

**RECREATIONAL VEHICLE POLICY
VACATION TRAILER / CAMPER UNIT / MOTOR HOME**

SECTION 1

I. 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.

II. DEFINITIONS

“You” or “your” means the person(s) named in the Declarations and, while living in the same household, his or her spouse, the relatives of either or any person under 21 in their care. Spouse includes two people who are living together as husband and wife and have 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.

“We” or “us” means Echelon General Insurance Company.

“Unit” means the Holiday Trailer, 5th Wheel Trailer, Motor Home, Tent Trailer or Slide-on Camper unit including built-in accessories, attached equipment and any trailer hitch, sway bar or stabilizer that you own as described in the Declarations.

“Premises” means the lot designated for the use of the unit, and outbuildings and related structures contained within the lot lines on which the unit is situated.

“Permanently installed electrical Devices and Appliances” means electrical devices and appliances installed by the original manufacturer of the unit which are permanently attached, affixed or mounted to and forming part of the unit.

“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 governments(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

“Specified Perils” means the following perils as described and limited in the Insured Perils section, subject to the exclusions and conditions in this policy:

1. fire;
2. lightning;
3. explosion;
4. falling object;
5. riot;
6. vandalism or malicious acts, not including loss or damage caused by theft or attempted theft;
7. windstorm or hail;

III. COVERAGE

One of the following parts, as indicated in the Declarations, applies to your policy:

Part 1 - Actual Cash Value Coverage

Part 2 - Replacement Cost Coverage

Part 3 - Guaranteed Replacement Cost Coverage

PART 1 – ACTUAL CASH VALUE COVERAGE

BASIS OF CLAIM PAYMENT: We will pay for the loss, damage or destruction of your unit for an amount not exceeding whichever is the least of:

1. the actual cash value meaning the actual or current value at the time of loss or damage. It is the cost of repairing or replacing the damaged or destroyed property with a new article of like kind and quality, less depreciation of the property at the time of loss, damage or destruction;
2. your financial interest in the unit; or
3. the applicable limit of insurance stated in the Declarations.

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

INSURED PERILS. You are insured against direct physical loss or damage to your unit caused by the following perils (including General Average and Salvage charges) as described and limited:

1. **Fire.**
2. **Lightning.**
3. **Explosion.** This peril excludes electric arcing, water hammer or rupture of any vessel or conduit due to water pressure therein.
4. **Falling object.** This peril means a falling object which strikes the exterior of the unit or detached private structure. There is no coverage for loss or damage caused: (a) to glass; (b) by snowslide, landslide or any other earth movement; or (c) to radio or TV antennae, satellite receivers, or their attachments.
5. **Riot, vandalism or malicious acts.** This peril does not include loss or damage caused by you or by any person using the unit with your knowledge or consent.
6. **Windstorm or hail.** This peril does not include loss or damage to the interior of your unit, or to its contents caused by windstorm, hail or coincidental rain damage unless the storm first creates an opening in the unit. This peril does not include loss or damage: (a) to outdoor radio or T.V. antennae, satellite receiver and its attachments; (b) due to weight or pressure or melting of ice or snow, waves, floods, whether driven by wind or not.
7. **Collision** (meaning contact with another object) or upset.
8. **Theft, including damage caused by attempted theft.** We do not insure loss or damage caused by a person who is using the unit with your knowledge or consent.

EXTENSIONS OF COVERAGE

1. **Personal Property:** Subject to the terms of Condition V. Property Excluded, we agree to insure unscheduled personal property usual to, and while in the described unit, on the premises or temporarily removed therefrom, and owned by you or for which you are legally liable, for an additional amount of insurance equal to \$2,500 at the same terms and conditions which govern the coverage on the unit. The deductible applies to this coverage.
2. **Emergency Vacation Expense:** In the event that you are using the unit on vacation and the unit suffers damage or destruction from a peril insured against by this policy and is thereby rendered untenable, we agree to reimburse you for any necessary emergency expense to a limit of \$100 per day, subject to an aggregate maximum of \$1,000 for the lesser of:
 - a. the time required to repair or replace the damaged or destroyed unit within a reasonable time after the damage occurs; or
 - b. the time you remain on vacation.The deductible applies to this coverage.
3. **Detached Private Structures:** We insure structures or buildings separated from your unit, or permanently installed outdoor equipment on the premises on which your unit is situated for an additional amount of insurance equal to \$2,500 at the same terms and conditions which govern the coverage on the unit. The deductible applies to this coverage.
4. **Fire Department Charges:** If a fire department attends your premises in response to the occurrence of an insured event they may bill you for these services. If this happens, your policy will pay up to \$500 for such expenses and is not subject to a deductible.
5. **Emergency Road Service Expense:** We will reimburse you up to \$250 in any one occurrence for emergency service expenses necessitated by the disablement of a unit insured by this policy, subject to presentation of receipted bills and acceptable evidence of loss.

