by any tenant, tenant's employee or member of the tenant's household;
- (b)** 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.

(12) BREAKAGE OF GLASS.

This peril means breakage of glass which is part of a building or private structure on "your" "premises" including glass in storm windows and storm doors.

This peril does not include loss or damage occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us".

(13) TRANSPORTATION.

This peril means loss or damage to "your" personal property while it is temporarily away from "your" "premises", caused by collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer, or of any conveyance of a common carrier, in which the insured property is being carried.

This peril does not include loss or damage to any watercraft, their furnishings, equipment, accessories and motors.

(14) COLLAPSE OF A BUILDING OR ANY PART OF A BUILDING.

This peril does not include loss to an awning, fence, deck, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock unless the loss is a direct result of the collapse of a building. Collapse does not include settling, cracking, shrinking, bulging, expansion, or the falling of ceiling or wall plaster.

(15) ELECTRICITY.

This peril means sudden and accidental damage from artificially generated electrical current.

SECTION I

OPTIONAL COVERAGES

The following OPTIONAL COVERAGES are subject to all the terms and conditions applicable to SECTION I of this policy and the provisions of these coverages.

All OPTIONAL COVERAGES are subject to the SECTION I Deductible stated in the Declarations unless the terms of the OPTIONAL COVERAGE state otherwise.

BOAT AND MOTOR COVERAGE - FORM 1110

INSURED PROPERTY

If the Declarations indicate that BOAT AND MOTOR COVERAGE - FORM 1110 is included, "we" insure only the following items for which an Amount of Insurance is also stated in the Declarations:

- (1) the boat(s) described in the Declarations including its permanently attached equipment (except outboard motors);
- (2) the motor(s) described in the Declarations including fuel containers and electric starting equipment or controls supplied as integral equipment by the manufacturer;
- (3) boat equipment not included in (1) or (2) above, including batteries, oars, oarlocks, anchors, boat covers, cushions, life preservers, fire extinguishers, extra gasoline tanks, horns, pumps, and similar property, while such property is attached to or contained in or on the boat(s) covered by this insurance;
- (4) the trailer(s) described in the Declarations.

PROPERTY NOT INSURED

"We" do not insure any property:

- (1) used as a public or livery conveyance for carrying passengers for compensation;
- (2) while rented to others;
- (3) while operated in any official race or speed test. This exclusion does not apply to sailboats.

INSURED PERILS

"We" insure "your" boat(s), motor(s), boat equipment and trailer(s) described in the Declarations against all risks of direct physical loss or damage subject to the exclusions of this coverage and conditions of this policy and coverage.

LOSS OR DAMAGE NOT INSURED

"We" do not insure loss or damage caused by or resulting from:

- (1) losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;
- (2) marine life, marine borers, electrolysis, denting, weathering, or in consequence of freezing;
- (3) dishonesty of persons to whom the insured property is entrusted. This exclusion does not apply where the person entrusted is a carrier for hire.

BASIS OF CLAIM PAYMENT

- (1) VALUED PROPERTY.

Where VALUED appears beside an item, that item is valued for the amount shown. "We" will pay the cost of repairs without deduction, new for old, except that claims for loss or damage to sails and protective covers of fabric or similar material shall be adjusted on the basis of the "actual cash value" at the time of loss or damage. "We" may elect to repair any damaged property or replace any lost or damaged property with other of similar quality.

- (2) TOTAL LOSS.

"We" will not pay for a total loss of insured property unless the expense of recovering or replacing the insured property shall exceed the Amount of Insurance.

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 in the Declarations for this coverage. No other deductible applies to this OPTIONAL COVERAGE.

SPECIAL CONDITIONS

(1) SOUND CONDITION.

"You" warrant that the insured property is in sound condition at the time of attachment of this insurance.

(2) REPAIR CLAUSE.

Plywood, plastic, fiberglass, and molded hull boats shall be repaired according to the manufacturer's specifications or accepted repair practice. "Our" liability shall be limited to an amount not in excess of the cost of making such repairs.

(3) SAILBOAT LAY UP WARRANTY.

"You" warrant that the insured sailboat(s) will only be used during the navigational period stated in the Declarations, otherwise the sailboat shall be laid up and out of commission.

(4) ACQUISITION CLAUSE.

If "you" acquire another boat or motor to replace the described property, "we" will insure the newly acquired property for a period not exceeding 30 days from date of acquisition. "We" shall be liable only for the Amount of Insurance on the property disposed of or the invoice cost of the new property, whichever is less.

BUILDING BYLAWS COVERAGE - FORM 1053

If the Declarations indicate that BUILDING BYLAWS COVERAGE - FORM 1053 is included, coverage is provided for the specified location(s) to pay the additional cost of demolition, construction or repair which is required to comply with any law regulating demolition, construction or repair of buildings damaged by an INSURED PERIL.

"We" will not pay:

- (1) more than the Amount of Insurance shown on the Declarations page;
- (2) more than the minimum amount required to comply with any law;
- (3) the additional cost, unless "your" property is actually repaired, rebuilt or replaced on the same location.

Payment under this coverage is in addition to the COVERAGE A - DWELLING BUILDING Amount of Insurance on the specified location.

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

COMPUTER COVERAGE - FORM 962

INSURED PROPERTY

If the Declarations indicate that COMPUTER COVERAGE - FORM 962 is included, "we" insure "your" "computer system" described in the Declarations, while located anywhere in the world.

"You" may use up to 25%, but not more than \$10,000 of the Amount of Insurance shown in the Declarations for COMPUTER COVERAGE, to insure similar property held by "you" but belonging to others. This does not increase the Amount of Insurance on this OPTIONAL COVERAGE.

PROPERTY NOT INSURED

"We" do not insure:

- (1) property rented to others;
- (2) unlicensed "software", or any "data" or "software" which has been acquired illegally;
- (3) accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents, unless they have been converted into electronic "data" and then only in that form.

INSURED PERILS

"You" are insured against all risks of direct physical loss or damage subject to the exclusions of this coverage and conditions of this policy and coverage.

LOSS OR DAMAGE NOT INSURED

"We" do not insure:

- (1) Loss or damage caused by or resulting from losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;

- (2) loss or damage caused by any change in electrical power supply, such as interruption, power surge or brownout, if the change originates more than 30 m (100 feet) away from the "premises" containing the "computer system";
- (3) loss or damage caused by or resulting from dishonesty of any person to whom the property is entrusted. Property in the custody of a bailee hired by "you" is insured;
- (4) the cost to gather or assemble information required for the re-creation of any "data".

DEDUCTIBLE

No deductible applies to this OPTIONAL COVERAGE.

EARTHQUAKE COVERAGE - FORM 990

If the Declarations indicate that EARTHQUAKE COVERAGE - FORM 990 is included, "you" are insured against direct loss or damage, caused by earthquake, to property insured under COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES, COVERAGE C - PERSONAL PROPERTY and CONDOMINIUM ADDITIONAL COVERAGE in SECTION I PROPERTY COVERAGES - ADDITIONAL COVERAGES.

- (1) One or more earthquake shocks that occur within a one hundred and sixty-eight hour period shall constitute a single earthquake.
- (2) "We" will pay only that part of the loss that exceeds the deductible shown in the Declarations for this coverage. This deductible shall apply separately to loss under COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES, COVERAGE C - PERSONAL PROPERTY and the CONDOMINIUM ADDITIONAL COVERAGE in SECTION I PROPERTY COVERAGES - ADDITIONAL COVERAGES. This deductible amount shall not be less than \$500 in any one loss. No other deductible applies to this OPTIONAL COVERAGE.
- (3) "We" do not insure loss or damage caused directly or indirectly by "flood" of any nature, whether or not caused by, resulting from, contributed to or aggravated by earthquake.

This coverage does not increase the Amounts of Insurance stated in this policy.

GLASS BREAKAGE COVERAGE - FORM 1017

If the Declarations indicate that GLASS BREAKAGE COVERAGE - FORM 1017 is included, "we" insure glass that forms part of a building(s) insured, including glass in storm doors and storm windows, against accidental breakage.

"We" do not insure loss or damage occurring while the "dwelling" is under construction or "vacant", even if permission for construction or vacancy has been given by "us".

"We" are responsible only for the amount by which the loss or damage exceeds the amount of the deductible for this coverage, shown in the Declarations, in any one "occurrence".

No other deductible applies to this OPTIONAL COVERAGE.

IDENTITY FRAUD EXPENSE COVERAGE - FORM 1054

If the Declarations indicate that IDENTITY FRAUD EXPENSE COVERAGE - FORM 1054 is included, "you" are insured for the following:

COVERAGE

"We" agree to pay the following expenses "you" actually incur resulting from "identity fraud":

- (1) Earnings lost by "you" as a result of unpaid time off work which must be taken to complete fraud affidavits, meet with law enforcement agencies, credit agencies, merchants or legal counsel;
- (2) Loan application fees for reapplying for loan(s) due to the rejection of the original application because the lender received incorrect credit information;
- (3) Costs for notarizing affidavits or similar documents for law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- (4) Costs for sending certified mail to law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- (5) Telephone expenses for calls to businesses, law enforcement agencies, financial institutions or similar credit grantors, and credit agencies;
- (6) Reasonable fees incurred, with prior notice to and approval by "us", if "you" hire a fraud mitigation professional to assist "you" in restoring the accuracy of "your" identifying information;
- (7) Reasonable lawyer fees incurred, with prior notice to and approval by "us", for:
 - (a) "your" defense against any suit(s) by businesses or their collection agencies;

- (b) the removal of any criminal or civil judgments wrongly entered against “you”; and
- (c) any challenge to the information in “your” consumer credit report; which is required to restore “your” identifying information.

The expenses must result from an act of "identity fraud" that was discovered during the policy term.

EXCLUSIONS

“We” do not insure any expenses:

- (1) which are caused or contributed to, in whole or in part, directly or indirectly by:
 - (a) fraudulent, dishonest or criminal acts committed by:
 - (i) “you”;
 - (ii) any person acting with “you”; or
 - (iii) any person acting as “your” authorized representative; whether acting alone or in collusion with others;
 - (b) “your” “business” or commercial pursuits;
 - (c) “your” own use of “your” identity or credit; or
 - (d) “your” intentional misuse of “your” identity or credit.
- (2) that do not arise directly and solely as a result of an act of "identity fraud" and the subsequent steps required to restore the accuracy of “your” identifying information.

This endorsement does not apply to losses covered under CREDIT OR DEBIT CARDS, FORGERY AND COUNTERFEIT MONEY in SECTION I PROPERTY COVERAGES - ADDITIONAL COVERAGE.

AMOUNT OF INSURANCE

The IDENTITY FRAUD EXPENSE COVERAGE Amount of Insurance shown in the Declarations is the most “we” will pay for covered expenses from all "identity fraud" acts discovered in any one policy period, regardless of the number of acts discovered or the number of “Insureds” affected.

DEDUCTIBLE

“We” are responsible only for the amount by which covered expenses exceeds \$250 in any one policy period. No other deductible applies to this coverage.

ADDITIONAL CONDITIONS

- (1) “You” must comply with all the terms and requirements stipulated with the issuance of any bank card or credit card including secure storage of PINs (Personal Identification Numbers) and personal information. If “you” do not, “you” will not be entitled to any coverage.
- (2) Upon discovering an act of "identity fraud" “you” must immediately notify “us” and an applicable law enforcement agency so steps can be initiated to restore the accuracy of “your” identifying information. If “you” do not, “you” will not be entitled to any coverage.

MOTORIZED VEHICLE COVERAGE - FORM 965

INSURED PROPERTY

If the Declarations indicate that MOTORIZED VEHICLE COVERAGE - FORM 965 applies, “we” insure only “your” motorized vehicle(s) that are specifically described in the Declarations.

PROPERTY NOT INSURED

“We” do not insure any property:

- (1) used as a public or livery conveyance for carrying passengers for compensation;
- (2) while rented to others;
- (3) while operated in any official race or speed test;
- (4) which is licensed or is subject to motor vehicle registration.

INSURED PERILS

“You” are insured against all risks of direct physical loss or damage subject to the exclusions of this coverage and conditions in this policy and coverage.

LOSS OR DAMAGE NOT INSURED

“We” do not insure loss or damage:

- (1) caused by or resulting from losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;

- (2) caused by or resulting from the dishonesty of persons to whom the insured property is entrusted. This exclusion does not apply where the person entrusted is a carrier for hire;
- (3) to tires and tubes unless caused by fire, theft, vandalism or malicious acts or unless the same accident causes other insured loss under this coverage.

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 in the Declarations for this coverage.

No other deductible applies to this OPTIONAL COVERAGE.

PERSONAL ARTICLES COVERAGE - FORM 1014

INSURED PROPERTY

If the Declarations indicate that PERSONAL ARTICLES COVERAGE - FORM 1014 applies, "we" insure "your" personal articles listed in the Declarations anywhere in the world.

PROPERTY NOT INSURED

"We" do not insure any musical instrument played for a fee unless "we" have given "our" written permission.

INSURED PERILS

"You" are insured against all risks of direct physical loss or damage subject to the exclusions of this coverage and conditions of this policy and coverage.

LOSS OR DAMAGE NOT INSURED

"We" do not insure loss or damage caused by or resulting from losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED.

SPECIAL CONDITIONS

(1) STAMP, COIN OR OTHER COLLECTIONS

"We" will pay for loss or damage to "your" collection in the proportion that the Amount of Insurance on "your" collection bears to its cash market value at the time of loss. "We" will not pay more than \$250 on any single article of "your" collection. A single article means any one stamp, coin or other individual article or pair, strip, block, series, sheet, cover, frame, card, or the like. This condition does not apply to articles listed in the Declarations.

(2) NEWLY ACQUIRED ARTICLES

This condition replaces BASIS OF CLAIM PAYMENT (16) NEWLY ACQUIRED PERSONAL PROPERTY in SECTION I CONDITIONS.

If "you" acquire any additional articles of the type for which an Amount of Insurance is shown, "we" will automatically insure the newly acquired property under this coverage provided "you" notify "us" within 30 days. "We" will not pay more than \$5,000 under this extension.

DEDUCTIBLE

No deductible applies to this OPTIONAL COVERAGE.

SEWER BACK-UP/WATER DAMAGE COVERAGE - FORM 1019

If the Declarations indicate that SEWER BACK-UP/WATER DAMAGE - FORM 1019 is included, "you" are insured against direct loss or damage to property insured under COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and COVERAGE C - PERSONAL PROPERTY caused by the backing up or escape of water from a sewer, sump, or septic tank.

Where this endorsement applies to a building insured by the BASIC DWELLING FORM, BASIC SEASONAL DWELLING FORM, BROAD SEASONAL DWELLING FORM, or a SEASONAL HOMEOWNERS FORM, "you" are also insured against direct loss or damage to property insured under COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES and/or COVERAGE C - PERSONAL PROPERTY caused by water that enters the "dwelling" through a roof due to the accumulation of ice or snow on the exterior of the roof or eaves trough.

