

FARMOWNERS INSURANCE POLICY

A GUIDE TO YOUR FARMOWNERS POLICY

Your Farmowners Insurance Policy consists of the Coverage Summary Page and this booklet.

The Coverage Summary Page shows:

- (1) the Pak you have, the coverage you have purchased, the amount of protection, and the premium you have agreed to pay;
- (2) the location of the property you are insuring; and
- (3) the policy term (policy starts on the *Effective Date* and ends at 12:01 a.m. on the *Expiry Date*).

This booklet consists of five sections:

SECTION 1 Dwelling, Private Structures, and Personal Property – explains coverage for your property

SECTION 2 Farm Property – explains coverage for your farm property

SECTION 3 Personal Liability – explains coverage for your liability due to your personal actions causing bodily injury or property damage to others

SECTION 4 Miscellaneous Coverages – explains miscellaneous coverages you may require

SECTION 5 Conditions – explains conditions which apply to all sections of this policy

“You,” “your” or “the insured” used throughout this policy means the person(s) named as Insured on the Coverage Summary Page and the following unnamed persons while living in the same household:

- (1) the spouse of the person(s) named on the Coverage Summary Page. “Spouse” includes either of two persons of the same or opposite sex who are not married to each other but have lived together continuously in a conjugal relationship for a period of not less than three years or, if a they are in a relationship of some permanence where there is a child born of whom they are the natural or adoptive parents and they have cohabited within the preceding year;
- (2) relatives of either of the above;
- (3) any person under the age of 21 in the care of the above; or
- (4) any unmarried, financially dependent student while attending school and temporarily residing away from your dwelling.

“We,” “us,” “our” or “the insurer” used throughout this policy means the **Germania Mutual Insurance Company of Saskatchewan**.

Only the person named on the Coverage Summary Page may make a claim against this policy and take legal action against us.

This policy is a legal contract that has been designed for you, based on the occupancy, use, services, utilities, and other circumstances pertinent to your property, which you disclosed to your broker at the time you completed your application. When there is a change to any of these circumstances, be sure to notify your broker accordingly.

In the event of loss or damage to your property, notify your broker immediately.

AGREEMENT

In return for payment of the premium, we provide insurance to indemnify you from loss by sudden and unexpected occurrences as described and limited in the Insured Perils section of this policy and subject to the terms and conditions set out in the policy. Failure to comply with any term or condition may result in the denial of a claim under this policy.

This policy contains various exclusions and limitations that eliminate or restrict coverage. Please read it carefully.

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

DEFINITIONS – Applicable to Section 1

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

“**Civil Authority**”: means any person acting under the authority of the Governor General in Council of Canada or the Lieutenant Governor in Council of a Province, and/or any person acting with authority under a Federal, Provincial or Territorial legislation with respect to the protection of persons and property in the event of an emergency.

“**Data**”: means representations of information or concepts, in any form.

“**Data Problem**”: means:

- (1) erasure, destruction, corruption, misappropriation or misinterpretation of “Data”;
- (2) error in creating, amending, entering, deleting or using “Data”; or
- (3) inability to receive, transmit or use “Data”; or
- (4) damage to electronic data processing equipment or other related component system, process or device.

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

“**Dwelling**”:

- (1) if you are a building or mobile homeowner, means the building or mobile home occupied by you as a private residence;
- (2) if you are a tenant, means the portion of the building occupied by you as a private residence;
- (3) if you are a Condominium Unit Owner, means the structure or the portion of the structure occupied by you as a private residence.

“**Fungi**”: includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic, or toxigenic, and any substance, vapor or gas produced by, emitted from, or arising out of any “Fungi” or “Spores” 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 and in underground streams, and percolating waters.

“**Homeowner**”: means an owner of a freehold dwelling or Mobile Home.

“**Ice Damming**”: means when melted snow refreezes forming a “dam” that can trap water under shingles or other roof finishing layers causing leaks through roof deck joints and nail holes.

“**Insured Peril**”: means a cause of loss or damage, as described and limited, and for which you are insured under this policy.

“**Leakage**”: means the accidental entry, escape or release of water or other fluid through a gap, flaw or other opening.

“**Peril**”: exposure to the risk of being injured, destroyed, or lost

“**Pollutant**”: means any solid, liquid, gaseous or thermal irritant or contaminant, including vapor, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed. Pollutants do not mean fuel oil that is contained in a fixed fuel tank, apparatus or pipes used to heat the dwelling.

“**Premises**”:

- (1) in the case of a Homeowner, means the dwelling, private structures, and the land contained within the lot lines at the location shown on the Coverage Summary Page;
- (2) in the case of a Tenant or Condominium Unit Owner, means the dwelling or unit including private structures, private approaches and storage spaces reserved for your use or occupancy only at the location shown on the Coverage Summary Page.

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

“**Residence Premises**”: means

- (a) a 1, 2 or 3-family dwelling where the Named Insured or his or her spouse maintains a residence, or
- (b) that portion of any other building occupied by the Named Insured or his or her spouse as a residence.

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

- (1) **Fire or Lightning**
- (2) **Explosion or Implosion**
- (3) **Smoke**

- (4) **Falling Object**
- (5) **Impact by Aircraft or Land Vehicle**
- (6) **Riot**
- (7) **Vandalism or Malicious Acts**
- (8) **Water Escape**
- (9) **Windstorm or Hail**
- (10) **Transportation**

“**Seepage**”: means the slow movement or oozing of water or other fluid through small openings, cracks or pores.

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

“**Student**”: means any student insured by this policy, who is temporarily living away from home for the purpose of attending a school, college or university. The student must be dependent on the Named Insured or his or her spouse for support and maintenance and must intend to return to the principal residence upon completion of the school year in order for coverage on this policy to extend to him/her.

“**Surface water**”: means water on the surface of the ground where water does not usually accumulate in ordinary watercourses, lakes, or ponds. This includes any waterborne objects.

“**Tenant**”: means one who rents property from another for dwelling purposes.

“**Vacant or Vacancy**”: means the occupant(s) has/have moved out with no intent to return, regardless of the presence of furnishings. A newly constructed dwelling is vacant after it is completed and before the occupant(s) move(s) in. Furthermore, the dwelling is also vacant when the occupant(s) move(s) out and before any new occupant(s) move(s) in.

“**Volunteer**”: means any person who donates time to an organization for a charitable purpose or in direct service to the general.

“**Water**”: means the chemical element defined as H₂O in any of its three natural states, liquid, solid and gaseous.

“**Water main**”: means a pipe forming part of a public water distribution system, which conveys consumable water but not wastewater.

SECTION 1

Dwelling, Private Structures & Personal Property Coverages

COVERAGES – The amounts of insurance are shown on the Coverage Summary Page for the coverages you have purchased. This includes:

Debris Removal: The cost of removal of debris of the property insured by this section of the policy, as a result of an Insured Peril.

