

Private Dwelling Fire and Extended Coverage Form (706E-L)

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. It is a condition precedent to the insurer's agreement to insure under this policy that no part of the premises or any building or other structure on the premises shall be used in whole or in part for any purpose that is prohibited by law. All amounts of insurance, premiums and other amounts expressed in this policy are in Canadian currency.

The Coverage Summary page summarizes the coverages and amounts of insurance we have agreed to provide and the period for which they are provided.

Only the person(s) named on the Coverage Summary page may take legal action against us.

DEFINITIONS

Amount of Insurance means the maximum amount we will pay for any one occurrence or incident no matter how many people covered by this policy are involved. Different amounts apply to different coverages and these amounts are shown on the Coverage Summary page.

Business means any continuous or regular pursuit undertaken for financial gain including a trade, profession or occupation or agricultural operations.

Business Premises means premises on which a business is conducted, premises rented in whole or in part to others, or held for rental.

Business Property means property pertaining to a business, trade, profession or occupation.

Computer System means any computer, hardware, media, electronic or digital data, software, communications or networking system, electronic device (including but not limited to smart phones, laptops, tablets, wearable devices), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back-up facility.

Cyber Incident means:

- a) Unauthorized access to or use of any computer systems;
- b) Criminal act, malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system or otherwise disrupt its normal functioning or operation; or
- c) Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

Data means information, facts, concepts, code or any other information of any kind:

- a) that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a "computer system"; or
- b) that is used for records, including but not limited to books of account, drawing or card index systems.

Data Problem means:

- erasure, destruction, corruption, misappropriation or misinterpretation of data;
- error in creating, amending, entering, deleting or using data; or
- inability to access, receive, transmit or use data.

Domestic Water Container means a device or apparatus for personal use on the premises for containing, heating, chilling or dispensing water. It does not include plumbing, heating, cooling or sprinkler systems.

Drain means a fixture or device located within or on the insured dwelling or additional buildings on your premises, connected to the waste water and/or sewer drainage piping system, for the purpose of removing water or sewage from the dwelling. This does not include weeping tile or a perimeter drainage system.

Dwelling means the building described on the Coverage Summary page.

Flood includes, but is not limited to, waves, tide, tidal wave, tsunami, dam break, seiche, or the rising of, the breaking out or the overflow of, any body of water or watercourse, 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, underground streams and percolating water.

Insured means the person(s) named as Insured on the Coverage Summary page and, while living in the same household:

- his or her spouse
- the relatives of either; and
- any person under 21 in their care

Spouse means a person:

- who is married to or has entered into a civil union with another person and is living with that person; or
- who has been living with another person of the opposite or the same sex and has been publicly represented as that person's spouse for at least two years or, in the following cases, for at least one year if:

- a child has been born or is to be born of their union, or
- they have adopted a child together; or
- one of them has adopted a child of the other.

Insured Peril means a cause of loss or damage insured under the coverage form stated on the Coverage Summary page.

Illegal Substance means any substance that is not legal for you or any other party of interest, your employees or agents, your tenants or any person to whom your property may be entrusted, to possess, obtain, produce, provide, sell, traffic or use, and includes any controlled substance enumerated in the Schedules of the Controlled Drugs and Substances Act currently in force.

Illegal Substance Activity means any activity relating to the growing, cultivating, propagating or harvesting, manufacturing, distributing, storing or selling of any Illegal Substance.

Occurrence means a loss to insured property caused by one or more of the insured perils.

Premises means the land and building(s) contained within the lot lines on which the dwelling is situated.

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

Sump means a sump pit, well or basin, lined with concrete or other liner, located within your dwelling or additional buildings on your premises, connected to a mechanical or gravity feed evacuation pump system, for the purpose of collecting and removing water. A sump pit, well or basin not equipped with a mechanical pump or gravity feed evacuation system is not a sump.

Surface Waters means water on the surface of the ground where water does not usually accumulate in ordinary watercourses, lakes or ponds.

Terrorism means an ideologically motivated unlawful act or acts, included but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

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

- All occupants have moved out with no intention of returning to take up residence at the dwelling and no new occupant has taken up residence; or
- In the case of a newly constructed dwelling, no occupant has yet taken up residence.

Water main means a pipe forming part of a water distribution system, which conveys consumable water but not waste water.

We, us or our means the company providing this insurance.

You or your refers to the Insured.