This coverage does not apply to loss or damage:

- (1) caused by freezing during the usual heating season:
 - (a) occurring within a heated portion of "your" "dwelling" that is unoccupied, unless "you" have done at least one of the following:
 - (i) taken reasonable care to maintain the heat in the building or structure;
 - (ii) shut off the water supply and have drained the system and appliance of water;

- (iii) connected "your" heating system to an alarm which is monitored 24 hours a day, 7 days a week, 365 days a year, by a central monitoring service;
 - (b) within an unheated portion of "your" "dwelling";
- (2) caused by continuous or repeated seepage or leakage of water;
 - (3) caused by "ground water" or the rising of the water table;
 - (4) caused by "surface waters", unless the water escapes from a water main or from a "domestic water container" located outside "your" "dwelling";
 - (5) caused by shoreline ice build-up or by water-borne ice or other objects, all whether driven by wind or not;
 - (6) occurring while the building is under construction or "vacant" even if "we" have given permission for construction or vacancy.

SINGLE INCLUSIVE LIMIT - FORM 1050

If the Declarations indicate SINGLE INCLUSIVE LIMIT - FORM 1050 is included, "we" agree that in the event of loss, should the Amount of Insurance specified in the Declarations for any one or more of the following coverages become depleted, "you" may apply any unused limits from the remainder of the following coverages until the total limits for all of the coverages listed below have been exhausted:

- (1) COVERAGE A - DWELLING BUILDING;
- (2) COVERAGE B - PRIVATE STRUCTURES;
- (3) COVERAGE C - PERSONAL PROPERTY; or
- (4) COVERAGE D - ADDITIONAL LIVING EXPENSE.

However, where a building insured under COVERAGE A - DWELLING BUILDING is also insured for GUARANTEED REPLACEMENT COST - COVERAGE A - DWELLING BUILDING and the building loss exceeds the limit shown in the Declarations under COVERAGE A - DWELLING BUILDING, this SINGLE INCLUSIVE LIMIT will only apply to the coverages listed in (2), (3) and (4) above.

TRAILER COVERAGE - FORM 995

INSURED PROPERTY

If the Declarations indicate that TRAILER COVERAGE - FORM 995 applies, "we" insure only "your" trailer(s) for which an Amount of Insurance and a specific description is shown in the Declarations.

PROPERTY NOT INSURED

"We" do not insure:

- (1) (a) motorized vehicles;
 - (b) motors;
 - (c) aircraft;
 - (d) watercraft; or
 - (e) other conveyances;
- or their furnishings, equipment or appurtenances;
- (2) property while waterborne except while being transported by regular ferries;
 - (3) property rented or leased to others.

ADDITIONAL COVERAGES

- (1) ADDITIONAL LIVING EXPENSES.

If an INSURED PERIL makes "your" trailer(s) unfit for occupancy while it is actually being used, or intended to be used, "we" insure any necessary increase in living expenses incurred by "you" so that "you" may maintain "your" intended vacation.

These expenses may include loss of irrecoverable prepaid deposits, reasonable rental expense for a substitute trailer and expenses incurred to return "your" trailer to "your" residence "premises" stated in the Rating Information section of the Declarations.

"We" will pay up to \$150 per day, subject to a maximum of \$1,500 in any one "occurrence".

No deductible applies to this coverage.

- (2) EMERGENCY ROAD SERVICE EXPENSE.

If "your" trailer becomes disabled and "you" incur emergency road service expenses, "we" will reimburse "you" upon presentation of receipted bills and acceptable evidence of loss.

This coverage does not extend to the towing vehicle, nor do "we" pay for parts, tires or supplies.

"We" will pay up to \$250 in any one "occurrence".

No deductible applies to this coverage.

(3) DEBRIS REMOVAL.

"We" will pay the reasonable expense incurred by "you" in the removal of debris of insured property as the result of an INSURED PERIL.

"We" will pay up to \$1,000 in any one "occurrence".

This Amount of Insurance is in addition to the Amount of Insurance on "your" trailer(s).

No deductible applies to this coverage.

(4) PERSONAL PROPERTY IN A TRAILER.

"You" may extend the insurance on "your" personal property insured by the COVERAGE C - PERSONAL PROPERTY of "your" residence "premises" stated in the Rating Information section of the Declarations to cover that property while it is located at or being used in conjunction with any trailer described in the Declarations. This coverage is subject to the perils insured by this coverage form.

Temporary attachments of the trailer are included as personal property under this COVERAGE C - PERSONAL PROPERTY extension of coverage.

This coverage does not increase the Amount of Insurance shown in the Declarations for COVERAGE C - PERSONAL PROPERTY.

INSURED PERILS

"You" are insured against all risks of direct physical loss or damage subject to the exclusions of this coverage and conditions of this policy and coverage.

LOSS OR DAMAGE NOT INSURED

"We" do not insure loss or damage caused by or resulting from:

- (1)** losses excluded under SECTION I LOSS OR DAMAGE NOT INSURED;
- (2)** dishonesty of persons to whom the insured property is entrusted. This exclusion does not apply where the person entrusted is a carrier for hire.

BASIS OF CLAIM PAYMENT

Trailers: If an INSURED PERIL causes a total loss to "your" trailer "we" will pay for the insured loss to "your" trailer on the basis of full "replacement cost" regardless of the Amount of Insurance shown in the Declarations.

This applies only if:

- (1)** the loss occurs within 24 months since the trailer was first purchased new by "you";
- (2)** the trailer is insured to 100% of its original "replacement cost";
- (3)** replacement is made promptly with a trailer of similar kind, quality and usefulness.

Otherwise the BASIS OF CLAIM PAYMENT in SECTION I CONDITIONS will apply.

DEDUCTIBLE

"We" are responsible only for the amount by which loss or damage caused by any of the INSURED PERILS exceeds the amount of the deductible shown in the Declarations for this coverage.

ADDITIONAL CONDITION

ACQUISITION CLAUSE

If "you" acquire another trailer to replace the described property, "we" will insure the newly acquired property for a period not exceeding 30 days from date of acquisition. "We" shall be liable only for the Amount of Insurance on the property disposed of or the invoice cost of the new property, whichever is less.

SECTION I

LOSS OR DAMAGE NOT INSURED

"We" do not insure:

- (1) loss or damage caused by:
 - (a) wear and tear, gradual deterioration, extremes of temperature, latent defect, or any quality in property that causes it to damage or destroy itself;
 - (b) mechanical breakdown, except for property insured under COMPUTER COVERAGE - FORM 962, ADDITIONAL COVERAGES (2) EMERGENCY ROAD SERVICE EXPENSE under TRAILER COVERAGE - FORM 995, and "your" frozen food, as insured in (13) HOME FREEZER AND FOOD SPOILAGE under ADDITIONAL COVERAGES in SECTION I PROPERTY COVERAGES;
 - (c) marring and scratching, rust or corrosion, condensation, dampness of atmosphere, wet or dry rot, contamination, "fungi" or "spores", except for property insured under FINE ARTS COVERAGE - FORM 1013 or PERSONAL ARTICLES COVERAGE - FORM 1014;
 - (d) vermin or rodents, including but not limited to raccoons, squirrels, and ground-hogs;
 - (e) birds; or
 - (f) insects including but not limited to termites and moths;however, resulting loss or damage caused by "specified perils", theft, including damage caused by attempted theft, or resulting damage to building glass is insured;
- (2) loss or damage to personal property undergoing any process or being worked on where damage results from such process or work, but resulting damage to other property is insured;
- (3) loss or damage occurring after "your" "dwelling" has, to "your" knowledge, been "vacant" for more than 30 consecutive days;
- (4) loss or damage to structures or buildings used in whole or in part for "business" or "farming" purposes;
- (5) loss or damage resulting directly or indirectly from:
 - (a) 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) contamination by radioactive material;
 - (c) war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, or military power;
- (6) loss or damage resulting from "your" intentional or criminal acts;
- (7) any property illegally acquired, kept, stored, or transported, or property subject to forfeiture;
- (8) any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- (9) 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;
- (10) any loss or damage resulting from any illegal activity:
 - (a) of the "Insured";
 - (b) of any tenant of the "Insured"; or
 - (c) the relatives or "residence employees" of either;arising directly or indirectly from the growing, cultivating, harvesting, processing, manufacture, distribution, or sale of any drug, including but not limited to cannabis, or any non-prescription controlled substance or illegal substance or items of any kind, the possession of which constitutes a criminal offense, whether or not "you" have any knowledge of such activity or are able or unable to control such illegal activity.

This includes any alteration of the "premises" to facilitate such illegal activity.

- (11) any 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;
- (12) (a) "data", except for electronically stored "data", insured under COMPUTER COVERAGE - FORM 962 in SECTION I OPTIONAL COVERAGES;
(b) any 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 "specified perils", this exclusion (b) shall not apply to such resulting loss or damage.
- (13) the cost of making good, faulty design, material or workmanship, or any damage that occurs due to any such fault, except that resulting damage by any of the INSURED PERILS is insured;
- (14) loss occurring while "your" mobile home is being moved, except in an emergency to protect it when endangered by any of the INSURED PERILS. Moving begins with the commencement of the removal of leveling jacks/blocks and/or the disconnection of utilities, and continues until the mobile home has been fully installed and is ready for occupancy at its new location.

SECTION I CONDITIONS

BASIS OF CLAIM PAYMENT

"We" will pay for insured loss or damage up to "your" financial interest in the property but not exceeding the applicable amount(s) of insurance for any loss or damage arising out of one "occurrence". This applies even if more than one person or organization has an insurable interest in the property insured.

(1) REINSTATEMENT

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

(2) 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 in the Declarations in any one "occurrence".

If "your" claim involves personal property on which the SPECIAL LIMITS OF INSURANCE in COVERAGE C - PERSONAL PROPERTY apply, the limitations apply to losses exceeding the deductible amount.

(3) BUILDING

If "you" repair or replace the damaged or destroyed building(s) on the same location, with building(s) of the same size and occupancy, constructed with materials of similar quality, within a reasonable time after the damage, "you" may choose as the basis of loss settlement either (a) or (b) below. Otherwise settlement will be as in (b).

(a) The cost of repairs or replacement (whichever is less) without deduction for depreciation, in which case "we" will pay in the proportion that the applicable Amount of Insurance bears to 80% of the cost to replace the damaged or destroyed building(s) on the same location, with building(s) of the same size and occupancy constructed with materials of similar quality at the time of loss, but not exceeding the actual cost incurred.

(b) The "actual cash value" of the loss or damage at the time of loss.

In determining the cost of repairs or replacement "we" will not pay or include the increased costs of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services.

(4) GUARANTEED REPLACEMENT COST - COVERAGE A - DWELLING BUILDING

If the Declarations indicate GUARANTEED REPLACEMENT COST - COVERAGE A, "we" will pay for the insured loss to "your" "dwelling" building on the basis of full "replacement cost" regardless of the Amount of Insurance shown in the Declarations, provided "you":

(a) insure "your" "dwelling" for 100% of its replacement value as of the original inception date of this policy as well as of the effective date of all subsequent renewal terms. For the purposes of this coverage, "we" will consider a "dwelling" insured to 100% of its replacement value if "you" provide "us" with a replacement cost calculator acceptable to "us", every 5 years, beginning with the original inception date of the policy, and also allow the "dwelling" Amount of Insurance to be increased annually, on renewal, by an inflationary percentage established by "us";

(b) repair, rebuild or replace the "dwelling" building on the same location, with a building of the same size, and occupancy, constructed with material of similar quality;

(c) notify "us" within 90 days of the start of work if "you" make additions or improvements to "your" "dwelling" building that will increase its "replacement cost" by \$10,000 or more.

Otherwise the basis of claim payment in the policy will apply as if this coverage had not been in effect.

In determining the cost of repairs or replacement "we" will not pay or include the increased costs of repair or replacement due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services.

(5) PERSONAL PROPERTY

(a) "Software".

"We" will only pay for the cost of replacing licensed "software" and only from duplicates or from licensed originals of the lost or damaged version of the "software".

(b) Electronic "data".

"We" will pay the cost of replacing electronic "data" from backup copies or duplicates, but "we" will not pay for the cost of gathering or assembling any of the information required to reproduce the electronic "data".

(c) Non-electronic records including financial statements, books of account, legal documents such as mortgage documents and wills, transcripts, drawings, or card index systems.

"We" will not pay the cost of research to reproduce these documents, but "we" will pay the cost of blank books, pages, cards, or other materials, plus the cost of transcribing or copying the records from duplicates.

(d) Additional personal property subject to "actual cash value".

"We" will only pay for the "actual cash value" of the following personal property:

(i) articles that cannot be replaced with new articles because of their inherent nature, including antiques, fine arts, paintings, and statuary;

(ii) articles with an age or history that substantially contributes to their value, such as memorabilia, souvenirs, and collector's items;

(iii) property that has not been maintained in good or workable condition;

(iv) property that is no longer used for its original purpose.

(e) All other personal property.

All other personal property will be paid for on an "actual cash value" basis unless the Declarations indicate otherwise.

(6) REPLACEMENT COST ON CONTENTS

If the Declarations indicate that REPLACEMENT COST ON CONTENTS is included, "we" will pay for loss or damage to the following property on a "replacement cost" basis:

(a) all property insured under COVERAGE C - PERSONAL PROPERTY, other than property listed in (5)(a), (5)(b), (5)(c) or (5)(d) above; and

(b) any item specifically described in the Declarations under any one of the SECTION I OPTIONAL COVERAGES, other than personal property insured under one of the following:

(i) BOAT AND MOTOR COVERAGE - FORM 1110;

(ii) FINE ARTS COVERAGE - FORM 1013; or

(iii) HORSE COVERAGE - FORM 970 (item 1 only);

but only if the loss or damage insured by the OPTIONAL COVERAGE is also insured under COVERAGE C - PERSONAL PROPERTY. Property specifically insured under the TRAILER COVERAGE - FORM 995 will be insured on a "replacement cost" basis if the Declarations indicate that REPLACEMENT COST ON CONTENTS applies.

Coverage will apply only up to the Amount of Insurance specified in the Declarations for that item.

"We" will pay on the basis of "replacement cost" only if the lost or damaged property is repaired or replaced as soon as reasonably possible. Otherwise "we" will pay on the basis of "actual cash value".

"You" may choose to settle the loss to property eligible for REPLACEMENT COST ON CONTENTS COVERAGE on an "actual cash value" basis initially. If "you" do, "you" may still make an additional claim for the difference between the "actual cash value" and "replacement cost" basis provided such claim is made within 180 days after the date of loss or damage.

(7) INFLATION PROTECTION COVERAGE

During the term of this policy, "we" will automatically increase the Amount of Insurance on COVERAGE A - DWELLING BUILDING, COVERAGE B - PRIVATE STRUCTURES, COVERAGE C - PERSONAL PROPERTY and COVERAGE D - ADDITIONAL LIVING EXPENSE by a pro rata proportion of the annual percentage shown in the Declarations. The pro rata proportion will be based on the number of days the policy term has been in effect.

If, at "your" request, "we" change the Amount of Insurance on COVERAGE A - DWELLING BUILDING or COVERAGE C - PERSONAL PROPERTY, "we" will apply this Inflation Protection Coverage on the changed Amounts of Insurance from the date the change is made.

