

# MOBILE HOME RENTED DWELLING POLICY NAMED PERILS FORM

ADMINISTERED BY

Western Underwriting Managers Ltd.

## 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. This policy consists of two sections:

**SECTION I** describes the insurance on your property;

**SECTION II** describes the insurance for your legal liability to others, because of bodily injury or property damage.

All amounts of insurance, premium and other amounts as expressed in this policy are in Canadian Currency.

## SECTION I - PROPERTY COVERAGE

### Definitions

**"You"** or **"Your"** means the person(s) named as Insured on the Declarations and, while living in the same household, his or her wife or husband, the relatives of either, or any person under 21 in their care. Husband and wife includes a man and a woman who are living together as husband and wife and have so lived together continuously for a period of 3 years or, if a child was born of their union, for a period of 1 year. Only the person(s) named in the Declarations may take legal action against us.

**"Household"** means a group of persons living together and sharing common living quarters. A separate suite is not considered to be in the same household, although your relatives might occupy it.

**"We", "us" or "our"** means the company (the Insurer) providing this insurance.

**"Mobile Home"** means the mobile home described in the Declarations occupied as a dwelling.

**"Premises"** means the land contained within the lot lines on which the mobile home is situated while on blocks or levelling jacks with utilities connected and while not in transit. It shall also include grounds, carports and outbuildings incidental thereto, together with any private approaches under your exclusive control.

**"Domestic Appliance"** means a device or apparatus for personal use on the premises for containing, heating, chilling or dispensing water.

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

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

**"Watermain"** means a pipe forming part of a water distribution system, which conveys potable, but not waste, water.

**"Residence Employee"** means a person employed by you to perform duties concerning the maintenance or use of the insured premises. This includes persons who perform household or domestic services or duties of a similar nature for you. This does not include persons while performing duties concerning your business.

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

**"Vacant"** mean:

- The occupant(s) has/have moved out with no intent to return.
- A newly installed mobile home ready for occupancy but no occupant has moved in; or
- The occupant has moved out and no new occupant has moved in; even if partially or fully furnished.

**"Vermin"** means any of various destructive wild animals.

**"Civil Authority"** means any person acting under the authority of the Governor General in Council of Canada or the Lieutenant Governor in Council of a Province. It shall also mean any person acting with authority under a Federal, Provincial or Territorial legislation with respect to the protection of persons and property in case of an emergency.

### COVERAGE "A" - MOBILE HOME

We insure:

1. The mobile home and attached structures.
2. Permanently installed outdoor equipment on the premises.
3. Outdoor swimming pools 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 your mobile home or private structures.

### COVERAGE "B" - DETACHED PRIVATE STRUCTURES

We insure structures or buildings, not insured under coverage "A", on your premises, separate from the mobile home by a clear space. If they are

connected to the mobile home by a fence, utility line or similar connection only, they are considered detached structures. If there is more than one such structure, the insurance granted by this extension shall cover and attach, on the several structures, in the proportion that the value of each shall bear to the value of all at the time of loss.

### COVERAGE "C" - PERSONAL PROPERTY

1. We insure the contents of your mobile home and other personal property you own, wear or use, while on your premises, which is usual to the ownership or maintenance of a dwelling.

#### Property Excluded

We do not insure loss or damage to:

1. Property of roomers or boarders or tenants.
2. Lawns, trees plants or shrubs, birds, animals or fish.
3. Any structures used in whole, or in part, for manufacturing, commercial or farming purposes.
4. Books of account and evidences of title or debt.
5. Motorized vehicles, trailers, aircraft including their furnishings, equipment or appurtenances, except garden type tractors, lawn mowers, snowblowers and watercraft. Equipment includes audio or video recording or transmitting equipment, powered by the electrical system of a motor vehicle, aircraft or watercraft.
6. Property illegally acquired, kept, stored or transported.
7. Property lawfully seized or confiscated, unless such property is destroyed to prevent the spread of fire.
8. Property pertaining to business, profession or occupation.
9. Money, bullion, cheques or drafts.
10. Securities, tickets or manuscripts.
11. Stamps, coins, or numismatic or philatelic property.
12. Silverware, or silver-plated ware, gold or gold-plated ware or pewterware.
13. Jewellery, precious or semi-precious gems or stones, watches, furs, and garments trimmed with fur.
14. Tapes, discs, records or other media while in, or on, a motor vehicle, watercraft or aircraft.
15. Animals, birds or fish