If you must remove insured property from your premises to protect it from loss or damage, it is insured by this policy for 30 days or until your policy term ends - whichever occurs first. The amount of insurance will be divided in the proportions that the value of the property removed bears to the value of all property at the time of loss.

Tear Out: If any walls, ceilings or other parts of insured buildings or structures must be torn apart before water damage from a plumbing, heating, air conditioning or sprinkler system or domestic appliance can be repaired, we will pay the cost of such repairs. The cost of tearing out and replacing property to repair damage related to outdoor swimming pools, hot tubs, spas or similar installations or public water mains, is not insured.

COVERAGE A - DWELLING BUILDING

We insure:

- (1) The dwelling on the premises described on the Coverage Summary Page and the attached structures;
- (2) Permanently installed outdoor equipment on the premises;
- (3) Outdoor swimming pool and attached equipment on the premises;
- (4) Materials and supplies located on or adjacent to the premises intended for use in construction, alteration or repair of your dwelling or private structures on the premises, other than private structures to be used in whole or in part for business or farming purposes. We insure against the peril of theft only when your dwelling is completed and occupied.

Building Fixtures and Fittings: You may apply up to 10% of the amount of insurance on your dwelling to insure building fixtures and fittings temporarily removed from the premises for repair or seasonal storage.

COVERAGE B - DETACHED PRIVATE STRUCTURES (Applicable to a Homeowner Only)

We insure structures or buildings separated from the dwelling by a clear space, on your premises but not insured under Coverage A – Dwelling Building. If they are connected to the dwelling by a fence, utility line or similar connection only, they are considered to be detached private structures.

Property Not Insured

We do not insure:

- (1) any building or structure designed for agricultural purposes, or used in whole or in part for farming, or used for any other commercial or business purposes, whether it is in use, unoccupied, or vacant;
- (2) structures or outbuildings used or designed for use mainly as a place of residence, whether it is in use, unoccupied, or vacant;
- (3) hydronic yard furnaces, the building they are housed in, or any contents located in the building. This includes but is not limited to wood and/or coal fired water boilers;
- (4) tarp or fabric structures.

COVERAGE C - PERSONAL PROPERTY

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

If you wish, we will include uninsured personal property of others, to a maximum of \$1,500 while it is on your premises but we do not insure property of tenants, roomers or boarders who are not related to you.

2. Off Premises:

- (a) If the Coverage Summary Page specifies Homeowners Pak A, Tenant Pak A or Condominium Unit Owners Pak A, we insure your personal property for an additional amount of up to 10% of the amount of insurance specified for your Personal Property or \$1,500, whichever is greater, while it is temporarily away from your premises, anywhere in the world. This includes personal property newly acquired by you and in your possession when there has not been an opportunity to take such property to your premises. If you wish, we will include personal property belonging to others while it is in your possession or belonging to a residence employee traveling for you to a maximum of \$1,500. Personal property normally kept at any other location you own, rent, or occupy is not insured.
- (b) If the Coverage Summary Page specifies Homeowners Pak B or Homeowners Pak C, Tenant B or Condominium Unit Owners Pak B, we insure your personal property up to the limit specified while it is temporarily away from your premises, anywhere in the world. This includes personal property newly acquired by you and in your possession when there has not been an opportunity to take such property to your premises. If you wish, we will include personal property belonging to others while it is in your possession or belonging to a residence employee traveling for you to a maximum of \$2,000. You may apply up to 10% of the amount of insurance specified for your Personal Property at your principal residence to cover personal property kept at any other residence you own. Otherwise Personal Property normally kept at any other location you own, rent or occupy is not insured.
- (c) Personal property stored in a warehouse is only insured for the peril of theft.
- (d) Personal property of students residing away from home is insured up to a limit of \$7,500 for each student.
- (e) Personal property of a parent or family member who is dependent on you for support and maintenance, while residing in a nursing home or other health-care facility, is insured up to a limit of \$2,500.
- (f) Personal property belonging to others which is in your possession while you are acting as a volunteer is limited to \$1,000;
- (g) Personal property that you are moving to a new principal residence anywhere in Canada is insured while in transit and while at your new principal residence for up to 14 consecutive days beginning the day you start your move. The amount of insurance will

be divided in the proportion that the value of the property at each premise and in transit bears to the value of all your personal property, at the time of loss.

- (h) Personal property in storage away from your premises is covered for a period of 30 consecutive days only, from the date the property is placed in storage, unless otherwise shown on the Coverage Summary Page. This limitation does not apply to:
- (I) Property stored in an occupied private residence, or;
 - (II) Clothing, golf cart, watercraft or outboard motors in seasonal storage.

SPECIAL LIMITS OF INSURANCE – Applicable to Personal Property

For the following property, we will not pay more than the amounts stated. We insure:

- (1) *Jewelry, watches, gems, fur garments and garments trimmed with fur up to \$5,000 in all;*
- (2) *Numismatic property (such as coin collections) up to \$500 in all;*
- (3) *Manuscripts, sports memorabilia collections, stamps and philatelic property (such as stamp collections) up to \$1,500 in all;*
- (4) *Silverware, meaning silverware, silver-plated ware, gold ware, gold-plated ware and pewter ware up to \$5,000 in all.*
- (5) *Tapes, CDs, DVDs or other media while in or on your motor vehicle, watercraft or aircraft up to \$300 in all.*

The above limits only apply to loss or damage caused by the peril of theft.

We insure: Antiques only for their depreciated value (antique value is not covered unless specifically scheduled), as well as:

- (6) *Books, tools and instruments pertaining to a business, profession or occupation for an amount up to \$2,000 in all, but only while on your premises. Other business property, including samples and goods held for sale, is not insured;*
- (7) *Securities up to \$2,000 in all;*
- (8) *Money or bullion up to \$300 in all;*
- (9) *Medi Chairs, motorized lawn mowers, snow blowers, garden-type tractors and golf carts including attachments and accessories up to \$8,000 in all;*
- (10) *Watercraft, their furnishings, equipment, accessories and motors up to \$1,000 in all. Loss or damage from windstorm or hail is insured only if they were inside a fully enclosed building. Canoes and rowboats are also insured while in the open;*
- (11) *Computer software up to \$1,500 in all. We do not insure the cost of gathering or assembling information or data;*
- (12) *Trading and collectible cards (including but not limited to sports cards) comic books and sports memorabilia; \$200 per item, up to \$2,000 in all;*
- (13) *Parts for motorized vehicles that are not installed yet up to \$3,000 in all;*
- (14) *Any one bicycle including its equipment and accessories up to \$1,000 in all.*

Property Not Insured

We do not insure loss or damage to motorized vehicles, trailers and aircraft or their equipment (except for motorized wheelchairs, scooters having more than 2 wheels and specifically designed for the carriage of a person with a physical disability, watercraft, motorized lawn mowers, garden-type tractors up to 22 KW (30 HP), other gardening equipment or snow blowers subject to Special Limits of Insurance). Equipment includes audio, visual, recording or transmitting equipment powered by the electrical system of a motor vehicle or aircraft.