(8) IMPROVEMENTS OR UNIT DAMAGE

- (a) If “you” are a tenant, or condominium unit owner, and, within a reasonable time after damage, “you” replace or repair loss or damage to “your” improvements with materials of similar quality, “we” will pay for the actual cost of repairs or replacement (whichever is less) without deduction for depreciation.
- (b) If loss or damage is not replaced or repaired within a reasonable time, “we” will pay the “actual cash value” of the loss or damage at the time of loss.

“We” will pay for insured loss or damage to “your” unit on the basis of loss settlement described in (a) and (b) above, less any amount recoverable from any insurance covering the collective interest of the unit owners.

(9) INSURANCE UNDER MORE THAN ONE POLICY

If “you” have insurance on specifically described property, “our” policy will be considered excess insurance and “we” will not pay any loss or claim until the amount of such other insurance is used up. In all other cases, “our” policy will pay its rateable proportion of the loss or claim.

(10) NOTICE TO AUTHORITIES

Where loss or damage:

- (a) is, or is suspected to be, due to malicious acts, burglary, robbery, theft or attempted theft;
- (b) is due to the sudden and accidental escape of fuel from a permanently installed domestic fixed fuel tank, any attached equipment, apparatus or piping;

“you” must give immediate notice of the incident to the police or other enforcement agency having jurisdiction.

(11) NO BENEFIT TO BAILEE

No person or organization having custody of the property, and to be paid for services, shall benefit from this insurance.

(12) LOSS TO A PAIR OR SET

In case of loss to a pair or set, “we” may elect to:

- (a) repair or replace any part to restore the pair or set to its value before the loss; or
- (b) pay the difference between the value of the property before and after the loss.

(13) LOSS TO PARTS

In case of a loss to any part of the insured property, consisting of several parts when complete, “we” shall pay for the value of the part lost or damaged, including the cost of installation.

(14) CONDOMINIUM UNIT OWNER WAIVER OF SUBROGATION

If “you” are a condominium unit owner, “we” agree to waive “our” rights to any claim against the “Condominium Corporation”, its Directors, Property Managers, agents and employees, except for arson, fraud and vehicle impact. “We” shall not consider independent contractors as being agents or employees of the “Condominium Corporation”, its Directors, Property Managers, or of the unit owners.

(15) PERMISSION

“You” are permitted to make alterations, additions or repairs.

(16) NEWLY ACQUIRED PERSONAL PROPERTY

If “you” acquire personal property to replace the property that is specifically described in the Declarations, “we” will insure the newly acquired property for a period not exceeding 30 days from the date of acquisition. “We” will be liable only for the Amount of Insurance on the property disposed of, or the invoice cost of the new property, whichever is less.

(17) TERRITORIAL LIMITS

Unless stated otherwise in the coverage form, “we” insure the property only while within Canada or the continental United States.

SECTION II

LIABILITY COVERAGE

COVERAGES

This insurance applies:

- (1) only to "bodily injury" or "property damage" which occurs during the policy period; and
 - (2) separately to each "Insured" against whom claim is made or action is brought.
- The Amounts of Insurance shown in the Declarations are the most "we" will pay regardless of the number of:
- (1) "Insureds";
 - (2) claims made or actions brought; or
 - (3) persons or organizations making claims or bringing actions.

COVERAGE E - FARM LIABILITY

"We" will pay all sums which "you" become legally liable to pay as compensatory damages because of "bodily injury" or "property damage" to which this insurance applies. "We" will defend any action against "you" alleging "bodily injury" or "property damage" and seeking those compensatory damages, even if it is groundless, false or fraudulent. "We" reserve the right to select legal counsel, investigate, negotiate and settle any claim or action if "we" decide this is appropriate. "Our" obligation to defend ends when "we" have used up the applicable Amount of Insurance in the payment of judgments or settlements.

The COVERAGE E - FARM LIABILITY Amount of Insurance is the maximum amount "we" will pay, under one or more Sections of COVERAGE E - FARM LIABILITY, for all compensatory damages in any one "occurrence".

However, this Amount of Insurance is the most "we" will pay for all "occurrences" during the policy period. In the event the policy period is extended for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for the purposes of determining the Amount of Insurance.

"You" are insured for claims made or actions brought against "you" for:

(1) PERSONAL LIABILITY

"Bodily injury" or "property damage" arising out of the personal activities, anywhere in the world, of an insured person whose principal residence is shown in the Declarations.

(2) PREMISES LIABILITY

"Bodily injury" or "property damage" arising out of "your" ownership, use or occupancy of the "premises".

(3) TENANTS' LEGAL LIABILITY

"Property damage" to a "dwelling", or its contents, which "you" are using, renting, or have in "your" custody or control, caused by any of the INSURED PERILS covered under the SPECIAL FORM as described and limited in SECTION I.

"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.

(4) CONTRACTS OR AGREEMENTS LIABILITY

"Bodily injury" or "property damage" for which "you" are obligated to pay compensatory damages by reason of assumption of liability in a written contract or agreement.

"You" are not insured for liability assumed in any contract or agreement in connection with "your" "business".

(5) EMPLOYERS' LIABILITY

"Bodily injury" to any "residence employee" or "farm employee" arising out of and in the course of their employment by "you".

"You" are not insured for:

- (a) claims made or actions brought against "you" arising out of the ownership, maintenance, 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, disability benefits or unemployment compensation or any similar law.

(6) WATERCRAFT LIABILITY

“Bodily injury” or “property damage” arising out of:

(a) WATERCRAFT YOU OWN.

The ownership, maintenance, use or operation of watercraft equipped with an outboard motor or motors of not more than 19kW (25 hp) in total when used with or on a single watercraft. “You” are also insured if “your” watercraft has an inboard or an inboard-outboard motor of not more than 38kW (50 hp).

“You” are not insured for any type of watercraft that is more than 8 m (26 feet) in length.

If “you” own any motor(s) or watercraft larger than those stated above, “you” are insured only if they are described in the Declarations and the Declarations also indicate that “you” have Watercraft Liability. If they are acquired after the effective date of this policy, “you” will be insured automatically for a period of thirty days only from the date of their acquisition.

(b) WATERCRAFT YOU DO NOT OWN.

“Your” use or operation of watercraft which “you” do not own, but not for “property damage” to the watercraft itself.

(7) MOTORIZED VEHICLE LIABILITY

“Bodily injury” or “property damage” arising out of:

(a) VEHICLES YOU OWN.

The ownership, maintenance, use or operation of the following motorized vehicles provided they are not subject to motor vehicle registration or used for compensation or hire:

- (i) self-propelled wheelchairs, including self-propelled scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability, electric power assisted bicycles;
- (ii) lawn mowers, snow blowers, tractors, trailers or implements used or operated mainly on “your” property;
- (iii) motorized golf carts while used for golfing purposes;
- (iv) other self-propelled land motor vehicles, trailers or semi-trailers used solely on the “premises”.

If “you” own any motorized vehicles other than those stated above, “you” are insured only if they are described in the Declarations and the Declarations also indicate that “you” have Motorized Vehicle Liability.

(b) VEHICLES YOU DO NOT OWN.

Private Passenger Vehicles And Farm Trucks

The use or operation of any private passenger automobile or farm truck, not owned, leased, hired or borrowed by “you” or any of “your” partners, by any person other than “you” in “your” “farming” operations.

This insurance is subject to the terms and conditions of the policy form approved by the Superintendent of Insurance.

Private passenger automobile means a four wheel private passenger or station wagon type vehicle.

Farm truck means a vehicle of the truck type or other vehicle that is designed for the transportation of livestock or farm produce or materials over public roads.

Other Land Vehicles

“Your” use or operation of any self-propelled land vehicle, amphibious vehicle or air cushion vehicle which “you” do not own, provided that:

- (i) the vehicle is not subject to motor vehicle registration and is designed primarily for use off public roads;
- (ii) “you” are not using it for “business” or organized racing.

“You” are not insured for “property damage” to property being transported or to any vehicle itself.

(c) ATTACHED MACHINERY

The ownership, functional use or operation, for "your" "farming" purposes, of machinery, apparatus, or equipment mounted on or attached to a motorized vehicle, while at the site of the use or operation of such machinery, apparatus or equipment.

This insurance does not apply either as primary or excess coverage to "bodily injury" or "property damage" with respect to which any motor vehicle liability insurance is in effect or is required bylaw to be in effect.

(8) TRAILER LIABILITY

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or operation of any utility, boat, camp or home trailer or its equipment, provided that such trailer is not being towed by, attached to, or carried on, a land motor vehicle subject to land motor vehicle registration.

(9) BUSINESS AND BUSINESS PROPERTY LIABILITY

"Bodily injury" or "property damage" arising out of:

- (a)** "your" work for someone else as a sales representative, collector, messenger, clerk, or teacher, provided the claim does not involve physical disciplinary action to a student or injury to a fellow employee;
- (b)** the occasional rental to others of the portion of the "dwelling" usually occupied by "you" as a private residence;
- (c)** the rental to others of portions of "your" one, two, or three-family "dwelling" usually occupied in part by "you" as a private residence, provided that no family unit includes more than two roomers or boarders;
- (d)** the rental of residential buildings containing not more than six family "dwelling" units provided the properties are listed in the Declarations and the Declarations also indicate that liability has been extended to the location;
- (e)** the rental of space in "your" residence to others for incidental office, school or studio occupancy;
- (f)** the rental to others, or holding for rent, of not more than three car spaces or stalls in garages or stables;
- (g)** activities during the course of "your" trade, profession or occupation which are not related directly to "your" trade, profession or occupation;
- (h)** the temporary or part time "business" pursuits of an insured person under the age of 21 years.

(10) VOLUNTEER LIABILITY

"You" are insured for claims made or actions brought against "you" for activities "you" perform as a "volunteer". However, if "you" are a doctor, any professional services "you" perform as a doctor, "volunteer" or otherwise are not insured.

EXCLUSIONS

"You" are not insured for claims made or actions brought against "you" for:

- (1)** "bodily injury" or "property damage" arising out of the ownership, maintenance, use, operation or entrustment to others of any:
 - (a)** land motor vehicle, trailer or semi-trailer;
 - (b)** amphibious vehicle; or
 - (c)** air cushion vehicle or watercraft;except those for which coverage is provided in this policy.
- This exclusion does not apply to (5) EMPLOYERS' LIABILITY under COVERAGE E - FARM LIABILITY.
- (2)** "property damage" to:
 - (a)** property "you" own;
 - (b)** property:
 - (i)** "you" use, occupy, lease; or
 - (ii)** in "your" care, custody or control.

This exclusion does not apply to (3) TENANTS' LEGAL LIABILITY under COVERAGE E - FARM LIABILITY;

- (c) personal property or fixtures as a result of work done on them by "you" or anyone on "your" behalf;
- (3) "bodily injury" to "you" or to any person residing in "your" household other than a "residence employee" or "farm employee";
- (4) the personal actions of a "Named Insured" who does not reside on the "premises" described in the Declarations. This exclusion does not apply to a "Named Insured" who is living in a nursing home;
- (5) "bodily injury" or "property damage" due to war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- (6) "bodily injury" or "property damage" which is required to be insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of insurers;
- (7) "bodily injury" or "property damage" arising out of "your" "business" or any "business" use of "your" "premises" except as provided for in this policy or as specified in the Declarations;
- (8) "bodily injury" or "property damage" arising out of the rendering of, or failure to render, any professional service;
- (9) "bodily injury" or "property damage" caused by any intentional or criminal act, or failure to act, by:
- (a) any person insured by this policy; or
 - (b) any person at the direction of any person insured by this policy.
- (10) "bodily injury" or "property damage" arising out of the ownership, maintenance, use, operation or entrustment to others of any aircraft.
This exclusion does not apply to (5) EMPLOYERS' LIABILITY under COVERAGE E - FARM LIABILITY.
- (11) "bodily injury" or "property damage" arising out of the ownership, existence, maintenance, use or operation, by "you" or on "your" behalf, of any "premises" for the purpose of an airport or aircraft landing facility;
- (12) (a) "bodily injury" or "property damage" caused by any communicable disease; or
- (b) "bodily injury" or "property damage" arising out of the failure to take steps to prevent the transmission or spread of any communicable disease.
- (13) (a) sexual, physical, psychological or emotional abuse, molestation or harassment, including corporal punishment by, at the direction of, or with the knowledge of any person insured by this policy; or
- (b) failure of any person insured by this policy to take steps to prevent sexual, physical, psychological or emotional abuse, molestation or harassment or corporal punishment.
- (14) any claim that arises directly or indirectly, in whole or in part, out of "terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "terrorism". This exclusion applies regardless of any contributing or aggravating cause or event that contributes concurrently or in any sequence to the claim.
- (15) (a) the:
- (i) erasure, destruction, corruption, misappropriation, or misinterpretation of "data"; or
 - (ii) erroneously creating, amending, entering, deleting, or using "data";
- including any loss of use arising from any of these actions or events; or
- (b) the distribution or display of "data" by means of an Internet website, the Internet, an intranet, extranet, or similar device or system designed or intended for electronic communication of "data";
- (16) "custom farming" operations performed for others for a charge under any agreement or contract unless stated in the Declarations, and then only for "custom farming" operations performed in Canada;
- (17) crop spraying operations performed for others;
- (18) "property damage" to products manufactured, sold, handled or distributed by "you" arising out of such products or any part of the products;
- (19) "property damage" to work performed by "you" or on "your" behalf arising out of such work or any part of the work;
- (20) (a) "bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (i) at or from any "premises", site or location which is or was at any time owned or occupied by, or rented or loaned to "you";
 - (ii) at or from any "premises", site or location which is or was at any time used by or for "you" or others for the handling, storage, disposal, processing or treatment of waste;
 - (iii) which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for "you" or any person or organization for whom "you" may be legally responsible; or
 - (iv) at or from any "premises", site or location on which "you" or any contractors or subcontractors working directly or indirectly on "your" behalf are performing operations:
 - a. if the "pollutants" are brought on or to the "premises", site or location in connection with such operations by "you" or by "your" contractors or subcontractors; or
 - b. if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".
- (b) any loss, cost or expense arising out of any:
- (i) request, demand or order that "you" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
 - (ii) claim or action by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

Subparagraphs (i) and (iv) a. of paragraph (a) of this exclusion do not apply to:

- (a) "bodily injury" or "property damage" arising out of:
 - (i) heat, smoke or fumes from a hostile fire.
As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.
 - (ii) the sudden, and accidental, unexpected and unintentional discharge, dispersal, release or escape of "pollutants" from or out of a structure or container provided such discharge, dispersal, release or escape of "pollutants":
 - a. is detected within 120 hours after the commencement of the discharge, dispersal, release or escape; and
 - b. does not occur in a quantity or with a quality that is normal and usual to "your" agricultural operations;
- (b) "property damage" to crops or other vegetation caused by the discharge, dispersal, release or escape into the air, other than from an aircraft, of chemicals, liquids or gases that "you" have used in normal and usual agricultural operations.

"You" are not insured for claims made or actions brought against "you" for "bodily injury" or "property damage" arising out of agricultural operations which are in violation of any ordinance or law.

Where the total of all compensatory damages because of "bodily injury" or "property damage" and all clean-up costs exceed the Amount of Insurance available, the available proceeds of this insurance shall be applied in the following descending order of priority:

- (a) clean-up costs;
- (b) "bodily injury";
- (c) "property damage".