PROPERTY COVERAGES

The amounts of insurance are shown on the Coverage Summary page. These amounts include the cost of removing debris of the property insured by this form as a result of an Insured Peril.

If you must remove insured property from your premises to protect it from loss or damage, it is insured by this form for 30 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.

We will pay up to \$500 (without deductible) to replace or rekey, at our option, the locks on the insured premises 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.

Dwelling Building

We insure:

1. The dwelling building and attached structures;
2. Permanently installed outdoor equipment on the premises;
3. Outdoor domestic water containers, including swimming pools, hot tubs, saunas 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 building or additional buildings/structures on the premises. We insure against theft only when your dwelling is completed and ready to be occupied.

Optional Coverage Extensions – Dwelling Building

The following extensions are available without increasing the amount of insurance shown on the Coverage Summary page. You may apply up to 10% of the amount of insurance on the dwelling building to insure each of the following:

1. **Building Fixtures and Fittings** temporarily removed from the premises for repair or seasonal storage.
2. **Detached Private Structures** – structures or buildings separated from the dwelling building by a clear space, on the premises but not insured under the building. If they are connected to the dwelling building by a fence, utility line or similar connection only, they are considered to be detached structures. If you have more than one detached structure, the amount of insurance will be divided in the proportions that the value of each structure has to the value of all such structures at the time of loss.

Personal Property

We insure the contents of your dwelling and other personal property you own, wear or use while on the premises which is usual to the ownership or maintenance of a dwelling. You have this coverage only if a limit of insurance is shown for it on your Coverage Summary Page.

We do not insure loss or damage to motorized vehicles, trailers and aircraft or their equipment (except for motorized wheelchairs, watercraft, motorized lawn mowers, other gardening equipment, snow blowers, motorized wheelchairs or motorized scooters having more than two wheels and specifically designed for the carriage of a person who has a physical disability). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

Optional Coverage Extensions – Personal Property

The following extensions are available without increasing the amount of insurance on the Coverage Summary page. You may apply up to 10% of the amount of insurance on your personal property to insure each of the following:

1. **Uninsured Personal Property of Others** while it is on that portion of the premise, which you occupy but we do not insure property of roomers or boarders who are not related to you.
2. **Personal Property Temporarily Removed** - your personal property, excluding watercraft, while temporarily away from the premises anywhere in Canada or in the Continental United States of America.
Personal property temporarily removed to any other location you own is not insured nor is your property insured while stored in a warehouse.
3. **Additional Living Expense** - Any necessary increase in living expenses, including moving expenses incurred by you, so that your household can maintain its normal standard of living, if an Insured Peril makes the dwelling unfit for occupancy, or you have to move out while repairs are being made. Payment shall be for the reasonable time required to repair or rebuild the dwelling or, if you permanently relocate, the reasonable time required by your household to settle elsewhere.

If a civil authority prohibits access to the dwelling as a direct result of damage to neighbouring premises by an Insured Peril, we insure any resulting Additional Living Expense for a period not exceeding two weeks.

Special Limits of Insurance

We insure:

1. Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$1,000 in all, but only while on the premises. Other business property, including samples and goods held for sale, is not insured.
2. Watercraft, their furnishings, equipment, accessories and motors up to \$1,000 in all.
3. Garden-type tractors including attachments and accessories up to \$5,000 in all.
4. Cannabis in all consumable forms and cannabis plants, except for medicinal use, up to \$500.

INSURED PERILS

You are insured against direct loss or damage caused by the following perils as described and limited:

1. **Fire or Lightning.**
2. **Explosion.** This peril does not include water hammer.
3. **Smoke.** This peril means smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises, but not smoke from fireplaces.
4. **Falling Object.** This peril means a falling object which strikes the exterior of a building.
5. **Impact by Aircraft or Land Vehicle.** This peril does **not** include any impact by a vehicle owned or operated by you or your employees. Animals are not insured under this peril.
6. **Riot.**
7. **Vandalism or Malicious Acts.** This peril does not include loss or damage:
 - a. occurring while the building 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 or attempted theft.
8. **Water Damage**
 - a. This peril means damage caused by:
 - (1) the sudden and accidental escape of water from a water main;
 - (2) 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 an insured building;
 - (3) the sudden and accidental escape of water from a domestic water container located outside your dwelling but such damage is not covered when the escape of water is caused by freezing;
 - (4) water which enters your dwelling through an opening, which has been created suddenly and accidentally by an Insured Peril other than Water Damage;
 - (5) water from the accumulation of ice or snow on the roof or eaves trough, which enters the dwelling through a roof;
 - (6) water which enters your dwelling through the roof due to the accumulation and overflow of rain from the eaves trough.
 - b. Water Damage is not covered when caused by:
 - (1) continuous or repeated seepage or leakage of water;
 - (2) the backing up or escape of water from a sewer, storm drain, drain, sump or septic tank;
 - (3) caused by ground water or rising of the water table, unless the water escapes from a water main or from a domestic water container located outside your dwelling;
 - (4) surface waters including flood, unless the water escapes from a water main or from a domestic water container located outside your dwelling.