We are not liable for the cost of parts, supplies or tires nor for emergency service expenses arising from tire deflation. Coverage provided under this section does not extend to the towing vehicle. The deductible does not apply to this section of the policy.
6. **Debris Removal:** We will pay up to \$500 in all for the cost of removing debris caused by loss or damage to property insured by this policy as a result of an insured peril.
7. **Total Loss Deductible Waiver:** In the event of a total or constructive total loss, the deductible will not be applied.
8. **Newly Acquired Property:** If you acquire any additional trailers, we will automatically insure these under this rider provided that you notify us within 30 days. We will not pay more than the amount (s) of insurance shown on your coverage summary page. This extension only applies to newly acquired trailers of a type already insured under this coverage.
9. **Temporary Attachments:** We insure exterior attachments to the trailer, meaning decks, patios, awnings, Florida rooms or porches, which do not form a part of the trailer while in transit, for up to 10% of the amount of insurance shown for Coverage A – Travel Trailer or \$1,000, whichever is greater. The deductible applies to this coverage.

Part 2 – REPLACEMENT COST COVERAGE

BASIS OF CLAIM PAYMENT. We will pay for loss, damage or destruction of your unit on the basis of the cost, at the time of loss, of repairs or replacement (whichever is lower), with a new unit of similar kind and quality, without deduction for depreciation, subject to policy limits, exclusions and:

1. that repair or replacement be made within 180 days of the date of loss;
2. that if you do not repair or replace, the basis of claim payment shall be that stated in Part 1 - Actual Cash Value Coverage above; and
3. the amount of loss shall not exceed the least of:
 - a. the replacement cost of the unit at the time of the loss, damage or destruction;
 - b. your financial interest in the unit; or
 - c. the applicable limit of insurance stated in the Declarations.

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

INSURED PERILS. You are insured against ALL RISKS of direct physical loss or damage to your unit from any external cause (including General Average and Salvage charges) except:

1. wear and tear or mechanical breakdown;
2. loss or damage caused by deterioration, dampness of atmosphere, extremes of temperature, contamination, inherent vice or latent defect, rust or corrosion, continuous or repeated seepage or leakage, wet or dry rot, mould, fungi or spores, settling, expansion, contraction, shifting, bulging, buckling or cracking, unless loss or damage by fire or explosion ensues and then only for the loss of damage resulting from such ensuing fire or explosion;
3. the cost of making good faulty material, construction or workmanship, or any damage that occurs due to any fault in design;
4. loss or damage as a result of your dishonest or willful act;
5. any mysterious disappearance;
6.
 - a. breakage of eyeglasses, glassware, statuary, marbles, bric-a-brac, chinaware, porcelains, and other fragile or brittle articles; or
 - b. marring or scratching of any property unless loss or damage occurs concurrently with other loss or damage caused by a Specified Peril, or Theft or attempted Theft.
7. any damage arising directly or indirectly from the growing, manufacturing, processing or storing by anyone of any drug, narcotic or illegal substances or items or any kind the possession of which constitutes a criminal offence. This includes any alteration of the premises to facilitate such activity whether or not you have any knowledge of such activity;
8. arising from or resulting from, caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government agency or other entity to prevent, respond to or terminate Terrorism except for ensuing loss or damage which results directly from fire or explosion, as described in Specified Perils. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;
9. loss or damage to electrical devices or appliances caused by electrical current other than lightning, unless loss or damage by fire or explosion ensues and then we will pay only the resulting loss or damage. This exclusion does not apply to permanently installed electrical devices or appliances.