COVERAGE F - VOLUNTARY MEDICAL PAYMENTS

"We" will pay reasonable medical expenses, incurred within one year of the date of the accident, if "you" unintentionally injure another person or if they are accidentally injured on "your" "premises" even though "you" are not legally liable. Medical expenses include surgical, dental, hospital, nursing, ambulance service and funeral expenses. "You" may also use this coverage to reimburse a "residence employee" or "farm employee" for medical expenses.

The COVERAGE F - VOLUNTARY MEDICAL PAYMENTS Amount of Insurance shown in the Declarations is the maximum amount "we" will pay for each person in respect of one accident.

"We" will not pay:

- (a) expenses covered by any medical, dental, surgical or hospitalization plan or law, or under any other insurance contract;

- (b) "your" medical expenses or those of persons residing with "you", other than a "residence employee" or "farm employee";
- (c) the medical expenses of any person covered by any workers' compensation, disability benefits, unemployment compensation, or any similar law;
- (d) medical expenses for "bodily injury" excluded under COVERAGE E - FARM LIABILITY;
- (e) the medical expenses of any person engaged in work for "you" or on "your" behalf. This exclusion does not apply to "your" employees, or to other persons while on the "premises" in a neighbourly exchange of labour for which "you" are not obligated to pay any monetary compensation, either expressed or implied.

ADDITIONAL COVERAGES

(1) SUPPLEMENTARY PAYMENTS

In addition to the Amount of Insurance under COVERAGE E - FARM LIABILITY, "we" will pay:

- (a) all expenses which "we" incur;
- (b) all costs charged against "you" in any action "we" defend except that "we" will pay only for the legal counsel "we" select;
- (c) any interest accruing after entry of judgment on that part of the judgment which is within the Amount of Insurance of COVERAGE E - FARM LIABILITY;
- (d) the cost of bonds to release attachments, but only for bond amounts within the Amount of Insurance of COVERAGE E - FARM LIABILITY. "We" do not have to furnish these bonds;
- (e) expenses which "you" have incurred for emergency medical or surgical treatment to others following an accident or "occurrence" insured by this policy;
- (f) all reasonable expenses incurred by "you" at "our" request, including actual loss of earnings up to \$150 a day because of time off from work.

(2) CONDOMINIUM UNIT OWNERS LOSS ASSESSMENT COVERAGE

If "you" are a condominium unit owner, "we" will pay up to a total of the limit of COVERAGE E - FARM LIABILITY in any one annual policy period for "your" share of special assessments if:

- (a) the assessments are valid under the governing rules of the "Condominium Corporation"; and
- (b) the assessments are made necessary by "occurrences" to which this Section of the policy applies.

"We" will pay up to \$25,000 for any part of these assessments made necessary by a deductible in the insurance policy of the "Condominium Corporation", but only where the "Condominium Corporation's" governing rules permit it to place responsibility for any portion of the Master Policy Deductible on an individual unit owner.

(3) DAMAGE TO PROPERTY OF OTHERS

"We" will pay up to \$1,000 per "occurrence" for "property damage" to property of others caused by "you".

At "our" option, "we" will either:

- (a) pay the "actual cash value" of the property; or
- (b) repair or replace the property with other property of like kind and quality.

But "we" will not pay for "property damage":

- (a) caused intentionally by "you" if "you" are 13 years of age or over;
- (b) to property owned by or rented to "you" or "your" tenant;
- (c) caused by loss of use, disappearance or theft of property;
- (d) arising out of:
 - (i) "business" pursuits or professional services;
 - (ii) an act or omission in connection with any location (other than "premises" defined in DEFINITIONS) that is owned, rented or controlled by "you"; or
 - (iii) the ownership, maintenance, use or operation of any:
 - 1) land motor vehicle, trailer or semi-trailer;
 - 2) motorized bicycle or tricycle;
 - 3) farm machinery or equipment;
 - 4) aircraft; or

(4) VOLUNTARY COMPENSATION BENEFITS FOR RESIDENCE EMPLOYEES

"We" offer to pay the benefits described below either to, or on behalf of, "your" "covered employee", if "your" "covered employee" is injured or dies accidentally while working for "you", even though "you" are not legally liable.

Provided however:

- (a) if "your" "covered employee" or any person acting on his or her behalf does not accept these benefits or sues "you", "we" may withdraw "our" offer, but this will not affect "your" liability insurance;
- (b) a "covered 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 "your" "covered employee's" injury or death;
- (c) that the injury or death of "your" "covered employee" was resulting from, and arising out of, the course of their employment by "you";
- (d) that "we" shall in no event be liable hereunder for any claims arising from hernia, however caused;
- (e) "we" will not pay benefits for injury or death caused by, or resulting from, any accident occurring prior to the inception of this policy;
- (f) that the EXCLUSIONS listed in SECTION II LIABILITY COVERAGE will apply;
- (g) that "we" do not insure "you" for costs recoverable from any other insurance plans.

ADDITIONAL DEFINITIONS.

"Covered employee" means "residence employee" and where VOLUNTARY COMPENSATION BENEFITS FOR FARM EMPLOYEES is shown in the Declarations, covered employee also means "farm employee".

"Weekly Indemnity" means two-thirds of "your" "covered employee's" weekly wage at the date of the accident, but not exceeding \$150 per week unless a higher weekly indemnity amount is shown on the Declarations.

SCHEDULE OF BENEFITS.

(a) Loss of Life

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

- (i) a total of 100 times the "weekly indemnity" to those wholly dependent upon him or her. If there is more than one dependent the amount will be divided equally among them. This payment is in addition to any benefit for Temporary Total Disability paid up to the date of death;
- (ii) actual funeral expenses, up to \$1,000.

(b) Temporary Total Disability

If "your" "covered employee" 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.

(c) Permanent Total Disability

If "your" "covered 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.

(d) Injury Benefits

If, as a result of the accident, "your" "covered employee" suffers the loss of, or permanent loss of use of any of the following within 26 weeks of the accident, "we" will pay the "weekly indemnity" for the number of weeks shown. These benefits will be paid in addition to Temporary Total Disability benefits, but no others.

"We" will not pay more than 100 weeks in total, even if the accident results in loss from more than one item.

For loss of:

- (i) One or more of the following 100 weeks
 - Hand
 - Arm
 - Foot
 - Leg
- (ii) One finger or toe 25 weeks
or
More than one finger or toe 50 weeks
- (iii) One eye 50 weeks
or
Both eyes 100 weeks
- (iv) Hearing of one ear 25 weeks
or
Hearing of both ears 100 weeks

(e) Medical Expenses

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

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

ADDITIONAL CONDITIONS.

(a) What "you" must do after an accident:

- (i) When an accident occurs "you" must promptly give "us" notice (in writing if requested by "us"). The notice must include:
 - 1) the identity of the "covered employee" and the date, time, place and circumstances of the accident;
 - 2) names and addresses of witnesses.
- (ii) If requested by "us", "you" must arrange for the injured "covered employee" to:
 - 1) submit to a 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.

(b) Autopsy:

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

(c) Action against us:

No suit may be brought against "us" until "you" have fully complied with all the terms of this coverage.

All other terms and conditions of this policy remain in force.

(5) CROSS LIABILITY COVERAGE

Insurance under COVERAGE E - FARM LIABILITY and COVERAGE F - VOLUNTARY MEDICAL PAYMENTS applies as if each "Named Insured" were the only "Named Insured", except with respect to:

- (a) "Named Insureds" who are members of the same household;
- (b) Amounts of Insurance; and
- (c) any rights and duties specifically assigned in this policy to the "Named Insured".

This coverage shall not increase the Amount of Insurance available under this policy or the amount "we" will pay under this policy.

SECTION II

OPTIONAL COVERAGES

The following OPTIONAL COVERAGES are subject to all the terms and conditions applicable to SECTION II of this policy and the provisions of these coverages.

BOARDING OR TRAINING OF HORSES COVERAGE - FORM 1295

If the Declarations indicate that BOARDING OR TRAINING OF HORSES COVERAGE - FORM 1295 is included, "you" are insured under COVERAGE E - FARM LIABILITY and COVERAGE F - VOLUNTARY MEDICAL PAYMENTS for claims made or actions brought against "you" for "bodily injury" or "property damage" arising out of the use of the "premises" to either board horses, or to board and train horses, as may be described in the Declarations.

"You" are not insured for claims made or actions brought against "you" for "bodily injury" or "property damage" arising out of:

- (1) riding instruction, rental horses, rodeos, contests or other horse shows or the practice or preparation for any such activity; or
- (2) the use of the "premises" for horse sales or auctions, veterinary stables, racing stables or dude ranches.

SECTION II

CONDITIONS

(1) NOTICE OF ACCIDENT OR OCCURRENCE

When an accident or "occurrence" takes place:

(a) "you" must promptly give "us" notice (in writing if required). The notice must include:

- (i) "your" name and policy number;
- (ii) the time, place and circumstances of the accident or "occurrence";
- (iii) the names and addresses of witnesses and potential claimants.

(b) "you" must also:

- (i) help "us" obtain witnesses, information and evidence about the accident or "occurrence" and cooperate with "us" in any legal action if "we" ask "you";
- (ii) immediately send "us" everything received in writing concerning the claim including legal documents.

(2) UNAUTHORIZED SETTLEMENTS - COVERAGE E - FARM LIABILITY

"You" shall not, except at "your" cost, voluntarily make any payment, assume any obligations or incur expenses, other than first aid expenses necessary at the time of accident.

(3) ACTION AGAINST US - COVERAGE E - FARM LIABILITY

"You" shall not bring action against "us":

- (a) until "you" have fully complied with all the terms of this policy, nor until the amount of "your" obligation to pay has been finally determined, either by a judgment against "you" or by an agreement which has "our" consent;
- (b) more than one year after either the date of an agreement which has "our" consent or of the final determination of the action against "you", including appeals, if any.

(4) PAYMENT OF CLAIM - COVERAGE F - VOLUNTARY MEDICAL PAYMENTS

Payment under this coverage is not an admission of liability by "you" or "us".

(5) DUTIES AFTER LOSS - COVERAGE F - VOLUNTARY MEDICAL PAYMENTS

"You" shall arrange for the injured person, if requested, to:

- (a) give "us", as soon as possible, written proof of claim, under oath if requested;
- (b) submit to physical examination at "our" expense by doctors "we" select as often as "we" may reasonably require;
- (c) authorize "us" to obtain medical and other records.

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

(6) ACTION AGAINST US - COVERAGE F - VOLUNTARY MEDICAL PAYMENTS

"You" shall not bring action against "us" until "you" have fully complied with all the terms of this policy.

(7) INSURANCE UNDER MORE THAN ONE POLICY

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

(8) DEDUCTIBLE - COVERAGE E - FARM LIABILITY

"We" are responsible only for the amount by which "our" obligation to pay compensatory damages under "property damage" liability exceeds any Property Damage Deductible amount stated in the Declarations in any one "occurrence".

"We" may pay any part or all of the Property Damage Deductible amount to effect settlement of any claim or action and upon notification of the action taken, "you" shall promptly reimburse "us" for the deductible amount that has been paid.

SECTION III

FARM PROPERTY COVERAGES

This insurance applies only to those items of property described below which are listed in the Declarations, at the location(s) specified in the Declarations unless otherwise stated.

COVERAGE G - BARNs, BUILDINGS AND STRUCTURES

(1) BARNs, BUILDINGS AND STRUCTURES

COVERED PROPERTY

"We" insure:

- (a) farm barns, buildings and structures; and
- (b) materials and supplies located on the "premises" intended for use in construction, alteration or repair of farm barns, buildings and structures;
- (c) portable buildings and portable structures, however "we" will not pay for a greater proportion of any loss than the amount of insurance applying to all portable buildings or structures bears to the total value of that property at the time of loss;
- (d) permanently attached fixtures and equipment forming part of the barn, building or structure.

Newly Acquired or Newly Constructed Farm Barns, Buildings and Structures

"You" may extend the insurance that applies to COVERAGE G - BARNs, BUILDINGS AND STRUCTURES to apply to:

- (a) "your" new buildings while being built; and
- (b) buildings "you" acquire during the term at locations other than the specified "premises"; which are intended for similar use as the building(s) described in the Declarations.

The most "we" will pay for loss or damage under this additional coverage is \$250,000. This is not an additional amount of insurance.

Insurance under this extension will end when any one of the following first occurs:

- (a) the policy expires;
- (b) 30 days expire after "you" acquire or begin to construct the property; or
- (c) "you" report the values to "us".

The "Insured" agrees to keep an accurate record of the date of the commencement of construction, acquisition and description and value of each item so covered and to pay pro rata additional premium thereon.

PROPERTY NOT INSURED

"We" do not insure:

- (a) silos or fences, whether or not attached to any building or structure, unless specifically declared and described in the Declarations;
- (b) barns, buildings and structures used for "business" purposes, unless permission is granted in the Declarations.

COINSURANCE

When SPECIAL (SPL) is designated in the Declarations under the heading FORM, "we" will not pay for a greater proportion of any loss than the applicable amount of insurance bears to 80% of the value of all insured property at the time of loss. If two or more items are specifically described in the Declarations, this condition will apply separately to each item.

If the amount of loss or damage is less than 2% of the applicable amount of insurance or \$5,000, whichever is lesser, this condition does not apply.

(2) CONTENTS OF BARNs, BUILDINGS AND STRUCTURES

COVERED PROPERTY

Where the Declarations show Contents - Form 1298 under any barn, building or structure specified in the Declarations, "we" will insure "your" contents that are usual to "your" "farming" operation, while they are located in that described barn, building or structure provided they are:

- (a) owned by "you"; or
- (b) not owned by "you" but are used by "you" and for which "you" are legally liable.

PROPERTY NOT INSURED

"We" do not insure:

- (a) mobile machinery and mobile equipment;
 - (b) feed, grain or produce;
 - (c) grain dryers;
 - (d) irrigation equipment;
 - (e) liquified petroleum;
 - (f) fuels;
 - (g) windmills;
 - (h) accounts, bills and stamps;
 - (i) sawmill equipment;
 - (j) fertilizers, or chemicals including herbicides and pesticides, except as described and limited in EXTENSIONS OF CONTENTS OF BARNs, BUILDINGS AND STRUCTURES coverage;
 - (k) livestock, except as described and limited in EXTENSIONS OF CONTENTS OF BARNs, BUILDINGS AND STRUCTURES coverage;
 - (l) poultry products or dairy products;
 - (m) processed or frozen meats, or honey;
 - (n) semen and semen tanks;
 - (o) (i) automobiles;
 - (ii) motorcycles;
 - (iii) motor homes;
 - (iv) vehicles licensed for road use;
 - (v) camper units;
 - (vi) truck caps;
 - (vii) trailers;
 - (viii) all terrain vehicles;
 - (ix) watercraft and their motors;
 - (x) snowmobiles;
 - (xi) aircraft;
- including equipment and appurtenances of any of the above;
- (p) any personal property covered under SECTION I PROPERTY COVERAGES;
 - (q) property used in whole or in part for "business" pursuits;
 - (r) property used primarily for any "custom farming" operation;
 - (s) permanently attached fixtures and equipment forming part of the barn, building or structure.