- c. This Peril does not include damage:
 - (1) to a water main;
 - (2) to a plumbing, heating, cooling, sprinkler or air conditioning system or domestic water container caused by freezing or from which the water escaped;
 - (3) occurring while the dwelling is under construction or vacant unless we have given permission for construction or vacancy;
 - (4) caused by freezing during the usual heating season:
 - i) within a normally heated portion of your dwelling if the heat has been intentionally turned off by you or at your direction; or
 - ii) within a normally unheated portion of your dwelling.
- 9. **Windstorm or Hail.** This peril does not include loss or damage to your personal property within a building or to the interior of a building caused by windstorm, hail or coincidental rain damage, unless the storm first creates an opening in the building.
This peril does not include damage:
 - a. to fences;
 - b. to outdoor radio and TV antennae (including satellite dishes);
 - c. due to weight or pressure or melting of ice or snow, waves, floods, whether driven by wind or not.
- 10. **Damage Caused by Bears**

LOSS OR DAMAGE NOT INSURED

We do not insure:

- 1. loss or damage occurring after the dwelling building has, to your knowledge, been vacant, even if partially or fully furnished, for more than 30 consecutive days unless declared on the Coverage Summary page;
- 2. loss or damage caused directly or indirectly by:
 - 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;
- 3. loss or damage caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- 4. buildings or structures used in whole or in part for business or farming purposes unless declared on the Coverage Summary page;
- 5. losses or increased costs of repair due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services; provided however that such loss or increased cost is not the direct result of change to the national building code;
- 6. loss or damage resulting from any intentional or criminal act or failure to act, by any person insured by this policy or at the direction of any person insured by this policy. However, this exclusion does not apply to any person insured by this policy, but only to the extent of their proportional interest in the lost or damaged property, who:
 - a) has not committed and was not a party to the intentional or criminal act or failure to act; or
 - b) has not abetted or colluded in the intentional or criminal failure to act; or
 - c) has not consented to the intentional or criminal act or failure to act and neither knew nor ought to have known that the intentional or criminal act or failure to act would cause loss or damage;
- 7. loss or damage to personal property undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
- 8. loss of or damage to any property illegally acquired, kept, stored, transported, or imported, including any property illegally imported at the date of its entry into Canada;
- 9. loss of or damage to books of account and evidences of debt or title;
- 10. loss of or damage to any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- 11. money, cryptocurrencies, non-fungible tokens, bullion and securities;
- 12. lawns and outdoor trees, shrubs and plants, including cannabis plants;
- 13. loss or damage caused by snow slide, earthquake, landslide or any other earth movement unless a fire or explosion results, in which case we will insure on that portion of the damage caused by these perils;
- 14. loss or damage caused by or resulting from contamination or pollution, or the release, discharge or dispersal of contaminants or pollutant;
- 15. loss or damage to electrical devices or appliances caused by electrical currents other than lightning unless fire or explosion follows, and then only for the resulting damage;
- 16. loss or damage caused by rust, corrosion, wet or dry rot, fungi or spores, bacteria, condensation, acid rain or contamination;
- 17. loss or damage to the outer metal cover of any mobile home or trailer caused by hail, whether driven by wind or not, unless such cover is punctured by the hail;