COVERAGE D - ADDITIONAL LIVING EXPENSES (This coverage does not apply to a Seasonal Residence)

The amount of insurance for Coverage D – Additional Living Expenses is a maximum of 20% of the amount shown under Dwelling Building. The periods of time stated below are not limited by the expiration of the policy. The amount of insurance for Additional Living Expenses is the total

amount for any one or a combination of the following coverages. We do not insure the cancellation of a lease or agreement.

1. Additional Living Expense:

If damage to your dwelling by an insured peril makes it unfit for occupancy, or you have to move out while repairs are being made, we insure any necessary increase in living expenses including moving expenses incurred by you, so that your household can maintain its normal standard of living. Payment shall be for the reasonable time required to repair or to rebuild your dwelling or, if you permanently relocate, the reasonable time required for your household to settle elsewhere.

2. Fair Rental Value:

If damage to your dwelling or detached private structures or unit by an insured peril makes that part of the dwelling, detached private structure or unit rented to others or held for rental by you unfit for occupancy, we insure its Fair Rental Value. Payment shall be for the reasonable time required to repair or replace that part of the dwelling, detached private structure or unit rented or held for rental. Fair Rental Value shall not include any expense that does not continue while that part of the dwelling, detached private structure or unit rented or held for rental is unfit for occupancy.

3. Civil Authority Prohibits Access:

If, as the direct result of damage to a neighboring premises by an insured peril, a civil authority prohibits access to your dwelling or unit we insure any resulting Additional Living Expense and Fair Rental Value for a period not exceeding two weeks. The term "Civil Authority" means any person acting under the authority of a Federal, Provincial or Territorial legislation with respect to the protection of persons and property in the event of an emergency.

4. Emergency Evacuation:

We will pay any necessary and reasonable increase in living expense incurred by you while access to your dwelling is prohibited by order of civil authority, but only when such order is given for evacuation as a direct result of a sudden and accidental emergency.

You are insured for a period not exceeding two weeks from the date of the order of evacuation, or \$2,000, whichever is the lesser.

You are not insured for any claim arising from evacuation resulting from:

- (a) flood meaning waves, tides, tidal waves and the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made;
- (b) earthquake;
- (c) war, invasion, act of a foreign enemy, declared or undeclared hostilities, civil war, rebellion, revolution, insurrection or military power;
- (d) nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material.

ADDITIONAL COVERAGES OF SECTION 1

1. Lawns, Outdoor Trees, Shrubs and Plants (This coverage does not apply to a Seasonal Residence)

If you are a homeowner you may apply up to 5% of the amount of insurance on your dwelling to lawns, trees, shrubs and plants owned by you on your premises. We will not pay more than \$250 for any one tree, shrub or plant, including debris removal expenses.

We insure lawns, trees, shrubs and plants against loss caused by fire, lightning, explosion, impact by aircraft or land vehicle, riot, vandalism and malicious acts, as described under Insured Perils.

We do not insure:

- (a) lawns, trees, shrubs and plants grown for commercial purposes; or
- (b) lawns, trees, shrubs and plants located more than 61 meters (200 ft) from the dwelling building.

2. Credit or Debit Cards, Automated Teller Cards, Electronic Funds Transfer Cards, Calling Cards, Library or Video Cards, Forgery and Counterfeit Money

We will pay for:

- (a) Your legal obligation to pay, up to \$2000, because of the theft or unauthorized use of credit or debit cards, automated teller cards, electronic funds transfer cards, calling

cards, or library or video cards, used for deposit, withdraw, or transfer of funds, issued to you or registered in your name which have been lost or stolen, provided you have complied with all of the conditions under which the card was issued, and you must notify the company, bank or trust company as soon as you discover the loss;

We will even pay for losses that occur while this policy is in effect and which are not discovered up to one year after its cancellation or termination.

- (b) Loss to you caused by forgery or alteration of cheques, drafts or other negotiable instruments, up to \$1000;
- (c) Loss by your acceptance in good faith of counterfeit Canadian or United States paper currency, up to \$50 for any one transaction or \$100 in any one year.

We do not pay for any loss:

- (a) caused by a resident of your household;
- (b) caused by a person to whom the card has been entrusted;
- (c) for any of the above arising out of business pursuits unless from the unauthorized use of a credit card or automated teller card issued or registered to you for which you are personally liable;
- (d) arising out of your dishonesty.

We may make any investigation and settle any claim or suit that we decide is appropriate. Our obligation to defend any claim or suits ends when the amount we pay for the loss equals the limit of liability. The most we will pay under this coverage during the term of this policy is \$5,000. No deductible applies to this coverage.

3. Identity Theft

We will reimburse you up to \$5000 or the amount shown on the Coverage Summary Page for:

- (a) Reasonable costs associated with registered mail to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors;
- (b) Fees for the re-application of loans which had been declined as a result of incorrect or erroneous information;
- (c) The reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits for financial institutions, credit agencies, credit grantors or similar lenders;
- (d) The reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits for law enforcement agencies;
- (e) Long distance telephone expenses to discuss an actual Identity Fraud Occurrence to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors;
- (f) Earnings lost resulting from necessary time away from you employment for the purposes of completing affidavits and meeting with credit agencies, similar credit grantors, law enforcement departments, financial institutions, merchants and legal counsel;
- (g) Reasonable costs, fees or expenses associated with the replacing of Canadian or Provincial Government issued documents as a result of an Identity Fraud Occurrence;
- (h) Reasonable legal fees incurred directly as a result of an Identity Fraud Occurrence, with prior notice to us for:
 - (i) The removal of any criminal or civil judgements wrongly entered against you;
 - (ii) To challenge the information in your consumer credit report;
 - (iii) The defence of lawsuits brought against you by businesses or their collection agencies;
- (i) Reasonable costs of obtaining up to two credit reports after an Identity Fraud Occurrence has been reported to us, for a period of up to 12 months from the date of the reporting of the occurrence, but not limited by the expiry date of the policy.

We do not insure:

- (a) your fraudulent, dishonest or criminal acts;
- (c) your own use of your identity;
- (d) your commercial or business pursuits;
- (e) your intentional disuse of your identity;

- (f) fraudulent, dishonest, criminal or intentional misuse of your identity by any resident of your household;
- (g) any losses covered under #2 above;
- (h) any losses covered by credit card insurance, bank insurance or other coverage available to you. This coverage will only apply once the other insurance available to you has been exhausted.

You are required to inform your local law enforcement agency of the Identity Fraud Occurrence. No deductible applies to this coverage.

4. Fire Department Charges

We will reimburse you for up to \$3,000 or the amount shown on the Coverage Summary Page, for your liability for fire department charges incurred for attending the premises insured under this policy to save or protect insured property or property of others adjacent to your premises, from loss or damage or from further loss or damage. No deductible applies to this coverage.