EXTENSIONS OF COVERAGE

1. **Personal Property:** Subject to the terms of Condition V. Property Excluded, we agree to insure unscheduled personal property usual to, and while in the described unit, on the premises or temporarily removed therefrom, and owned by you or for which you are legally liable, for an additional amount of insurance equal to \$4,000 at the same terms and conditions which govern the coverage on the unit. The deductible applies to this coverage.
2. **Emergency Vacation Expense:** In the event that you are using the unit on vacation and the unit suffers damage or destruction from a peril insured against by this policy and is thereby rendered untenable, we agree to reimburse you for any necessary emergency expense to a limit of \$200.00 per day, subject to an aggregate maximum of \$2,000.00 for the lesser of:
 - (a) the time required to repair or replace the damaged or destroyed unit within a reasonable time after the damage occurs; or
 - (b) the time you remain on vacation.The deductible applies to this coverage.
3. **Detached Private Structures:** We insure structures or buildings separated from your unit, or permanently installed outdoor equipment on the premises on which your unit is situated for an additional amount of insurance equal to

\$4,000 at the same terms and conditions which govern the coverage on the unit. The deductible applies to this coverage.

4. **Appliance Extended Warranty:** We will extend the repair period offered by the manufacturers of your unit for permanently attached, manufacturer installed appliances in your unit. The warranty will be extended for a period of one year on the same terms and conditions as the warranty offered by the manufacturer. Our obligation starts on the day after the manufacturer's warranty ends. The deductible does not apply to this coverage.

Appliances eligible for coverage will be manufacturer installed auxiliary power plant / generator, air conditioning unit (roof mounted), central vacuum cleaner, fresh water unit, heating system, hot water unit, ice maker, kitchen center, liquid propane gas system, range / oven unit, refrigerator / freezer unit, television / stereo / video system, trash compactor, and waste system.
5. **Fire Department Charges:** If a fire department attends your premises in response to the occurrence of an insured event they may bill you for these services. If this happens, your policy will pay up to \$500 for such expenses and is not subject to a deductible.
6. **Emergency Road Service Expense**
We will reimburse you up to \$250 in any one occurrence for emergency service expenses necessitated by the disablement of a unit insured by this policy, subject to presentation of receipted bills and acceptable evidence of loss.
We are not liable for the cost of parts, supplies or tires nor for emergency service expenses arising from tire deflation. Coverage provided under this section does not extend to the towing vehicle. The deductible does not apply to this section of the policy.
7. **Debris Removal:** We will pay up to \$500 in all for the cost of removing debris caused by loss or damage to property insured by this policy as a result of an insured peril.
8. **Total Loss Deductible Waiver:** In the event of a total or constructive total loss, the deductible will not be applied.
9. **Newly Acquired Property:** If you acquire any additional trailers, we will automatically insure these under this rider provided that you notify us within 30 days. We will not pay more than the amount(s) of insurance shown on your coverage summary page. This extension only applies to newly acquired trailers of a type already insured under this coverage.
10. **Temporary Attachments:** We insure exterior attachments to the trailer, meaning decks, patios, awnings, Florida rooms or porches, which do not form a part of the trailer while in transit, for up to 10% of the amount of insurance shown for Coverage A – Travel Trailer or \$1,500, whichever is greater. The deductible applies to this coverage.
11. **Lock Repair or Replacement:** We will pay up to \$250 to replace or rekey, at our option, the locks on your trailer, if your keys are stolen. The theft must be reported to the policy or local law enforcement agency. This coverage is not subject to a deductible.

Part 3 – GUARANTEED REPLACEMENT COST COVERAGE

BASIS OF CLAIM PAYMENT: We will pay for loss, damage or destruction of your unit on the basis of the cost, at the time of the loss, of repairs or replacement (whichever is lower), with a new unit of similar kind and quality, without deduction for depreciation, subject to policy exclusions and:

1. that repair or replacement be made within 180 days of the date of loss;
2. that if you do not repair or replace, the basis of claim payment shall be that stated in Part 1 - Actual Cash Value Coverage above; and
3. the amount of loss shall not exceed the least of:
 - a) the actual loss sustained; or
 - b) your financial interest in the unit.

