

PROPERTY COVERAGE

BUILDING AND/OR CONTENTS – BROAD FORM

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Certain words and phrases in bold font have special meaning as defined in the DEFINITIONS Section.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

INDEMNITY AGREEMENT

1. In the event that any of the insured property is lost or damaged during the policy period by an insured peril, the Insurer will indemnify the Insured against the direct physical loss or direct physical damage so caused to an amount not exceeding whichever is the least of:
 - 1.1. the value of the lost or damaged property as determined in SPECIAL PROVISIONS - Item 5. Basis of Valuation, or if the Declaration Page(s) specifies that this policy is endorsed with a Form that contains a Replacement Cost clause applicable to this Form, by the valuation determined in the replacement cost clause;
 - 1.2. the interest of the Insured in the property; or
 - 1.3. the amount of insurance specified on the Declaration Page(s) for the lost or damaged property;in any one occurrence.

The inclusion of more than one person or interest shall not increase the Insurer's liability.

2. INSURED PROPERTY

This Form insures those of the following items for which an amount of insurance is specified on the Declaration Page(s), and only while at the **premises**:

Building

Equipment

Stock

Contents

Property of Every Description

3. INSURED PERILS

This Form, except as otherwise provided, insures against all risks of direct physical loss of or direct physical damage to the insured property.

EXCLUSIONS

1. EXCLUDED PROPERTY

This Form does not insure loss of or damage to:

- 1.1. Sewers, Drains, Watermains
sewers, drains or **watermains** located beyond the Insured's property lines at the location(s) described in the Declaration Page(s). This exclusion does not apply to loss or damage caused directly by **Named Perils**;
Sewers drains or **watermains** located within the property lines described above shall only be covered if the Insured owns or is legally liable for loss or damage to such property;
- 1.2. Vacancy
property at locations which, to the knowledge of the Insured, are vacant, unoccupied or shut down for more than 30 consecutive days;
With regards to Condominium vacancy, refer to Item 8. Special Provisions applicable to Condominiums of the SPECIAL PROVISIONS;
- 1.3. Electrical Devices, Appliances or Wiring
electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing. This exclusion does not apply to loss or damage caused directly by resultant fire or explosion;
- 1.4. Growing Plants, Trees, Shrubs or Flowers
growing plants, trees, shrubs or flowers, all while outside the **building**, except as provided in Extension of Coverage 5. Growing Plants, Trees, Shrubs or Flowers Outside the Building;
- 1.5. Animals, Fish or Birds
animals, fish or birds. This exclusion does not apply to loss or damage caused directly by **Named Perils** or by theft or attempted theft;
- 1.6. Money, Precious Metals and Securities
money, digital currency, **cash cards**, bullion, platinum, precious metals and alloys, securities, stamps, tickets (except lottery tickets) and tokens, or evidence of debt or title;
- 1.7. Automobiles, Watercraft and Aircraft
automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property.
This exclusion does not apply to:
 - 1.7.1. watercraft or amphibious or air cushion vehicles held for sale;
 - 1.7.2. unmanned air vehicles held for sale, while not airborne;
 - 1.7.3. unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the **premises**;
- 1.8. Furs and Jewellery
furs, fur garments, jewels, jewellery and precious stones;
This exclusion does not apply to:
 - 1.8.1. loss or damage caused directly by **Named Perils**; or
 - 1.8.2. the first \$5,000 of any loss otherwise insured;
- 1.9. Property Covered under Marine Insurance
Property that is insured under the terms of any marine insurance;

- 1.10. Property Loaned, Rented or Leased
property from the time of leaving the Insured's custody, if it is:
 - 1.10.1. loaned, rented or leased to others; or
 - 1.10.2. sold by the Insured under conditional sale or instalment payment or other deferred payment plan;
 This exclusion (1.10.) does not apply while such property is in the custody of a carrier for hire for the purpose of delivery at the risk of the Insured;
- 1.11. Property Illegally Acquired
property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority;
- 1.12. Pressure Vessels and Boilers
 - 1.12.1. any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
 - 1.12.2. any boiler, including its connected piping and equipment, which contains steam or water under steam pressure (except tanks having an internal diameter of 610 millimetres (24 inches) or less used for the storage of hot water for domestic use);
 caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use;
This exclusion (1.12.) does not apply to:
 - 1.12.3. manually portable gas cylinders;
 - 1.12.4. explosion of natural, coal or manufactured gas;
 - 1.12.5. explosion of gas or unconsumed fuel within a furnace or within the gas passages from the furnace to the atmosphere;

