

Vacation Trailer – Camper Unit Coverage

Territorial Limits

This policy only applies to loss or damage occurring within the territorial limits of Canada and of the Continental United States including Alaska (excludes Hawaii).

DEFINITIONS

Trailer means the non-motorized trailer, camper unit (unit with living quarters mounted and removable from a vehicle), or tent trailer described on the Coverage Summary page which is used for living accommodation while on vacation or for private recreational purposes. This does not include a manufactured home or mobile home.

DESCRIPTION OF COVERAGES

Section A – Vacation Trailer/ Camper Unit

We insure, up to the amount of insurance shown on the Coverage Summary page,:

- a) your trailer described on the Coverage Summary page;
- b) the built-in accessories forming a permanent part of your trailer;
- c) equipment (including but not limited to, the sway-bar, the trailer hitch and the stabilizer) attached to and forming a permanent part of your trailer. Exterior attachments, which do not form a part of your trailer while in transit, are not covered under this section.

Section B – Contents

We insure the contents of your trailer and other personal property you own, wear or use, only while contained in the described trailer or used at the trailer site, and up to the amount of insurance shown on the Coverage Summary page.

This section includes personal effects, household furnishings, furniture and supplies usually carried in a trailer. It does not include equipment and accessories built into and forming part of your trailer.

Section C - Additional Living Expenses

In the event, that loss or damage by an Insured Peril renders the trailer untenable, we insure:

- a) the necessary increase in living expense incurred by the Insured to continue, as nearly as practicable, the normal standard of living of his household for the lesser of the periods described below:
 - (i) the time required, with exercise of due diligence and dispatch, to repair or replace such damaged or destroyed property.
 - (ii) the intended period of vacation.
- b) the expense reasonably incurred by the Insured in arranging for the return of the trailer to the principal residence address following the completion of the necessary repairs where such repairs could not be completed within the intended period of vacation.

This coverage is subject to a limit of 25% of the amount shown for Section A or \$1,500, whichever is the greater.

Section D - Emergency Road Service Expense

We will reimburse you, up to \$500, for Emergency Road Service Expenses made necessary by the disablement of your trailer while on a trip. We require the presentation of receipts for expenses that you incur and any other reasonable evidence of loss.

Coverage under this section does not include the cost of any parts, supplies, gasoline, oil, batteries or tires. This extension does not apply to the towing vehicle.

This coverage is **not** subject to a deductible.

EXTENSIONS OF COVERAGE

1. Newly Acquired Property

If you acquire any additional trailers, we will automatically insure these under this rider provided you notify us within 30 days. We will **not** pay more than the amount(s) of insurance shown on your Coverage Summary page. This extension only applies to newly acquired trailers of a type already insured under this coverage.

2. Temporary Attachments

We insure exterior attachments to the trailer, meaning decks, patios, awnings, Florida rooms or porches, which do not form a part of the trailer while in transit.

This coverage is subject to a limit of 10% of the amount shown for Section A or \$1,000, whichever is the greater. If an amount is shown for this coverage on the Coverage Summary Page, this is in addition to the above limits.

3. Debris Removal

We agree to pay the cost of removing debris, caused by loss or damage to property insured by this policy as a result of an Insured Peril, up to \$1,000 for any one occurrence.

4. Fire Department Charges

We will reimburse you for charges incurred if a fire department charges for attending your trailer because of an Insured Peril.

This coverage is **not** subject to a deductible.

5. Total Loss Deductible Waiver

In the event of a total or constructive total loss, the deductible will not be applied.

6. Lock Repair or Replacement

We will pay up to \$250 to replace or rekey, at our option, the locks on your trailer, if your keys are stolen, provided the theft is reported to the police or law enforcement agency having jurisdiction at the location of the theft.

This coverage is **not** subject to a deductible.

INSURED PERILS

You are insured against **All Risks** of direct physical loss or damage subject to the exclusions and conditions of this policy.

LOSS OR DAMAGE NOT INSURED

Property Excluded

We do not insure loss or damage to:

- a) jewellery, precious or semi-precious stones, watches and furs;
- b) silverware meaning silverware, silverplated ware, goldware, goldplated ware, and pewter ware;
- c) money, securities, accounts, bills, currency, deeds, evidences of debt, letters of credit, travel tickets, tokens, and all similar property;
- d) animals, birds and fish;
- e) property illegally acquired, kept, stored or transported;
- f) any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- g) property while waterborne unless caused by stranding, sinking, burning or collision of a regular ferry;
- h) motorized vehicles or their equipment;
- i) bicycles and their attached equipment or accessories;
- j) books, tools and instruments pertaining to a business, trade, profession or occupation;
- k) trailers used, in whole or part, for business, farming or commercial purposes including demonstration, sales or office purposes;
- l) trailers while rented or leased to others;
- m) trailers used as permanent residences.