INSURED PERILS. You are insured against ALL RISKS of direct physical loss or damage to your unit from any external cause (including General Average and Salvage charges) except:

1. wear and tear or mechanical breakdown;
2. loss or damage caused by deterioration, dampness of atmosphere, extremes of temperature, contamination, inherent vice or latent defect, rust or corrosion, continuous or repeated seepage or leakage, wet or dry rot, mould, fungi or spores, settling, expansion, contraction, shifting, bulging, buckling or cracking, unless loss or damage by fire or explosion ensues and then only for the loss of damage resulting from such ensuing fire or explosion;
3. the cost of making good faulty material, construction or workmanship, or any damage that occurs due to any fault in design;
4. loss or damage as a result of your dishonest or willful act;

5. any mysterious disappearance;
6.
 - a. breakage of eyeglasses, glassware, statuary, marbles, bric-a-brac, chinaware, porcelains, and other fragile or brittle articles; or
 - b. marring or scratching of any property unless loss or damage occurs concurrently with other loss or damage caused by a Specified Peril, or Theft or attempted Theft.
7. any damage arising directly or indirectly from the growing, manufacturing, processing or storing by anyone of any drug, narcotic or illegal substances or items or any kind the possession of which constitutes a criminal offence. This includes any alteration of the premises to facilitate such activity whether or not you have any knowledge of such activity;
8. arising from or resulting from, caused directly or indirectly, in whole or in part, by Terrorism or by any activity or decision of a government agency or other entity to prevent, respond to or terminate Terrorism except for ensuing loss or damage which results directly from fire or explosion, as described in Specified Perils. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage;
9. loss or damage to electrical devices or appliances caused by electrical current other than lightning, unless loss or damage by fire or explosion ensues and then we will pay only the resulting loss or damage. This exclusion does not apply to permanently installed electrical devices or appliances.

EXTENSIONS OF COVERAGE

1. **Personal Property:** Subject to the terms of Condition V. Property Excluded, we agree to insure unscheduled personal property usual to, and while in the described unit, on the premises or temporarily removed therefrom, and owned by you or for which you are legally liable, for an additional amount of insurance equal to \$6,000 at the same terms and conditions which govern the coverage on the unit. The deductible applies to this coverage.
2. **Emergency Vacation Expense:** In the event that you are using the unit on vacation and the unit suffers damage or destruction from a peril insured against by this policy and is thereby rendered untenable, we agree to reimburse you for any necessary emergency expense to a limit of \$300 per day, subject to an aggregate maximum of \$3,000 for the lesser of:
 - a. the time required to repair or replace the damaged or destroyed unit within a reasonable time after the damage occurs; or
 - b. the time you remain on vacation.
 The deductible applies to this coverage.
3. **Detached Private Structures:** We insure structures or buildings separated from your unit, or permanently installed outdoor equipment on the premises on which your unit is situated for an additional amount of insurance equal to \$6,000 at the same terms and conditions which govern the coverage on the unit. The deductible applies to this coverage.
4. **Appliance Extended Warranty:** We will extend the repair period offered by the manufacturers of your unit for permanently attached, manufacturer installed appliances in your unit. The warranty will be extended for a period of one year on the same terms and conditions as the warranty offered by the manufacturer. Our obligation starts on the day after the manufacturer's warranty ends. The deductible does not apply to this coverage.

Appliances eligible for coverage will be manufacturer installed auxiliary power plant / generator, air conditioning unit (roof mounted), central vacuum cleaner, fresh water unit, heating system, hot water unit, ice maker, kitchen center, liquid propane gas system, range / oven unit, refrigerator / freezer unit, television / stereo / video system, trash compactor, and waste system.
5. **Fire Department Charges:** If a fire department attends your premises in response to the occurrence of an insured event they may bill you for these services. If this happens, your policy will pay up to \$500 for such expenses and is not subject to a deductible.
6. **Emergency Road Service Expense:** We will reimburse you up to \$250 in any one occurrence for emergency service expenses necessitated by the disablement of a unit insured by this policy, subject to presentation of receipted bills and acceptable evidence of loss.