2. EXCLUDED PERILS

This Form does not insure against increased costs, and loss or damage caused directly or indirectly:

- 2.1. Earthquake
in whole or in part by earthquake. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage, except for loss or damage caused directly by resultant fire, explosion, smoke or **leakage from fire protective equipment**;
This exclusion does not apply to property in transit, provided such coverage is afforded by endorsement attached to this Form;
- 2.2. Flood
in whole or in part by flood, including **surface water**, waves, tides, tidal waves, tsunamis, or the breaking out or overflow of any natural or artificial body of water. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage, except for loss or damage caused directly by resultant fire, explosion, smoke or **leakage from fire protective equipment**;
This exclusion does not apply to property in transit, provided such coverage is afforded by endorsement attached to this Form, or to loss or damage caused directly by leakage from a **watermain**;
- 2.3. Other Water Damage
 - 2.3.1. by seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows or other openings, foundations, basement floors, sidewalks or sidewalk lights, unless concurrently and directly caused by an insured peril not otherwise excluded in this Form;
 - 2.3.2. by the backing up or overflow of water from sewers, sumps, septic tanks or drains, wherever located, unless concurrently and directly caused by an insured peril not otherwise excluded in this Form;
 - 2.3.3. by the entrance of rain, sleet or snow through doors, windows, skylights, or other similar wall or roof openings, unless through an aperture concurrently and directly caused by an insured peril not otherwise excluded in this Form;
- 2.4. Centrifugal Force, Breakdown
by centrifugal force, mechanical or electrical breakdown or derangement, in or on the **premises**. This exclusion does not apply to loss or damage caused directly by resultant fire;
- 2.5. Atmospheric, Temperature Change, Service Interruption or other Damage
 - 2.5.1. by any of the following:
 - 2.5.1.1. by dampness or dryness of atmosphere;
 - 2.5.1.2. by changes in or extremes of temperature, heating or freezing;
 - 2.5.1.3. by shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, or change in colour or texture or finish;
 - 2.5.1.4. by contamination;
 - 2.5.1.5. by marring, scratching or crushing.**This exclusion (2.5.1.) does not apply to loss or damage caused directly:**
 - 2.5.1.6. to **building or equipment** by **Named Perils**;
 - 2.5.1.7. by theft or attempted theft;
 - 2.5.1.8. by rupture of pipes or breakage of apparatus not excluded under paragraph 1.12. of this Form;
 - 2.5.1.9. by an accident to a transporting conveyance provided such coverage is afforded by endorsement attached to this Form;
 - 2.5.1.10. to pipes by freezing unless such pipes are excluded in paragraph 1.12. of this Form;
 - 2.5.2. by the total or partial interruption, suspension, failure or fluctuation of the supply of power (including electricity, gas or steam), water, **communication service** or other utility service, however caused. Failure or fluctuation of any utility service includes surges of power, lack of sufficient capacity and reduction in supply.
This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.
This exclusion (2.5.2.) does not apply to:
 - 2.5.2.1. the total or partial interruption, suspension, failure or fluctuation of such services which originates at the **premises**, but only if such interruption, suspension, failure or fluctuation is a direct result of direct physical loss of or direct physical damage to insured property, while located on the **premises**, caused by an insured peril;
 - 2.5.2.2. loss or damage caused directly by a resultant insured peril not otherwise excluded in this Form;
- 2.6. Rodents, Insects or Vermin
by rodents, insects or vermin. This exclusion does not apply to loss or damage caused directly by an insured peril not otherwise excluded in this Form;
- 2.7. Delay
by delay, loss of market, or loss of use or occupancy;

2.8. War

in whole or in part by war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage;

2.9. Nuclear

2.9.1. by any nuclear incident (as defined in the *Nuclear Liability and Compensation Act*, any other nuclear liability act, law or statute, or any amending law) or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;

