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Special Coverages

Policy booklet



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Special Coverage for Seasonal Dwelling – Outbuildings and Belongings, Rental Dwelling – Outbuildings and Belongings and Special Belongings

Your policy is made up of a Cover Page and this booklet. This booklet explains a number of coverages. **Your** Cover Page shows the coverages **you** have chosen. **Your** Cover Page shows what **we** agree to insure, the coverage **we** provide, and the **amount of protection**. It also shows the amount of premium **you** have agreed to pay. All **amounts of protection** are shown and all losses are payable in Canadian dollars.

This policy booklet is in 6 parts:

Part I – Dwelling, Outbuildings and Belongings

- explains the type of property **you** own or use that **you** can protect, such as a seasonal dwelling, outbuildings, belongings, or a **dwelling you** rent to others. Part I also explains the added features **you** have with **your dwelling** coverage.

Part II – Perils Insured

- explains the perils **you** can protect **your** property against. There are 3 coverage options **you** can choose from. They are: Cover Code A, Cover Code B, or Cover Code C. It also explains Vacant Dwelling coverage Cover Code AE. **Your** Cover Page shows which cover code **you** have.

Part III – Special Belongings

- explains the coverage **you** can have to cover other items **you** own and use such as furs, jewelry, watercraft, and other property **you** need to insure on a separate basis.

Part IV – Other Property

- A) All-Terrain Vehicles
 - explains the coverage **you** can have to cover all-terrain vehicles.
- B) Dwelling Under Construction
 - explains the coverage **you** can have to cover **dwelling**s under construction.

Part V – Policy Conditions

- explains how **we** settle a claim; property and causes of loss **we** do not cover; and general conditions that apply to Parts I, II, III and IV.

Part VI – Statutory Conditions

- these are conditions **we** must tell **you** about by law.

All claims will be settled directly with the person(s) named on **your** Cover Page. Only the person(s) named on **your** Cover Page may make a claim against this policy and may take legal action against **us**.

Claims presented for loss or damage by any person(s) covered under this policy, shall be considered to be made by all named or unnamed insured person(s) jointly. Action(s) of any person either individually or jointly shall be considered action(s) by all for the purpose of investigation and settlement of losses.

The key to **your** policy is its Cover Page. It shows the type and amount of **your** coverage. It gives the location of property **you** are insuring. It describes certain types of property **you** are insuring. **Your** coverage starts at 12:01 A.M. standard time on the **Effective Date**. It ends at 12:01 A.M. standard time on the **Expiry Date**. The Cover Page shows both of these dates. This is **your policy term**.

This policy contains various exclusions and limitations which eliminate or restrict coverage, please read it carefully.

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

Definitions

In addition to other terms defined elsewhere in the Policy, as used herein and in any further amendment, the following terms and expressions have the following meaning:

Actual Cash Value means the cost to replace or repair **your** property considering depreciation which includes such things as its age, condition, resale value, obsolescence, and normal life expectancy at the time of loss. The value of property usually falls as it ages. Thus, **Actual Cash Value** is normally lower than the cost to replace **your** property at today's prices.

Amount of Protection means the maximum amount **we** will pay for an insured loss in any 1 **occurrence** or incident. Different amounts apply to different coverages and these amounts are shown on the Cover Page.

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

Business Premises means **premises** on which a **business** is conducted.

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

Collapse means the complete failure or breaking down of a foundation, wall, floor or roof of **your dwelling** or outbuilding.

Data means representations of information or concepts, in any form, including programs, recorded on electronic media usable in **data** processing operations.

Data Problem means:

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

Dwelling means the building at the location described on the Cover Page, occupied by **you** as a private residence.

Fungi means, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxicogenic, and any substance, vapour or gas produced by, emitted from or arising out of any **fungi** or **spore(s)** or resultant mycotoxins, allergens, or pathogens.

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

Identity Theft means the act of knowingly acquiring, transferring or using key pieces of a persons identity, without lawful authority, which represents a violation of any federal, provincial, territorial or local law.

Identity Theft Occurrence means any act or series of acts of **identity theft** by a person or group of persons.

Insured means the person(s) named on **your** Cover Page and the following unnamed person(s) living in the same household:

- the spouse of the person(s) named on the Cover Page. Spouse also means either of 2 persons of the same or opposite sex who have been continuously living together in a conjugal relationship and have so lived together for a period of 2 years or, if they are the natural or adoptive parents of a child, for a period of 1 year.
- the relatives of any of the above.
- anyone in the care of any of the above.

Insured Peril means a cause of loss or damage insured under the type of coverage shown on **your** Cover Page for that specific property.

Jet Propulsion Personal Watercraft means any motorized sea vehicle, jet ski or other motorized water device designed as a self-propelled unit used on water. They can be designed to carry the operator only or to carry the operator and 1 or more passengers. Where **we** use the term personal watercraft unit it means a **jet propulsion personal watercraft** as defined herein.

Pollutant(s) means any solid, liquid, gaseous or thermal irritant or contaminants, including smoke, odour, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

Replacement Cost means the cost to repair or replace property with material of similar kind and quality at today's prices without deduction for depreciation.

Rupture means damage to a plumbing, heating, fire sprinkler or air conditioning system within **your dwelling** caused by sudden and accidental bursting, tearing apart, cracking, burning, or bulging of the system, due to the pressure of or lack of water or steam.

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

Surface Waters means water on the surface of the ground where water does not usually accumulate in ordinary circumstances.

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.

Vacant means the **dwelling** is not occupied and, regardless of the presence of furnishings:

- all occupants have moved out with no intention of returning and no new occupant has taken up residence; or
- no occupant has yet taken up residence, however, a newly acquired **dwelling** which is to be **your principal residence**, will not be deemed **vacant** for the first 30 days from the date of title registration to **you**.
- the **dwelling** will not be deemed to be **vacant** or subject to vacancy restrictions up to the first 90 consecutive days following the death of the **Insured** or until the expiry date of the policy, whichever comes first.

By **occupant we** mean a person as defined under **Insured**.

Water Escape means accidental discharge or overflow of water or steam from a plumbing, heating, fire sprinkler or air conditioning system, household appliance, aquarium, waterbed, a swimming pool or hot tub or their equipment, or a public **watermain**.

Watermain means a pipe forming a part of a water distribution system that conveys consumable water but not waste water.

We, us or **our** means SGI CANADA.

You or **your** refers to **Insured** – see definition.

Part I – Your Seasonal or Rental Dwelling, Outbuildings and Belongings

What We Cover

Your Premises

Means **your dwelling** and the grounds and outbuildings associated with it that **you** own and use on a seasonal basis or that **you** rent to others, at the location shown on **your** Cover Page.

Your Seasonal or Rental Dwelling

Means **your dwelling** or mobile home dwelling and attached additions including equipment and structures that are permanently in place as part of **your dwelling** and its grounds except those used in whole or in part for any **business** or farming purpose. This includes such things as fences, storm windows, satellite antennas, swimming pools and their attached equipment. These things are covered even while away from **your premises** for a short time due to repair or seasonal storage.

We cover building materials **you** are going to use as part of **your dwelling**:

- a) located on **your premises**.
- b) which **you** acquire and transport to **your premises**.

Permission is granted to make alterations, additions and repairs to **your dwelling**.

Your Outbuildings

(This does not apply to buildings located at an insured farm premises with the exception of garden sheds and gazebos as limited under Property with Specific Amounts of Protection.)

Means any building located on the grounds and separated from the **dwelling**. They are separate buildings even if they are attached to the **dwelling** by a fence, utility line or similar connection. This includes such things as garages, garden sheds, gazebos, and swimming pool enclosures.

We cover building materials **you** are going to use as part of **your** outbuildings:

- a) located on **your premises**.
- b) which **you** acquire and transport to **your premises**.

We will also cover boathouses, docks and boatlifts, which are located in the same resort area as **your** seasonal dwelling, if **your** seasonal dwelling is covered by this policy.

We will not cover outbuildings that are used in whole or in part for any **business**, residential or farming purpose. **You** may rent them to someone else, as long as they are not used in whole or in part for any **business**, residential occupancy or farming purpose.

We will not cover greenhouses, garden frames, or the like.

Permission is granted to make alterations, additions and repairs to **your** outbuilding.

Your Belongings

Means personal property that **you** own or use, kept at **your premises**.

Coverage is extended to include the following:

- belongings that are away from **your premises** temporarily, other than belongings in storage. Belongings in storage shall mean belongings not in current use and kept at a location away from **your premises**.
- belongings in storage in an occupied private **dwelling**.
- belongings in a commercial storage facility designed for that purpose.