EXTENSION OF CONTENTS OF BARNs, BUILDINGS AND STRUCTURES

- (a) Fertilizers, Or Chemicals Including Herbicides And Pesticides: "You" may use up to 10% of the CONTENTS OF BARNs, BUILDINGS AND STRUCTURES Amount of Insurance stated in the Declarations for the building to which this coverage is attached, to cover loss by FIRE only, to fertilizers, or chemicals including herbicides and pesticides provided it is in a fully enclosed building.
- (b) Poultry: "You" may use up to \$1,000 of the Amount of Insurance stated in the Declarations for CONTENTS OF BARNs, BUILDINGS AND STRUCTURES to cover loss by FIRE only, of "your" poultry, including chickens, turkeys, geese, and ducks, of any maturity, usual to a mixed "farming" operation.
- (c) Veterinarian Supplies: "You" may use up to 10% of the Amount of Insurance stated in the Declarations for CONTENTS OF BARNs, BUILDINGS AND STRUCTURES to cover veterinarian supplies provided they are in a fully enclosed building.

- (d) Property Away From The Barn, Building Or Structure: "You" may use up to 10% of the Amount of Insurance shown in the Declarations for CONTENTS OF BARNs, BUILDINGS AND STRUCTURES at a described location to cover that property while temporarily located somewhere else on the described "premises".

Extensions (a), (b), (c) and (d) do not increase the Amount of Insurance applicable to CONTENTS OF BARNs, BUILDINGS AND STRUCTURES.

COVERAGE H - FARM PERSONAL PROPERTY

(1) MACHINERY, EQUIPMENT, TOOLS, PARTS

COVERED PROPERTY

"We" insure the following property only if it is owned by "you" or for which "you" may be legally liable:

H1A Scheduled Mobile Farm Machinery And Mobile Farm Equipment

Each item of mobile farm machinery and mobile farm equipment that is specifically described in the Declarations and for which an individual Amount of Insurance is shown in the Declarations.

Off Premises

If Scheduled Mobile Farm Machinery And Mobile Farm Equipment are listed in the Declarations, "we" insure that mobile farm machinery and mobile farm equipment while it is temporarily away from "your" "premises" anywhere in Canada or the continental United States.

H1B Blanket Mobile Farm Machinery And Mobile Farm Equipment

All mobile farm machinery and mobile farm equipment on a blanket basis if a single Amount of Insurance is shown in the Declarations.

Off Premises

If Blanket Mobile Farm Machinery And Mobile Farm Equipment are listed in the Declarations, "we" insure that mobile farm machinery and mobile farm equipment while it is temporarily away from "your" "premises" anywhere in Canada or the continental United States.

H1C Scheduled Tools

Individual tools that are specifically described in the Declarations and for which individual Amounts of Insurance are shown in the Declarations.

Off Premises

If Scheduled Tools are listed in the Declarations, "we" insure those tools while they are temporarily away from "your" "premises" anywhere in Canada or the continental United States.

H1D Machinery (other than Mobile Farm Machinery And Mobile Farm Equipment), Spare Parts or Tools

Machinery (other than Mobile Farm Machinery And Mobile Farm Equipment), spare parts or tools on a blanket basis on those items for which a single Amount of Insurance is shown in the Declarations.

Off Premises

If an Amount of Insurance is shown in the Declarations for H1D Machinery, Spare Parts or Tools, "we" will insure that property while it is temporarily away from "your" "premises" anywhere in Canada or the continental United States.

Newly Acquired or Newly Leased Mobile Farm Machinery and Mobile Farm Equipment

"You" may extend the insurance that applies to H1A Scheduled Mobile Farm Machinery And Mobile Farm Equipment and H1B Blanket Mobile Farm Machinery And Mobile Farm Equipment under COVERAGE H - FARM PERSONAL PROPERTY to apply to mobile farm machinery and mobile farm equipment "you" acquire (or for which "you" assume "legal liability") during the policy term.

The most "we" will pay is 10% of the applicable Amount of Insurance or \$150,000 whichever is greater.

This is additional insurance.

Insurance under this extension will end when any one of the following first occurs:

- (a) The policy expires or is terminated;
- (b) 30 days expire after "you" acquire the property; or

(c) "You" report the values to "us".

The "Insured" agrees to keep an accurate record of the date of the acquisition and description and value of each item so covered and to pay pro rata additional premium thereon.

PROPERTY NOT INSURED

"We" do not insure:

- (a) automobiles, motorcycles, mobile homes, vehicles licensed for road use, all terrain vehicles, watercraft and their motors, snowmobiles, aircraft, including equipment and appurtenances of any of the foregoing;
- (b) machinery engaged in "custom farming" operations for others for a charge under any agreement or contract unless stated in the Declarations, and then only for "custom farming" operations performed within Canada;
- (c) sawmill equipment;
- (d) brooders, barn cleaners, boilers, bulk feed tanks or bins, bulk milk tanks, pasteurizers or any permanent fixtures attached to or within a building;
- (e) portable buildings and portable structures;
- (f) grain dryers or irrigation equipment not specifically declared and described in the Declarations with an Amount of Insurance shown for each item;
- (g) liquified petroleum or manufactured gas, or other fuels;
- (h) windchargers, windmills or their towers, outdoor radio or television equipment or wiring; private power and light poles;
- (i) household personal property or property usual to a "dwelling";
- (j) accounts, bills, stamps, tokens, deeds, evidences of debt, money and securities.

COINSURANCE

"We" will not pay for a greater proportion of any loss than the applicable Amount of Insurance bears to 80% of the "actual cash value" of all insured property at the time of loss. If two or more items are specifically described in the Declarations, this condition will apply separately to each item.

If the amount of loss or damage is less than 2% of the applicable Amount of Insurance or \$5,000, whichever is the lesser, this condition does not apply.

(2) FEED, GRAIN, CHEMICALS, FERTILIZER, PRODUCE

COVERED PROPERTY

"We" insure:

H2A Feed Including Stacks Of Hay Or Straw stored in buildings, bins, enclosures or piled in the open on all land owned, leased or operated by "you" within Canada.

H2B Whole Threshed Grain And Seeds stored in buildings, bins, enclosures or piled in the open on all land owned, leased or operated by "you" within Canada.

H2C Fertilizers Or Chemicals, Including Herbicides And Pesticides, Specifically Described In The Declarations stored in buildings, bins, storage tanks, enclosures on all land owned, leased or operated by "you" within Canada.

H2D Other Farm Products Specifically Described In The Declarations stored in buildings, bins, storage tanks, enclosures or piled in the open on all land owned, leased or operated by "you" within Canada.

Property in the Custody of a Common or Contract Carrier

If the Declarations indicate that "you" have purchased coverage under item (2) FEED, GRAIN, CHEMICALS, FERTILIZER, PRODUCE in COVERAGE H - FARM PERSONAL PROPERTY, "we" will extend that coverage to include such covered property while it is in the custody of a common or contract carrier.

The most "we" will pay for all property covered under this extension as the result of one loss is \$15,000.

This is not additional insurance.

PROPERTY NOT INSURED

"We" do not insure:

- (a) property in private or commercial elevators, grain dryers, grain cleaning plants;
- (b) property while in transit by common or contract carrier except as described above in Property in the Custody of a Common or Contract Carrier.

AVERAGE DISTRIBUTION

Where "you" insure property, as described in H2A, H2B, H2C, or H2D above, and that property is located in more than one building, bin, storage tank, enclosure or pile in the open, the Amount of Insurance applicable at each location will be determined by multiplying the Amount of Insurance stated in the Declarations for such property by the percentage that the value of such property at each building, bin, storage tank, enclosure or pile in the open bears to the total value of all such property in all buildings, bins, storage tanks, enclosures, or piles in the open.

(3) LIVESTOCK

COVERED PROPERTY

"We" insure:

H3A Scheduled Livestock

Each animal that is specifically described in the Declarations and for which an individual Amount of Insurance is shown in the Declarations while located on the "premises"; or

H3B Blanket Livestock Coverage

Livestock of a class shown in the Declarations with the number of animals and an Amount of Insurance per animal while located on the "premises";

ADDITIONAL CONDITION - COINSURANCE (applicable to H3B only)

When livestock are insured under H3B, "we" will pay only in the proportion that the number of animals insured bears to 80% of the number of animals of each kind owned by "you" at the time of loss, multiplied by the Amount of Insurance per head shown in the Declarations or the "actual cash value" of the animal(s) damaged or destroyed, whichever is the least.

Livestock Temporarily Away From Your Premises

Coverage is extended to include covered livestock as listed in H3A or H3B above while that livestock is temporarily away from "your" "premises" anywhere in Canada or the continental United States.

Newly Acquired Livestock

"You" may extend the insurance that applies to H3A Scheduled Livestock and H3B Blanket Livestock Coverage under COVERAGE H - FARM PERSONAL PROPERTY to apply to similar livestock that "you" acquire during the policy term.

The most "we" will pay under this extension is \$10,000 and no more than \$5,000 for any one animal. This is not an additional amount of insurance.

Insurance under this extension will end when any one of the following first occurs:

- (a) The policy expires or is terminated;
- (b) 30 days expire after "you" acquire the livestock; or
- (c) "You" report the values to "us".

The "Insured" agrees to keep an accurate record of the date of the acquisition and description and value of each animal so covered and to pay pro rata additional premium thereon.

Property in the Custody of a Common or Contract Carrier

If the Declarations indicate that "you" have purchased coverage item (3) LIVESTOCK in COVERAGE H - FARM PERSONAL PROPERTY, "we" will extend that coverage to include such covered property while it is in the custody of a common or contract carrier.

The most "we" will pay for all property covered under this extension as a result of one loss is \$15,000.

This is not an additional amount of insurance.

PROPERTY NOT INSURED

"We" do not insure:

- (a) livestock while in:
 - (i) transit by common or contract carrier except as described above in Property in the Custody of a Common or Contract Carrier;
 - (ii) public stockyards, sales barns and sales yards; or
 - (iii) packing plants and slaughter houses;
- (b) poultry in incubators or brooders.

LOSS CONDITION - LOSS OR DAMAGE MEANS DEATH OR DESTRUCTION (LIVESTOCK COVERAGE ONLY)

Loss or damage under (3) LIVESTOCK means death or destruction of insured livestock resulting from or made necessary by an INSURED PERIL. Death occurring more than 15 days after the happening of an INSURED PERIL or resulting from or contributed to by any disease, whether consequent upon an INSURED PERIL or not, is not insured.

COVERAGE I - FARM INCOME AND EXTRA EXPENSE

COVERAGE

This insurance applies only to where COVERAGE I - FARM INCOME AND EXTRA EXPENSE is shown in the Declarations.

(1) FARM INCOME

"We" will pay for the actual loss of "farm income" "you" sustain due to the necessary suspension of "your" "operations" during the "period of restoration". The suspension must be caused by direct physical loss of or damage to property insured under COVERAGE G - BARNs, BUILDINGS AND STRUCTURES including CONTENTS OF BARNs, BUILDINGS AND STRUCTURES, and/or COVERAGE H(3) - LIVESTOCK at the "premises" described in the Declarations caused by or resulting from an INSURED PERIL.

(2) EXTRA EXPENSE

"We" will pay for the following actual and necessary expenses "you" incur during the "period of restoration" that "you" would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from an INSURED PERIL:

(a) any Extra Expense incurred to avoid or minimize the suspension of "business" and to continue "operations":

(i) at the described "premises"; or

(ii) at replacement "premises" or at temporary locations, including:

a. relocation expenses; and

b. costs to equip and operate the replacement or temporary locations.

(b) any Extra Expense incurred to minimize the suspension of "business" if "you" cannot continue "operations";

(c) any Extra Expense incurred to:

(i) repair or replace any property; or

(ii) research, replace or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage.

(3) EXTENDED FARM INCOME (PROFITS)

If the Declarations indicate that FARM INCOME AND EXTRA EXPENSE (PROFITS) - FORM 2025 applies, then in addition to (1) FARM INCOME and (2) EXTRA EXPENSE, "you" are also insured against the following:

"We" will pay for the actual loss of "farm income" "you" incur during the period that:

(a) begins on the date property is actually repaired, rebuilt, or replaced and "operations" are resumed; and

(b) ends on the earlier of:

(i) the date "you" could restore "your" "operations" with reasonable speed, to the condition that would have existed if no direct physical loss or damage had occurred; or

(ii) 365 consecutive days after the date determined in (a) above.

Loss of "farm income" must be caused by direct physical loss or damage at the described "premises" caused by or resulting from an INSURED PERIL.

(4) ALTERATIONS AND NEW BUILDINGS

"We" will pay for the actual loss of "farm income" "you" sustain due to direct physical loss or damage at the described "premises" caused by or resulting from any INSURED PERIL to:

- (a) New buildings or structures, whether complete or under construction;
- (b) Alterations or additions to existing buildings or structures; and
- (c) Machinery, equipment, supplies or building materials located on or within 100 metres (328 feet) of the described "premises" and:
 - (i) used in the construction, alterations or additions; or
 - (ii) incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

Loss of "farm income" must be caused by direct physical loss or damage at the described "premises" caused by or resulting from any INSURED PERIL.

(5) ACTION OF CIVIL AUTHORITY

"We" will pay for the actual loss of "farm income" "you" sustain and necessary Extra Expense caused by action of "civil authority" that prohibits access to the described "premises" due to direct physical loss of or damage to property, other than at the described "premises", caused by or resulting from any INSURED PERIL. This coverage will apply for a period of up to two consecutive weeks from the date of that action.

(6) AUDITORS' FEES

"We" will pay reasonable auditors' fees "you" incur to produce and certify the particulars or details of "your" "farming" that are required by "us", in order to arrive at the amount of loss payable. The most "we" will pay for loss in any one "occurrence" is \$1,000.

LOSS OR DAMAGE NOT INSURED

"We" do not pay for:

- (1) Any loss due to fines or damages for breach of contract or for late or non-completion of orders, or for penalties of any kind.
- (2) Any increase of loss caused by or resulting from:
 - (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of "operations", "we" will cover such loss that affects "your" "farm income" during the "period of restoration".
- (3) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".

AMOUNT OF INSURANCE

Where the Declarations indicate COVERAGE I - FARM INCOME AND EXTRA EXPENSE:

The most "we" will pay for loss of "farm income" and Extra Expense in each period of 30 consecutive days after the direct physical loss or damage is 25% of the COVERAGE I - FARM INCOME AND EXTRA EXPENSE Amount of Insurance shown in the Declarations.

Where the Declarations indicate FARM INCOME AND EXTRA EXPENSE (PROFITS) - FORM 2025:

The most "we" will pay for loss in any one "occurrence" is the applicable Amount of Insurance shown in the Declarations.

Payments under ADDITIONAL COVERAGES will not increase the applicable Amount of Insurance.