2.9.2. by contamination by radioactive material;

2.10. Dishonest or Criminal Act

2.10.1. by any dishonest or criminal act committed by the Insured or any agent of the Insured, acting alone or in collusion with others (except bailees for hire);

2.10.2. by theft or attempted theft committed by any employee of the Insured, acting alone or in collusion with others;

2.10.3. by any dishonest or criminal act committed by anyone, except as stated in 2.10.2., when the Insured or any agent of the Insured knew or ought to have known prior to the loss or damage, of the dishonest or criminal act;

2.11. Snowslide or Landslide

by snowslide, landslide, subsidence or other earth movement. This exclusion does not apply to property in transit (provided such coverage is afforded by endorsement attached to the present Form), or to loss or damage caused directly by resultant fire, explosion, smoke or **leakage from fire protective equipment**;

2.12. Loss or Damage caused by Pressure Vessels, Boilers

by explosion (except explosion of natural, coal, or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the Insured:

2.12.1. the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;

2.12.2. piping and apparatus or their parts normally containing steam or water under steam pressure from an external source and while under such pressure;

2.12.3. other vessels and apparatus and their connected pipes while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure, but this exclusion does not apply to loss or damage resulting directly from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use;

2.12.4. moving or rotating machinery or its parts;

2.12.5. any vessels and apparatus and their connected pipes while undergoing pressure tests, but this exclusion does not apply to other insured property that has been damaged by such explosion;

2.12.6. gas turbines;

This exclusion (2.12.) does not apply to loss or damage caused by resultant fire;

2.13. Settling, Expansion, Shifting or Cracking

by settling, expansion, contraction, moving, shifting or cracking. This exclusion does not apply to loss or damage caused directly and concurrently by an insured peril not otherwise excluded in this Form;

2.14. By-Laws

proximately or remotely, arising in consequence of or contributed to by the enforcement of any by-law, regulation, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures, which by-law, regulation, ordinance or law makes it impossible to repair or reinstate the property as it was immediately prior to the loss;

2.15. Pollution

2.15.1. 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**;

This exclusion does not apply:

2.15.1.1. if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants** is directly caused by an insured peril not otherwise excluded in this Form; or

2.15.1.2. to loss or damage caused directly by a resultant insured peril not otherwise excluded in this Form;

2.15.2. 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**;

2.16. Data Exclusion:

2.16.1. This Form does not insure **data**;

2.16.2. This Form does not insure loss or damage caused directly or indirectly by a **data problem**;

Paragraph 2.16.2. does not apply to loss or damage caused directly by resultant fire, explosion of natural, coal or manufactured gas, smoke, **leakage from fire protective equipment** or water damage caused by bursting of frozen pipes and tanks;

2.17. Terrorism

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**;

This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage.

If any portion of this exclusion is found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect;

2.18. Fungi and Spores

This Form does not insure:

2.18.1. loss or damage consisting of or caused directly or indirectly, in whole or in part, by any **fungi** or **spores**, unless such **fungi** or **spores** are directly caused by an insured peril not otherwise excluded by this Form;

2.18.2. the cost or expense for any testing, monitoring, evaluating or assessing of **fungi** or **spores**;

2.19. Wear and Tear, Defects

2.19.1. by wear and tear;

2.19.2. by rust or corrosion;

2.19.3. by gradual deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

This exclusion (2.19.) does not apply to loss or damage caused directly by an insured peril not otherwise excluded in this Form;

2.20. Faulty or Improper Material, Workmanship, Design

the cost of making good:

2.20.1. faulty or improper material;

2.20.2. faulty or improper workmanship;

2.20.3. faulty or improper design;

This exclusion (2.20.) does not apply to loss or damage caused directly by an insured peril not otherwise excluded in this Form;

2.21. Disappearance

2.21.1. by mysterious disappearance;

2.21.2. by shortage of **equipment** or **stock** disclosed on taking inventory.

EXTENSIONS OF COVERAGE

The following extensions of coverage shall not increase the amounts of insurance applying under this Form and, except as otherwise provided below, are subject to all terms, conditions, limitations and exclusions of this Form.