### INSURED PERILS - COVERAGE "A", "B" AND "C"

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

1. **Fire or Lightning**
2. **Explosion.** This excludes electric arcing, water hammer, or rupture of any vessel or conduit due to water pressure therein.
3. **Falling Object.** This means an object, which, while falling, strikes the exterior of the mobile home or detached private structure. There is no coverage for loss or damage caused;
  - a) to glass; or
  - b) by snowslide, landslide, or any other earth movement.
4. **Impact by Aircraft or Land Vehicle**
5. **Riot**
6. **Water Escape, Rupture, and Freezing.** This means:
  - a) Accidental discharge or overflow of water or steam within a plumbing, heating, sprinkler or air-conditioning system, domestic appliance (including waterbeds and fish tanks), swimming pool, or equipment attached to public watermains.
  - b) Sudden and accidental bursting, tearing apart, cracking, burning or bulging due to the pressure of water or steam, or lack of water or steam, in a plumbing, heating, sprinkler or air-conditioning system or an appliance for heating water.
  - c) Freezing of any part of a plumbing, heating, sprinkler or air-conditioning system, and/or domestic appliance (including waterbeds and fish tanks) within a building heated during the usual heating season.

We do not insure loss or damage:

- a) caused by continuous repeated seepage or leakage
- e) to any system or appliance caused by rust or corrosion
- f) to public watermains, outdoor swimming pools or equipment attached to either
- g) occurring while the mobile home is under construction, installation or vacant even if permission for construction, installation or vacancy is given by us
- h) caused by freezing, which occurs during the usual heating season, if you have been away from your premises more than four consecutive days. However, if you have arranged for a competent person to enter your mobile home daily, to ensure that heating was being maintained, or if you had shut off the water

supply, and drained all the pipes and appliances, you would still be insured.

- i) caused by rupture or bursting, backing up or escape of water from a sewer or drain, sump, septic tank, eavestrough or downspout, unless the loss or damage resulted from the escape of water from a public watermain, swimming pool or attached equipment.
7. **Windstorm or Hail.** This does not include loss or damage to your personal property, improvements or betterments within your mobile home, nor to the interior of your mobile home, caused by windstorm, hail or coincidental rain damage, unless the storm first creates an opening in the mobile home.  
**We do not insure damage:**
  - a) To outdoor radio or TV antennae, satellite receivers and their attachments due to weight, pressure or melting of snow or ice, floods, whether driven by wind or not
  - b) By hail if the mobile home has a metal roof or siding, unless the hail directly causes an opening in the metal roof or siding.
8. **Smoke.** This means smoke due to the sudden, unusual and faulty operation of any heating or cooking unit in or on the premises.
9. **Damage by Electric Currents.** Meaning the sudden and accidental injury to electrical appliances, devices, fixtures and wiring, except tubes, transistors and similar electronic components resulting from electrical currents artificially generated.
10. **Vandalism and Malicious Acts.** We do not insure loss or damage occurring while the mobile home is under construction or vacant, even if permission for construction or vacancy is given by us. Damage caused by you, your tenants or their invited guests is not insured. Loss or damage caused by theft or attempted theft is not insured.

#### Optional Perils Insured (if indicated on the Declarations)

If shown in the "Optional Coverage" on the Declaration, you are insured against direct physical loss or damage, caused by the following perils and described and limited:

1. **Earthquake Damage Assumption Endorsement** (applicable to Coverage "A", "B" & "C"):

We will pay for direct loss to the property described in the Mobile Home and Personal Property coverage, caused by earthquake or volcanic eruption.

If more than one earthquake shock occurs within a 168-hour period, they will be considered a single earthquake. We shall not pay for any loss caused by an earthquake shock occurring before this coverage is effective or after the policy has terminated.

We do not insure any loss caused directly or indirectly by flood or tidal wave, tsunamis, whether or not caused by, or resulting from, an earthquake. Direct loss that follows an earthquake and is caused by fire, explosion or theft is only insured under Section I of this policy.

We do not insure any loss caused by your neglect to use all reasonable means to save and preserve property during and after an earthquake.

**Earthquake Deductible:** The deductible percentage shown on the Policy Declarations is the percentage that will be applied to the amount of earthquake insurance if an earthquake loss occurs. It will be applied separately to Coverage "A" - Mobile Home, Coverage "B" - Detached Private Structures and Coverage "C" - Personal Property.

**Deductible Clauses:** We are responsible only for the amount by which the loss or damage exceeds the deductible percentage as shown on the Policy Declarations. The amount of the deductible shall be that percentage applied to the total amount of earthquake insurance shown on the Policy Declarations.