We are not liable for the cost of parts, supplies or tires nor for emergency service expenses arising from tire deflation. Coverage provided under this section does not extend to the towing vehicle. The deductible does not apply to this section of the policy.
7. **Debris Removal:** We will pay up to \$500 in all for the cost of removing debris caused by loss or damage to property insured by this policy as a result of an insured peril.
8. **Total Loss Deductible Waiver:** In the event of a total or constructive total loss, the deductible will not be applied.
9. **Newly Acquired Property:** If you acquire any additional trailers, we will automatically insure these under this rider provided that you notify us within 30 days. We will not pay more than the amount(s) of insurance shown on your coverage summary page. This extension only applies to newly acquired trailers of a type already insured under this coverage.

10. **Temporary Attachments:** We insure exterior attachments to the trailer, meaning decks, patios, awnings, Florida rooms or porches, which do not form a part of the trailer while in transit, for up to 10% of the amount of insurance shown for Coverage A – Travel Trailer or \$2,500, whichever is greater. The deductible applies to this coverage.
11. **Lock Repair or Replacement:** We will pay up to \$250 to replace or rekey, at our option, the locks on your trailer, if your keys are stolen. The theft must be reported to the policy or local law enforcement agency. This coverage is not subject to a deductible.

The following apply to any of Part 1 – Actual Cash Value Coverage, Part 2 – Replacement Cost Coverage or Part 3 – Guaranteed Replacement Cost Coverage.

IV. DEDUCTIBLE CLAUSE

We are liable only for the amount by which the loss or damage caused by any of the perils insured against under the policy exceeds the amount of deductible stipulated in the Declarations. This deductible clause is not applicable in the event of a total or constructive total loss.

V. PROPERTY EXCLUDED

This policy does not insure:

1. motorized vehicles (except the described motor home), bicycles, watercraft, or aircraft including the furnishings, equipment or appurtenances thereof;
2. money, bullion, cheques or drafts, securities, books of account, deeds, evidences of debt or title, letters of credit, notes other than bank notes, manuscripts, passports, tickets and documents or other evidence to establish ownership or the right or claim to a benefit;
3. jewellery, precious and semi-precious stones, watches, fur garments and garments trimmed with fur, fine arts;
4. numismatic property (such as coin collections) and philatelic property (such as stamp collections);
5. property pertaining to a business, profession or occupation;
6. any property illegally acquired, used, kept, stored, imported or transported, or any property subject to forfeiture;
7. any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
8. sporting equipment where the loss or damage is due to its use;
9. animals, birds or fish;
10. property while waterborne except while on a regular ferry or railway car transfer in connection with land transportation;
11. collectibles including sports cards, sports memorabilia and comic book collections;
12. computer hardware, computer software including equipment and accessories unless it is used exclusively with the unit. We do not insure the cost of gathering or assembling information or data. Business records are not covered;
13. property at any fairground, exhibition or exposition for the purpose of exhibition;
14. units, buildings or structures used in whole or in part for business or farming purposes or business property pertaining to a business actually conducted on the premises, or business property away from the premises.

VI. LOSS OR DAMAGE NOT INSURED

Under each Insured Peril, exclusions specific to that peril or coverage are listed. Regardless of the peril involved:

1. **We will not be liable for loss or damage:**
 - a. to tires or consisting of or caused by mechanical fracture or breakdown of any part of the unit, or by rusting, corrosion, wear and tear, freezing, or explosion within the combustion chamber, but we will be liable if the loss or damage is coincident with other loss or damage which is covered;
 - b. resulting from conversion, embezzlement or by theft by any person in lawful possession of the unit under a mortgage, conditional sale, lease or any other similar written agreement;
 - c. resulting from a voluntary transfer of title or ownership, whether or not induced to do so by any fraudulent scheme, trick or false pretense; or
 - d. caused by war, invasion, act of a foreign enemy, hostilities (whether war be declared or not), civil rebellion, revolution, insurrection or military power.
2. **We will not pay for loss or damage caused in an incident:**