COINSURANCE

(Applicable only where the Declarations indicate FARM INCOME AND EXTRA EXPENSE (PROFITS) - FORM 2025)

"We" will not pay the full amount of any loss if the Amount of Insurance for FARM INCOME AND EXTRA EXPENSE (PROFITS) - FORM 2025 is less than 100% of:

The sum of:

- (a) the net income (net profit or loss before income taxes); and
- (b) all operating expenses, including payroll expenses;

that would have been earned (had no loss occurred) by "your" "operations" at the described "premises" for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

Instead, "we" will determine the most "we" will pay using the following steps:

- (1) Determine the sum of the net income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy;
 - (2) Divide the Amount of Insurance for the described "premises" by the figure determined in step (1) above; and then
 - (3) Multiply the total amount of loss by the figure determined in step (2).
- "We" will pay the amount determined in step (3), or the Amount of Insurance, whichever is less.

LIMITATION - ELECTRONIC MEDIA AND RECORDS - LOSS OF FARM INCOME

"We" will not pay for any loss of "farm income" caused by direct physical loss of or damage to "data", "media", or "software" after the longer of:

- (a) 60 consecutive days from the date of direct physical loss or damage; or
- (b) the period, beginning with the date of direct physical loss or damage, necessary to repair, rebuild or replace, with reasonable speed and similar quality, other property at the described "premises" due to loss or damage caused by the same "occurrence".

This limitation does not apply to Extra Expense.

LOSS DETERMINATION - LOSS OF FARM INCOME

- (a) The amount of "farm income" loss will be determined based on:
 - (i) the net income of the farm before the direct physical loss or damage occurred;
 - (ii) the likely net income of the farm if no loss or damage occurred;
 - (iii) the operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - (iv) other relevant sources of information, including:
 - a. "your" financial records and accounting procedures;
 - b. bills, invoices and other vouchers; and
 - c. deeds, liens or contracts.
- (b) The amount of Extra Expense will be determined based on:
 - (i) all expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. "We" will deduct from the total of such expenses:
 - a. the salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - b. any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
 - (ii) all necessary expenses that reduce the "farm income" loss that otherwise would have been incurred.
- (c) Resumption Of Operations

"We" will reduce the amount of "your":

 - (i) "Farm income" loss, other than Extra Expense, to the extent "you" can resume "your" "operations", in whole or in part, by using damaged or undamaged property at the described "premises" or elsewhere;
 - (ii) Extra Expense loss to the extent "you" can return "operations" to normal and discontinue such Extra Expense.
- (d) If "you" do not resume "operations", or do not resume "operations" as quickly as possible, "we" will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

ADDITIONAL COVERAGES

(1) ACCIDENT INSURANCE COVERAGE

Accident Insurance - Death:

Subject to the limitations stated below, if death of an "insured" results directly and independently of all other causes from "bodily injury" caused solely by external, violent and accidental means, and such death occurs within 365 days after such injury "we" will pay the "Insured's" estate \$5,000.

The most "we" will pay as the result of one "occurrence" is \$5,000.

Limitations

- (a) No benefit shall be payable unless the death of the "Insured" is a direct result of:
- (i) fire on the "premises"; or
 - (ii) "farming" operations on the "premises".
- (b) No benefit shall be payable if the death of the "Insured" results from or was in any manner or degree associated with or occasioned by:
- (i) suicide or self-inflicted injury, while sane or insane;
 - (ii) war, declared or undeclared, insurrection or participation in a riot; or full or part-time military service;
 - (iii) travel or flight in or descent from any kind of aircraft;
 - (iv) viral infections; bacterial infections (except pyogenic bacterial infections which occur with and through an accidental "bodily injury"); any form of disease or illness or physical or mental infirmity; medical or surgical treatment;
 - (v) the attempt or commission of a crime by the "Insured";
 - (vi) any poison, drug, gas or fumes, voluntarily or otherwise, taken, administered, absorbed or inhaled; or
 - (vii) a motor vehicle if, at the time and place of an "occurrence", the involved motor vehicle;
 - 1) is registered for use on public roads or property;
 - 2) is not registered for use on public roads or property, but such registration is required bylaw, or regulation issued by a government agency, for it to be used at the place of the "occurrence".

The following Statutory Conditions apply to the foregoing ACCIDENT INSURANCE COVERAGE:

Statutory Conditions

THE CONTRACT

The application, this policy, any document attached to this policy when issued, and any amendment to the contract agreed on in writing after the policy is issued, constitute the entire contract, and no agent has authority to change the contract or waive any of its provisions.

WAIVER

The insurer shall be deemed not to have waived any condition of this contract, either in whole or in part, unless the waiver is clearly expressed in writing signed by the Insurer.

COPY OF APPLICATION

The Insurer shall, on request, furnish to the "Insured" or to a claimant under the contract a copy of the application.

MATERIAL FACTS

No statement made by the "Insured" or person insured at the time of application for the contract shall be used in defence of a claim under or to avoid this contract unless it is contained in the application or any other written statements or answers furnished as evidence of insurability.

TERMINATION BY INSURED

The "Insured" may terminate this contract at any time by giving written notice of termination to the Insurer by registered mail to its head office or chief agency in the province, or by delivery thereof to an authorized agent of the Insurer in the province, and the Insurer shall on surrender of this policy refund the amount of premium paid in excess of the short rate premium calculated to the date of receipt of such notice according to the table in use by the Insurer at the time of termination.

TERMINATION BY INSURER

- (a) The Insurer may terminate this contract at any time by giving written notice of termination to the "Insured" and by refunding concurrently with the giving of notice the amount of premium paid in excess of the pro rata premium for the expired time.

- (b) The notice of termination may be delivered to the "Insured", or it may be sent by registered mail to the latest address of the "Insured" on the records of the Insurer.
- (c) Where the notice of termination is delivered to the "Insured", 5 days notice of termination shall be given; where it is mailed to the "Insured", 10 days notice of termination shall be given, and the 10 days shall begin on the day following the date of mailing of notice.

NOTICE AND PROOF OF CLAIM

The "Insured" or person insured, or a beneficiary entitled to make a claim, or the agent of any of them, shall:

- (a) give written notice of claim to the Insurer
 - (i) by delivery thereof, or by sending it by registered mail to the head office or chief agency of the Insurer in the province, or
 - (ii) by delivery thereof to an authorized agent of the Insurer in the province, not later than 30 days from the date a claim arises under the contract on account of an accident,
- (b) within 90 days from the date a claim arises under the contract on account of an accident, furnish to the Insurer such proof as is reasonably possible in the circumstances of the happening of the accident and the loss occasioned thereby, the right of the claimant to receive payment, his age and the age of the beneficiary if relevant, and
- (c) if so required by the Insurer, furnish a satisfactory certificate as to the cause or nature of the accident for which claim may be made under the contract.

FAILURE TO GIVE NOTICE OR PROOF

Failure to give notice of claim or furnish proof of claim within the time prescribed by the Statutory Condition does not invalidate the claim if the notice or proof is given or furnished as soon as reasonably possible, and in no event later than one year from the date of the accident if it is shown that it was not reasonably possible to give notice or furnish proof within the time so prescribed.

INSURER TO FURNISH FORMS FOR PROOF OF CLAIM

The Insurer shall furnish forms for proof of claim within 15 days after receiving notice of claim, but where the claimant has not received the forms within that time he may submit his proof of claim in the form of a written statement of the cause or nature of the accident giving rise to the claim and of the extent of the loss.

RIGHTS OF EXAMINATION

As a condition precedent to recovery of insurance money under this contract in the case of death of the person insured, the Insurer may require an autopsy subject to any law of the applicable jurisdiction relating to autopsies.

WHEN MONEY PAYABLE

All money payable under this contract shall be paid by the Insurer within 60 days after it has received proof of claim.

LIMITATION OF ACTIONS

An action or proceeding against the Insurer for the recovery of a claim under this contract shall not be commenced more than one year after the date the insurance money became payable or would have become payable if it has been a valid claim.

(2) BLANKET BYLAWS COVERAGE

(Applies only to property insured under COVERAGE G - BARNES, BUILDINGS AND STRUCTURES)

- (a) Coverage: "We" will pay for the following:
 - (i) Coverage A - Loss of the Undamaged Portion of a Building Coverage
If an INSURED PERIL causes loss or damage to a covered building at the described "premises" "we" will pay for loss to the undamaged portion of the building caused by the enforcement of any bylaw that:
 - 1) requires the demolition of parts of the same building not damaged by an INSURED PERIL;
 - 2) regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described "premises"; and
 - 3) is in force at the time of loss.

This coverage is included within the Amount of Insurance shown in the Declarations for COVERAGE G - BARNES, BUILDINGS AND STRUCTURES.

This is not an additional amount of insurance.

(ii) Coverage B - Demolition Cost Coverage

If an INSURED PERIL causes loss or damage to a covered building at the described "premises" "we" will pay the cost to demolish and clear the site of undamaged parts of the building caused by the enforcement of any building, zoning or land use bylaw.

This coverage is included within the Amount of Insurance shown in the Declarations for COVERAGE G - BARNS, BUILDINGS AND STRUCTURES.

This is not an additional amount of insurance.

(iii) Coverage C - Increased Cost of Construction Coverage

If an INSURED PERIL causes loss or damage to a covered building at the described "premises" "we" will pay for the increased cost to repair, rebuild or construct the building caused by the enforcement of any building, zoning or land use bylaw. If the building is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by a zoning or land use bylaw.

"We" will not pay for the increased cost of construction if the building is not repaired or replaced.

This coverage is included within the Amount of Insurance shown in the Declarations for COVERAGE G - BARNS, BUILDINGS AND STRUCTURES.

This is not an additional amount of insurance.

(b) "We" will not pay under this ADDITIONAL COVERAGE for the cost associated with the enforcement of any bylaw which requires any "Insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

(c) The most "we" will pay under this coverage is \$20,000.

No deductible applies to this ADDITIONAL COVERAGE.

(3) COMPUTER COVERAGE

Computer Coverage is added to "your" policy subject to COMPUTER COVERAGE - FORM 962.

The most "we" will pay under this ADDITIONAL COVERAGE is \$5,000.

This coverage is in addition to any amount shown elsewhere in the Declarations for COMPUTER COVERAGE - FORM 962.

(4) CORRALS AND FENCING COVERAGE

(Additional coverage to COVERAGE G - BARNS, BUILDINGS AND STRUCTURES)

"We" will pay up to \$5,000 in any one "occurrence" as an additional amount of insurance for direct physical loss of or damage to corrals and/or fences (excluding pasture fences) caused by FIRE OR LIGHTNING or IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE as described in SECTION III INSURED PERILS.

A \$500 deductible applies to this ADDITIONAL COVERAGE.

(5) COST OF PREPARING PROOF OF LOSS

"We" will pay up to \$2,000 for reasonable professional expenses incurred by "you" in preparing the proof of "your" loss or any other exhibits required by this policy.

This is an additional amount of insurance.

No deductible applies to this ADDITIONAL COVERAGE.

(6) COST OF RESTORING FARM OPERATIONS RECORDS INCLUDING AUDITORS' FEES

"We" will pay up to \$5,000 in any one occurrence to cover "your" cost to research, replace or restore the lost information on farm operations records damaged by an INSURED PERIL.

This is an additional amount of insurance.

No deductible applies to this ADDITIONAL COVERAGE.

(7) DEBRIS REMOVAL

"We" will pay the reasonable expenses incurred by "you" in the removal of debris of property insured under SECTION III as a result of an INSURED PERIL. If the amount payable for loss, including expenses for the removal of debris, is greater than the Amount of Insurance on the insured property, an additional 5% of that amount will be available to cover debris removal expenses.

No deductible applies to this ADDITIONAL COVERAGE.

(8) EXHIBITION COVERAGE

(Additional coverage to COVERAGE H - FARM PERSONAL PROPERTY)

"We" will pay up to \$5,000 in any one "occurrence" for direct physical loss of or damage to property covered under COVERAGE H - FARM PERSONAL PROPERTY under SECTION III FARM PROPERTY COVERAGES while at any fairground, exhibition or exposition for the purpose of exhibition or sale, caused by an INSURED PERIL. This coverage does not increase the amount of insurance applying to the damaged property.

A \$500 deductible applies to this ADDITIONAL COVERAGE.

(9) EXTRA EXPENSE

(Additional coverage to COVERAGE G - BARN, BUILDINGS AND STRUCTURES or H(2) FEED, GRAIN, CHEMICALS, FERTILIZER, PRODUCE)

"We" will pay up to \$10,000, for the actual and necessary expenses "you" incur to resume normal "farming" "operations" interrupted as the result of direct physical loss of or damage to insured property by an INSURED PERIL.

Coverage for such extra expense is not limited by the expiration of this policy. "We" will not pay extra expense "you" incur after the period required for repair, rebuilding or replacement of insured property.

No deductible applies to this ADDITIONAL COVERAGE.

(10) FARM SIGN COVERAGE

(Additional coverage to COVERAGE G - BARN, BUILDINGS AND STRUCTURES)

"We" will pay up to \$3,000 in any one "occurrence" as an additional amount of insurance for direct physical loss of or damage to an external farm sign on the "premises", caused by any peril insured under the SPECIAL FORM.

A \$500 deductible applies to this ADDITIONAL COVERAGE.

(11) FARM TOOLS AND PARTS COVERAGE

(Additional coverage to COVERAGE (H)(1) - MACHINERY, EQUIPMENT, TOOLS, PARTS)

"We" will pay up to \$2,000 in any one "occurrence" as an additional amount of insurance for direct physical loss of or damage to farm tools and parts caused by any peril insured under the SPECIAL FORM.

A \$500 deductible applies to this ADDITIONAL COVERAGE.

(12) FARM WATER SYSTEMS COVERAGE

(Additional coverage to COVERAGE G - BARN, BUILDINGS AND STRUCTURES)

"We" will insure "your" water pumps, pressure systems and pump houses used in whole or in part for "farming" purposes. "Your" farm water systems will be insured for loss or damage insured by the SPECIAL FORM as described and limited under SECTION III INSURED PERILS.

The most "we" will pay under this ADDITIONAL COVERAGE is \$5,000.

A \$500 deductible applies to this ADDITIONAL COVERAGE.

(13) FUEL AND TANK COVERAGE

(Additional coverage to COVERAGE G - BARN, BUILDINGS AND STRUCTURES)

"We" will pay up to \$3,000 in any one "occurrence" as an additional amount of insurance for direct physical loss of or damage to fuel tanks, fuel tank stands, and liquified petroleum or manufactured gas stored on the "premises", caused by a peril insured under the FIRE AND EXTENDED COVERAGE FORM. The tank(s) must be kept locked at all times in order for theft or vandalism coverage to be in force.

A \$500 deductible applies to this ADDITIONAL COVERAGE.

(14) GOOD NEIGHBOUR COVERAGE

(Additional coverage to COVERAGE H - FARM PERSONAL PROPERTY)

"We" will pay up to \$10,000 in any one "occurrence" as an additional amount of insurance for direct physical loss of or damage to farm personal property owned in whole by others, while in "your" care, custody and control, caused by a peril insured under the SPECIAL FORM. If there is other insurance covering the same loss or damage, "we" will pay only for the amount of covered loss or damage in excess of the amount due for that other insurance.

A \$500 deductible applies to this ADDITIONAL COVERAGE.