5. Temperature Change (Personal Property)

We insure your personal property damaged by change of temperature resulting from physical damage to your dwelling, unit, or equipment by an Insured Peril. This only applies to personal property in the dwelling or unit.

6. Property Protection Coverage

We will pay for property that is damaged trying to protect your dwelling, outbuildings, or personal property from a loss. For example, we will pay to recharge your or someone else's fire extinguisher if it was used to fight a fire on your premises. We will not pay for property owned by a fire department. The amount we pay under this coverage is in addition to the amounts shown on the Coverage Summary Page.

7. Lock Replacement

We will pay up to \$1000 for the replacement of locks on the principal residence building if the keys are stolen. No deductible applies to this coverage. Your policy must cover the peril of theft for this coverage to apply.

8. Damage to Dwelling

If you are a Tenant, you may apply up to \$500 of the insurance on your Personal Property to pay for damages (not including fire damage):

- (a) to the dwelling directly caused by theft or attempted theft;
- (b) to the interior of the dwelling directly caused by vandalism or malicious acts;
- (c) to the interior of the dwelling directly caused by accidental escape of water from a waterbed.

INSURED PERILS, LIMITATIONS, & EXCLUSIONS

1. FARMOWNERS PAK A OR TENANTS PAK A

If the Coverage Summary Page specifies that **Farmowners Pak A** or **Farm Tenant Pak A** applies, we insure your dwelling, detached private structures, and your personal property against direct loss or damage caused by the following perils as described, subject to all the exclusions, limitations, terms and conditions of this policy:

1. **Fire or Lightning**
2. **Explosion or Implosion**
3. **Smoke:** This peril means smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises
4. **Falling Object:** This peril means a falling object which strikes the exterior of the "Dwelling" or "Building", but not objects which strike because of snowslide, iceslide, landslide or any other earth movement.
5. **Impact by Aircraft or Land Vehicle:** (Animals are not insured under this peril)
6. **Riot**
7. **Vandalism or Malicious Acts:** This peril does not include:
 - (a) loss or damage occurring while the dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
 - (b) damage caused by you, members of your household, or your employees, any tenant, employee or member of the tenant's household;

- (c) loss or damage caused by theft or attempted theft.
8. **Water Escape, Rupture, Freezing:** This peril means:
- (a) the sudden and accidental escape of water from within a public watermain, swimming pool or equipment attached;
 - (b) the sudden and accidental escape of water or steam from within a heating, sprinkler, air conditioning or plumbing system, domestic appliance or waterbed which is located inside your dwelling;
 - (c) water which enters through an opening which has been created suddenly and accidentally by an insured peril;
 - (d) water from the accumulation of ice and snow on the roof or eavestrough, which enters the dwelling through the roof as a result of ice damming (applies only to Personal Property)
- This peril does not include loss or damage:**
- (a) caused directly or indirectly by continuous or repeated seepage or leakage of water;
 - (b) caused by backing up or escape of water from a sewer or drain, sump or septic tank, eavestrough or downspout;
 - (c) caused by ground water or rising of the water table;
 - (d) caused by surface waters, unless the water escapes from a watermain or swimming pool;
 - (e) to watermains or outdoor plumbing systems and equipment attached (including but not limited to swimming pools, hot tubs or spas) caused by freezing, water or rupture;
 - (f) to the system or appliance from which the water escaped;
 - (g) occurring while the dwelling is under construction or vacant, even if permission for construction or vacancy has been given by us;
 - (h) caused by freezing of any part of a heating, sprinkler, air conditioning or plumbing system or domestic appliance unless it happens within a dwelling heated during the usual heating season and you have not been away from your premises for more than 4 consecutive days. However, if you had arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained or if you had shut off the water supply and had drained all the pipes and appliances, you would still be insured.
9. **Windstorm or Hail:** This peril does not include loss or damage to the interior of a building caused by windstorm, hail or coincidental rain damage, unless the storm first creates an opening in the building. Any watercraft, its furnishings and equipment you own are insured up to \$1,000 if they were inside a fully enclosed building at the time of loss. This limitation does not apply to canoes and rowboats while in the open. This peril does not include:
- (a) damage to outdoor radio and/or TV antenna, towers, satellite receivers and their attachments;
 - (b) damage due to weight or pressure of ice or snow, waves, floods, and subsidence, whether driven by wind or not;
 - (c) damage to a building while raised off its foundation;
 - (d) damage to a building, including a mobile home, while being moved or otherwise in course of transit;
 - (e) any dent damage to the outer metal covering of a mobile home, unless the metal is punctured (pierced to make an opening in the metal roofing or siding).
10. **Glass Breakage:** We insure glass that forms part of your dwelling or detached private structures on your premises, including glass in storm windows and doors, against accidental or malicious breakage. This peril does not include loss or damage occurring while a building is under construction or vacant even if permission for construction or vacancy has been given by us.
11. **Transportation:** This peril means loss or damage caused by collision, upset, overturn, derailment, stranding or sinking of any automobile or attached trailer in which the insured property is being carried. This would also apply to any vehicle of a common carrier. This peril does not include loss or damage to property in a cabin or home trailer that you own or any watercraft, their furnishings, equipment or motors.
12. **Theft, Including Damage Caused By Attempted Theft:** This peril does not include loss or damage:
- (a) which happens at any other dwelling which you own, rent or occupy, except while you are temporarily living there;

- (b) caused by any tenant, employee or member of the tenant's household;
 - (c) to property in or from a dwelling under construction or of materials and supplies for use in the construction until the dwelling is completed and ready to be occupied;
 - (d) to jewelry, gems, watches, fur garments and garments trimmed with fur, securities, numismatic property, manuscripts, stamps or philatelic property at any seasonal dwelling, if such property is normally kept there throughout the year, even if an amount of insurance is specified for "contents" at the seasonal dwelling.
13. **Collapse, Including Collapse Caused by the Weight of Ice or Snow:** This peril means the collapse of foundations, walls, floors or roof of a dwelling due to weight of contents, equipment or people, or the weight of rain, snow, ice or sleet on the roof. This peril does not include loss or damage caused directly or indirectly:
- (a) to outside property such as awnings, fences, trellises, fiberglass or plastic roof coverings, swimming pools, patios, driveways, walks or retaining walls, outdoor radio and/or TV antennae, towers, satellite receivers and their attachments;
 - (b) by rodents (such as squirrels and rats), insects or vermin (such as raccoons and skunks) or by dampness of atmosphere, dryness of atmosphere, rotting rust or corrosion.
14. **Power Fluctuation Coverage:** This peril means the sudden and accidental loss or damage caused by artificially generated electrical current.
15. **Earthquake:** including snow slide, ice slide, landslide or other earth movements occurring concurrently with and directly resulting from an earthquake shock.