#### Loss or Damage Not Insured

We do not insure:

- a) Loss or damage after your mobile home has, to your knowledge, been vacant for more than 30 consecutive days
- b) Loss or damage caused by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material
- c) Loss or damage caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, or military power
- d) Buildings, units or structures used in whole or in part for business or farming purposes, unless declared in the Declarations
- e) Loss or damage resulting from any intentional or criminal act, or failure to act by:
  - 1) Any person insured by this policy
  - 2) Any other person at the direction of any person insured by this policy
- f) Loss or damage to personal property undergoing a process involving the application of heat, but resulting damage to other property is insured
- g) Loss or damage to any property illegally acquired, kept or stored or transported
- h) Loss or damage to any property lawfully seized or confiscated, unless such property is destroyed to prevent the spread of fire
- i) Loss or damage caused by wear and tear, gradual deterioration, or inherent vice
- j) Loss of, or damage to books of account, and evidences of debt or title
- k) Caused by animals, birds or fish.

#### 2. Rental Income

If the tenant(s) cannot live at the location(s) shown on the

Declaration Page due to the loss that resulted from an Insured Peril, we will pay:

- your actual loss of rental income minus any savings in electrical bills and other expenses;
- The loss of fair and reasonable rental income you had anticipated receiving from dwelling units then held for rental.

If a civil authority prohibits access to your dwelling as a direct result of damage to neighbouring premises by an Insured Peril, we insure any resulting Fair Rental Value loss for a period not exceeding two weeks. We do not insure the cancellation of a lease or agreement.

#### Basis of claim Settlement

We will pay up to the limit of insurance shown on the Declaration Page:

- for the reasonable time required for repairs to be completed, making the premises ready for occupancy.
- If the dwelling is not replaced or repaired, the settlement will be based on the reasonable time it would have taken to repair or replace the building, and;
- if the premises are not rented at the time the dwelling is ready for occupancy we will continue to pay for a further 60 days.

Coverage is not limited by the expiration of the policy.

The deductible and all other terms and conditions of the policy also apply to this form.

#### CO-INSURANCE CLAUSE

It is part of the consideration of this Rider, and the basis upon which the rate of premium is fixed, that the Insured shall maintain insurance concurrent in form with this insurance to the extent of at least the percentage shown in the Declarations of the annual "gross rent and rental value" herein defined of the building(s) described in the Declarations and that failing to do so, the Insured shall be a co-insurer to the extent of an amount sufficient to make the aggregate insurance equal to the percentage shown in the Declarations of the annual "gross rent and rental value" of the building(s) described in the Declarations, and, in the capacity, shall bear his, her or their proportion of any loss that may occur.

#### SUBROGATION

This Insurer, upon making any payment or assuming liability therefor under this Rider, shall be subrogated to all rights of recovery of the insured against any person, and may bring action in the name of the Insured to enforce such rights.

Where the net amount recovered after deducting the costs of recovery is not sufficient to provide a complete indemnity for the loss of damage suffered, the amount shall be divided between the Insurer and the Insured in the proportion in which the loss or damage has been borne by them respectively.

#### OTHER INSURANCE

If, on the happening of any loss, there is in force more than one policy covering the same interest, irrespective of whether by any term in such contract the insurance granted thereby shall not cover, come in force, attach, or become insurance until after full or partial payment of any loss under any other policy, it is a condition of this Rider that the claim hereunder shall be adjusted with the Insured on the basis that such policy or policies will contribute a ratable proportion of the loss unless it is otherwise expressly agreed in writing.

#### BASIS OF CLAIM SETTLEMENT (Applicable to Coverage "A", "B" & "C")

We will pay for insured loss or damage, up to your financial interest in the property. However, the amount shall not exceed the actual cash value of the property at the time of loss or destruction or the applicable amount(s) of insurance, whichever is the lesser, for any loss or damage arising out of one occurrence. Any loss or damage shall not reduce the amount(s) of insurance provided by this policy except in the event of a total or constructive total loss in which case the total premium of the policy shall be earned in full.

If the insurance applies to the property of more than one person, our liability for loss sustained by those persons shall be limited, in the aggregate, to the applicable limit of insurance as shown in the Declarations.

**Deductible:** We are responsible only for the amount by which the loss or damage, caused by any insured peril, exceeds the amount of the deductible shown on the Policy Declarations, in any one occurrence.

#### EXTENSIONS OF COVERAGE

##### Fire Department Charges

We will pay up to \$500 for your liability, assumed by contract or agreement, for fire department charges incurred when the fire department is called to save or protect your property from a peril insured against. No deductible applies to this coverage.