18. i) data;
- ii) loss or damage caused directly or indirectly by data problem. 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. 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, or water damage (to the extent covered as described in Section I and any attached Enhanced Water Damage Package or similar water damage endorsement), this exclusion shall not apply to such resulting loss or damage. For the purposes of this policy, vandalism and malicious acts do not include data problem;
19. loss or damage caused directly or indirectly, in whole or in part, by any cyber incident. 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. However, if loss or damage caused by any cyber incident results in the occurrence of further loss of or damage to property insured that is directly caused by fire, smoke, explosion, impact by aircraft or land vehicle, falling objects, water damage (to the extent covered as described in Section I and any attached Enhanced Water Damage Package or similar water damage endorsement), or leakage from fire protective equipment, this exclusion shall not apply to such resulting loss or damage. For the purposes of this policy, vandalism and malicious acts do not include a cyber incident;
20. loss or damage to insured property however caused, which results directly or indirectly from any Illegal Substance Activity. This exclusion will apply regardless of whether you are aware or unaware of such Illegal Substance Activity or whether you are able to control such Illegal Substance Activity;
21. 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;
22. the cost of making good faulty material or workmanship;
23. scratching, abrasion or chipping of any personal property, or accidental breakage of any fragile or brittle articles;
24. wear and tear, inherent vice, latent defect, mechanical breakdown, deterioration;
25. loss or damage caused directly or indirectly by any of the following perils, whether or not caused by or attributable to earthquake: flood of any nature, waves, tidal waves, tsunami, high water, waterborne objects or ice;
26. loss or damage to buildings or structures or personal property contained in them, used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution, or sale of cannabis or any product derived from or containing cannabis, except as allowed by law;
27. loss or damage caused directly or indirectly, in whole or in part by any:
- i. virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease; or
 - ii. communicable disease.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

BASIS OF CLAIM SETTLEMENT

When Coverage Applies

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

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

Deductible

All coverages under Property Coverages are subject to a deductible, unless otherwise stated. The deductible amount is shown on the Coverage Summary page.

We pay only for the amount by which the insured loss or damage exceeds the applicable deductible amount in any one occurrence.

If your claim involves personal property on which the Special Limits of insurance apply, the limitations apply to losses exceeding the deductible amount.

Dwelling Buildings and Detached Private Structures

If you repair or replace the damaged or destroyed building on the same location with a building of the same 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).

In the event your "dwelling building" is a mobile home, loss settlement will be as provided in clause (B), Actual Cash Value.

(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 replacement cost of the damaged building at the date of damage, but not exceeding the actual cost incurred.

(B) The Actual Cash Value of the damage at the date of the occurrence.

In determining the cost of repairs or replacement, we will not pay or include 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.

Personal Property

We will pay the Actual Cash Value of the damage up to the applicable amount of insurance.

Actual Cash Value

The Actual Cash Value is what the property is worth and takes into account such things as the cost of replacement less any depreciation and obsolescence. In determining depreciation, we will consider the condition of the property immediately before the damage occurred, the resale value and the normal life expectancy.

Insurance Under More Than One Policy

If you have insurance on specifically described property, this policy will be considered excess insurance and we will not pay any loss or claim until the amount of such other insurance is used up.

In all other cases, we will pay our rateable proportion of the loss or claim under this policy.

Notice to Authorities

Where the loss is, or is suspected to be, due to malicious acts, burglary, robbery, theft, or attempted theft, you must give immediate notice of such loss to the police or other law enforcement agency having jurisdiction.

Duties After Loss

After submission of the Proof of Loss in respect of a loss which may be insured under Section I each of you may be required separately to:

- submit to examination under oath;
- produce for examination all documents in your possession or control that relate to the application for insurance and Proof of Loss;
- permit extracts and copies of such documents to be made, all at a reasonable place and time designated by us.

Subrogation

We will be entitled to assume all your rights of recovery against others and bring action in your name to enforce these rights when we make payment or assume liability under this policy.

Your right to recover from us is not affected by any release from liability entered into by you prior to loss.

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

STATUTORY CONDITIONS**(BRITISH COLUMBIA, ALBERTA AND MANITOBA)**

Statutory Conditions 1 to 14 inclusive apply as contract terms with respect to insurance on property. Only Statutory Conditions 1, 3, 4, 5 and 14 apply as contract terms with respect to Legal Liability, Voluntary Medical Payments and Voluntary Compensation for Damages to Property of others.

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 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

The Insurer is not liable for loss or damage to property owned by a person other than the Insured unless

- (a) otherwise specifically stated in the contract, or
- (b) the interest of the Insured in that property 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 and Insolvency Act* (Canada) or a change of title by succession, by operation of law or by death.