1. REMOVAL

If any of the insured property is necessarily removed from the **premises** to prevent direct physical loss of or direct physical damage to or further loss of or damage to such property, that part of the insurance under this Form that exceeds the amount of the Insurer's liability for any loss already incurred shall, for 30 days only, or for the unexpired term of the policy if less than 30 days, insure the property removed and any property remaining at the **premises** in the proportions which the value of the property in each of the locations bears to the value of the insured property in them all.

2. DEBRIS REMOVAL

2.1. Debris Removal:

The Insurer will indemnify the Insured for expenses incurred in the removal from the **premises** of debris of the insured property, occasioned by loss or damage to such property, for which loss or damage insurance is afforded under this Form.

2.2. 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 2.1. and 2.2. do not apply to costs or expenses:

2.3. to **clean up pollutants** from land or water; or

2.4. 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 calculation of the value as determined in item 5. Basis of Valuation, for the purpose of applying co-insurance.

3. PERSONAL PROPERTY OF OFFICERS AND EMPLOYEES

At the option of the Insured, **equipment** also includes personal property of officers and employees of the Insured. The insurance on such property:

3.1. shall not attach if it is insured by the owner, unless the Insured is obliged to insure it or is liable for its loss or damage;

3.2. shall apply only to direct physical loss of or direct physical damage to the property caused by an insured peril and occurring at the **premises** or at a newly acquired location by the Insured.

4. BUILDING DAMAGE BY THEFT

This Form is extended to insure direct physical damage (except by fire) to that part of a **building** occupied by the Insured resulting from theft or attempted theft and from vandalism or **malicious acts** committed on the same occasion, provided the Insured is not the owner of such **building**, the Insured is legally liable for such damage and the **building** is not otherwise insured under this Form.

This Extension of coverage shall be limited to a maximum recovery of \$2,500 for any one occurrence.

5. GROWING PLANTS, TREES, SHRUBS OR FLOWERS OUTSIDE THE BUILDING

This Form is extended to insure direct physical loss of or direct physical damage to growing plants, trees, shrubs or flowers outside the **building** at the **premises** caused by **Named Perils** (with the exception of windstorm or hail), or from theft or attempted theft.

This Extension of coverage shall be limited to a maximum recovery, including debris removal expense, of \$500 for each growing plant, tree, shrub or flower.

6. NEWLY ACQUIRED LOCATION

Subject to a limit of \$250,000 on **buildings** and \$100,000 on **contents**, this insurance is extended to cover direct physical loss of or direct physical damage to property at any newly acquired location in Canada or the continental United States of America that is owned, rented or controlled by the Insured and occupied by the Insured for the purposes stated in the Declaration Page(s), provided such loss or damage is caused by an insured peril.

This coverage attaches at the time of the acquisition and extends for a period of 30 days, or to the date of endorsement of this Form adding such location, or until the expiry date of this policy, whichever occurs first.

SPECIAL PROVISIONS

1. DEDUCTIBLE

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

Should any occurrence give rise to the application of more than one deductible amount for any one **premises**, only the highest deductible will be applied.

2. CO-INSURANCE

This clause applies separately to each item for which a co-insurance percentage is specified in the Declaration Page(s) and only where the amount of loss or damage exceeds \$50,000.

The Insured shall maintain insurance concurrent with this Form on the insured property to the extent of at least the amount produced by multiplying the value of the property as defined under Item 5. Basis of Valuation of the SPECIAL PROVISIONS by the co-insurance percentage specified on the Declaration Page(s). If the Insured fails to do so, the Insured shall be entitled to recover only that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.

Value of the Property: For the purpose of applying this paragraph 2. Co-insurance, the value of the property is determined by Item 5. Basis of Valuation of the SPECIAL PROVISIONS. However, if the Declaration Page(s) specifies that this policy is endorsed with a Form that contains a Replacement Cost clause applicable to this Form, then for the purpose of applying this paragraph 2. Co-insurance, the Replacement Cost clause will establish the value of the property to which the Replacement Cost Clause applies, and Item 5. Basis of Valuation, will be of no force or effect with respect to that valuation.