##### Debris & Protective Removal

The amount of insurance include the cost of removing debris of the property insured as a result of the occurrence of an insured event.

If the amount payable for loss, including expense for debris removal, is greater than the Limit of Liability, an additional 5% of the amount will be available to cover debris removal expense.

If you must remove insured property from your premises to protect it from loss or damage that is covered by this policy, it is insured for 90 days or until your policy term ends - whichever happens first. The amount of insurance will be divided in the proportion that the value of the property removed bears to the value of all property at the time of loss.

#### SPECIAL CONDITIONS

##### 90% Co-insurance Clause - Application to Coverage "A"

We will pay for no greater proportion of any loss than the amount insured bears to 90% of the actual cash value of the property. If this policy insures

two or more items, this condition shall apply to each item separately.

### Permission Granted

You are allowed to:

1. Make alterations, additions or repairs to the mobile home
2. Keep and use coal, oil, fuel oil, liquefied petroleum gas, gasoline, benzene, naphtha or similar materials for normal use.

### Insurance under more than one policy

If you have insurance on specifically described property, our policy will be considered excess insurance, and we will not pay any loss or claim until

the amount of such other insurance is used up. In all other cases our policy will pay its rateable proportion of the loss or claim.

### Subrogation

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

## SECTION II - LIABILITY COVERAGE

In consideration of the premium stated in the Policy Declarations, and subject to the terms, provisions and conditions hereof:

Unless stated on the Policy Declarations, it is understood and agreed:

- a) You own no Residence Premises other than the principal residence maintained by you
- b) You own no watercraft:
  - i) Equipped with an outboard motor rated more than 25 hp (19 kW)
  - ii) Equipped with an inboard motor rated more than 50 hp (38 kW)
  - iii) Of any other type over 26 feet (8 m) in overall length
- c) You own no draft or saddle animals
- d) No business or occupational pursuits are conducted on the premises
- e) There are no permanent in-servants, out-servants or private chauffeurs
- f) There are no elevators, escalators or incliners on the premises
- g) There are no swimming or wading pools over 30 inches (75 cms) in depth.

**Definitions** (applicable to Section II)

**"You"** and **"your"** in this section have the same meaning as in Section I. In addition, the following persons are insured:

1. Any person or organization legally liable for damages caused by watercraft or animal owned by you and to which this insurance applies. This does not include anyone using or having custody of the watercraft or animal in the course of any business or without the owners' permission.
2. A residence employee while performing duties in connection with the ownership, use or operation of motorized vehicles and trailers for which coverage is provided by this policy.
3. Your legal representative, having temporary custody of the insured premises, if you die while insured by this policy, for legal liability arising out of the insured premises.
4. Any person who is insured by this policy at the time of your death and who continues residing on the insured premises.

**"We"** or **"us"** in this Section have the same meaning as in Section I.

**"Bodily injury"** means bodily injury, sickness or disease or resulting death.

**"Property damage"** means damage to, destruction of, or loss of use of property.

**"Residence employee"** in this Section has the same meaning as in Section I.

**"Premises"** in this Section means all premises where the person(s) named as Insured on the Policy Declarations, or their spouse, maintains a residence, including seasonal and other residences, provided such premises are specifically described on the Policy Declarations. This does not include business property or farms. Premises also include:

1. Premises where you are residing temporarily, or which you are using temporarily, as long as you do not own or lease the premises.
2. Individual or family cemetery plots or burial vaults.
3. Vacant land in Canada you own or rent from others, excluding farm land.
4. Land where you or an independent contractor is building a one or two-family residence, which is to be occupied by you.

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

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

**"Legal liability"** means responsibility which a court recognizes and enforces between persons who sue one another.

### Coverage

This insurance applies only to accidents or occurrences which take place during the period this policy is in force.

The amounts of insurance are shown on the policy Declarations. Each person insured is a separate Insured but this does not increase the limit of insurance.

### COVERAGE "E" - LEGAL LIABILITY

We will pay all sums, which you become legally liable to pay as compensatory damages, because of unintentional bodily injury or property damage.

The amount of insurance shown on the Policy Declarations is the maximum amount we will pay for all compensatory damages in respect of one accident or occurrence, regardless of the number of Insured's against whom the claim is made or action is brought.

Defence, Settlement and supplementary payments are in addition to the limit of insurance.

**You are insured for claims made against you from:**

1. **Personal Liability:** Legal liability for unintentional bodily injury or property damage arising out of your personal actions anywhere in the world.