- belongings in storage away from **your premises** for up to 30 consecutive days, if stored elsewhere than in an occupied private **dwelling** or commercial storage facility designed for that purpose. **We** will extend this 30 day coverage if **you** tell **us** of placing **your** belongings into storage and this is shown on **your** Cover Page. This will involve an extra premium charge.
- furs, watercraft, their equipment, accessories and outboard motors, and **jet propulsion personal watercraft**, including unlicensed boat trailers during seasonal storage away from **your premises**.
- golf carts kept year round at a golf course.
- belongings in transit.

There are some limits on the kinds of belongings and property **we** will cover and the amounts blanket coverage will pay. These are shown in **Property with Specific Amounts of Protection** and **Property and Causes of Loss We Do Not Cover** contained within this wording booklet.

Any belongings we cover as Special Belongings or which are specifically insured elsewhere are not covered here.

Seasonal Home Pak

All SGI CANADA Seasonal Home Paks cover **Dwellings**, Outbuildings, Belongings, Increased Living Expenses and Lost Rental Income and Personal Liability.

There are 5 options available:

- Pak A** – provides Cover Code A perils on **dwellings**, outbuildings and belongings.
- Pak I** – provides Cover Code B perils on **dwellings**, outbuildings and belongings.
- Pak B** – provides Cover Code C perils on **dwellings** and outbuildings and Cover Code B perils on belongings.
- Pak II** – provides Cover Code B perils on **dwellings** and outbuildings and Cover Code C perils on belongings.
- Pak III** – provides Cover Code C perils on **dwellings**, outbuildings and belongings.

Your Cover Page shows which Pak **you** have.

Added Features of Your Part I Coverage

We provide **added features** along with **your** regular coverage at no extra cost. These may be special types of coverage available to **you**, or they may be special uses of **your** regular coverage. **We** have noted those features that **add to your total amount of protection**. Otherwise, they are **part** of the **amount of protection** shown on **your** Cover Page.

Arson Conviction Reward

We will pay \$1,000 for information which leads to a conviction for arson in connection with a fire loss to property insured by this policy. The amount **we** pay adds to **your** total **amount of protection**. The \$1,000 limit will not be increased regardless of the number of persons providing information.

No deductible applies to this coverage.

Belongings of Guests and Residence Employees

You may use up to 10% of **your** belongings protection for belongings of **your residence employees** or non-paying guests. These belongings must be at **your** seasonal premises. Loss must be due to a peril for which **your** own belongings are insured. **Your** guests or **residence employees** must not have any other coverage on their belongings. All claims will be settled directly with **you**.

Collapse

We cover direct physical loss or damage due to the **collapse** of a foundation, wall, floor, or roof of **your dwelling** or outbuildings caused by any of these 3 things:

- a peril insured by this policy.
- the weight of contents, equipment, or people.
- the weight of rain, ice, snow, or sleet on the roof.

We do not cover loss or damage caused by **collapse** while **your dwelling** or outbuilding is **vacant** or under construction even if **we** have given permission for vacancy or construction.

Debris Removal

You may have **us** pay to remove debris of insured property from **your premises**, if **your** insured property has been damaged or destroyed by an **insured peril**.

We will also pay for removal of property of others, excluding trees, shrubs and plants, blown on to **your premises** by windstorm, if **your** insured property is damaged or destroyed by an **insured peril**.

Debris removal expenses shall not be considered for the purpose of applying any co-insurance.

Declaration of Emergency Endorsement (Extension of Termination or Expiry Date)

The effective date of termination of this policy by the Insurer or the expiry date of this policy is extended, subject to the conditions and definitions set out below, as follows when an **Emergency** is declared by a Canadian public authority designated by statute for the purpose of issuing such an order.

1. The **Emergency** must have a direct effect or impact on:
 - a) the **Insured**, the insured site or insured property located in the declared emergency area; or
 - b) the operations of the Insurer or its agent/broker located in the declared emergency area.
2. a) Any time limitation described in the Termination condition of this policy, with respect to termination of this policy by the Insurer, will not continue to run until the **Emergency** is terminated plus the lesser of:
 - (i) 30 days; or
 - (ii) the number of days equal to the total time the **Emergency** order was in effect.
- b) If this policy is due to expire during an **Emergency**, it will continue in force until the **Emergency** is terminated plus the lesser of:
 - (i) 30 days; or
 - (ii) the number of days equal to the total time the **Emergency** order was in effect.
3. In no event shall the total term of the extension exceed 120 consecutive days.

The **Insured** agrees to pay the *pro rata* premium earned for the additional time the Insurer remains on risk as a result of the above.

4. Definitions:

Emergency is defined as the first statutory declaration of an emergency:

- a) with respect to a situation or an impending situation that constitutes a danger of major proportions that could result in serious harm to persons or substantial damage to property and that is caused by the forces of nature, a disease or other health risk, an accident or an act whether intentional or otherwise; or

- b) as provided for by the relevant governing legislation if different from a) but does not include any subsequent statutory declaration(s) that may be issued relating to the same event.

All other terms and conditions of the Policy to which this endorsement applies remain unchanged.

Emergency Entry Property Damage

Coverage is automatically provided to repair damage to **your dwelling** (permanent or temporary residence) if damaged as a result of forcible entry by police, ambulance, fire department, or other persons to save and preserve life. This coverage adds to **your total amount of protection**. This coverage is not subject to a deductible.

Emergency Mobile Home Removal

If **your dwelling** is a mobile home and must be moved to protect it from loss, **we** will pay to have it moved and returned. The loss or threat of loss must be due to a peril for which **your dwelling** is insured. **We** do not consider **your** mobile home to be **in transit** when it is moved for this emergency.

Fraud Conviction Reward

We will pay \$1,000 for information which leads to a conviction of fraud in connection with an insured loss to property insured by this policy. The amount **we** pay adds to **your total amount of protection**. The \$1,000 limit will not be increased regardless of the number of persons providing information.

This coverage is not subject to a deductible.

Increased Living Expenses

We will pay up to 10% of the **amount of protection** shown on **your** Cover Page for **your dwelling** to pay for an increase in **your** living expenses. The costs must be due to a peril for which **your dwelling** is insured. The length of time **we** will continue to make payments is not restricted by the expiry of **your** policy. The amount **we** pay adds to **your total amount of protection**.

If the loss makes **your dwelling** unliveable, **we** will pay for **your** moving costs. **We** will pay for the reasonable increase in **your** cost of living required to maintain **your** normal standard of living. **We** will not pay expenses for things that are not needed to support **you**.

We will continue to pay only until **you** repair or replace **your dwelling**, or **you** permanently relocate. **We** will give **you** a reasonable time to repair or replace **your dwelling** and to settle **your** household, and then **we** will stop paying. **We** will not pay for any increased costs, due to unnecessary delays on **your** part, to repair or replace **your dwelling** or outbuildings, relocate or settle **your** household.

We will also pay for Increased Living Expenses when a public authority denies **you** access to **your premises**. **We** will pay these costs for up to 2 weeks. The denial can be due to actual or threatened damage to **your dwelling** or outbuildings, but it must be due to a peril for which **your dwelling** or outbuildings are insured. If **you** have Cover Code C, it must be due to a **Listed Peril**.

Inflation Protection Factor

To help protect **you** in the event of a loss, **we** will increase the total **amount of protection** on **your dwelling**, outbuildings, and belongings by a portion of the Inflation Protection Factor (IPF) percentage (as shown on the Cover Page) as follows:

- 2 months after inception – 25% of the IPF
- 5 months after inception – 50% of the IPF
- 8 months after inception – 75% of the IPF
- 11 months after inception – 100% of the IPF

Inception means the effective date of the policy, or, if the policy has been in force for more than 1 year, its last anniversary date. If **you** request a change in the amount of insurance during the policy term, the effective date of that change will be considered the **inception**, until the next policy anniversary date.

Vacant buildings do not have this added feature.

Lost Rental Income

We will pay up to 10% of the **amount of protection** shown on **your** Cover Page for **your dwelling** to pay for loss of rental income. The costs must be due to peril for which **your dwelling** is insured. The length of time **we** will continue to make payments is not restricted by the expiry of **your** policy. The amount **we** pay adds to **your** total **amount of protection**.

We will pay for **your** actual loss of rental income for those parts of **your dwelling** or outbuildings that **you** were renting out when the loss took place. **We** will pay for the fair rental value of this property even if it was not rented out when the loss took place. **You** must show **us** that **you** were trying and able to rent it out at the time of loss. **We** will pay until **you** have had a reasonable length of time to repair or replace **your dwelling** or outbuildings, and then **we** will stop paying. **We** will deduct any savings in expenses, such as electric and water bills, which stop because of this loss.