3. PROPERTY PROTECTION SYSTEMS

It is a condition of this insurance that the Insured shall immediately notify the Insurer of any interruption to, or flaw or defect, coming to the knowledge of the Insured, in any:

- 3.1. sprinkler or other fire extinguishing system; or
- 3.2. fire detection system; or
- 3.3. intrusion detection system;

and shall also immediately notify 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 police service in response to any of these systems.

4. PREMIUM ADJUSTMENT

This clause is applicable if a specific amount of insurance is shown on the Declaration Page(s) for **stock**.

If, within six (6) months after the expiry or anniversary date of each policy period, the Insured shall file with the Insurer a Premium Adjustment Application Form showing, for the policy period, the value of the **stock** on the last day of each month at each **premises** as commented upon by the Insured's Accountant, the actual premium for the policy period shall then be calculated at the rate applying to each **premises** for the average amount of the total values declared. If the premium paid by the Insured for such **stock** exceeds the actual premium thus calculated, the Insurer shall refund to the Insured any excess paid, subject to a maximum refund of 50% of the premium paid. In the event of any monthly declared values being in excess of the amount of insurance, the amount of the excess shall not be included in the premium adjustment calculations.

5. BASIS OF VALUATION

The value of the insured property shall be determined as follows:

- 5.1. **unsold stock:** the actual cash value of the property at the time and place of loss or damage, but in no event to exceed what it would cost to repair or replace with material of like kind and quality;
- 5.2. **sold stock:** the selling price after allowance for discounts;
- 5.3. the property of others in the custody or control of the Insured for the purpose of performing work upon it: the amount for which the Insured is liable, but not exceeding the actual cash value at the time and place of loss or damage plus allowance for labour and materials expended to such time;
- 5.4. tenant's improvements:
 - 5.4.1. if repaired or replaced with due diligence and dispatch, the amount actually and necessarily expended, but not exceeding the actual cash value of the tenant's improvements at the time and place of loss or damage;
 - 5.4.2. if not repaired or replaced with due diligence and dispatch, that portion of the original cost of the lost or damaged tenant's improvements which the unexpired term of the lease at the time of loss or damage bears to the period(s) from the date(s) such tenant's improvements were made to the expiration date of the lease;
- 5.5. business records, including those which exist on electronic or magnetic media (other than pre-packaged software programs):
 - 5.5.1. the cost of blank materials for reproducing the records; and
 - 5.5.2. the costs of labour to transcribe or copy the records when there is a duplicate;
- 5.6. all other insured property under this Form and for which no more specific conditions have been set out: the actual cash value at the time and place of loss or damage, but not exceeding what it would then cost to repair or replace with material of like kind and quality.

Actual Cash Value: Various factors shall be considered in the determination of actual cash value. The factors to be considered shall include, but not be limited to, replacement cost less any depreciation and market value. In determining depreciation, consideration shall be given to the condition of the property immediately before the damage, the resale value, the normal life expectancy of the property and obsolescence.

6. LIBERALISATION CLAUSE

If, during the policy period, the Insurer introduces any broadening of the coverage for this Form or its replacement, for which no additional premium is charged, then the broadened coverage shall apply to the benefit of the Insured from the introduction date of the broadened coverage.

7. INFLATION PROTECTION

- 7.1. The amount of insurance shown in the Declaration Page(s) for the Buildings and/or Contents will automatically be increased as determined by the Insurer, based on available inflation data.
- 7.2. On renewal or anniversary date, the amounts of insurance will be automatically increased accordingly and the premium adjusted.

8. SPECIAL PROVISIONS APPLICABLE TO CONDOMINIUMS

- 8.1. **Property Insured**
This Form insures the **buildings** and **contents** as described in the Declaration Page(s).

- 8.2. **Additional Exclusions**

This Form does not insure loss or damage to:

- 8.2.1. **buildings** or **contents**, if all **units**, are to the knowledge of the **Condominium Corporation** vacant or unoccupied for more than 30 consecutive days;
- 8.2.2. property belonging to the owners of individual **units**;
- 8.2.3. improvements and betterments to individual **units** made or acquired by the owners of such **units**;

- 8.3. **Loss Adjustment**

Applicable to Québec policies

Loss adjustment (in accordance with the terms of article 1075 of the Civil Code of Quebec)

The indemnity owing to the syndicate following a substantial loss is, notwithstanding article 2494, paid to the trustee appointed in the constituting act of co-ownership or, where none has been appointed, designated by the syndicate.