**You are not insured for claims made against you arising from:**

- a) The ownership, use or operation of any motorized vehicle, trailer or watercraft, except those for which coverage is shown in this policy

- b) Damage to property you own, use, occupy or lease
- c) Damage to property owned, used, occupied or leased by anyone included in the definition of "you" or "your" in Section II of this policy
- d) Damage to personal property or fixtures because of work done on them by you or anyone on your behalf.

2. **Premises Liability:** Legal liability arising out of your ownership, use or occupancy of the premises defined in Section II. This insurance also applies if you assume, by written contract, the legal liability of other persons in relation to your premises.

**You are not insured for claims made against you arising from:**

- a) damage to property you own, occupy or lease
- b) damage to property owned, occupied or leased by anyone included in the definition of "you" or "your" in Section II of this policy
- c) Damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf
- d) Bodily injury to you or to any person residing in your household, other than a residence employee.

3. **Tenant's Legal Liability:** Legal liability for unintentional property damage to premises, or their contents, which you are using, renting or have in your custody or control, caused by fire, explosion, water escape or smoke. This 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. Water escape has the same meaning as in Section I of this policy.

You are not insured for liability you have assumed by contract, unless your legal liability would have applied even if no contract had been in force.

4. **Employers' Liability:** Legal liability for unintentional bodily injury to residence employees arising out of and in the course of their employment by you.

**You are not insured for claims made against you resulting from the ownership, use or operation of aircraft while being operated or maintained by your employee, nor are you insured for liability imposed upon or assumed by you under any Workers' Compensation Statute.**

### Defence, Settlement, Supplementary Payments

We will defend you against any suit which makes claims against you for which you are insured under Coverage "E" and which alleges bodily injury or property damage and seeks compensatory damages, even if it is groundless, false or fraudulent. We reserve the right to investigate, negotiate and settle any claim or suit, if we decide this is appropriate.

In addition to the limit of insurance under Coverage "E", we will pay:

1. All expenses we incur.
2. All costs charged against you in any suit insured under Coverage "E".
3. Any interest accruing after judgement, which is within the amount of insurance of Coverage "E".
4. Premiums for appeal bonds required in any insured lawsuit involving you and bonds to release any property that is being held as security, up to the amount of insurance, but we are not obligated to apply for or provide these bonds.
5. Expenses which you have incurred for emergency medical or surgical treatment to others following an accident or occurrence insured by this policy
6. Reasonable expenses, including actual loss of income up to \$100 per day, which you incur at our request.

### COVERAGE "F" - VOLUNTARY MEDICAL PAYMENTS

We will pay reasonable medical expenses, incurred within one year of the date of the accident, if you unintentionally injure another person or if they are accidentally injured on your premises. This coverage is available although you are not legally liable. Medical expenses include surgical, dental, hospital, nursing, ambulance service and funeral expenses. Medical expenses for residence employees are insured.

The amount of insurance shown on the Declarations Page is the maximum we will pay for each person in respect of one accident or occurrence.

We will not pay expenses covered by any medical, dental, surgical or hospitalization plan or law or under any other insurance contract.

We will not pay your medical expenses or those of persons residing with you, other than residence employees.

We will not pay medical expenses of any person covered by any Workers' Compensation Statute.

You are not insured for claims arising out of the ownership, use or operation of any motorized vehicle, except those for which coverage is shown in this policy.

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

1. Give us, as soon as possible, a written proof of claim, under oath if required.
  2. Submit to a physical examination, at our expense, by doctors we select, as often as we may reasonably require.
  3. Authorize us to obtain medical and other records.
- Someone acting on behalf of the injured person may give proofs and

authorizations.

**COVERAGE "G" - VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY**  
We will pay for unintentional direct damage you cause, although you are not legally liable. You may also use this coverage to reimburse others for direct property damage, caused unintentionally, by anyone 12 years of age or under included in the definition of "you" and "your" in Section II of this policy.

**You are not insured for claims:**

1. Resulting from the ownership, use or operation of any motorized vehicle, trailer or watercraft, except those for which coverage is provided by this policy.
2. For property you, or your tenants own or rent.
3. Which are insured under Section I of this policy.
4. Caused by the loss of use, disappearance or theft of property.

**Basis of Payment**

We will pay whichever is the least of:

1. The actual cash value of the property at the time of loss.
2. What it would cost to repair or replace the property with materials of similar quality at the time of loss.
3. The amount shown on the Declaration Page.

We may pay for the loss of money or may repair or replace the property and may settle any claim for loss of property, either with you or the owner of the property. We may take over any salvage if we wish.