- a. if you are unable to maintain proper control of the vehicle because you are driving under the influence of intoxicating substances;
 - b. if you are convicted of one of the following offenses under the Criminal Code of Canada relating to the operation, care or control of the vehicle, or committed by means of a vehicle, or any similar offence under any law in Canada or the United States:
 - (i) causing death by criminal negligence;
 - (ii) causing bodily harm by criminal negligence;
 - (iii) dangerous operation of motor vehicles;
 - (iv) failure to stop at the scene of an accident;
 - (v) operation of a motor vehicle when impaired or with more than 80 mg of alcohol in the blood;
 - (vi) refusal to comply with demand for breath sample;
 - (vii) causing bodily harm during operation of motor vehicle while impaired or over 80 mg of alcohol in the blood; or
 - (viii) operating a motor vehicle while disqualified from doing so;
 - c. if you use or permit the vehicle to be used in a race or speed test, or for illegal activity;
 - d. if you drive the vehicle while not authorized by law; or
 - e. if another person, with your permission, drives the vehicle under any of these conditions.
- 3. We do not insure:**
- a. against loss or damage caused directly or indirectly by the failure of any computer or other equipment, including embedded microchips, computer programme or software to correctly read, recognize, process, distinguish, interpret or accept any date, time or combined date/time data or data field. Such failure shall include any error in original or modified data entry or programming. This exclusion does not apply to any loss caused by a Specified Peril;
 - b. loss or damage caused directly or indirectly by:
 - (i) any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas; or
 - (ii) contamination by radioactive material;
 - c. loss or damage resulting from 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;
 - d. loss or damage caused by birds, vermin, raccoons, skunks, rodents (such as squirrels and rats), moths or other insects (such as termites) except loss or damage to glass which forms part of your unit or any detached private structure;
 - e. loss or damage caused by smoke. This means smoke due to a sudden, unusual and faulty operation of a fireplace, or of any heating or cooking unit in or on the premises;
 - f. loss or damage caused by or resulting from contamination or pollution, or the release, discharge or dispersal of contaminants or pollutants, unless the loss or damage is caused by the bursting or overflowing of your domestic fixed fuel oil tank, its apparatus or pipes;
 - g. loss or damage caused to personal property undergoing any process or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
 - h. losses or increased costs of repair due to operation of any law or by-law regulating the zoning, demolition, repair or construction of buildings and their related services;
 - i. loss or damage caused by animals owned by or in the care, custody or control of anyone included in the definition of "you" and "your", except loss or damage to glass which forms part of your unit or any detached private structure.

CONDITIONS REQUIRED BY LAW

With respect to Section II - Personal Liability Coverage, when added to your Policy, Statutory Conditions 1, 3, 4, 5 and 15 only apply. Otherwise, all of the Conditions set forth under the titles Statutory Conditions and Additions Conditions apply with respect to all of the perils insured by this policy except as these Conditions may be modified or supplemented by the Forms or Endorsements included herein and attached.

VII. STATUTORY CONDITIONS

(applicable in Common Law jurisdictions)

1. **Misrepresentation** - If a person applying for insurance falsely describes the property to the prejudice of the Insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the Insurer in order to enable it to judge of the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.
2. **Property of Others** - Unless otherwise specifically stated in the contract, the Insurer is not liable for loss or damage to property owned by any person other than the Insured, unless the interest of the Insured therein is stated in the contract.
3. **Change of Interest** - The Insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act (Canada) or change of title by succession, by operation of law, or by death.
4. **Material Change** - Any change material to the risk and within the control and knowledge of the Insured avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to the Insurer or its local agent, and the Insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the Insured in writing that, if he desires the contract to continue in force, he must, within fifteen days of the receipt of the notice, pay to the Insurer any additional premium, and in default of such a payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.
5. **Termination**
 - (1) This contract may be terminated,
 - (a) by the Insurer giving to the Insured fifteen days' notice of termination by registered mail or five days' written notice of termination personally delivered;
 - (b) by the Insured at any time on request.
 - (2) Where this contract is terminated by the Insurer,
 - (a) the Insurer shall refund the excess of premium actually paid by the Insured over the proportionate premium for the expired time, but, in no event, shall the proportionate 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 the premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
 - (4) The refund may be made by money, postal or express company money order or cheque payable at par.
 - (5) The fifteen days mentioned in clause (1)(a) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.
6. **Requirements After Loss**
 - (1) Upon the occurrence of any loss of or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10, and 11,
 - (a) forthwith give notice thereof in writing to the Insurer;
 - (b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
 - i. giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
 - ii. stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,
 - iii. stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured,
 - iv. showing the amount of other insurances and the names of other insurers,
 - v. showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,
 - vi. showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
 - vii. showing the place where the property insured was at the time of loss.
 - (c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;