Applicable to policies for provinces and territories other than Québec

The **Condominium Corporation** has the exclusive right to adjust any loss with the Insurer, and the owner of a damaged **unit** is bound by such adjustment, provided, however, that the said **Condominium Corporation**, may in writing authorize an owner to adjust any loss to his **unit** with the Insurer.

DEFINITIONS

Wherever used in this Form:

1. BUILDING means:

- 1.1. the building(s) described in the Declaration Page(s) and includes:
 - 1.1.1. fixed structures pertaining to the **building(s)** and located on the **premises**. Such structures include, but are not limited to, antennae and their wiring, fencing, signs, lighting, wind turbines, solar panels and satellite dishes;
 - 1.1.2. additions and extensions communicating and in contact with the **building(s)**;
 - 1.1.3. permanent fittings and fixtures attached to and forming part of the **building(s)**;
 - 1.1.4. materials, equipment and supplies on the **premises** for maintenance of, and normal repairs and minor alterations to the **building(s)** or for building services;
 - 1.1.5. trees, shrubs and growing plants or flowers inside the **building(s)** used for decorative purposes;
 - 1.1.6. at the option of the Insured, and only for a **building** occupied as rented private residences:
 - 1.1.6.1. landlord's permanent fittings and fixtures, excluding furniture and furnishings in furnished suites or apartments;
 - 1.1.6.2. cooking, cooling, dishwashing, heating and refrigerating apparatus in suites and apartments;
 - 1.1.6.3. electrical and lighting fixtures;
 - 1.1.6.4. awnings, blinds, screen doors, screens and shutters.
- 1.2. With regards to condominiums, those parts of the common property or common elements and the units as defined in the provincial or territorial legislation or in the registered documents of the **Condominium Corporation**.

2. CASH CARDS means cards designed to store a cash value by electronic means as a mode of payment, without a personal identification number and without direct access to a bank or other account.

3. 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.

4. COMMUNICATION SERVICE means any service provided for the purpose of transmission of information, including voice, video or data. Such services include telephone, radio, microwave, television, cable, Internet service and any electronic, cellular or satellite network services.

5. CONDOMINIUM CORPORATION means a Corporation constituted under provincial legislation or territorial legislation relating to condominiums or co-ownership by declaration. It refers to a strata corporation in British Columbia and to a syndicate in Quebec.

6. CONTENTS means **equipment** and **stock**.

7. DATA means representations of information or concepts, in any form.

8. DATA PROBLEM means:

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

9. EQUIPMENT means:

- 9.1. generally all contents usual to the Insured's business, including furniture, furnishings, fittings, fixtures, machinery, tools, utensils, signs and appliances, other than **building** or **stock**;
- 9.2. similar property belonging to others which the Insured is under obligation to keep insured or for which the Insured is legally liable;
- 9.3. tenant's improvements, which are defined as **building** improvements, alterations and betterments made at the expense of the Insured to a building occupied by the Insured and which are not otherwise insured, provided the Insured is not the owner of such **building**. If the Insured purchased the use interest in tenant's improvements made by a predecessor tenant, this Form applies as though such tenant's improvements had been made at the expense of the Insured;
- 9.4. glass or other equipment for which the Insured has assumed responsibility in a contract for a lease of premises.

10. FIRE PROTECTIVE EQUIPMENT includes tanks, **watermains**, hydrants, valves and any other apparatus whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:

- 10.1. branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
- 10.2. any **watermains** or appurtenances located outside of the **premises** and forming a part of the public water distribution system;
- 10.3. any pond or reservoir in which the water is impounded by a dam.

11. 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 spores or resultant mycotoxins, allergens, or pathogens.

12. LEAKAGE FROM FIRE PROTECTIVE EQUIPMENT means:

- 12.1. the leakage or discharge of water or other substances from;
- 12.2. the collapse of; or
- 12.3. the rupture due to freezing of;

fire protective equipment for the **premises** or for adjoining structures.