Within 60 days after the loss you must submit to us, under oath if required, a Proof of Loss Form containing the following information:

1. The amount, place, time and cause of loss.
2. The interest of all persons in the property affected.
3. The actual cash value of the property at the time of loss.

If necessary, you must help us verify the damage.

**SPECIAL CONDITIONS**

**Watercraft you own:** You are insured against all claims arising out of your ownership, use or operation of a watercraft equipped with an outboard motor(s), of not more than 25 hp (19Kw) in total, when used with or on a single watercraft. You are also insured if your watercraft has an inboard / outboard motor of not more than 50hp (38Kw), or any other type of watercraft not more than 26 feet (8m) in length.

If you own any motor or watercraft larger than those stated above, you are insured only if they are shown on the Declarations Page. If they are acquired after the effective date of this policy, you will be insured automatically for a period of thirty days only from the date of their acquisition.

**Watercraft you do not own:** You are insured against claims arising out of your use or operation of watercraft you do not own, provided:

- a) The watercraft is being used with the owner's consent.
- b) The watercraft is not owned by anyone included in the definition of "you" or "your" in Section II of the policy.

You are not insured for damage to the watercraft itself.

**Motorized Vehicles - Vehicles you own:** You are insured against claims arising out of your ownership, use or operation of the following, including their trailers or attachments:

- a) Self-propelled lawn mowers, snow blowers, garden type tractors of not more than 25 hp, used or operated mainly on your premises, provided they are not used for compensation or hire
- b) Motorized golf carts while in use on a golf course
- c) Motorized wheelchairs.

**Vehicles you do not own:** You are insured against claims arising out of your use or operation of any self-propelled land vehicles, amphibious vehicles or air-cushion vehicles including their trailers, which you do not own, provided:

- a) The vehicle is not licensed and is designed primarily for use off public roads
- b) You are not using it for business or organized racing
- c) The vehicle is being used with the owner's consent
- d) The vehicle is not owned by anyone included in the definition of "you" or "your" in Section II of the policy.

You are not insured for damage to the vehicle itself.

**Trailers:** You are insured against claims arising out of your ownership, use or operation of any trailer or its equipment, provided that such trailer is not being towed by, attached to, or carried on a motorized vehicle.

**Business and business property:** You are insured against claims arising out of:

- a) Your work for someone else as a sales representative, collector, messenger or clerk, provided that the claim does not involve injury to a fellow employee
- b) Your work as a teacher, provided the claim does not involve physical disciplinary action to a student or injury to a fellow employee
- c) The occasional rental of your residence to others, rental to others of a one or two-family dwelling usually occupied in part by you as a residence, provided no family unit includes more than two roomers or boarders
- d) The rental of space in your residence to others for incidental office, school or studio occupancy
- e) The rental to others, or holding for rent, of not more than three car spaces or stalls in garages or stables
- f) Activities, during the course of your trade, profession or occupation, which are ordinarily incidental to non-business pursuits
- g) The temporary or part time business pursuits of an insured person under the age of 21 years.

Claims arising from the following business pursuits are insured, only if the properties or operations are declared in the Declarations:

- a) The rental of residential buildings containing not more than six dwelling units
- b) The use of part of your residence, by you, for incidental office, school or studio occupancy.

**Loss or Damage not insured**

You are not insured for claims arising from:

- a) War, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power
- b) Bodily injury or property damage which is also insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of insurers, regardless of exhaustion of such policy limits, or its termination
- c) Your business, or any business use of your premises, except as specified in this policy
- d) The rendering or failure to render any professional service
- e) Bodily injury or property damage caused by any intentional or criminal act, or failure to act, by:
  - i) Any person insured by this policy or
  - ii) Any other person, at the direction of any person insured by this policy
- f) The ownership, use or operation of any aircraft, or premises used as an airport or landing strip, or any necessary or incidental operations
- g) The ownership, use or operation of any motorized vehicle, trailer or watercraft, except those for which coverage is provided by this policy
- h) The transmission of communicable diseases by any person insured by this policy.
- i) Abuse, or molestation, meaning any form of actual or threatened sexual, physical, psychological, mental and/or emotional abuse, molestation or harassment, including corporal punishment, directly or indirectly, by:
  - a) any person or named insured who is insured by this policy,
  - b) any person or named insured who is insured by this policy having knowledge of such an activity taking place,
  - c) any person or named insured who is insured by this policy failing to prevent such an activity from taking place,
  - d) at the direction of any person or any named insured who is insured by this policy.
- j) Any type of discrimination including discrimination due to sex, age or marital status, colour, race, creed, or national origin;
- k) Punitive or exemplary damages, meaning that part of any award by a court which is in excess of compensatory damages and is stated or intended to be a punishment to you.