(15) POLLUTANT CLEAN-UP AND REMOVAL

"We" will pay "your" expense to extract "pollutants" from land or water at the "premises" described in the Declarations if the discharge, dispersal, seepage, migration, release or escape of the "pollutant" is caused by or results from an INSURED PERIL that occurs during the policy period. The expenses will be paid only if they are reported to "us" in writing within 180 days of the date on which the loss by INSURED PERIL occurs.

This ADDITIONAL COVERAGE does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But "we" will pay for testing which is performed in the course of extracting the "pollutants" from land or water.

The most "we" will pay under this ADDITIONAL COVERAGE for each described "premises" is \$10,000 for the sum of all covered expenses arising out of losses caused by INSURED PERILS occurring during each separate 12 month period of this policy.

This amount is in addition to the Amounts of Insurance.

A \$500 deductible applies to this ADDITIONAL COVERAGE.

(16) PRIVATE POWER AND LIGHT POLES

(Additional coverage to COVERAGE G - BARNs, BUILDINGS AND STRUCTURES)

"We" will pay up to \$5,000 in any one "occurrence" as an additional amount of insurance for direct physical loss of or damage to private power and light poles, outside wiring and attachments. Attachments include attached switch boxes, fuse boxes, and other electrical equipment mounted on poles "you" own at the "premises" described in the Declarations. The \$5,000 limit applies in excess of any applicable deductible.

(17) PROPERTY REMOVED

(Coverage extension to COVERAGE H - FARM PERSONAL PROPERTY)

If "you" must remove insured property from "your" "premises" described in the Declarations to protect it from loss or damage, it is insured by this policy for 90 days or until "your" policy term ends, whichever occurs first. The amount of insurance will be divided in the proportions that the value of the property removed bears to the value of all property at the time of loss. This coverage does not increase the amount of insurance applying to the property being removed.

(18) SEED, CHEMICALS, AND FERTILIZER

"We" will pay up to \$10,000 in any one occurrence as an additional Amount of Insurance for direct physical loss or damage to certified seed, chemicals and fertilizer, caused by a peril insured under the FIRE AND EXTENDED COVERAGE FORM.

The most "we" will pay under this ADDITIONAL COVERAGE is \$10,000.

This coverage is in addition to any amount shown elsewhere in the Declarations for seed, chemicals or fertilizer.

A \$500 deductible applies to this ADDITIONAL COVERAGE.

(19) STANDING CROP COVERAGE

(Additional coverage to COVERAGE H(2) - FEED, GRAIN, CHEMICALS, FERTILIZER, PRODUCE)

"We" insure "your" standing or swathed grain and seed crop, and standing or swathed hay or straw for direct physical loss caused by FIRE.

If there is other insurance covering the same loss or damage, then "we" will only pay for covered loss or damage in excess of the amounts covered by that other insurance.

The most "we" will pay under this ADDITIONAL COVERAGE is \$5,000 for "your" grain and seed crops and \$1,000 for "your" hay and straw.

(20) VETERINARIAN SUPPLY COVERAGE

(Additional coverage to COVERAGE G - BARNs, BUILDINGS AND STRUCTURES)

"We" will pay up to \$2,000 in any one "occurrence" as an additional amount of insurance for direct physical loss of or damage to veterinarian supplies (excluding semen and semen tanks) kept for use in "your" "farming" operations while on "your" "premises" caused by a peril insured under the FIRE AND EXTENDED COVERAGE FORM, and CONSEQUENTIAL LOSS COVERAGE- FORM 2028 as described and limited in SECTION III OPTIONAL COVERAGES.

A \$500 deductible applies to this ADDITIONAL COVERAGE.

SECTION III

INSURED PERILS

FIRE AND LIGHTNING FORM

When F & L (FIRE AND LIGHTNING) is designated in the Declarations under the heading FORM, "you" are insured against direct loss or damage to insured property caused by:

(1) FIRE OR LIGHTNING.

excluding loss or damage to livestock caused by lightning unless their death or destruction occurs no more than 15 days after the occurrence.

(2) EXPLOSION.

This peril includes the explosion of manually portable gas cylinders or domestic hot water boilers having an internal diameter not exceeding 610 millimeters (24 inches) or explosion of gas or unconsumed fuel within a furnace or within exhaust passages leading to the atmosphere.

FIRE AND EXTENDED COVERAGE FORM

When F & EC (FIRE AND EXTENDED COVERAGE) is designated in the Declarations under the heading FORM, "you" are insured against direct loss or damage to insured property caused by the following perils:

(1) FIRE OR LIGHTNING.

excluding loss or damage to livestock caused by lightning unless their death or destruction occurs no more than 15 days after the occurrence.

(2) EXPLOSION.

This peril includes the explosion of manually portable gas cylinders or domestic hot water boilers having an internal diameter not exceeding 610 millimeters (24 inches) or explosion of gas or unconsumed fuel within a furnace or within exhaust passages leading to the atmosphere.

(3) SMOKE.

This peril means sudden and accidental damage from smoke.

(4) FALLING OBJECT.

This peril means a falling object which strikes the exterior of a building but not objects which strike the building because of snowslide, landslide or any other earth movement.

(5) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE.

This peril does not include any loss or damage to animals.

(6) RIOT.

(7) WINDSTORM OR HAIL.

This peril does not include loss or damage:

(a) to the outer metal cover of any barn, building or structure caused by hail, whether driven by wind or not, unless the cover is punctured by the hail;

(b) due to weight or pressure or melting of ice or snow, waves or "floods", all whether driven by wind or not;

(c) to trees, lawns, plants and shrubs;

(d) to all other property in the open other than:

(1) realty fixtures attached and belonging to the individual buildings insured;

(2) permanently installed yard fixtures; or

(3) livestock;

(e) to livestock caused by or resulting from dust, frost or cold weather or ice (other than hail), snow or sleet, all whether driven by wind or not.

(8) TRANSPORTATION.

This peril means:

(a) collision, derailment, upset or overturn of a transporting land conveyance;

(b) stranding or sinking of vessels;

(c) collapse of bridges, culverts, docks or wharves.

(9) THEFT.

This peril does not include:

- (a)** loss or damage caused by or resulting from theft of:
 - (1)** fertilizer from storage tanks, unless pumps are securely locked when not in use; or
 - (2)** property in the open, other than livestock;
- (b)** escape or mysterious disappearance of livestock or poultry.

(10) DEATH OR DESTRUCTION OF LIVESTOCK.

This peril means death or destruction of insured livestock directly resulting from or made necessary by:

- (a)** earthquake, "flood" or drowning, collapse of any building or structure, or the falling of trees or their branches;
- (b)** collision with land vehicles other than those owned or operated by "you", "your" employees or other persons residing on the "premises";
- (c)** accidental shooting or mutilation except by "you", "your" employees, or other persons residing on the "premises";
- (d)** attack by dogs or wild animals. This peril does not include loss or damage:
 - (1)** to sheep; or
 - (2)** caused by dogs or wild animals owned by "you", "your" employees, or other persons residing on the "premises";
- (e)** electricity;
- (f)** entrapment, meaning the accidental and involuntary ensnaring or restraint of an animal. This peril does not include loss or damage:
 - (1)** due to animal birth;
 - (2)** while in transit or being loaded or unloaded;
 - (3)** while being handled or forcibly restrained;
 - (4)** due to splitting;
 - (5)** due to suffocation of animals in their own fluids;
 - (6)** due to casting, or an animal's inherent inability to regain an upright position; or
 - (7)** due to the animal becoming trapped or cast by the contours or depressions of the land, including but not limited to any furrow, gully, ditch, hill or any slope.

(11) VANDALISM OR MALICIOUS ACTS.

This peril does not include loss or damage:

- (a)** occurring while any building is "vacant" even if permission for vacancy has been given by "us". Outbuildings, which are in a seasonal state of vacancy due to normal practices of "farming" operations, are not considered "vacant";
- (b)** to glass which forms part of a building;
- (c)** caused by theft or attempted theft.

SPECIAL FORM

When SPL (SPECIAL) is designated in the Declarations under the heading FORM, "you" are insured against all risks of direct physical loss or damage except loss or damage:

- (1)** caused by or resulting from:
 - (a)** wear and tear, gradual deterioration, latent defect, any quality in property that causes it to damage or destroy itself, mechanical breakdown, scraping, marring, scratching, rust, corrosion, dampness or dryness of atmosphere, freezing or extremes of temperature;
 - (b)** freezing of a plumbing, heating, sprinkler or air conditioning system or of a domestic appliance, or by discharge or overflow of water or steam from within the system or appliance caused by freezing:
 - (i)** that is not within a building, or structure, heated during the usual heating season; or
 - (ii)** occurring in a building, or structure, that is unoccupied, unless "you" have taken reasonable care to:
 - a.** maintain heat in the building or structure; or
 - b.** shut off the water supply and drain the system or appliance of water;

- (c) vermin or rodents, including but not limited to raccoons, squirrels, and ground-hogs;
- (d) birds;
- (e) insects including but not limited to termites and moths;
- (f) the cost of making good faulty design, materials or workmanship or any damage that occurs due to any such fault except that resulting damage by any of the INSURED PERILS is insured;
- (g) settling, expansion, contraction, moving, shifting or cracking.

Direct loss or damage caused by any of the FIRE AND EXTENDED COVERAGE perils is insured.

- (2) to insured mobile farm machinery caused by or resulting from:
 - (a) any repairing, adjusting, servicing or maintenance operation, unless FIRE or EXPLOSION ensues and then only for the loss or damage by such fire or explosion;
 - (b) short circuit or other electrical disturbances of any kind, exclusive of lightning, within an electrically equipped article unless FIRE ensues and then for loss or damage caused by FIRE only;
 - (c) loss or damage to tracks, tires or tubes unless caused by FIRE, THEFT, VANDALISM OR MALICIOUS ACTS or unless the same accident causes other insured loss under this coverage;
 - (d) the clogging, compacting, plugging or piling up of any material of a type intended to be taken into such machinery;
 - (e) the described property if used in logging, forestry, brushcutting or sawmill operation however, permission is granted for brushcutting on land owned, leased or used by "you".
- (3) to insured barns, buildings or structures caused directly or indirectly by:
 - (a) snowslide, earthquake, landslide, or other earth movement;
 - (b) "flood", "surface water", spray, waterborne objects, waves, tidal water or tidal waves, overflow of streams or other bodies of water, all whether wind driven or not;
 - (c) seepage or leakage of water below the surface of the ground, including through basement walls, doors, windows or other openings, foundations, basement floors, sidewalks or sidewalk lights;
 - (d) the backing up of sewers, sumps, septic tanks or drains;
 - (e) hail, whether driven by wind or not, to the outer metal cover unless the cover is punctured by the hail.

SECTION III

OPTIONAL COVERAGES

The following OPTIONAL COVERAGES are subject to all the terms and conditions applicable to SECTION III of this policy and the provisions of these coverages.

CONSEQUENTIAL LOSS COVERAGE - FORM 2028

If the Declarations indicate that CONSEQUENTIAL LOSS COVERAGE - FORM 2028 is included, "we" insure "your" farm personal property damaged by change in temperature resulting from physical damage by an INSURED PERIL to the building or equipment contained in the building, including connections and supply transmissions on the "premises" described in the Declarations.

This OPTIONAL COVERAGE does not apply to artificial insemination material.

This OPTIONAL COVERAGE does not increase the Amount of Insurance applying to the damaged property.

DUAL VALUATION CLAUSE - FORM 2021

If the Declarations indicate that DUAL VALUATION CLAUSE - FORM 2021 is included, the Basis of Claim Payment for scheduled items insured by H1A Scheduled Mobile Farm Machinery And Mobile Farm Equipment and/or H1B Blanket Mobile Farm Machinery And Mobile Farm Equipment under COVERAGE H - FARM PERSONAL PROPERTY in SECTION III FARM PROPERTY COVERAGES will be as follows:

With respect to repair costs only, mobile farm machinery and mobile farm equipment is insured for the cost of repair without deduction for depreciation, and such costs are not to exceed the "actual cash value" of the insured mobile farm machinery or mobile farm equipment. This basis of claim settlement does not apply if loss or damage is caused by ingestion of foreign objects or to parts consisting of canvasses, tarps, tracks, tires, batteries, or betterments resulting from the repair or replacement of parts having previous unrepaired damage.

FARM METAL OUTBUILDING DENT COVERAGE - FORM 2022

Where the Declarations indicate that FARM METAL OUTBUILDING DENT COVERAGE - FORM 2022 applies to a specified barn, building or structure insured under COVERAGE G - BARNES, BUILDINGS AND STRUCTURES in SECTION III FARM PROPERTY COVERAGES, the following applies:

- (1) When the barn, building or structure is insured under the FIRE AND EXTENDED COVERAGE FORM, clause (7)(a) which states: this peril does not include loss or damage to the outer metal cover of any barn, building or structure caused by hail, whether driven by wind or not, unless the cover is punctured by the hail; is hereby deleted.
- (2) When the barn, building or structure is insured under the SPECIAL FORM, exclusion (3)(e) which states: to insured barns, buildings or structures caused directly or indirectly by hail, whether driven by wind or not, to the outer metal cover unless the cover is punctured by the hail; is hereby deleted.

LOSS OF USE COVERAGE - FORM 2027

If the Declarations indicate that LOSS OF USE COVERAGE - FORM 2027 is included, "we" will pay up to the Amount of Insurance stated in the Declarations in all, for expenses incurred by "you" for the rental of replacement mobile farm machinery or mobile farm equipment, similar in size and capacity to the specified item(s) insured under H1A Scheduled Mobile Farm Machinery And Mobile Farm Equipment in COVERAGE H - FARM PERSONAL PROPERTY or the unscheduled items insured under H1B Blanket Mobile Farm Machinery And Mobile Farm Equipment in COVERAGE H - FARM PERSONAL PROPERTY, which have become inoperable because of loss or damage caused by a peril insured against. Payment shall end on the date of completion of repairs or replacement of the lost or damaged property or on the date that "we" make or tender settlement for such loss.

MINIMUM LIVESTOCK CLAUSE - FORM 2026

If the Declarations indicate that MINIMUM LIVESTOCK CLAUSE - FORM 2026 applies, insurance shall only be afforded if 2 or more head are lost during any single "occurrence" by an INSURED PERIL. It is further agreed that the Amount of Insurance payable shall not be reduced by the minimum requirement of 2 head.