EXCLUSIONS – Loss or Damage Not Insured

Listed below is the property and losses we do not insure.

Property Not Insured

We do not insure loss or damage to:

- (1) your insured property when your dwelling has, to your knowledge, been vacant for more than 30 consecutive days;
- (2) outdoor trees, shrubs, plants and lawns, except as provided for under "Additional Coverages";
- (3) any property illegally acquired, stored, transported, or kept;
- (4) any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- (5) property because of the voluntary parting with title or ownership, whether or not induced to do so by any fraudulent scheme, trick, device or false pretence;
- (6) books of account and evidences of debt or title;
- (7) business property, including samples and goods held for sale, except as provided under "Special Limits of Insurance";
- (8) property away from your premises for the purpose of exhibition;
- (9) 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.
- (10) household pets, animals, birds, or fish;
- (11) contact lenses;
- (12) retaining walls not constituting part of any insured building;
- (13) buildings, units or structures designed for agricultural purposes or used in whole or in part for farming or any other commercial or business purpose unless declared on the Coverage Summary Page;
- (14) buildings and/or structures, and their contents, used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution or sale of marijuana or any product derived from, or containing, marijuana or any other substance falling within the Schedules of the Controlled Drugs and Substances Act, whether or not the insured is aware of such use of the property.

Losses Not Insured

We do not insure loss or damage resulting from, contributed to or caused directly or indirectly:

- (1) by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- (2) by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
- (3) by or resulting from contamination or pollution, or the release, discharge or dispersal of contaminants or pollutants;

- (4) by wear, tear, scratching, marring, gradual deterioration, latent defect or mechanical breakdown, rust, corrosion, extremes of temperature, wet or dry rot, mold, fungi or spore(s), or contamination;
- (5) by faulty design, material or workmanship;
- (6) by birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels and rats), insects or household pets, except loss or damage to building glass;
- (7) because of increased costs of repair due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
- (8) from intentional or criminal acts or failure to act by you, your employees or anyone to whom the damaged or lost property is entrusted;
- (9) by mysterious disappearance;
- (10) by accumulative damage, however caused.

Data Exclusion

This policy does not insure:

- (a) "Data";
- (b) loss or damage resulting from, contributed to or caused directly or indirectly by "Data Problem".

However, if loss or damage caused by "Data Problem" results in the occurrence of further loss or damage to property insured that is directly caused by "Specified Perils" as defined in this policy, exclusion (b) shall not apply to such resulting loss or damage.

3. FARMOWNERS PAK B

If the Coverage Summary Page shows **Farmowners Pak B** applies, we insure your dwelling, detached private structures, and your personal property as follows:

- (1) If there is loss or damage to property insured under Dwelling Building and/or Private Structures, you are insured for such loss or damage under the terms and conditions of Farmowners Pak A.
- (2) If there is loss or damage to property insured under Personal Property, you are insured for such loss or damage under the terms and conditions of Farmowners Pak C.

Additional Coverage for Farmowners Pak B & C

Food Spoilage: We insure foodstuffs while contained in any Food Freezer unit located within the Principal Residence for loss up to \$1,000 per occurrence when caused by a power failure or mechanical breakdown of such unit. You may apply a part of this limit to any reasonable expenses incurred, excluding repair or replacement parts, to reduce or avert the loss.

We do not insure loss or damage:

- (a) due to the deliberate manual disconnection, of the electrical power supply within the principal residence;
- (b) due to inherent vice and/or natural spoilage;
- (c) due to your failure to take all reasonable steps to prevent further loss or damage to the insured property;
- (d) resulting from any process of refinishing, renovating or repairing the freezer unit.

3. FARMOWNERS PAK C, OR FARM TENANT PAK B

If the Coverage Summary Page specifies **Farmowners Pak C** or **Farm Tenant Pak B** applies, we insure your dwelling, detached private structures and your personal property against direct physical loss or damage, subject to all the exclusions, limitations, terms and conditions below.

EXCLUSIONS

Property Not Insured

We do not insure loss of or damage to:

- (1) your insured property when your dwelling has to your knowledge, been vacant for more than 30 consecutive days;
- (2) buildings or structures used in whole or in part or designed for farming, commercial or business purposes unless declared on the Coverage Summary Page;
- (3) any property illegally acquired, imported, stored, transported, or kept;
- (4) business property, including samples and goods held for sale, except as provided under "Special Limits of Insurance";

- (5) any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- (6) property because of the voluntary parting with title or ownership, whether or not induced to do so by any fraudulent scheme, trick, device or false pretence;
- (7) lawns, outdoor trees, shrubs or plants except as provided under Additional Coverages of this policy;
- (8) books of account and evidences of debt or title;
- (9) 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;
- (10) household pets, animals, birds, or fish, unless the loss or damage is caused by a "Specified Peril" other than item (5) "Impact" or item (11) "Transportation";
- (11) sporting equipment where the loss or damage is due to its use;
- (12) property at any fairground, exhibition or exposition for the purpose of exhibition;
- (13) contact lenses;
- (14) retaining walls not constituting part of any insured building;
- (15) buildings and/or structures, and their contents, used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution or sale of marijuana or any product derived from, or containing, marijuana or any other substance falling within the Schedules of the Controlled Drugs and Substances Act, whether or not the insured is aware of such use of the property.

Loss or Damage Not Insured

We do not insure against loss or damage resulting from, contributed to or caused directly or indirectly:

- (1) by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- (2) by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
- (3) by or resulting from contamination or pollution or the release, discharge or dispersal of contaminants or pollutants, except damage to the dwelling caused by the sudden and accidental escape of fuel from a permanently installed domestic fuel tank (including any attached equipment, apparatus or piping) that is part of an approved heating unit for the insured dwelling or detached private structure
- (4) by wear, tear, gradual deterioration, latent defect or mechanical breakdown, rust, corrosion, extremes of temperature, wet or dry rot, mold, fungi or spore(s), or contamination;
- (5) by scratching or marring of any property or breakage of any fragile or brittle articles unless caused by a Specified Peril, impact by watercraft or aircraft, or theft or attempted theft;
- (6) by birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels and rats), insects or household pets, except loss damage to building glass;
- (7) by cracking or falling of ceiling or wall plaster, unless caused by a peril not otherwise excluded by this policy;
- (8) accumulative damage, however caused;
- (9) because of increased costs of repair or replacement due to operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
- (10) or resulting from any intentional or criminal act or failure to act by you, your employees or anyone to whom the damaged or lost property is entrusted;
- (11) or due to the cost involved to correct faulty material or workmanship;
- (12) by settling, expansion, contraction, moving, bulging, buckling, or cracking except resulting damage to building glass; This exclusion does not apply to loss or damage insured under Insured Peril 8(b).
- (13) by smoke from agricultural smudging or industrial operations;
- (14) by buildup of smoke. Smoke damage must be sudden and accidental;
- (15) by collapse of:
 - (a) outside property such as awnings, fences, or trellises unless resulting from structural collapse of foundations, walls, floors or roof of a building;
 - (b) patios, driveways, walks or retaining walls, outdoor radio and/or television antenna, towers, satellite receivers and their attachments;
- (16) by water unless the loss or damage directly resulted from:
 - (a) the sudden and accidental escape of water from within a water main, swimming pool or