We will not pay for any increased costs, due to unnecessary delays on **your** part to repair or replace **your dwelling** or outbuildings, relocate or settle **your** household.

We will also pay for Lost Rental Income when a public authority denies **you** access to **your dwelling**. **We** will pay these costs for up to 2 weeks. The denial can be due to actual or threatened damage to **your dwelling**, but it must be due to a cause of loss for which **your dwelling** is insured. If **you** have Cover Code C, it must be due to a **Listed Peril**.

Outdoor Trees, Shrubs, Plants and Lawns

You may use up to 5% of the **amount of protection** shown on **your dwelling** to pay for loss or damage to trees, shrubs, plants, and lawns. Loss must be due to 1 of these 8 causes: 1) Fire. 2) Lightning. 3) Explosion or Implosion. 4) Riot. 5) Impact by Aircraft, Spacecraft or Land Vehicles. 6) Vandalism. 7) Malicious Acts. 8) Theft including damage caused by attempted theft.

We will pay up to \$1,000 for **your** lawn, single tree, plant or shrub including debris removal. **We** do not insure any items grown for commercial purposes or sale.

Property Protection Coverage

We will pay for property that is damaged or used trying to protect **your dwelling**, outbuildings, or belongings from a loss. For example, **we** will pay to recharge a neighbour's fire extinguisher if it was used to fight **your** fire. **We** will not pay for property owned by a fire department. The amount **we** pay adds to **your** total **amount of protection**.

Tear Out

We will pay to remove and replace or repair parts of **your dwelling** or **premises** if that is necessary to repair **rupture** damage to plumbing, heating, fire sprinkler, or air conditioning systems. Such **rupture** damage must be covered by this policy in order to have this coverage.

We will not pay the cost of tearing out and replacing or repairing property for damage related to swimming pools, hot tubs, or similar installations, public **watermains**, or sewers.

This coverage is not subject to a deductible.

Temperature Change

If there is a failure of any system in **your dwelling** or outbuildings that maintains an artificial temperature, such as **your** furnace or freezer, **we** will pay for the loss or damage to **your** belongings that is caused by the resulting change in temperature. The belongings must be in a building. Under Cover Code A or Cover Code B, this failure must be due to a peril for which **your** belongings are insured by this policy.

Theft and Theft-Related Damage

If not covered elsewhere in this policy, **you** may use up to \$1,000 to pay for theft related damage to **your dwelling** or outbuildings, but **your** belongings must be insured for the peril of theft. The damage must be caused by theft or attempted theft of **your** belongings.

Optional Coverages

Your Cover Page will show which of the following optional coverages apply to your policy.

Guaranteed Replacement Cost – Seasonal Dwelling

If **your** Cover Page shows that **you** have this coverage, **we** will pay to repair or replace **your** seasonal dwelling at today's prices with material of similar kind and quality. **We** will do this even if the cost is more than the **amount of protection** shown on **your** Cover Page. **We** will not pay for increased costs due to any law or bylaw dealing with building or repair. **We** will not pay for any increased costs due to unnecessary delays on **your** part.

After a loss, **you** must do 3 things to get this coverage:

- **you** must rebuild **your** seasonal dwelling on a permanent foundation at the same site.
- **you** must rebuild **your** seasonal dwelling within a reasonable time.
We will not pay for increased costs due to unnecessary delays on **your** part.
- **you** must re-occupy that location as a seasonal dwelling.

You must tell us if you are making changes to your seasonal dwelling that will increase its total Replacement Cost by \$25,000 or more. For example, when **you** add an addition to or renovate **your** seasonal dwelling. **You** must pay an additional premium for this increase in value. **You** must tell **us** within 90 days of the date when work started. If **you** do not, **we** will pay no more than the **amount of protection** shown on **your** Cover Page. The basis of settlement will apply as if this coverage had not been in effect, as outlined under Settling a Claim – Dwelling and Outbuildings. **We** will increase this amount as a result of Inflation Protection Factor.

Optional Landlord's Coverage – Rental Dwellings

If **your** Cover Page shows that **you** have this coverage, **we** will pay up to \$1,500 for damage to the insured **dwelling** caused by theft or attempted theft. **You** must pay the deductible shown on the Cover Page.

Sewer Back Up

If this coverage is shown on **your** Cover Page, **we** will pay for loss or damage caused by back up, accidental discharge or escape or overflow of water or sewage from a sewer, sump, septic tank or eavestrough or downspout connected to **your** sewer.

We will not cover loss or damage caused by:

- a) back up, discharge or escape or overflow of water or sewage from public sewers or drains outside **your dwelling**.
- b) seepage or continuous or repeated leakage.

We do not cover sewer back up to **your dwelling** or belongings while **your dwelling** is **vacant** even if **we** have given permission for vacancy elsewhere in this policy.

Voluntary Fire Fighting Coverage

If **your** Cover Page shows that **you** have this coverage, **we** will pay up to the **amount of protection** shown to a fire department for its services. The services must deal with a fire loss for which **your dwelling**, outbuildings, or belongings are covered or they must be needed to protect **your** property or property of others adjacent to **your premises**, from such a loss.

This coverage will apply to all property and locations shown on the Cover Page.

We will not pay for property owned by a fire department.

This coverage is not subject to a deductible.

Part II – Perils Insured

Perils Insured – Cover Code A

When Cover Code A is shown on **your** Cover Page, **we** cover direct physical loss or damage caused by the following 10 perils:

- 1) **Fire or Lightning.**
- 2) **Explosion or Implosion.**
- 3) **Smoke.** By this **we** mean damage due to sudden and unusual failure of a heating or cooking unit in or on the **premises**. This could include things such as a furnace, stove or fireplace.
- 4) **Falling Objects** that hit the outside of an insured building or structure.
- 5) **Impact by Aircraft, Spacecraft or Land Vehicles.**
- 6) **Riot.**
- 7) **Vandalism or Malicious Acts.** **We** do not cover loss or damage:
 - directly or indirectly caused by theft or attempted theft.
 - while **your dwelling** is under construction or **vacant**, regardless if permission for construction or vacancy was given elsewhere.
 - caused by **you** or anyone living in **your** household.
 - caused by any tenant, tenant's guests, tenant's employees, or members of their household.
- 8) **Water Escape and Rupture.** If **you**, or **your** tenant with **your** knowledge, are away from **your premises** for more than 10 consecutive days during the normal heating season, **you** must do 1 of 3 things. **You** or **your** tenant must shut off the water supply and drain all pipes, attached fixtures, and appliances, **or** arrange to have a reliable person come in daily to check the heating, **or** have **your premises** electronically monitored 24 hours per day by a company that monitors and responds to a low temperature signal. If **you** do not, **we** will not cover loss or damage caused by freezing, or resulting water damage.

We do not cover loss or damage to **your dwelling** or belongings if **your dwelling** has been **vacant** for more than 30 consecutive days or while it is under construction.

We do not cover loss or damage caused by freezing to any part of a plumbing, heating, fire sprinkler or air conditioning system or household appliance not in a heated building, or any resulting water damage.

We do not cover loss or damage caused:

 - by rust, corrosion or deterioration.
 - by seepage, or continuous or repeated leakage.
 - by back up, discharge or escape or overflow of water or sewage from a sewer, sump, septic tank, or eavestrough or downspout connected to **your** sewer.
- 9) **Windstorm or Hail.** The interior of a building and belongings inside are also covered, but only if the damage happens immediately after wind or hail first makes an opening in the building. This peril does not cover loss or damage caused by waves, flood, high water, ice, rain, snow or sleet, whether driven by wind or not.
- 10) **Electricity.** Means sudden and accidental loss or damage caused by artificially generated electrical current.

There are other causes of loss we will not cover under this policy. These are shown under Part V – Property and Causes of Loss We Do Not Cover.

Perils Insured – Cover Code B

When Cover Code B is shown on **your** Cover Page, **we** cover for direct physical loss or damage caused by the perils shown in Cover Code A plus peril 11 on seasonal and rental dwellings and outbuildings or perils 1 to 13, on belongings:

- 11) **Glass Breakage.** **We** cover any cause of loss to glass or safety glazing material. These things must be part of a building, storm door, or window. **We** do not cover these things while **your dwelling** or outbuilding is **vacant** or under construction.
- 12) **Theft, including damage caused by Attempted Theft.** **We** do not cover the following:
 - buildings, building materials **you** are going to use as part of **your dwelling**, permanently installed equipment, and structures, except as shown under Added Features of **Your** Part I Coverage.
 - property on **your premises** while **your dwelling** is under construction or **vacant**.
 - property from that part of **your premises** rented by **you** to others caused by any tenant, tenant's guests, tenant's employees, or members of their household.
 - loss or damage caused by **you** or anyone living in **your** household.
- 13) **Transportation.** **We** cover loss or damage to belongings and building fixtures and fittings while they are being transported if caused by an accident to the transporting vehicle.