REPLACEMENT COST COVERAGE ON MOBILE FARM MACHINERY AND MOBILE FARM EQUIPMENT - FORM 2020

If the Declarations indicate REPLACEMENT COST ON FARM MACHINERY - FORM 2020 applies to a specified piece of mobile farm machinery or mobile farm equipment, "you" are insured for the following:

- (1) "We" will pay for loss to that machinery or equipment on a "replacement cost" basis, provided:
 - (a) "you" are the original purchaser of the property, exclusive of the selling dealer; and
 - (b) the loss or damage occurs within sixty (60) months of the date on which the property was first delivered to "you".
- (2) This coverage does not apply to:
 - (a) machinery or equipment rented or leased to "you" or by "you";
 - (b) tracks, tires or batteries;
 - (c) betterments resulting from the repair or replacement of property having prior unrepaired damage;
 - (d) any increase in the cost of replacement resulting from the enforcement of any restriction or prohibition in any regulation, ordinance or law.
- (3) "You" may make a claim for loss or damage covered by this insurance on the "actual cash value" basis instead of a "replacement cost" basis. In the event "you" elect to have "your" loss settled on an "actual cash value" basis, "you" may still make a claim for the additional coverage this endorsement provides if "you" notify "us" of "your" intention to do so within 180 days after the loss or damage.
- (4) "We" will not pay on a "replacement cost" basis for any loss or damage:
 - (a) until the lost or damaged property is actually repaired or replaced; and
 - (b) unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
- (5) "We" will not pay more for loss or damage on a "replacement cost" basis than the least of:
 - (a) the Amount of Insurance applicable to the lost or damaged item;
 - (b) the cost to replace the lost or damaged item with new property:
 - (i) of comparable material and quality;
 - (ii) used for the same purpose.
 - (c) the amount "you" actually spend that is necessary to repair or replace the lost or damaged property.
- (6) Property covered by this OPTIONAL COVERAGE is subject to the following:
COINSURANCE
"We" will not pay for a greater proportion of any loss than the applicable Amount of Insurance for the lost or damaged item bears to 100% of the original "replacement cost" of the item.
However, if the amount of loss or damage is less than 2% of the applicable Amount of Insurance or \$5,000, whichever is less, this COINSURANCE condition does not apply.

SECTION III

LOSS OR DAMAGE NOT INSURED

The following exclusions apply when any or all of the INSURED PERILS, F & L (FIRE AND LIGHTNING), F & EC (FIRE AND EXTENDED COVERAGE) or SPL (SPECIAL), are designated in the Declarations.

"We" do not insure:

- (1) loss or damage caused:
 - (a) due to grass, stubble or bush fires occurring while a building is "vacant" even if permission for vacancy has been given by "us". Barns, buildings or structures which are in a seasonal state of vacancy due to normal practices of "farming" operations are not considered "vacant";
 - (b) to electrical devices, appliances, fixtures or wiring or resulting extra expense caused by electrical currents other than lightning. Direct loss or damage by FIRE is insured.
- (2) loss or damage caused directly or indirectly by:
 - (a) explosion, collapse, rupture, bursting, cracking, burning out or bulging of any of the following property, if owned or leased by "you", or operated under "your" control:
 - (i) any boiler and connected piping or other equipment containing steam or water under steam pressure;
 - (ii) any other equipment under pressure if its maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
 - (b) electrical arcing or any coincident rupture of electrical equipment due to arcing;
 - (c) bursting or rupture caused by hydrostatic pressure or freezing;
 - (d) bursting or rupture of any safety disc, rupture diaphragm or fusible plug;
 - (e) water hammer; or
 - (f) bursting or rupture due to expansion or swelling of the contents of any building or structure caused by or resulting from water.

Direct loss or damage by fire, the explosion of manually portable gas cylinders or domestic hot water boilers having an internal diameter not exceeding 610 millimeters (24 inches) or the explosion of gas or unconsumed fuel within a furnace or within exhaust passages leading to the atmosphere is insured.

- (3) loss or damage caused by smoke from agricultural smudging or industrial operations.
- (4) loss or damage caused:
 - (a) to the interior of a building or the personal property inside a building caused by rain, hail, snow, sleet, sand or dust, unless an opening in the roof or wall is made by wind or hail and the rain, hail, snow, sleet, sand or dust enters concurrently through this opening;
 - (b) to fences anywhere on the "premises", windmills or silos by the perils of windstorm or hail.
- (5) loss or damage occurring while the building insured is, to "your" knowledge, "vacant" for more than 30 consecutive days. Outbuildings, which are in a seasonal state of vacancy due to normal practices of "farming" operations, are not considered "vacant".
- (6) loss or damage resulting directly or indirectly from:
 - (a) 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) contamination by radioactive material;
 - (c) war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, or military power.
- (7) losses or increased costs of repair or reconstruction due to the operation of any law regulating the zoning, demolition, repair or construction of buildings or structures and their related services.
- (8) loss or damage resulting from "your" intentional acts.
- (9) loss or expense caused by or resulting from any fraudulent, dishonest or criminal acts committed by "you", or "your" partners, officers, directors, trustees, employees or agents or any person to whom the property is entrusted. Property insured under COVERAGE - H(1) MACHINERY, EQUIPMENT, TOOLS, PARTS, while in the custody of a bailee hired by "you" is insured.

- (10)** loss due to delay or loss of market.
- (11)** loss due to unexplained or mysterious disappearance of property, or shortage of property disclosed on taking inventory.
- (12)** loss due to the parting with title or possession of any property by "you" or others if induced to do so by any fraudulent scheme or false pretense.
- (13)** any property illegally acquired, kept, stored or transported or property subject to forfeiture.
- (14)** any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire.
- (15)** loss or damage to farm personal property while undergoing a process involving the application of heat, but resulting damage to other property is insured.
- (16)** any loss or damage resulting from any illegal activity:
 - (a)** of the "Insured";
 - (b)** of any tenant of the "Insured"; or
 - (c)** the relatives or "residence employees" of either;
arising directly or indirectly from the growing, cultivating, harvesting, processing, manufacture, distribution, or sale of any drug, including but not limited to cannabis, or any non-prescription controlled substance or illegal substance or items of any kind, the possession of which constitutes a criminal offense, whether or not "you" have any knowledge of such activity or are able or unable to control such illegal activity.
This includes any alteration of the "premises" to facilitate such illegal activity.
- (17)** any 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.
- (18)** **(a)** "data" except for electronically stored "data" insured under COMPUTER COVERAGE - FORM 962 in SECTION I OPTIONAL COVERAGES;
 - (b)** any 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 "specified perils", this exclusion (b) shall not apply to such resulting loss or damage.

SECTION III CONDITIONS

BASIS OF CLAIM PAYMENT

"We" will pay for insured loss or damage up to "your" financial interest in the property but not exceeding the applicable Amount(s) of Insurance for any loss or damage arising out of one "occurrence". This applies even if more than one person or organization has an insurable interest in the property insured.

(1) REINSTATEMENT

Any loss or damage shall not reduce the Amounts of Insurance provided by this policy.

(2) 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 in the Declarations in any one "occurrence".

Loss or damage to mobile farm machinery or mobile farm equipment caused by the ingestion of a foreign object is subject to the Ingestion Deductible shown in the Declarations. The deductible is expressed as a percentage of the amount of adjusted loss. The Ingestion Deductible amount will not be less than the percentage shown in the Declarations or \$1,000, whichever is the greater.

(3) FARM BARNs, BUILDINGS AND STRUCTURES

"We" will pay the "actual cash value" of the loss or damage at the time of loss, unless otherwise indicated in the Declarations.

(4) REBUILDING CLAUSE - FARM BARNs, BUILDINGS AND STRUCTURES

If the Declarations indicate that REBUILDING CLAUSE is included, the Basis of Claim Payment will be as follows:

- (a) the most "we" will pay is 50% of the amount of any loss which "we" would have paid in the absence of this REBUILDING CLAUSE.
- (b) if "you" repair or replace the damaged or destroyed farm barns, buildings or structures for the same size occupancy and use within 9 months of the date of loss, on or within 65 m. (200 ft.) of the site where the building stood immediately prior to the loss, "we", upon receipt of satisfactory evidence to that effect from "you", shall pay the remaining 50% of such loss.
- (c) if "you" do not repair or replace the damaged or destroyed farm barns, buildings or structures in accordance with the provisions of paragraph (b) above, "you" agree that the reduced payment received by "you" under the provisions of paragraph (a) above shall constitute the full and final settlement under this policy with respect to such loss.

(5) REPLACEMENT COST - FARM BARNs, BUILDINGS AND STRUCTURES

If the Declarations indicate that REPLACEMENT COST applies, "we" will pay for insured loss to the damaged or destroyed farm barn, building or structure on a "replacement cost" basis, but payment shall not exceed the least of:

- (a) the cost to repair or replace the damaged or destroyed farm barn, building or structure within a reasonable time and for the same quality, size and occupancy on the same location;
- (b) the amount actually and necessarily spent to repair or replace the farm barn, building or structure; or
- (c) the applicable Amount of Insurance.

"We" will not pay for a greater proportion of loss than the applicable Amount of Insurance bears to 90% of the "replacement cost" of all insured property at the time of loss. If two or more items are specifically described in the Declarations, this condition will apply separately to each item.

If the amount of loss or damage is less than 2% of the applicable Amount of Insurance or \$5,000, whichever is the lesser, this condition does not apply.

If "you" do not repair, rebuild or replace the barn, building or structure on the same location, with a building of the same size, and occupancy, constructed with material of similar quality, the basis of settlement will be as if this coverage had not been in effect.

(6) FARM PERSONAL PROPERTY AND CONTENTS OF BARN, BUILDINGS AND STRUCTURES

"We" will pay the "actual cash value" of the loss or damage at the time of loss up to the applicable Amount of Insurance.

(7) INSURANCE UNDER MORE THAN ONE POLICY

If "you" have insurance on specifically described property, "our" policy will be considered excess insurance and "we" will not pay any loss or claim until the amount of such other insurance is used up. In all other cases, "our" policy will pay its rateable proportion of the loss or claim.

(8) NOTICE TO AUTHORITIES

Where loss or damage:

- (a) is, or is suspected to be due to malicious acts, burglary, robbery, theft or attempted theft;
- (b) is due to the sudden and accidental escape of any "pollutant";

"you" must give immediate notice of the incident to the police or other enforcement agency having jurisdiction.

(9) NO BENEFIT TO BAILEE

No person or organization having custody of the property and to be paid for services shall benefit from this insurance.

(10) LOSS TO A PAIR OR SET

In case of loss to a pair or set, "we" may elect to:

- (a) repair or replace any part to restore the pair or set to its value before the loss; or
- (b) pay the difference between "actual cash value" of the property before and after the loss.

(11) LOSS TO PARTS

In case of a loss to any part of the insured property, consisting of several parts when complete, "we" shall pay for the value of the part lost or damaged.

(12) PERMISSION

"You" are permitted to make alterations, additions or repairs.

SECTION I, SECTION II AND SECTION III

ADDITIONAL CONDITIONS

In respect of SECTION II LIABILITY COVERAGE, only ADDITIONAL CONDITIONS (1), (3), (4), (5), (15), (16), (17), (18), (19) and (20) apply.

Otherwise all of the ADDITIONAL CONDITIONS apply with respect to all of the perils insured by this policy.

(1) MISREPRESENTATION

If a person applying for insurance falsely describes the property to the prejudice of the Insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the Insurer in order to enable it to judge of the risk to be undertaken, the contract is 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 is liable for loss or damage occurring after an authorized assignment under the Bankruptcy 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" voids 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 is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.

(5) TERMINATION

- (a) This contract may be terminated,
 - (i) by the Insurer giving to the "Insured" fifteen days notice of termination by registered mail or five days written notice of termination personally delivered;
 - (ii) by the "Insured" at any time on request.
- (b) Where this contract is terminated by the Insurer,
 - (i) the Insurer shall refund the excess of 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
 - (ii) 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.
- (c) 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.
- (d) The refund may be made by money, postal or express company money order or cheque payable at par.
- (e) The fifteen days mentioned in clause (i) of subcondition (a) 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

- (a) Upon the "occurrence" of any loss of, or damage to, the insured property, the "Insured" shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions (9), (10) and (11),
 - (i) forthwith give notice thereof in writing to the Insurer;

(ii) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,

- 1) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, "actual cash value" and particulars of amount of loss claimed,
- 2) 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,
- 3) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the "Insured",
- 4) showing the amount of other insurances and the names of other insurers,
- 5) 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,
- 6) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
- 7) showing the place where the property insured was at the time of loss;

(iii) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, and "actual cash value";

(iv) 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.

(b) The evidence furnished under clauses (iii) and (iv) of sub-paragraph (a) of this condition shall not be considered proofs of loss within the meaning of conditions (12) and (13).

(7) FRAUD

Any fraud or willfully false statement in a statutory declaration in relation to any of the above particulars, vitiates 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

(a) 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 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.

(b) 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 (a) of this condition according to the respective interests of the parties.

(10) ENTRY, CONTROL, ABANDONMENT

After loss or damage to insured property, the Insurer has 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 is not 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 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 therefore is made in writing and until after proof of loss has been delivered.

(12) WHEN LOSS PAYABLE

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

(13) REPLACEMENT

- (a) The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention to do so within thirty days after receipt of the proofs of loss.
- (b) 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 a claim under or by virtue of this contract is absolutely barred unless commenced within one* year next after the loss or damage occurs, unless legislation provides otherwise.

In those jurisdictions where statute prescribes another period for right of action, every action or proceeding against the Insurer shall be commenced within such prescribed period and not afterwards.

* Two years in the Province of Manitoba and the Yukon Territory.

(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. 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. In this condition, the expression "registered" means registered in or outside Canada.

(16) CANADIAN CURRENCY

All amounts of insurance, premiums or other amounts as expressed in this policy are in Canadian currency.

(17) SUBROGATION

"We" will be entitled to assume all "your" rights of recovery against others and may bring action in "your" name to enforce these rights when "we" make payment or assume liability under this policy. The amount recovered less the costs of recovery will be shared between "you" and "us" in proportion to the loss that each has borne. "You" shall sign and deliver all related papers and cooperate with "us" in any reasonable manner to secure such rights.

"Your" right to recover from "us" is not affected by any release from liability entered into by "you" prior to loss.

(18) INSURANCE UNDER MORE THAN ONE COVERAGE

In the event that more than one coverage, part or endorsement of this policy insures the same loss, damage or claim, payment shall not exceed the actual loss or damage sustained by "you".

(19) LIBERALIZATION CLAUSE

If "we" adopt any revision which would broaden coverage under this policy without any additional premium during the policy period, the broadened coverage will immediately apply to this policy.

(20) CHANGES IN POLICY

This policy contains all the agreements between "you" and "us" concerning the insurance afforded. No waiver or change of any provision of this policy may be made except by "us" in writing.

IN WITNESS WHEREOF, "we" have caused this policy to be signed by "our" President and C.E.O.



President & C.E.O.

August 2007

INQUIRY PROCEDURE

As your Insurer, we at The Wawanesa Mutual Insurance Company strive to maintain the highest standards of service at all times. If you have an inquiry regarding your policy we encourage you to first contact your Insurance Broker who arranged your policy with us, for assistance.

If your Insurance Broker is unable to answer your inquiry, then you may contact the branch that issued your policy (a list of our branch offices is shown in the Declarations). To help us handle your inquiry promptly please be prepared with (or include in your letter) your policy number and details of your policy or claim.

If your inquiry is still not addressed to your satisfaction we encourage you to write directly to the Regional Vice President of the branch that issued your policy. Further details and links can be found on our website at www.wawanesa.com.

We will, of course, make every effort to resolve any problem in a fair and reasonable manner. However, should you feel the need for independent assistance, you certainly have the right to contact the Insurance Bureau of Canada, the General Insurance OmbudService (GIO), the Consumers' Bureau, the Insurance Branch (Superintendent or Ombudsperson) of your provincial or territorial government, or the Financial Consumer Agency of Canada, 6th floor, Enterprise Building, 427 Laurier Ave. West, Ottawa, ON, K1R 1B9.

With the compliments of your Insurance Broker



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