13. MALICIOUS ACTS means all acts of a malicious nature, except theft or attempted theft.

14. NAMED PERILS means the following perils, provided such perils are not otherwise excluded in EXCLUSIONS – Item 2. (Excluded Perils) of this Form:

- 14.1. Fire or lightning.
- 14.2. Explosion: Except with respect to the explosion of natural, coal or manufactured gas, there shall in no event be any liability for loss or damage caused by explosion, rupture or bursting in or of the following property owned, operated or controlled by the Insured:
 - 14.2.1.
 - 14.2.1.1. the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
 - 14.2.1.2. piping and apparatus or their parts normally containing steam or water under steam pressure from an external source and while under such pressure;
 - 14.2.1.3. the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type and the flues or passages which conduct the gases of combustion from them;
 - 14.2.1.4. smelt dissolving tanks;

- 14.2.2. other vessels and apparatus and connected pipes, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure, except that liability is specifically assumed for loss or damage resulting from the explosion of manually portable gas cylinders;
- 14.2.3. moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
- 14.2.4. any vessels and apparatus and connected pipes while undergoing pressure tests, but this exclusion shall not apply to other insured property that has been damaged by such explosion;
- 14.2.5. gas turbines;
- The following are not explosions within the intent or meaning of this section:
- 14.2.6. electric arcing or any coincident rupture of electrical equipment due to such arcing;
- 14.2.7. bursting or rupture caused by hydrostatic pressure or freezing;
- 14.2.8. bursting or rupture of any safety disc, rupture diaphragm or fusible plug.
- 14.3. Impact by Aircraft, Spacecraft or Land Vehicle: The terms Aircraft and Spacecraft include articles dropped from them.
There shall in no event be any liability for cumulative damage or for loss or damage:
- 14.3.1. caused by land vehicles belonging to or under the control of the Insured or of any employee of the Insured;
- 14.3.2. to aircraft, spacecraft or land vehicles causing the loss;
- 14.3.3. caused by any aircraft or spacecraft when being taxed or moved inside or outside of a **building**.
- 14.4. Riot, Vandalism or Malicious Acts: The term Riot includes open assemblies of strikers inside or outside the **premises** who have quitted work and of locked-out employees.
There shall in no event be any liability for loss or damage:
- 14.4.1. due to cessation of work or by interruption to process or business operations or by change(s) in temperature;
- 14.4.2. due to flood or release of water impounded by a dam, or due to any explosion other than an explosion in respect of which there is insurance under paragraph 14.2.;
- 14.4.3. due to theft or attempted theft.
- 14.5. Smoke: The term Smoke means smoke due to a sudden, unusual and faulty operation of any stationary furnace. There shall in no event be any liability for any cumulative damage.
- 14.6. **Leakage from fire protective equipment.**
- 14.7. Windstorm or Hail: There shall in no event be any liability for loss or damage:
- 14.7.1. to the interior of the **building** or to **contents** unless damage occurs concurrently with and results from an aperture caused by windstorm or hail;
- 14.7.2. directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow-load, ice-load, tidal wave, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslide.
15. **POLLUTANTS** means any 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.
16. **PREMISES** means:
- 16.1. the entire area within the property lines at the location(s) described in the Declaration Page(s) or at any newly acquired location, including:
- 16.1.1. areas under adjoining sidewalks and driveways;
- 16.1.2. in or on vehicles within 100 metres (328 feet) of such property lines described in 16.1.;
- 16.2. in the open within 305 metres (1000 feet) of such property lines described in 16.1.
17. **PROPERTY OF EVERY DESCRIPTION** means **building, equipment** and **stock**.
18. **SPORES** includes, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any **fungi**.
19. **STOCK** means:
- 19.1. merchandise of every description usual to the Insured's business;
- 19.2. packing, wrapping and advertising materials;
- 19.3. similar property belonging to others which the Insured is under obligation to keep insured or for which the Insured is legally liable.
20. **SURFACE WATER** means water or natural precipitation temporarily diffused over the surface of the ground.
21. **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.
22. **UNIT** means the unit as defined in the declaration, description or bylaws of the **Condominium Corporation** or provincial or territorial legislation relating to condominiums or divided co-ownership. It refers to a strata lot in British Columbia and to a private portion in Quebec.
23. **WATERMAIN** means piping of a public potable water distribution system exclusively.