There are other causes of loss we will not cover under this policy. These are shown under Part V – Property and Causes of Loss We Do Not Cover.

Perils Insured – Cover Code C

When Cover Code C is shown on **your** Cover Page, **we** cover direct physical loss or damage caused by comprehensive perils.

Comprehensive Perils. Shown below are some perils or causes of loss that **we** exclude. If these are the cause of loss or damage, **we** do not cover such loss. If the peril that causes loss or damage is not one of the perils shown below, then **you** are covered.

We do not cover loss or damage:

- a) caused by water below ground level including that which exerts pressure on or flows, seeps or leaks through any opening in a sidewalk, driveway, foundation, wall, window, door or floor. **We** will, however, cover if it was due to a sudden and unexpected escape of water from a swimming pool or its attached equipment, fire fighting activities, or a public **watermain**.
- b) caused by flood, **surface water**, waves, tidal waves, overflow of streams or other bodies of water, spray, ice, or waterborne ice, shoreline ice build-up, or waterborne objects, whether any of the former are driven by wind or not. But **we** will, however, cover if it was due to a sudden and unexpected escape of water from a swimming pool or its attached equipment, fire fighting activities, or a public **watermain**. **We** will cover loss or damage to watercraft due to sudden and unexpected flood, **surface water** and waves.
- c) caused by wear and tear, rust, corrosion, or deterioration.
- d) caused by freezing or resulting **water escape** from a plumbing, heating, fire sprinkler or air conditioning system, or household appliance during the normal heating season and **you**, or **your** tenant with **your** knowledge, are away from **your premises** for more than 10 consecutive days. In order to have this coverage, **you** or **your** tenant must do 1 of 3 things. **You** or **your** tenant must shut off the water supply and drain all pipes, attached fixtures, and appliances, or arrange to have a reliable person come in daily to check the heating, or have **your dwelling** electronically monitored 24 hours per day by a company that monitors and responds to a low temperature signal. But

we will not cover loss or damage if **your dwelling** has been **vacant** for more than 30 consecutive days or while **your dwelling** is under construction, even if **we** have given permission for construction or vacancy.

- e) caused by dampness of atmosphere, extremes of temperature, condensation, wet or dry rot, mould, contamination, inherent vice, unknown flaw and defect or mechanical breakdown.
- f) caused by cracking of ceilings or walls.
- g) caused by seepage or continuous or repeated leakage of water or steam from a plumbing, heating, fire sprinkler, or air conditioning system, household appliance, a swimming pool or hot tub or attached equipment, or a public **watermain**.
- h) caused by **rupture**, or freezing to an outdoor swimming pool or hot tub and the attached equipment of either, any part of a plumbing, heating, fire sprinkler, or air conditioning system, or household appliance not in a heated building or a public **watermain**.
- i) due to theft or attempted theft, vandalism or malicious acts:
 - (i) to property from that part of **your premises** rented by **you** to others caused by any tenant, tenant's guests, tenant's employees, or members of their household.
 - (ii) caused by **you** or anyone living in **your** household.
- j) caused by escape of water or steam from a plumbing, heating, fire sprinkler, or air conditioning system, household appliance, swimming pool or hot tub or their attached equipment, or public **watermain** occurring after **your dwelling** has been **vacant** for more than 30 consecutive days or while **your dwelling** is under construction, even if **we** have given permission for construction or vacancy.
- k) caused by vermin including skunks, rodents, raccoons, moths, insects, and domesticated animals including birds.
- l) caused by sudden and accidental bursting, tearing apart, cracking, burning, or bulging due to the pressure of or lack of water or steam in a plumbing, heating, fire sprinkler, or air conditioning system, or an appliance for heating water occurring after **your dwelling** has been **vacant** for more than 30 consecutive days or while **your dwelling** is under construction, even if **we** have given permission for construction or vacancy.
- m) due to theft or attempted theft, vandalism or malicious acts while **your dwelling** is under construction or **vacant**, even if **we** have given permission for construction or vacancy.
- n) due to marring or scratching of any property or breakage of any fragile or brittle article unless caused by a **Listed Peril**, theft or attempted theft.
- o) to glass while **your dwelling** or outbuilding is under construction or **vacant**, even if **we** have given permission for construction or vacancy.
- p) to retaining walls not constituting part of an insured building, unless caused by a **Listed Peril**.
- q) caused by accidental discharge or seepage or continuous or repeated leakage of sewage or water from a sewer, sump, septic tank or eavestrough or downspout connected to a sewer. **We** do not cover loss or damage caused by back up, discharge or escape or overflow of water or sewage from public sewers or drains outside **your dwelling**.
- r) caused by smoke from agricultural or industrial operations.
- s) to sporting equipment due to the use of it.
- t) to contact lenses unless the loss or damage is caused by a **Listed Peril**, theft or attempted theft.

We do not cover the following 3 things if they happen at the same time as an excluded peril or cause of loss above or elsewhere in this policy or contribute with an excluded peril or cause of loss to produce a loss:

- weather conditions.
- acts or decisions of any person, civic authorities, or government authorities.
- faulty, inadequate, or defective planning, design, material, construction, or maintenance of public utilities or public structures.

The **Listed Perils** referred to previously are fire, lightning, explosion or implosion, smoke, falling objects, impact by aircraft, spacecraft or land vehicles, riot, vandalism or malicious acts, **water escape, rupture, windstorm or hail and electricity**; all as defined under **Perils Insured**.

There are other causes of loss **we** will not cover under this policy. These are shown under **Part V – Property and Causes of Loss We Do Not Cover**.

Perils Insured – Cover Code AE – Vacant Dwelling Coverage

If Cover Code AE is shown on **your** Cover Page, **we** will cover **your vacant** seasonal dwelling or **your vacant** rental dwelling for those listed perils as described under Cover Code A.

If **your dwelling** is **vacant** for more than 90 days, the most **we** will pay for loss or damage caused by fire or lightning is 2/3 of the actual amount of such loss or damage. This does not apply unless shown on **your** Cover Page.

Cover Code AE requires that the following conditions must be met:

- a) **you** must arrange to have a person **you** can rely on take care of **your dwelling**.
- b) all windows and doors must be closed and locked.
- c) all rubbish must be removed.

Part III – Special Belongings Coverage

Your Cover Page will show if **you** have special belongings coverage and the specific type and description of special belongings that are covered. It will indicate the perils insured by showing the Cover Code that applies. Special belongings are subject to the perils insured in Part II and all the exclusions and conditions of Part V. Special belongings are covered only while at **your premises** or while temporarily away from **your premises**.

Conditions for Certain Special Belongings

Watercraft, their Equipment, Accessories, Outboard Motors, and Jet Propulsion Personal Watercraft, including Unlicensed Boat Trailers

Coverage is limited to Canada and the continental U.S.A.

We will not pay for loss or damage when:

- they are rented to others or used to carry passengers for a fee.
- they collide with ice while in the water.
- they are used in any race or speed test.
- they are not being operated in accordance with *The Canada Shipping Act* regulations governing age and horsepower restrictions and operator competency requirements.

We will not pay for loss or damage caused by freezing.

We will not pay for damage to a propeller or impeller, if that is the only part that is damaged. But if other parts of **your** unit are damaged at the same time, then **we** will pay.

Added Feature: If **you** insure a boat, motor or a **jet propulsion personal watercraft**, **we** will pay up to \$2,500 for damage to a new unit acquired by **you** as owner, if it does not replace insured property. Should the new unit replace an item **we** already insure, then **we** will pay up to the **amount of protection** shown on the Cover Page for the replaced property, if it is more than \$2,500.

We will not pay for loss or damage to new or replacement property when **you** have not told **us** of **your** ownership within 30 days after its delivery.

Home Computers

You have coverage for **your** computer equipment, component parts, and active **data** processing media which are owned, leased, or rented by **you**. **We** do not cover those things if they are used professionally or for any **business**, including farming, unless this use is shown on **your** Cover Page.

Active data processing media means all forms of converted **data**, program vehicles, and instruction vehicles that **you** use.