- equipment attached;
 - (b) the sudden and accidental escape of water or steam from within a heating, sprinkler, air conditioning or plumbing system, domestic appliance or waterbed which is located inside your dwelling;
 - (c) water which enters through an opening which has been created suddenly and accidentally by a peril not otherwise excluded;
 - (d) the accumulation of ice or snow on the roof or eavestrough, which enters the dwelling through the roof as a result of ice damming (applies only to Personal Property);
- But we do not cover loss or damage:
- (e) caused by continuous or repeated seepage or leakage of water;
 - (f) caused by backing up or escape of water from a sewer or drain, sump or septic tank, eavestrough or downspout;
 - (g) caused by ground water or rising of the water table;
 - (h) caused by surface waters, unless the water escapes from a water main or swimming pool;
 - (i) to water mains or outdoor plumbing systems and equipment attached (including but not limited to swimming pools, hot tubs or spas) caused by freezing, water or rupture;
 - (j) to the system or appliance from which the water escaped;
 - (k) occurring while the dwelling is under construction or vacant, even if permission for construction or vacancy has been given by us;
 - (l) caused by freezing of any part of a heating, sprinkler, air conditioning or plumbing system or domestic appliance unless it happens within a dwelling heated during the usual heating season and you have not been away from your premises for more than 4 consecutive days. However, if you had arranged for a competent person to enter your dwelling daily to ensure that heating was being maintained or if you had shut off the water supply and had drained all the pipes and appliances you would still be insured;
- (17) to the interior of a building caused by water from rain, hail, sleet or snow, all whether driven by wind or not, unless the loss or damage is co-incident with a windstorm which first creates an opening in the building;
- (18) or due to vandalism or malicious acts caused by you or any members of your household, or your employees, or by any tenant, employee or member of the tenant's household;
- (19) by vandalism or malicious acts or theft or glass breakage occurring while your dwelling is under construction or vacant even if permission for construction or vacancy has been given by us;
- (20) by theft or attempted theft;
- (a) by any tenant, members of a tenant's household or employees of the tenant;
 - (b) at any other dwelling you own, rent or occupy, except while you are temporarily living there;
 - (c) of property at a dwelling under construction until the dwelling is completed and ready to be occupied;
 - (d) of jewelry, gems, watches, fur garments and garments trimmed with fur, securities, numismatic property, manuscripts, stamps or philatelic property at any seasonal dwelling if such property is normally kept there throughout the year, even if an amount of insurance is specified for "contents" at the seasonal dwelling.
- (21) by change of temperature unless the loss or damage:
- (a) is to personal property kept in your dwelling; and
 - (b) is the result of physical damage to your dwelling or equipment caused by a peril not otherwise excluded.

Data Exclusion

This policy does not insure:

- (a) "Data";
- (b) loss or damage resulting from, contributed to or caused directly or indirectly by "Data Problem". However, if loss or damage caused by "Data Problem" results in the occurrence of further loss or damage to property insured that is directly caused by "Specified Perils" as defined in this policy, exclusion (b) shall not apply to such resulting loss or damage.

BASIS OF CLAIM PAYMENT

Building Dwelling, Private Structures and Personal Property

(Applicable to all of Section 1)

This section sets out certain rules, which apply in settling a claim for loss or damage to insured property. When coverage applies, we will pay for insured loss or damage up to your financial interest in the property but not exceeding the applicable amount(s) of insurance for any loss or damage arising out of one occurrence. Any loss or damage shall not reduce the amounts of insurance provided by this policy.

We do not pay for any loss, expense or increased cost of repair or replacement due to the operation of any law or ordinance regulating zoning, demolition, repair or construction of buildings and their related services.

Settlement of loss will not include any time and expenses incurred in establishing your claim. Time and expenses not recoverable include but are not limited to:

- (1) the completion of claim documents;
- (2) obtaining competitive estimates;
- (3) the acquisition of replacement property.

Actual Cash Value: will take into account such things as the cost of replacement less any depreciation; in determining depreciation, we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

Replacement Cost: means the cost, at the time of loss, of repairs or replacement (whichever is less), with new property of similar kind and quality and usefulness, without deduction for depreciation.

Deductible: In any one occurrence, we are responsible only for the amount by which the insured loss or damage exceeds the amount of the deductible shown on the Coverage Summary Page. If one occurrence could lead to the application of more than one deductible, only the largest deductible will apply. If your claim involves personal property on which the "Special Limits of Insurance" applies, the limitations apply to losses exceeding the deductible amount.

Building Replacement Cost – Optional Loss Settlement: (this clause does not apply to mobile homes)

If you are a homeowner and there is loss or damage to a building insured under Dwelling Building or Private Structures, you may choose as the basis of loss settlement either **(A)** or **(B)** below; provided:

- (1) You repair or replace the damaged or destroyed building within a reasonable time after the loss; and
- (2) You use materials or similar quality for repair or replacement; and
- (3) If replacement is necessary, you replace the building on the same site with a building to be used for the same occupancy; and
- (4) The Coverage Summary Page does not indicate that the building is insured for "actual cash value;" and
- (5) There is nothing elsewhere in this policy limiting the basis of claim payment to "actual cash value."

If all these provisions are not met, settlement will be as in **(B)**.

(A) The cost of repairs or replacement (whichever is less) without deduction for depreciation, in which case if the loss is over \$1000, we will pay in the proportion that the applicable amount of insurance bears to 80% of the replacement cost of the damaged building at the date of damage, but not exceeding the actual cost incurred.

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

Mobile Homes: Loss or damage to Mobile Homes and additions will be settled on Actual Cash Value in all cases.

Dwelling Roofs: Loss or damage caused by windstorm or hail to dwelling roofs over 20 years old will be settled on an Actual Cash Value basis.

Guaranteed Replacement Cost: If the Coverage Summary Page indicates that *Guaranteed Replacement Cost (GRC)* applies, we agree to pay any insured loss under Dwelling Building on the basis of the following:

- (1) Subject to paragraph (2) below, we agree to pay:

- (a) the actual cost reasonably incurred to repair or replace the building on the same site with materials of like kind and quality, without deduction for depreciation, even if this exceeds the amount of insurance specified for Dwelling Building on the Coverage Summary Page;
 - (b) we do not, however, pay for any loss, expense or increased cost of repair due to the operation of any law or ordinance regulating the zoning, repair, construction or reconstruction of buildings and their related services.
- (2) The forgoing agreement shall not be applicable and shall not be in effect unless you fully comply with the following conditions:
- (a) the amount of insurance applicable to Dwelling Building must not be less than the full estimated replacement cost of the building;
 - (b) you must notify us of any additions, alterations or improvements you make to the building which increases its replacement cost by \$10,000, or more, within 60 days of the commencement. You agree to increase the amount of insurance applicable to Dwelling Building by an amount equal to the increase in the replacement cost of the building and to pay the additional premium for the increase;
 - (c) you must repair or replace the damaged or destroyed building within a reasonable time after the loss;
 - (d) you must have properly described your dwelling building to us when applying for this insurance;
 - (e) you agree to accept each annual adjustment in the coverage limits of liability as recommended by us and pay the additional premium.