Losses Excluded

We do not insure loss or damage:

- 1. caused by wear and tear, inherent vice, latent defect, deterioration or mechanical breakdown;
- 2. caused by dampness of atmosphere, wet or dry rot, fungi or spores, bacteria, rust or corrosion, freezing;
- 3. caused by domestic or domesticated animals, birds, vermin, insects, raccoons or rodents;
- 4. caused by any nuclear incident as defined in the Nuclear Liability Act, or any other nuclear liability act, law or statute, or any law amendatory thereof, or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
- 5. to electrical devices, appliances or wiring caused by electrical currents other than lightning unless fire ensues and then only for such loss or damage resulting from such fire;
- 6. to any property while undergoing any process or while being actually worked upon and where any loss or damage is due thereto unless fire or explosion ensues, and then only for such loss or damage resulting from such fire or explosion;
- 7. caused by breakage of brittle or fragile articles, or marring or scratching unless such loss or damage occurs concurrently with other loss or damage caused by other perils insured against;
- 8. caused by mysterious disappearance, unaccountable loss, or loss or shortage disclosed upon taking inventory;
- 9. caused by any dishonest act on the part of the Insured or other party of interest, his/her or their employees or agents or any person to whom the property is entrusted (bailees for hire excepted);
- 10. caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- 11. for the cost of making good faulty material or workmanship;
- 12. caused by or resulting from contamination or pollution, or the release, discharge or dispersal of contaminants or pollutants.
- 13. i) to data;
 - ii) caused directly or indirectly by data problem. However, if loss or damage caused by data problem results in the occurrence of further loss of or damage to property insured that is directly caused by fire, explosion, smoke, leakage from fire protective equipment, water damage, this exclusion shall not apply to such resulting loss or damage;

14. 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 except for ensuing loss or damage which results directly from fire or explosion. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.
15. caused by water damage due to the freezing, during the usual heating season, of a plumbing, heating, air conditioning or domestic water container, attached to or forming part of the trailer. This exclusion will not apply if you have shut off the water supply and drained all the pipes and domestic water containers;
16. caused by surface waters including flood, if the trailer is permanently kept at the same vacation site for 183 consecutive days or more.

BASIS OF CLAIM SETTLEMENT

When Coverage Applies

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

Any payment for loss or damage will not reduce the amounts of insurance provided by this policy.

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

Deductible

All coverages are subject to a deductible, unless otherwise stated. We will pay only the amount by which any loss or damage, caused by an Insured Peril, exceeds the deductible shown on the Coverage Summary page.

Basis of Settlement

Losses under this policy will be settled by one of the following methods, depending on the circumstances applying at the time of the loss. In no event, will we be liable for prior unrepaired damage.

A. Guaranteed Replacement Cost on Trailer

We provide Guaranteed Replacement Cost on the trailer, only in the event of a total or a constructive total loss occurring within 24 months from the date it was first purchased new by you. We agree to make settlement on a replacement cost basis without deduction for depreciation, subject to the policy conditions and exclusions and the following special provisions:

- a) the trailer must have been maintained in good physical condition;
- b) replacement must be done within a reasonable time after the loss or damage;
- c) the amount payable may exceed the amount shown under "amount of insurance" on the Coverage Summary page, but shall not exceed the lesser of:
 - (i) the amount actually and necessarily expended for replacement, or
 - (ii) the manufacturer's suggested list price for an identical new trailer;
- d) if you decide not to replace the trailer, we will pay the actual cash value of the damage at the date of occurrence.

B. Replacement Cost on Trailer, Trailer Contents and Temporary Attachments

We agree to make settlement on the basis of replacement cost, subject to the policy conditions and exclusions and the following special provisions:

- a) the trailer must have been maintained in good physical condition;

- b) replacement or repairs must be done within a reasonable time after the loss or damage;
- c) replacement cost means the cost, on the date of the loss or damage, of the lesser of:
 - repairing the trailer or the contents with materials of similar kind and quality; or
 - a new trailer or new articles of similar kind, quality and usefulness;without any deduction for depreciation. The amount payable shall not exceed the amount of insurance shown in this policy or on the Coverage Summary page;
- d) loss or damage to tires and awnings shall be settled on an Actual Cash Value basis;
- e) this basis of settlement does not apply to antiques, fine arts, paintings, statuary, memorabilia and similar articles;
- f) if you decide not to repair or replace the trailer, contents or temporary attachments, we will pay the actual cash value of the loss or damage at the date of occurrence.

C. Actual Cash Value

This method of settlement will apply, when the trailer, contents and temporary attachments are not eligible for Guaranteed Replacement Cost as defined in "A" or Replacement Cost as defined in "B" above.

We will not be liable beyond the actual cash value of the trailer, its contents or temporary attachments, at the time any loss or damage occurs. The loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed the lesser of:

- (i) the cost to repair or replace the property with material of like kind and quality; or
- (ii) the applicable limits and amounts of Insurance shown on the Coverage Summary page, for each coverage.