We will not cover loss or damage:

- to accounts, bills, evidence of debt, valuable papers, records, abstracts, deeds, manuscripts, or other documents, except as they may be converted to a **data** processing media form and then only in that form.
- to any active **data** processing media which cannot be replaced with other of similar kind and quality.
- to **data** processing media caused by failure, breakdown or malfunction of the system on which it is being run unless loss or damage is caused by ensuing fire or explosion and then only for such ensuing loss or damage.
- caused by dryness or dampness of atmosphere, extremes of temperature, corrosion, or rust, unless directly resulting from physical damage to the **data** processing system's air conditioning facilities, caused by an **insured peril**.

- caused by electronic or magnetic injury, disturbance, or erasure of electronic recordings, except that caused by lightning or electricity.

Special Limit of Liability. Our liability for loss or damage to active data processing media shall not exceed the actual reproduction costs of the property or, if it is not replaced or reproduced, the value of the blank media.

Collectibles

- Coin, stamp and trading card collections with respect to any single item contained in any collection, a limit of \$200 applies unless that single item is specifically listed and a separate **amount of protection** is shown. Any single item means any 1 stamp, coin, or other individual article, pair, strip, block, series sheet, cover, frame, card, or the like.
- **We** will not cover any collection or part of that collection while it is on exhibit or display, or any time **your** property is being held for sale by others.

Automatic Acquisitions

(Not applicable to Watercraft, their equipment, accessories, outboard motors, and Jet Propulsion Personal Watercraft, including Unlicensed Boat Trailers and All-Terrain Vehicles)

Automatic Acquisition: Where an **amount of protection** is shown on **your** Cover Page for special belongings, additional articles of the same type and nature acquired by **you** as owner during the policy period will be covered automatically provided **you** report and insure such new article(s) within 30 days of the date of acquisition.

Under this clause **we** will pay up to 25% of the **amount of protection** shown on **your** Cover Page for the same type and nature of special belongings or \$5,000, whichever is the lesser amount.

Part IV – Other Property

All-Terrain Vehicles

Available for Saskatchewan residents only – subject to *The All Terrain Vehicles Act*.

We cover direct physical loss or damage to all-terrain vehicle(s) that are owned, leased or rented by **you**, including attached equipment, accessories and any unlicensed trailers that are designed for their use.

Your Cover Page must show which all-terrain vehicle(s) **you** have chosen to cover, its Cover Code and **amount of protection**.

Added Feature: If **you** insure an all-terrain vehicle, **we** will pay up to \$2,000 for damage to a new unit acquired by **you** as owner, if it does not replace insured property. Should the new unit replace an item **we** already insure, then **we** will use the **amount of protection** shown on the Cover Page for the replaced property, if it is more than \$2,000.

We will not pay for damage to new or replacement property when **you** have not told **us** of **your** ownership within 30 days after its delivery.

Claims We Do Not Cover

- 1) **We** do not cover loss or damage when:
 - (a) operated by any person under the influence of intoxicating liquor or drugs.
 - (b) not being operated in accordance with *The All Terrain Vehicles Act*.
 - (c) used in any race or speed test.
 - (d) used for any illicit or prohibited trade or transportation.
 - (e) used for carrying passengers for a fee.
 - (f) while rented or leased to others.
- 2) **We** do not cover loss or damage:
 - (a) to tires unless the loss or damage is coincident with other loss or damage covered by this policy or is caused by fire, theft, or vandalism.
 - (b) conversion kits, equipment, or accessories that alter the design and or usage of the all-terrain vehicle as defined in *The All Terrain Vehicles Act*.

Basis of Settlement

The amount that **we** pay **you** for a loss will not be more than any of the following:

- 1) the **amount of protection** shown on **your** Cover Page; or
- 2) **your** financial interest in the property at the time of the loss; or
- 3) the **Actual Cash Value** of the property at the time of the loss. See the Definitions section for an explanation of **Actual Cash Value**.

Conditions

Parts I and III of this booklet do not apply to all-terrain vehicle coverage.

Dwelling Under Construction (Comprehensive Coverage)

If **you** have this coverage **your** Cover Page shows what property **you** have chosen to cover, the location and the **amount of protection**.

Property Covered

The property covered as shown on the Cover Page shall have the following meaning:

Dwelling shall mean a newly constructed private **dwelling** and its outbuildings including additions in contact therewith, dwelling fixtures, and fittings, appliances, frescoes, glass, materials and supplies intended for use in construction of such **dwelling(s)** located on the **premises** shown on the Cover Page or while in **your** possession. Building materials and supplies acquired by **you** and intended for use in construction of such **dwelling(s)** are covered during transport to **your premises**, as shown on the Cover Page.

Perils Insured Cover Code H

When the **dwelling** under construction is covered, as shown on **your** Cover Page, **we** insure it against direct physical loss or damage caused by comprehensive perils. Comprehensive perils means that if the cause of loss or damage or the peril that causes loss or damage is not shown below, then **you** are covered.

Property and Causes of Loss We Do Not Cover

- a) Loss or damage caused by flood, **surface water**, waves, tidal waves, overflow of streams or other bodies of water, spray, ice or waterborne ice, shoreline ice build-up, or waterborne objects, whether any of the former are driven by wind or not. **We** will cover the loss or damage if it was due to a sudden and unexpected escape of water from a swimming pool or its attached equipment, fire fighting activities, or a public **watermain**.
- b) Loss or damage caused by water below ground level including that which exerts pressure on or flows, seeps or leaks through any opening in a sidewalk, driveway, foundation, wall, window, door or floor. **We** will cover the loss or damage if it was due to a sudden and unexpected escape of water from a swimming pool or its attached equipment, fire fighting activities, or a public **watermain**.
- c) Loss or damage caused by dampness of atmosphere, extremes of temperature, condensation, wet or dry rot, mould, contamination, inherent vice, unknown flaw and defect or mechanical breakdown.
- d) Loss or damage caused by vermin including skunks, rodents, raccoons, moths, insects, and domesticated animals, including birds.
- e) Loss or damage caused by wear and tear, rust or corrosion, deterioration, frost or freezing, or contamination unless caused directly by a peril not otherwise excluded.
- f) Loss or damage caused by accidental discharge or seepage or continuous or repeated leakage of sewage or water from a sewer, sump, septic tank, or eavestrough or downspout connected to **your** sewer. **We** do not cover loss or damage caused by back up, discharge or escape or overflow of water or sewage from public sewers or drains outside **your dwelling**.
- g) Any loss of use of occupancy under any circumstance.
- h) Loss or damage caused by war, invasion, act of foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection, or military power.
- i) Loss or damage caused by a nuclear incident as defined in *The Nuclear Liability Act*. Nor do **we** cover nuclear explosion or contamination by radioactive material.
- j) Property otherwise specifically insured.
- k) Penalties for delay in completion or non-completion of contract and non-compliance with contract provisions or conditions.

- l) Books of account, evidence of debt or title, and documents or other evidence to establish ownership or the right or claim to a benefit or thing.
- m) The cost of excavations, brick, stone or concrete foundations, piers or other supports which are below the under surface of the lowest basement floor, or where there is no basement, which are below the surface of the ground.
- n) Loss or damage to temporary coverings of polyethylene or other plastic materials, tarpaulins and fabrics.
- o) Loss or damage caused by snowslide, earthquake, landslide or any earth movement. If any of those results in fire or explosion, **we** will pay for the resulting loss or damage.
- p) Loss or damage directly or indirectly caused by fault, defect, error or omission in design, plan or specifications.
- q) Loss or damage directly or indirectly caused by any dishonest or criminal act on the part of:
 - **you, your** employees, **your** agents, or any person whose property is insured under this policy.
 - anyone to whom **you** have entrusted **your** property, except a hired transportation carrier.
- r) Loss or damage caused by **you** resulting from any additions, renovations or alterations on any existing **dwelling**s, or from any materials used.
- s) Loss or damage not due to a sudden, unexpected event.
- t) Loss or damage caused directly or indirectly by faulty design, material, workmanship or construction, but **we** will pay for resultant damage.
- u) Wind turbine systems including all related equipment and structures manufactured for a rated power generation exceeding 1kW.

Deductible Clause

A deductible means that **you** will have to bear the first part of **your** loss yourself. **We** will subtract this amount from **your** total loss, and then **we** will pay for the rest of **your** loss. **We** will pay up to **your** total **amount of protection**. **We** will use a separate deductible amount for each **dwelling** insured, even if more than 1 **dwelling** is damaged at the same time, as a result of the same cause of loss. **We** will not pay if **your** loss is less than the deductible. The deductible is shown on the Cover Page.