Combined Single Limit: If the Coverage Summary Page indicates that (GRC) is included and the limit of insurance stated for any of the coverages Dwelling Building, Private Structures, or Personal Property is inadequate to satisfy your loss, you may apply the unused limits of insurance remaining under the coverage Dwelling Building, Private Structures, or Personal Property until the total limits of insurance under these coverages become exhausted. The sum of the limits of insurance for Dwelling Building, Private Structures, and Personal Property is the Combined Limit.

You must comply with the following conditions:

- (1) insure your Dwelling to 100% of its replacement cost value;
- (2) accept each annual adjustment in the coverage limits of liability as recommended by us and pay any additional premium;
- (3) notify us within 30 days of the start of any additions or other physical changes which may increase the replacement cost of the structure by 5% or more, and pay any resulting additional premium;
- (4) build on the same site promptly.

If you do not comply with the above conditions this coverage will not apply and the applicable policy limits stated on the Coverage Summary Page for the coverage Dwelling Building, Private Structures, and Personal Property will apply. If the GRC Coverage is shown as included on the Coverage Summary Page and in the event of an insured loss to the Dwelling, the limit shown for Dwelling Building is subtracted from the Combined Limit and the loss on the Dwelling is settled in accordance with GRC Coverage. Additional loss on Private Structures, Personal Property, and Additional Living Expense will be paid up to the remaining portion of the Combined Limit.

Inflation Protection: During the term of this policy, we will automatically change the limits of insurance on the Dwelling Building, Private Structures, and Personal Property by prorating months in force. Upon renewal, we will automatically apply the Inflation Protector to the limits of insurance shown on the Coverage Summary Page.

Personal Property (On Premises or Off Premises):

We agree to pay any loss insured for Personal Property on the basis of "Replacement Cost" up to the total amount of protection for Personal Property and subject to the following:

- (1) If the property is replaced with one of lesser quality, we will pay only the amount paid for the replacement.
- (2) We must receive written proof (receipts) of replacement or repair in order to receive replacement cost coverage.
- (3) We agree to pay on the basis of Replacement Cost only if the lost or damaged property is repaired or replaced as soon as reasonably possible. Otherwise the basis of claim payment will be the Actual Cash Value of the loss or damage at the date of the occurrence, up to the

applicable amount of insurance, but not exceeding what it would cost to repair or replace the property with material of similar quality.

- (4) The insured may choose to settle on an Actual Cash Value basis initially. A subsequent claim may be made on a Replacement Cost basis for the difference to replace the property, but not later than 180 days after the date of loss or damage. We will not pay for increased costs due to unnecessary delays on the insured's part.
- (5) We will keep any salvage or proceeds from the salvage.
- (6) Electronic "Data" – We agree to pay the cost of replacing electronic data from backup copies or duplicates, but we will not pay the cost of gathering or assembling information or data required for reproduction.
- (7) "Software" – We agree only to pay for the cost of replacing licensed software and only from duplicates or licensed originals of the lost or damaged version of the software.
- (8) Non-Electronic Records – including books of account, financial statements, legal documents such as wills and mortgage documents, drawings or card indexed systems. We agree to pay the cost of transcribing or copying the records from duplicates and the cost of blank books, pages, cards, or other materials. We will not pay the cost of research to reproduce these documents.

Otherwise, the basis of claim payment will be the Actual Cash Value of the damage on the date of the occurrence.

Replacement Cost settlement does not apply to:

- (a) Property that is not in good, useable condition at the time of loss;
- (b) Property not in use at the time of loss that had been stored away and which had no specific future use;
- (c) Property that is obsolete;
- (d) Antiques, fine arts, paintings, statuary and similar articles which, by their inherent nature, cannot be replaced;
- (e) Fur garments, garments trimmed with fur or wedding gowns that are 5 years of age from the date they were originally purchased new;
- (f) Property that has not been fixed or replaced after a loss;
- (g) Spare automobile parts and accessories;
- (h) Boats, their equipment, accessories, outboard motors, and jet propulsion personal watercraft, including unlicensed boat trailers that are more than five years of age from date they were originally purchased new;

Swimming Pool Liners: Loss or damage to swimming pool liners will be settled on the basis of Actual Cash Value in all cases.

Improvements and Betterments: (applicable to a Tenant or Condominium Unit Owner) If within reasonable time after damage, you repair or replace loss or damage to your improvements or betterments with materials of similar quality, we will pay on the basis of the actual cost of repairs or replacement (whichever is less) without deduction for depreciation, up to the applicable amount of insurance. If loss or damage is not repaired within a reasonable time, we will pay the Actual Cash Value of the loss or damage at the date of the occurrence, up to the applicable amount of insurance.

Insurance Under More Than One Policy: If you have insurance on specifically described property, our policy will be considered excess insurance and we will not pay any loss or claim until the amount of such other insurance is used up. In all other cases, our policy will pay its ratable proportion of an insured loss.

Obsolescence: We will not pay for increased costs that result when you cannot repair or replace your property because material or parts are unavailable, obsolete or outmoded. We will pay for the cost that would have been required if material or parts were available. We will pay on the basis of the last known cost of material or parts.

SECTION 2 Farm Property Coverages

The insurance provided in this section of the policy applies only to those Coverages for which an amount of insurance and premium is shown on the Coverage Summary Page. All the statutory and additional conditions of this policy apply to all coverages of Section 2.

PART I - DEFINITIONS

“Buildings”: means only those described for which a limit of insurance is specified on the Coverage Summary Page including additions in contact therewith, all permanent fittings and fixtures, glass, permanent appliances for lighting, heating or ventilating the building, fuel used for heating the building, and interior penning attached to the building or structure but excluding computer equipment and electronic data equipment, milk coolers, milking equipment, stable cleaners, electronic scales or silo unloaders unless specifically insured. Silos, whether or not attached to any building or structure, are not covered unless insured specifically.

“Custom Farming”: means the use of farm machinery or implements for others for charge or remuneration or the performance of any farm-related work for others for charge or remuneration.

“Exterior Wiring Systems”: means all owned poles (and any attached lighting units), wires, transformers switches that are supplying hydro to the insured premises.

“Livestock”: includes such classes of livestock as horses, cattle, sheep, goats, swine and poultry with each class insured separately.