**Conditions**

**Notice of Accident or Occurrence:** When an accident or occurrence takes place, you must promptly give us notice, in writing if required. The notice must include:

- a) Your name and policy number
- b) The time, place and circumstances of the accident or occurrence
- c) The names and addresses of witnesses and potential claimants.

**Co-operation:** You are required to:

- a) Help us obtain witnesses, information and evidence about the accident and co-operate with us in any legal actions if we ask you
- b) Immediately send us everything received in writing concerning the claim, including legal documents.

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

**Action Against Us - Coverage "E":** You shall not bring suit against us until you have fully complied with all terms of this policy, nor until the amount of your obligation to pay has been finally determined, either by judgement against you or by an agreement which has our consent.

**Action against Us - Coverage "F" and "G":** You shall not sue us until you have fully complied with all terms of this policy, nor until 60 days after the required **Proof of Loss Form** has been filed with us.

**Insurance Under More Than One Policy:** If you have other insurance which applies to a loss or claim or would have applied if this policy did not exist, 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.

**EXCLUSION ENDORSEMENTS:**

**DRUG CULTIVATION EXCLUSION**

There shall be no liability under this Policy for loss or damage resulting from any activity relating to either the growing, cultivation, harvesting, manufacture, distribution, or sale of any drug, including but not limited to cannabis, or any non-prescription controlled substance or substances, whether or not you are aware of such activity.

**FUNGI AND FUNGAL DERIVATIVES EXCLUSION**

1. This policy shall not insure:

- (a) 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 or directly result from a peril otherwise insured and not otherwise excluded by this policy.
- (b) the cost or expense for any testing, monitoring, evaluating or assessing of "fungi" or "spores".

2. The following are added to the DEFINITIONS:

- (a) **"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.
- (b) **"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".

#### **TERRORISM EXCLUSION - PROPERTY**

Notwithstanding any provision to the contrary within this policy or any endorsement attached thereto, it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism, regardless of any other cause or event contributing concurrently, or in any other sequence to the loss.

For the purpose of this endorsement, an act of terrorism is 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.

In the event that any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

#### **TERRORISM EXCLUSION – LIABILITY**

Notwithstanding any provision to the contrary within this agreement or any amendment thereto, it is agreed that this agreement excludes any loss, damage, cost or expense of whatsoever nature arising directly or indirectly, in whole or in part, out of "Terrorism" or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate "Terrorism". This exclusion applies regardless of any other contributing or aggravating cause or event that contributes or in any other sequence to the loss, damage, cost or expense.

**"Terrorism"** means an ideologically motivated unlawful act or acts, including but not limited to the use of force or violence 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 any section of the public.

#### **DATA EXCLUSION (PROPERTY)**

The Misinterpretation of Date Exclusion that form part of the property section of this policy is replaced by the following:

##### **DATA EXCLUSION**

1. This form does not insure "Data".
2. This form does not insure loss or damage 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, lightning, explosion, impact by aircraft, spacecraft or land vehicle, smoke, leakage from fire protective equipment, windstorm or hail, all as described in the Named Perils section of the policy, this exclusion shall not apply to such resulting loss or damage.

The following exclusion contained in the policy is deleted:

Disturbance or erasure of electronic recordings by electric or magnetic injury except by lightning.

#### **DEFINITION OF DATA**

**"Data"** means representations of information or concepts in any form.

**"Data Problem"** means:

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

#### **DEFINITION OF INDEMNITY PERIOD** (with respect to Business Interruption Coverage if applicable)

**"Indemnity Period"** means the period beginning with the occurrence of the "Damage" and ending not later than 12 consecutive calendar months (or such other period if so specified on the "Declarations Page" as the maximum indemnity period) thereafter during which the results of the "Business" shall be affected in consequence of the "Damage". However, if media for, or programming records pertaining to, electronic data processing or electronically controlled equipment including "Data" thereon be lost or damaged by a peril insured against then the "Indemnity period" in respect thereof shall not extend beyond:

- 1) 30 consecutive days after the occurrence of such "Damage"; or
- 2) the date upon which liability ceases under this Form for loss arising from other property lost or damaged by the same occurrence.

Whichever shall be later.