Special Conditions and Limitations

a) Basis of Settlement Clause:

Any loss under this policy shall be adjusted with the named Insured or his/her authorized representative and any settlement shall be based on the cost of repairing, replacing or reinstating (whichever is lesser) with material of similar kind and quality, and for like occupancy, without deduction for depreciation. The repair, replacement or reinstatement must take place on the same site and shall be subject to the following provisions:

1. **Our** payment shall in no event exceed the actual cost for repair, replacement or reinstatement.
2. If repairs, replacement or reinstatement with materials of similar kind and quality is restricted or prohibited by any bylaw, regulation, ordinance or law, any increase in costs shall not be covered by this policy.
3. The maximum amount that **we** will pay shall in no event exceed the **amount of protection** shown on the Cover Page.

4. **Our** liability shall be limited to that proportion of the cost of repair, replacement or reinstatement which the **amount of protection**, applicable to such **dwelling(s)** at the time of loss or damage, bears to 80% of the actual **Replacement Cost** of the **completed value** of the entire **dwelling(s)**. The term **completed value** shall mean the total value of the **dwelling(s)** after all construction has been completed. The value of the **dwelling(s)** shall include the cost of all material and labor.
5. To determine if the **amount of protection** applicable to such **dwelling(s)** is 80% or more of the actual **Replacement Cost** of such **dwelling(s)**, **we** shall disregard the cost of excavations, underground flues and pipes, underground wiring and drains, brick, stone and concrete foundations, piers and other supports that are below the surface of the lowest basement floor. In the event that there is no basement, then those items that are below the surface of the ground inside the foundation walls shall be disregarded.
6. If the policy covers 2 or more **dwellings**, the Basis of Settlement Clause shall apply separately to each **dwelling**.

b) Occupancy Clause:

It is a condition of this insurance that the **dwelling(s)** shall not be occupied unless **you** tell **us** and **we** show this on **your** Cover Page.

c) Arson Conviction Reward:

We will pay \$1,000 for information which leads to a conviction for arson in connection with a fire loss to property insured by this policy. The amount **we** pay adds to **your** total **amount of protection**. The \$1,000 limit will not be increased regardless of the number of persons providing information. This coverage is not subject to a deductible.

d) Fraud Conviction Reward:

We will pay \$1,000 for information which leads to a conviction of fraud in connection with an insured loss to property insured by this policy. The amount **we** pay adds to **your** total **amount of protection**. The \$1,000 limit will not be increased regardless of the number of persons providing information. This coverage is not subject to a deductible.

e) Property Protection Coverage:

We will pay for property that is damaged or used trying to protect **your dwelling**, outbuildings, or belongings from a loss. For example, **we** will pay to recharge a neighbour's fire extinguisher if it was used to fight **your** fire. **We** will not pay for property owned by a fire department. The amount **we** pay adds to **your** total **amount of protection**.

f) Debris Removal Clause:

We will pay to remove debris of insured property from **your premises**, if **your** insured property has been damaged or destroyed by an **insured peril**.

We will also pay for removal of property of others, excluding trees, shrubs and plants blown on to **your premises** by windstorm, if **your** insured property is damaged or destroyed by an **insured peril**.

Debris removal expenses shall not be considered for the purpose of applying any co-insurance.

Conditions

Parts I – Added Features of **Your** Part I Coverage, II, III and V(A.) and (B.) of this booklet do not apply to **dwellings** under construction.

Part V – Policy Conditions

A. Settling a Claim

Your Cover Page will show the **amount of protection** on property insured in Part I, III and IV. Those amounts, along with the features **we** have said add to **your amount of protection**, are the most **we** will pay for **your** loss. **We** will only pay up to **your** financial interest in the property.

Our payment will also depend on **your** share of the loss and other rules used to settle claims. These are explained below.

Deductible

A deductible is used for losses to property covered in Parts I, III and IV.

A deductible means that **you** will have to bear the first part of **your** loss yourself. **We** will subtract this amount from the total of **your** loss. Then **we** will pay for the rest of **your** loss. **We** will pay up to **your** total **amount of protection**. **We** will not pay if **your** loss is less than the deductible. The deductible is shown on **your** Cover Page.

You may have different deductibles, depending on the type of property and the type of loss that **we** cover. When 2 or more items are lost or damaged in 1 loss, or several **insured perils** occur at the same time contributing to the loss, **we** will use only 1 deductible. **We** will use the largest single deductible of all that apply.

Replacement Cost and Actual Cash Value

— as defined in the Definitions section.

We will use one of these methods to find the amount of **your** loss.

If the **dwelling** is a mobile home, the basis of settlement will be **Actual Cash Value** unless otherwise shown on **your** Cover Page.

The basis of settlement for swimming pool liners will be **Actual Cash Value** in all situations.

Obsolescence

We will not pay for increased costs that result when **you** cannot repair or replace **your** property because materials or parts are unavailable, obsolete, or outmoded. **We** will only pay the cost that would have been needed if materials or parts were available. **We** will pay the last known cost of materials or parts.

Dwelling and Outbuildings

If **you** repair or replace the damaged or destroyed building on the same site with material of similar kind and quality within a reasonable time after the damage, **you** may choose as the basis of loss settlement either (A) **Replacement Cost** or (B) **Actual Cash Value**. **We** will only pay up to the total **amount of protection** shown on **your** Cover Page.

(A) The actual cost of repairs or replacement (whichever is less) without deduction for depreciation. In this case, if the loss is over \$1,000 **we** will pay in the proportion that the applicable **amount of protection** bears to 80% of the **Replacement Cost** of the damaged building at the date of loss. This means that if the **amount of protection you** have chosen is less than 80% of the **Replacement Cost** of **your** building **you** have to pay part of the loss.

Settlement will be as in (B) **Actual Cash Value**, if any of the following applies:

- **you** do not repair or replace **your dwelling** or outbuilding on a permanent foundation at the same site.
- **you** do not repair or replace **your dwelling** or outbuilding within reasonable time.
- at the time of loss or damage **your dwelling** was **vacant**.

- **you** do not re-occupy **your dwelling** on the same basis as the time of loss.
- loss or damage to a seasonal mobile home or its outbuildings over 10 years of age according to the manufacturer's date of construction.

(B) The **Actual Cash Value** of the property at the date of loss.

We will not pay for increased costs due to any law or bylaw dealing with building or repair. **We** will not pay for any increased costs due to unnecessary delays on **your** part.

Special Belongings

Watercraft, their equipment, accessories, outboard motors and **jet propulsion personal watercraft**, including unlicensed boat trailers are covered for **Actual Cash Value** or **Replacement Cost** if they are not more than 10 years of age from the date they were originally purchased as new. If they are more than 10 years of age, they are covered for **Actual Cash Value**.

The **amount of protection** for each scheduled item of special belongings must be maintained to 80% of its value. If **you** fail to do so **you** shall become a co-insurer and bear that proportion of the loss to bring the total **amount of protection** up to 80% of its value. **We** will pay in the proportion that the applicable **amount of protection** bears to 80% of the value of the lost or damaged property. When **we** say **value** **we** mean, **Replacement Cost** or **Actual Cash Value**, whichever applies, as explained above.

Belongings and Special Belongings

We will pay the cost of repair or the cost of new belongings or special belongings (whichever is less) of similar kind, quality, and usefulness up to the total **amount of protection** for **your** belongings or to the **amount of protection** shown for special belongings. If **you** replace a belonging or special belonging with one of lesser quality, **we** will only pay the amount **you** paid for the replacement. **You** must give **us** written proof of replacement or repair in order to get **Replacement Cost**. **You** may choose payment on an **Actual Cash Value** basis initially. **You** may make a subsequent claim on a **Replacement Cost** basis but not later than 180 days after payment of an **Actual Cash Value** settlement to **you**. **We** will not pay for increased costs due to unnecessary delays on **your** part. **We** will keep any salvage or proceeds from salvage.

We will only pay the **Actual Cash Value** for loss or damage to these 7 types of belongings or special belongings, unless otherwise shown on the Cover Page:

- 1) a belonging that is not in good, useable condition at the time of loss.
- 2) a belonging not in current use by **you** at the time of loss that **you** had stored away and for which **you** had no specific future use.
- 3) a belonging of an age or condition that makes it out of date or no longer usable for its original purpose.
- 4) art works, antiques, rare objects, and other items that cannot be replaced.
- 5) a belonging that has not been repaired or replaced after a loss.
- 6) spare automobile parts and accessories.
- 7) belongings in a Mobile Home, unless otherwise shown on **your** Cover Page.

Pairs and Sets

(Applies to Belongings and Special Belongings)

Pair: If there is a loss to half of a pair, **we** will pay for the complete pair. The undamaged piece becomes **our** property.