- (d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
- (2) The evidence furnished under clauses (1)(c) and (d) 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, vitiates 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 such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.
- (2) The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the Insured and required under sub-paragraph (1) of this condition according to the respective interests of the parties.
- 10. Entry, Control, Abandonment** - After loss or damage to insured property, the Insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the Insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the Insurer is not entitled to the control or possession of the insured property, and without the consent of the Insurer there can be no abandonment to it of insured property.
- 11. Appraisal** - In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under The Insurance Act before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefore is made in writing and until after proof of loss has been delivered.
- 12. When Loss Payable** - The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.
- 13. Replacement**
- (1) The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention to do so within thirty 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 forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.
- 14. Action** - Every action or proceeding against the Insurer for the recovery of any claim under or by virtue of this contract is absolutely barred unless commenced within one year (two years in the Province of Manitoba and Yukon Territory) next after the loss or damage occurs.
- 15. Notice** - Any written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the Province. Written notice may be given to the Insured named in the contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.

VIII. ADDITIONAL CONDITIONS

- 16. Notice to Authorities** - Where the loss is due to malicious acts, burglary, robbery, theft or attempt thereof, or is suspected to be so due, the Insured shall give immediate notice to the police or other authorities having jurisdiction.
- 17. No Benefit to Bailee** - It is warranted by the Insured that this insurance shall in no way enure directly or indirectly to the benefit of any carrier or other bailee.
- 18. 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 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 set.
- 19. 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.

20. **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.
21. **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.
22. **Subrogation** - The Insurer, upon making any payment or assuming liability therefore 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 proportions in which the loss or damage has been borne by them respectively.
23. **General Condition - Waiver** - This condition applies to all Sections of this policy. We shall not be deemed to have waived any term or condition of this policy in whole or in part, unless our waiver is clearly stated and in writing, and is signed by a person authorized to do so. In addition, neither we nor you may be lawfully considered to have waived any term or condition of this policy by any act relating to the appraisal of the amount of a claim, the delivery or completion of proof, or the investigation of or adjustment of any claim under the policy.
24. **General Condition - Examination Under Oath** - In the event of a loss, each of you is required, after submission of the Proof of Loss, to submit to examination under oath and produce for examination all documents in your possession or control that relate to the application for insurance and Proof of Loss and you shall permit extracts and copies thereof to be made, all at such reasonable place and time as is designated by the insurer or its representative.

IX. SPECIAL CONDITIONS

1. **Territorial Limits** - This policy insures only within the territorial limits of Canada and the Continental United States of America or while in transit between points therein.
2. **Ownership and Use of Property Insured** - The property insured may be owned by the Insured or in his custody or control and for which he is legally liable. It is a condition of this policy that the property insured is used solely for private pleasure purposes and will not be used as a permanent residence or rented to others.
3. **Loss Clause** - The amount of insurance provided by this policy shall not be reduced as a consequence of loss payment except in the event of a total or constructive total loss under this policy in which event the total premium of the policy shall be deemed to be earned in full.
4. **Subrogation** - Any release from liability entered into by the Insured prior to loss shall not affect the right of the Insured to recover.
5. **Insurance Under More Than One Policy** - If you have other insurance on specifically described property, this policy will be considered excess insurance and we will not pay any loss or claim until the amount of such other insurance is used up.

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

THIS POLICY IS MADE AND ACCEPTED SUBJECT TO THE FOREGOING STIPULATIONS AND CONDITIONS WHICH ARE HEREBY SPECIALLY REFERRED TO AND MADE A PART OF THIS POLICY, together with such other provisions, agreements, or conditions as may be endorsed hereon or added hereto. No term or condition of this Policy shall be deemed to be waived by the Insurer in whole or in part unless the waiver is clearly expressed in writing, signed by a person authorized for that purpose by the Insurer. Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of this Policy by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or to the investigation or adjustment of any claim under the Policy.

In Witness Whereof, I the undersigned being duly authorized by the Company, have executed and attested these presents, but this Policy shall not be valid unless countersigned by a duly Authorized Representative of the Company.