

Fine Arts (Dealers)

1. Indemnity Agreement

In the event that any of the property insured be lost, destroyed or damaged by a peril insured against, the Insurer will indemnify the Insured to an amount not exceeding whichever is the least of:

- (a) the actual cash value of the property at the time of loss or damage;
- (b) the interest of the Insured in the property;
- (c) the amount of insurance specified on the "Declaration Page(s)" in respect of the property lost or damaged.

Provided, however, that where the insurance applies to the property of more than one person or interest, the Insurer's total liability for loss sustained by all such persons and interests shall be limited in the aggregate to the amount or amounts of insurance specified on the "Declaration Page(s)".

2. Property Insured

Antiques, paintings, statuary and other objects of art, the property of the Insured or the property of others in the custody or control of the Insured on consignment or for sale, display, storage or for the purpose of performing work thereon.

3. Limits of Liability

The Insurer shall not be liable for more than the amounts specified on the "Declaration Page(s)" in any one disaster either in case of partial or total loss or salvage or other charges or expenses or all combined:

- (a) while on premises of the Insured;
- (b) in the control of any one customer on approval;
- (c) in transit;
- (d) at any other location;
- (e) on display in any one show window.

4. Deductible

The Insurer is liable for the amount by which the loss or damage caused by any of the perils insured against exceeds the amount of the deductible specified on the "Declaration Page(s)" in any one occurrence.

5. Perils Insured

This Form, except as herein provided, insures against all risks of direct physical loss of or damage to the property insured from any external cause.

6. Debris Removal Extension

- (a) Debris Removal: The Insurer will indemnify the Insured for expenses incurred in the removal from the "premises" of debris of the property insured, occasioned by loss or damage to such property for which loss or damage insurance is afforded under this Form.

The amount payable under this extension shall not exceed 25% of the total amount payable for the direct physical loss to property insured plus the amount of the applicable deductible.

- (b) Removal of Windstorm Debris: The Insurer will indemnify the Insured for expenses incurred in the removal of debris or other property which is not insured by this Form but which has been blown by windstorm upon the "premises".

Extensions of coverage b(i) and b(ii) do not apply to costs or expenses:

- (i) to "clean up" "pollutants" from land or water; or
- (ii) for testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

Debris removal expense shall not be considered in the determination of actual cash value for the purpose of applying the co-insurance clause.

The above extensions of coverage shall not increase the amounts of insurance applying under this Form and are subject to all conditions of this Form.

7. Property Excluded

This Form does not insure loss or damage to:

- (a) jewellery, gold, watches, diamonds or precious metals, money including numismatic property or stamps including philatelic property;
- (b) furniture, fixtures and similar property which is not for sale;

- (c) tools or equipment used by the Insured in the conduct of the Insured's business;
- (d) property illegally acquired, kept, stored or transported or property seized or confiscated for breach of any law or by order of any public authority;
- (e) property at locations which to the knowledge of the Insured are vacant, unoccupied or shut down for more than 30 consecutive days.

8. Exclusions

A. Perils Excluded

This Form does not insure:

- (a) wear and tear, gradual deterioration or inherent vice;
- (b) loss or damage caused by rodents, insects or vermin;
- (c) loss or damage sustained while the property is actually being worked upon and directly resulting therefrom or caused by any repairing, restoring or retouching of the property insured, unless fire or explosion ensues and then only for the damage caused by such ensuing fire or explosion;
- (d) loss or damage caused by delay, loss of market or loss of use;
- (e) loss or damage resulting from any dishonest act on the part of the Insured or any other party of interest, the employees or agents of the Insured or any persons to whom the property may be entrusted (bailees for hire excepted);
- (f) loss or damage caused by breakage of glassware, statuary, marbles, bric-a-brac, porcelains and other fragile articles unless caused by fire, earthquake, explosion, riot, smoke, falling aircraft or spacecraft, flood, impact by vehicle, lightning, vandalism or malicious mischief, windstorm, hail or by accident to carrying conveyance or by theft or attempt thereat;
- (g) loss, destruction or damage caused directly or indirectly by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- (h) (i) by any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
- (ii) by contamination by radioactive material.

B. Pollution Exclusion

This Form does not insure against:

- (a) loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants", nor the cost or expense of any resulting "clean-up", but this exclusion does not apply:
 - (1) if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is the direct result of a peril not otherwise excluded under this Form;
 - (2) to loss or damage caused directly by a peril not otherwise excluded under this Form;
- (b) cost or expense for any testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

9. Territorial Limits

This Form insures only within the limits of Canada and the Continental United States of America, excluding Alaska.

10. Valuation

For the purpose of this insurance the property insured shall be valued as follows:

- (a) property of the Insured shall be valued at and insured for the amounts shown opposite each item on any schedule shown on the "Declaration Page(s)" or on file with the Insurer at the attachment date of this Policy or on any subsequent amendments to such schedules if made prior to any loss, damage or accident. In the absence of any such schedules, the property shall be valued at and insured for the amounts indicated on the books and records of the Insured;
- (b) property of others in the custody or control of the Insured shall be valued at and insured for the amounts agreed upon by the Insured and the owner prior to loss. In the absence of any such agreement the Insurer shall not be liable for more than the actual cash value of the property at the time of any loss or damage but in no event shall exceed what it would then cost to repair or replace the property with material of like kind and quality.

11. Co-Insurance

The Insurer shall not be liable for a greater proportion of any loss or damage than the amount of insurance bears to 100% of the value of the property insured but in no event shall the Insurer be liable for more than the amount of insurance.

12. Reinstatement

Loss under any item of this Form shall not reduce the applicable amount of insurance.

13. Acquisitions

If written on a schedule basis, this Form also covers additional items of the nature described in paragraph 2 (Property Insured) hereof acquired subsequent to the attachment date of this Policy. The Insured agrees to report to this Insurer such additional items within 30 days of the date of acquisition and to pay premium thereon from the said date at pro rata of the Policy rate. The Insurer shall not be liable for such additional items which are not reported to the Insurer within the 30-day period. The provisions of this clause shall not operate to increase any applicable limit of liability. With respect to property covered by this clause, the Insurer, prior to reporting of such additional items, shall not be liable for more than the actual cash value of such items.

14. Property Protection Systems

It is agreed that the Insured shall notify forthwith the Insurer of any interruption to, or flaw or defect, coming to the knowledge of the Insured, in any

- (a) sprinkler or other fire extinguishing system; or
- (b) fire detection system; or
- (c) intrusion detection system;

and shall also notify forthwith the Insurer of the cancellation or non-renewal of any contract which provides monitoring or maintenance services to any of these systems or of the notification of the suspension of police service in response to any of these systems.

15. Verification of Values

The Insurer or its duly appointed representative shall be permitted at all reasonable times during the term of this Policy, or within a year after termination or expiration, to inspect the property insured and to examine the Insured's books, records and such policies as relate to any property insured hereunder. Such inspection or examination shall not waive nor in any manner affect any of the terms or conditions of this Form.

16. Definitions

Wherever used in this Form:

- (a) "Declaration Page(s)" means the Declaration Page(s) applicable to this Form.
- (b) "Premises" means the entire area within the property lines and areas under adjoining sidewalks and driveways at each location described on the "Declaration Page"; and in or on vehicles within 100 metres (328 feet) of such locations.
- (c) "Pollutants" means solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- (d) "Clean up" means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to any of these processes.