Set: For items that are part of a set of 2 or more pieces, **we** will only pay for those parts that had the loss. For example, if **your** chair is destroyed, **we** would pay for that damage. **We** would not pay for the matching sofa, unless it was damaged as well.

Dent Exclusion Clause for Mobile Homes

When the cause of loss is windstorm or hail, **we** will not pay for dent damage to metal roofs or siding of mobile homes covered by this policy unless the metal is actually punctured.

Property with Specific Amounts of Protection – Belongings (Not Applicable to Special Belongings)

For certain types of property the amount **we** will pay is explained below. The deductible on **your** Cover Page applies.

- (1) **Unless otherwise specified, for losses due to any insured peril we will pay up to these amounts:**
 - a) \$5,000 in all for books, tools, and instruments pertaining to a **business**, profession, trade or occupation. **We** will also pay up to \$5,000 in all for computer hardware used in a **business**, profession, trade or occupation. They are only covered at **your premises**. **We** do not cover other **business** or farm property, such as samples, supplies, or goods held for sale.
 - b) \$2,500 in all for securities.
 - c) \$300 for bullion and \$300 for money. Money also includes gift cards, cash cards and gift certificates.
 - d) \$2,500 in all for watercraft, their equipment, accessories, outboard motors, and **jet propulsion personal watercraft**, and unlicensed boat trailers that are not required to be licensed. Coverage for fire or lightning applies anywhere in Canada or the continental U.S.A. Other perils **you** are insured for apply only at **your premises**. **We** do not cover loss or damage caused by freezing.
 - e) \$1,500 in all for computer software. **We** will not pay the cost of gathering or assembling information or **data**.
 - f) \$1,500 in all for household animals, birds or fish after their death or necessary destruction that occurred within 30 days of injury caused by fire, lightning, explosion or smoke.
 - g) \$5,000 for each lawnmower, garden tractor, snowblower and their attachments and accessories.
 - h) \$200 on any 1 item and a total amount of \$2,500 in all for losses, in any 1 policy term, for trading cards and comic books.
 - i) \$2,500 in all for garden sheds and gazebos while located on a farm premises.
 - j) \$1,000 in all for spare automobile parts and accessories.
- (2) **For losses due to Peril 12 – Theft, and Comprehensive Perils (excluding the Listed Perils) we will pay up to these amounts:**
 - a) \$10,000 in all for jewelry, watches and gems.
 - b) \$10,000 in all for furs, fur garments, and garments trimmed with fur.
 - c) \$2,500 in all for manuscripts, stamps, and philatelic property (such as stamp collections).
 - d) \$300 in all for numismatic property (such as coin collections).
 - e) \$5,000 in all for silverware, silver-plated ware, goldware, gold-plated ware, and pewterware.
 - f) \$1,000 for each bicycle, tricycle, unicycle or electric assisted bicycle (up to 500 watts and not exceeding 32km/h) including accessories and attached equipment.
 - g) \$500 in all for compact discs and digital video discs while in or on motor vehicles, watercraft or aircraft.

B. Property and Causes of Loss We Do Not Cover

We do not cover the following property or causes of loss:

- a) loss or damage not due to a sudden, unexpected event.
- b) loss or damage caused by settling, expansion, contraction, moving, shifting, bulging, buckling, or cracking unless fire or explosion follows, then **we** will pay for the resulting damage. **We** will cover damage to building glass where Cover Code B or Cover Code C apply.
- c) loss or damage caused by snowslide, earthquake, landslide, or any earth movement. However, if any of those results in fire or explosion, **we** will pay for the resulting loss or damage.
- d) the cost of making good any faulty design, material, or workmanship.
- e) buildings, outbuildings, structures, belongings and any other property when designed, used, or intended for use, in whole or in part for:
 - (i) **business** or farming purposes; but in the case of personal computers and related office equipment **we** will cover them if used for farming purposes; or
 - (ii) storage, housing, or upkeep of agricultural products or supplies, livestock, poultry or animals other than household pets;

except as provided under **Property with Specific Amounts of Protection**.

Incidental office use is permitted.

- f) (i) loss or damage caused directly or indirectly, in whole or in part, by any **fungi** or **spores**.
- (ii) the cost or expense for any testing, monitoring, evaluating or assessing of **fungi** or **spore(s)**.
- g) motorized vehicles, trailers and aircraft. This includes such things as cars, trucks, skidsteers, motorcycles, motorized snow vehicles, all-terrain vehicles, dirt bikes, go-carts, dune buggies, hang gliders, ultralights or other similar aircraft of any name. Nor do **we** cover any parts, furnishings or equipment of those things. For example, CB's, stereo equipment, tires or antennae. However, **we** will cover motorized wheel chairs, lawnmowers, snowblowers, garden equipment, golf carts and electric assisted bicycles (up to 500 watts and not exceeding 32km/h). Coverage for skidsteers applies only at **your premises** for personal use only (if shown on **your** Cover Page).
An unlicensed boat trailer kept at **your premises** and spare automobile parts and accessories are special cases. These are shown under **Part III – Conditions for Certain Special Belongings** and under **Part V – Property with Specific Amounts of Protection**.
- h) property illegally acquired, used, kept, or imported.
- i) losses or increased costs of repair due to any bylaw, ordinance or law regulating the zoning, demolition, repair, or construction of buildings and their related services.
- j) loss or damage to property on exhibit or display, or any time **your** property is being held for sale by others.
- k) loss or damage caused by criminal or wilful acts done by **you** or by any person whose property is insured under this policy, including acts done for **you** by someone else.
- l) loss or damage caused directly or indirectly by any illegal or unauthorized activity related to and including the growing, harvesting, manufacturing, processing, storing, sale or distribution of any drug or narcotic or the possession of any substances or item or any kind which constitutes a criminal offence, to any **dwellings**, outbuildings or belongings contained therein, whether or not **you** have any knowledge of or are able or unable to control such illegal activity. This includes any alteration of the **premises** to facilitate such illegal activity.
- m) belongings undergoing any process, including cleaning or being worked on, where the damage results from such process. Resulting damage to other property caused by an **insured peril** is covered.

- n) property lawfully seized or confiscated. But **we** will cover such property if it is destroyed to prevent the spread of fire.
- o) loss or damage caused by acts **you** deliberately did or acts **you** failed to do.
- p) theft of tools that are left unattended, unless the loss is the direct result of forcible entry into a vehicle, trailer, locked tool box, compartment, closet, or building.
- q) loss or damage to **dwellings** or outbuildings while being moved, or while being raised off or lowered onto its foundation, or to belongings contained therein.
- r) loss resulting from a change in ownership of property that is agreed to, even if that change was brought about by trickery or fraud.
- s) loss or damage resulting from contamination or pollution, or the release, discharge or dispersal of contaminants or **pollutants**.
- t) (i) loss or damage to **data**; or
 - (ii) loss or damage caused directly or indirectly by a **data problem**. However, if loss or damage caused by a **data problem** results in the **occurrence** of further loss of or damage to property insured that is directly caused by fire, explosion or implosion, smoke or **water escape** and **rupture**, this exclusion shall not apply to such resulting loss or damage.
- u) loss or damage to any outdoor hot water heating unit(s) on the **premises**, including the structure or enclosure housing the unit(s), and all contents of the same structure if caused by or resulting from the use of the heating unit.
- v) **dwellings** or outbuildings that have been placarded or condemned by any authority or belongings contained therein.
- w) books of account, evidence of debt or title, and documents or other evidence to establish ownership or the right or claim to a benefit or thing.
- x) Wind turbine systems including all related equipment and structures manufactured for a rated power generation exceeding 1kW.
- y) loss or damage caused directly or indirectly, in whole or in part, by **terrorism** or by any activity or decision of a government agency or other entity to prevent, respond to or terminate **terrorism** regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but **you** are still insured for ensuing loss or damage which results directly from fire or explosion.
- z) loss or damage caused by a nuclear incident as defined in *The Nuclear Liability Act*. Nor do **we** cover nuclear explosion or contamination by radioactive material.
- aa) loss or damage caused by war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection, or military power.

C. General Conditions

The following general conditions apply to this policy:

- 1) **We** will not cover people who were holding, storing, or transporting **your** insured property for a fee at the time of loss.
- 2) After **we** pay for **your** claim, **we** may find that someone else is legally responsible for **your** loss. **We** have the right to recover **our** payment from that person. If **we** ask, **you** must co-operate with **us** in any legal action **we** take at **our** expense and through **our** lawyers. **You** may release another person from their legal responsibility to **you** for loss or damage to **your** property, but **you** must tell **us** if **you** do. The agreement must be in writing, and **you** must make the agreement before any loss or damage takes place.