4. Material change in risk

- (1) The Insured must promptly give notice in writing to the Insurer or its agent of a change that is
 - (a) material to the risk, and
 - (b) within the control and knowledge of the Insured.
- (2) If an Insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an Insurer or its agent is notified of a change under subparagraph (1) of this condition, the Insurer may
 - (a) terminate the contract in accordance with Statutory Condition 5, or
 - (b) notify the Insured in writing that, if the Insured desires the contract to continue in force, the Insured must, within 15 days after receipt of the notice, pay to the Insurer an additional premium specified in the notice.
- (4) If the Insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

5. Termination of insurance

- (1) The contract may be terminated
 - (a) by the Insurer giving to the Insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
 - (b) by the Insured at any time on request.
- (2) If the contract is terminated by the Insurer,
 - (a) the Insurer must refund the excess of premium actually paid by the Insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
 - (b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
- (3) If the contract is terminated by the Insured, the Insurer must refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- (4) The 15 day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the Insured's postal address.

6. Requirements after loss

- (1) On the happening of any loss of or damage to insured property, the Insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,
 - (a) immediately give notice in writing to the Insurer,
 - (b) deliver as soon as practicable to the Insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration,
 - (i) giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the amount of loss claimed,
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,
 - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured,
 - (iv) stating the amount of other insurances and the names of other insurers,
 - (v) stating the interest of the Insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
 - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
 - (vii) stating the place where the insured property was at the time of loss,
 - (c) if required by the Insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
 - (d) if required by the Insurer and if practicable,
 - (i) produce books of account and inventory lists,
 - (ii) furnish invoices and other vouchers verified by statutory declaration, and
 - (iii) furnish a copy of the written portion of any other relevant contract.
- (2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

7. Fraud

Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

8. Who may give notice and proof

Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made

- (a) by the agent of the Insured, if
 - (i) the Insured is absent or unable to give the notice or make the proof, and
 - (ii) the absence or inability is satisfactorily accounted for, or
- (b) by a person to whom any part of the insurance money is payable, if the Insured refuses to do so or in the circumstances described in clause (a) of this condition.

9. Salvage

- (1) In the event of loss or damage to insured property, the Insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.
- (2) The Insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the Insured under subparagraph (1) of this condition.

10. Entry, control, abandonment

After loss or damage to insured property, the Insurer has

- (a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
- (b) after the Insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
 - (i) without the Insured's consent, the Insurer is not entitled to the control or possession of the insured property, and
 - (ii) without the Insurer's consent, there can be no abandonment to it of the insured property.

11. In case of disagreement

- (1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the *Insurance Act*, whether or not the Insured's right to recover under the contract is disputed, and independently of all other questions.
- (2) There is no right to a dispute resolution process under this condition until
 - (a) a specific demand is made for it in writing, and
 - (b) the proof of loss has been delivered to the Insurer.

12. When loss payable

Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the Insurer.

13. Repair or replacement

- (1) Unless a dispute resolution process has been initiated, the Insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
- (2) If the Insurer gives notice under subparagraph (1) of this condition, the Insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

14. Notice

- (1) 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.
- (2) Written notice to the Insured may be personally delivered at, or sent by registered mail addressed to, the Insured's last known address as provided to the Insurer by the Insured.

STATUTORY CONDITIONS**(YUKON, NORTHWEST TERRITORIES AND NUNAVUT)**

Statutory Conditions 1 to 15 inclusive apply as contract terms with respect to insurance on property. Only Statutory Conditions 1, 3, 4, 5 and 15 apply as contract terms with respect to Legal Liability, Voluntary Medical Payments and Voluntary Compensation for Damages to Property of others.

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 avoids 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 a payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.

5. Termination

- (1) This contract may be terminated:
 - a) by the Insurer giving to the Insured fifteen days notice of termination by registered mail or five days written notice of termination personally delivered;
 - b) by the Insured at any time on request;
- (2) Where this contract is terminated by the Insurer:
 - a) the Insurer shall refund the excess of premium actually paid by the Insured over pro rata premium for the expired time, but, in no event, shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and

- b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
- (3) Where this contract is terminated by the Insured, the Insurer shall refund as soon as practicable, the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
- (4) The refund may be made by money, postal or express company money order or cheque payable at par.
- (5) The fifteen days mentioned in clause (a) of sub-condition (1) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

6. Requirements After Loss

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

8. Who May Give Notice And Proof

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

9. Salvage

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

10. Entry, Control, Abandonment

After 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 therefor 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

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

14. Action

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

*Two years in 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.