#### **SPECIAL BASIS OF SETTLEMENT – RECORDS CLAUSE**

The Records Clause under the Special Basis of Settlement Clause on the policy is replaced by the following:

##### **RECORDS:** The liability of the Insurer for loss or damage to:

1. Books of accounts, drawings, card index systems and other records, other than as Described in 2. Below, shall not exceed the cost of blank books, blank pages or other materials, plus the cost of labour for actually transcribing or copying said records;
2. Media, data storage devices, and programme devices for electronic and electro-mechanical data processing or for electronically controlled equipment, notwithstanding that "Data" is not insured, shall not exceed the cost of reproducing such media, data storage devices, and programme devices from duplicates or from originals of the previous generation of media, but no liability is assumed hereunder for the cost of gathering or assembling information or "Data" for such reproduction.

Whichever of the above is applicable shall be the basis to be adopted for the purpose of applying Co-Insurance.

## STATUTORY CONDITIONS (required by law)

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
  - (1) otherwise specifically stated in the contract, or
  - (2) 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 fifteen 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) 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) 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, 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 fifteen 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 Conditions 9, 10 and 11,
    - (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 costs of that property and particulars of the amount of loss claimed, 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,
      - (ii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured,
      - (iii) stating the amount of other insurances and the names of other Insurers,
      - (iv) 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,
      - (v) stating any changes in title, use, occupation, location, possession or exposures of the property since the contract was issued, and
      - (vi) 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 subparagraphs (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
  - (1) by the agent of the Insured, if
    - (a) the Insured is absent or unable to give the notice or make the proof, and
    - (b) the absence or inability is satisfactorily accounted for, or
  - (2) 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 (1) 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
  - (1) 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
  - (2) 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
    - (a) without the Insured's consent, the Insurer is not entitled to the control or possession of the insured property, and
    - (b) 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 sixty 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 thirty 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 forty-five 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

## ADDITIONAL CONDITIONS

- I. **Notice to Authorities.** Where loss is claimed to be due to theft or attempt thereof, burglary, robbery, malicious acts, or is expected to be so due, the Insured shall give immediate notice thereof to the police or other authorities having jurisdiction.
- II. **No Benefit to Bailee.** It is warranted by the Insured that this insurance shall in no wise enure directly or indirectly to the benefit of any carrier or other bailee.
- III. **Pair and Set.** In the case of loss of or damage to any article or articles, whether scheduled or unscheduled, which are a part of a set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, but in no event shall such loss or damage be construed to mean total loss of the set.
- IV. **Parts.** In the case of loss of or damage to any part of the insured property whether scheduled or unscheduled, consisting, when complete for use, of several parts, the Insurer is not liable for more than the insured value of the part lost or damaged, including the cost of installation.
- V. **Sue and Labour.** It is the duty of the Insured, in the event that any property insured hereunder is lost, to take all reasonable steps in and about the recovery of such property. The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with the foregoing according to the respective interests of the parties.
- VI. **Basis of Settlement.** Unless otherwise provided, the Insurer is not liable beyond the actual cash value of the property at the time any loss or damage occurs and 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 what it would then cost to repair or replace the same with material of like kind and quality.
- VII. **Subrogation.** The Insurer, upon making any payment or assuming liability therefor under this policy,

shall be subrogated to all rights of recovery of the Insured against any person, and may bring action in the name of the Insured to enforce such rights. Where the net amount recovered after deducting the costs of recovery is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportion in which the loss or damage has been borne by them respectively.

If you are a condominium unit owner, we agree to waive our rights to any claim against the Condominium Corporation, its Directors, Property Managers, agents and employees, except for arson, fraud and vehicle impact.

We shall not consider independent contractors as being agents or employees of the Condominium Corporation, its Directors, Property Managers or of the Unit Owners.

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

**Liberalization Clause.** If, after the issuance of this Policy and before its expiration, there be adopted and published for use in this Province by the Company any forms, endorsements or rules by which the insurance provided by this Policy could be extended or broadened without additional premium charge, either by endorsement or substitution of form, then, as to loss occurring after the effective date of such adoption and publication, such extended or broadened insurance shall inure to the benefit of the Insured hereunder as though such endorsement or substitution of form had been made.

This policy is subject to the terms and conditions set forth herein together with such other terms and conditions as may be endorsed hereon or added hereto. No term or condition of this policy shall be deemed to be waived in whole or in part by the Insurer unless the waiver is clearly expressed in writing, signed by a person authorized for that purpose by the Insurer.

IN WITNESS WHEREOF, the Insurer has duly executed this Policy; provided, however, that this Policy shall not be valid or binding unless countersigned by an authorized representative of the Insurer.

**MOBILE HOME RENTED DWELLING POLICY  
NAMED PERILS FORM**

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