You must not release another person from their legal responsibility for loss or damage after a loss has occurred. **You** will need **our** consent in writing to do so.

- 3) Any payment for a loss will not lower **your** total **amount of protection** for the rest of the policy term.
- 4) The Statutory Conditions apply to all parts of this policy.
- 5) When **you** have other insurance on property covered by Part I, III, and IV of this policy, **we** will only pay **our** share of the loss. **We** will do this even if **your** other insurance covers different perils than this policy. **Our** share will be in the same proportion that the amount of **our** protection bears to the total of all **your** fire protection.
- 6) **You** must tell **us** when **your dwelling** becomes **vacant** as defined by this policy.

You must tell **us** when no one has been living in **your dwelling** for a full year, even if **you** intend to return to it. **We** feel these **dwellings** are **vacant** too – even if belongings are still in place.

If **you** do not tell **us** within 30 days of **your dwelling** becoming **vacant**, **we** will not cover any loss or damage that happens after 30 consecutive days of vacancy. **You** will be covered after 30 days, only if **you** tell **us** **your dwelling** is **vacant** and Vacant Dwelling coverage – Cover Code AE is shown on **your** Cover Page.

A secondary dwelling insured under an Agro Pak policy is considered **vacant** when it is occupied overnight less than 90 nights per year. A secondary dwelling is defined as a **dwelling you** own and occupy overnight for a period less than 6 months, but not less than 90 nights per year.

Any permission for vacancy that **we** allow in this condition does not change or invalidate any coverage restriction due to vacancy, stated in other parts of this policy.

- 7) If **your** loss was due to a crime, **you** must report the loss to the police or other authorities at once. This includes such crimes as theft, burglary, and vandalism or malicious acts.
- 8) **You** must take all reasonable steps to protect **your** property.
- 9) If Cover Code C applies to a loss and it is more restrictive than Cover Code A or Cover Code B shown in this booklet, **we** will adjust **your** claim using the Cover Code most beneficial to **you**.
- 10) If **we** adopt any revision that would broaden coverage under **your** policy during the policy term, and **we** do not charge additional premium, the broadened coverage will immediately apply to **your** policy.
- 11) The **Insured** agrees:
 - a) that repair or replacement must be executed with due diligence and dispatch and as soon as practicable and in any event completed before the 2 year anniversary of the date when damage to the insured property occurred.
 - b) any loss or damage directly or indirectly, proximately or remotely, resulting from or contributed to by any delay to repair or delay to replace is not covered by this policy. This includes but is not limited to the increased cost of repair or reconstruction by reason of any ordinance or law regulating construction or repair.

Part VI – Statutory Conditions

The Statutory Conditions apply with respect to all perils insured by this policy. In the following **you**, the name shown on the Cover Page, are called the **Insured**. **We** are called the **Insurer**.

1. Misrepresentation

If any person applying for insurance falsely describes the property to the prejudice of the Insurer, or misrepresents or fraudulently omits to communicate any circumstance which is material to be made known to the Insurer in order to enable it to judge of the risk to be undertaken, the contract shall be void as to any property in relation to which the misrepresentation or omission is material.

2. Property of Others

Unless otherwise specifically stated in the contract, the Insurer is not liable for loss or damage to property owned by any person other than the **Insured**, unless the interest of the **Insured** therein is stated in the contract.

3. Change of Interest

The Insurer shall be liable for loss or damage occurring after an authorized assignment under the *Bankruptcy and Insolvency Act* or change of title by succession, by operation of law, or by death.

4. Material Change

Any change material to the risk and within the control and knowledge of the **Insured** shall void the contract as to the part affected thereby, unless the change is promptly notified in writing to the Insurer or its local agent; and the Insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the **Insured** in writing that, if he desires the contract to continue in force, he must, within 15 days of the receipt of the notice pay to the Insurer an additional premium; and in default of such payment the contract shall no longer be in force and the Insurer shall return the unearned portion, if any, of the premium paid.

5. Termination of Contract

(1) This contract may be terminated:

- (a) by the Insurer giving to the **Insured** 15 days notice of termination by registered mail, or 5 days written notice of termination personally delivered; or
- (b) by the **Insured** at any time on request.

(2) Where this contract is terminated by the Insurer:

- (a) the Insurer shall refund the excess premium actually paid by the **Insured** over the *pro rata* premium for the expired time, but in no event, shall the *pro rata* premium for the expired time, be deemed to be less than any minimum retained premium specified; and
- (b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.

(3) Where this contract is terminated by the **Insured**, the Insurer shall refund as soon as practicable the excess of premium actually paid by the **Insured** over the *short rate* premium for the expired time, but in no event shall the *short rate* premium for the expired time be deemed to be less than any minimum retained premium specified.

- (4) The refund may be made by money, postal or express company money order, or by cheque payable at par.
- (5) The 15 days mentioned in clause (a) of subcondition (1) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

6. Requirements After Loss

- (1) Upon the occurrence of any loss or damage to the insured property, the **Insured** shall, if such loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11:
 - (a) forthwith give notice thereof in writing to the Insurer.
 - (b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration:
 - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, cost, **Actual Cash Value** and particulars of amount of loss claimed.
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the **Insured** knows or believes.
 - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the **Insured**.
 - (iv) showing the amount of other insurance and the names of other Insurers.
 - (v) showing the interest of the **Insured** and of all others in the property with particulars of all liens, encumbrances and other charges upon the property.
 - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract.
 - (vii) showing the place where the property insured was at the time of loss.
 - (c) if required give a complete inventory of undamaged property and showing in detail quantities, cost, **Actual Cash Value**.
 - (d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
- (2) The evidence furnished under clauses (c) and (d) of subparagraph (1) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

7. Fraud

Any fraud or wilfully false statement in a statutory declaration in relation to any of the above particulars, shall vitiate the claim of the person making the declaration.

8. Who May Give Notice and Proof

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

9. Salvage

- (1) The **Insured**, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to any such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.

- (2) The Insurer shall contribute *pro rata* towards any reasonable and proper expenses in connection with steps taken by the **Insured** and required under sub-paragraph (1) of this condition according to the respective interests of the parties.

10. Entry, Control, Abandonment

After any loss or damage to insured property, the Insurer shall have an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage and, after the **Insured** has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the Insurer shall not be entitled to the control or possession of the insured property, and without the consent of the Insurer there can be no abandonment to it of insured property.

11. Appraisal

In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under *The Saskatchewan Insurance Act* before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.

12. When Loss Payable

The loss shall be payable within 60 days after completion of the proof of loss, unless the contract provides for a shorter period.

13. Replacement

- (1) The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within 30 days after receipt of the proofs of loss.
- (2) In that event the Insurer shall commence to so repair, rebuild, or replace the property within 45 days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

14. Action Repealed

15. Notice

Any written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the province; and written notice may be given to the **Insured** named in the contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the Insurer; and in this condition, the expression **registered** means registered in or outside Canada.

Privacy: Our Commitment

Thank you for choosing SGI CANADA.

At SGI CANADA **we** value **our** customers and take **your** privacy seriously. During the course of **business** with **you**, **our** brokers or **we** may ask for personal information so **we** can serve **you** better. **You** can rest assured that **we'll** protect and respect **your** personal information and privacy – from the time **we** first collect the information until it is disposed of. After all, SGI CANADA's business is built on **your** trust.

Our commitment to **you** is to collect only the information **we** need to conduct **your business** and to adhere to industry best practices in handling and protecting **your** personal information.

Protecting **your** privacy is important to **us** at SGI CANADA.

If you want to:

- access **your** personal information or have **your** information corrected.
- change **your** consent with respect to how **we** collect, use or disclose **your** personal information.
- file a complaint about **our** privacy policies or the manner in which **we've** handled **your** personal information.
- inquire about any other privacy questions or concerns.

Please contact:

SGI CANADA Chief Privacy Officer
2260 – 11th Ave.
Regina, Sask. S4P 0J9
Toll free within Saskatchewan: 1-800-667-8015
E-mail: privacyofficer@sgi.sk.ca

If **you're** not satisfied with the outcome of an inquiry or complaint handled by SGI CANADA's Chief Privacy Officer, **you** may address **your** concerns to:

Office of the Saskatchewan Information and Privacy Commissioner
503 – 1801 Hamilton St.
Regina, Saskatchewan, S4P 4B4
Phone: 306-787-8350
Toll free within Saskatchewan: 1-877-748-2298
Fax: 306-798-1603
www.oipc.sk.ca

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