“Machinery and Equipment”: includes farm tools, implements, machinery and fuel for machinery, usual to the operation of a farm, only while in use for agricultural purposes, and materials and supplies on premises insured under Part 3 of this policy intended for use in construction, alteration or repair of a building insured under Part 3 of this policy. Vehicles subject to registration under any government authority are not included.

“Produce”: includes commercial feeds, fertilizers, herbicides and pesticides, milk and unfertilized eggs, and anything that is an agricultural product of the soil, excluding seed, commercial fertilizers, herbicides and pesticides held for resale unless specifically insured, tobacco, lumber and unharvested crops. Produce also includes unharvested grain against loss or damage by fire only provided the insurance carried on this item is not less than \$30.00 per acre of the land farmed by you.

“Premises”: in this Section means buildings as named on the Coverage Summary Page including the land immediately surrounding and belonging to it.

“Contents of Every Description”: means Livestock, Machinery and Equipment and Produce as defined above.

“Property of Every Description”: means Buildings, Exterior Wiring Systems, Livestock, Machinery and Equipment, Produce and, Tenants Improvements as defined above.

“Special Risk Barn”: means:

- (c) a poultry barn housing 500 or more birds, or
- (d) a hog barn housing 300 or more hogs, or
- (e) a dairy barn housing 25 or more milk cows.

“Vacant”: means no longer used for any purpose; when contents, associated with the customary use of the building, have been removed. Unsecured, abandoned buildings are vacant even where some contents may remain in the building.

PART II - BASIS OF CLAIM PAYMENT

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

This applies even if more than one person or organization has an insurable interest in the property insured.

If you qualify for a tax credit, the loss payment will be reduced by that amount.

Any loss or damage shall not reduce the amount of insurance provided by this policy.

Actual Cash Value: Will take into account such things as the cost of replacement less any depreciation, and in determining depreciation we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

Deductible: In any one occurrence, we are responsible only for the amount by which the insured loss or damage exceeds the amount of the deductible shown on the Coverage Summary Page. If one occurrence could lead to the application of more than one deductible, only the largest deductible will apply.

Obsolescence: We will not pay for increased costs that result when you cannot repair or replace your property because material or parts are unavailable, obsolete or outmoded. We will pay for the cost that would have been required if material or parts were available. We will pay on the basis of the last known cost of material or parts.

Insurance Under More Than One Policy: If you have insurance on specifically described property, our policy will be considered excess insurance and we will not pay any loss or claim until the amount of such other insurance is used up. In all other cases, our policy will pay its ratable proportion of an insured loss.

Deferred Loss Settlement Clause: The following is applicable if the Coverage Summary Page shows that a building is “Subject to the Deferred Loss Settlement Clause”. In the event an insured peril damages or destroys any of the buildings to which this clause applies, you must complete and submit a “Proof of Loss” form to us. Upon receipt of the Proof of Loss form, we will make a first payment of only fifty percent of the amount of loss payable on the damaged or destroyed building. The amount of loss payable will be the lesser of a) the actual amount of the damage or b) the limit of insurance applicable to the damaged or destroyed building. The balance of the amount of loss payable is subject to the following:

- (1) If you repair or replace the damaged or destroyed property within nine months of the date of the loss and, if replacement is necessary, you replace the property on the same site or within 300 feet (90 meters) with property designed for the same purpose for which the destroyed property was originally intended, we will, upon receipt of satisfactory evidence of the amount you have paid for repair or replacement, pay the remaining amount of the loss in accordance with the terms and conditions of this policy;
- (2) If you do not repair or replace the property within the requirements of paragraph (1) above, the first reduced payment you receive shall constitute full and final settlement of the loss. We will then refund one-half the annual premium you paid us for the insurance on the property, if you request us to do so;
- (3) If you have other insurance on the property, we will pay our rateable proportion of the loss, subject to the terms and conditions of this clause.

If two or more items are subject to this clause, it will apply separately to each item.

We do not pay for any loss, expense or increased cost of repair or replacement due to the operation of any law or ordinance regulating zoning, demolition, repair or construction of buildings and their related services.

Solid Fuel Heat Warranty Clause: If “Solid Fuel Heat Warranty Applies” is shown on the coverage, it is warranted by the Insured that no solid fuel heat will be used in this building during the term of this policy. If this warranty is in any way disregarded, coverage afforded to this building shall be null and void with respect to any claim which occurs as a direct result of the use of solid fuel heat, heating or cooking device.

PART III - EXTENSIONS OF COVERAGE

Debris Removal: This coverage pays for the cost of removing debris of the property insured under this policy as a result of any insured peril. When the damage to the property plus the cost of cleaning and removal of debris exceed the limit of insurance for the damaged property, an additional 5% of the limit of insurance on the damaged building will be available to cover debris removal expenses. This coverage does not apply to Livestock. This coverage does not insure against direct or indirect loss, damage, cost or expense arising out of the clean-up, removal, containment, treatment, detoxification, decontamination, stabilization, neutralization, or remediation resulting from any actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release, or escape of “pollutants”. Further, this coverage does not insure against direct or indirect loss, damage, cost or expense, for any testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release, or escape of “pollutants”.

Removal of Property: If you must remove insured property from your premises to protect it from loss or damage, it is insured by this policy for 7 days or until your policy term ends, whichever occurs first. The amount of insurance will be divided in the proportions that the value of the property removed bears to the value of all property at the time of the loss.

PART IV - GENERAL EXCLUSIONS – Loss or Damage Not Insured (Applicable to all of Section 2 – Farm Property Coverages & Endorsements)

We do not insure:

- (1) loss or damage resulting directly or indirectly from:
 - (a) any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by a radioactive material;
 - (b) war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;

- (2) loss or damage resulting from any intentional or criminal act or failure to act by you, your employees or anyone to whom the damage or lost property is entrusted;
- (3) because of increased costs of repair due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;
- (4) caused by or resulting from breaking or falling through ice; (Livestock excepted);
- (5) caused by freezing or extremes of temperature unless specific coverage is included in your policy;
- (6) caused by wear, tear, scratching, marring, gradual deterioration, birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels or rats) or insects, latent defect, rust, corrosion, extremes of temperature, wet or dry rot, fungi or spores or contamination;
- (7) loss or damage which does not originate from an external cause;
- (8) loss due to delay or loss of market unless otherwise specifically insured;
- (9) loss due to the voluntary parting with title or possession of any property by you or others if induced to do so by any fraudulent scheme or false pretence;
- (10) any property illegally acquired, imported, kept, stored or transported;
- (11) any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
- (12) loss or damage directly or indirectly caused by or resulting from neglect, meaning neglect by you to use all reasonable means to save and protect the property at and after the time of loss, or when property is endangered by an insured peril;
- (13) to property while 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;
- (14) caused by mysterious disappearance;
- (15) to building and/or structures, and their contents, used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution or sale of marijuana or any product derived from, or containing marijuana or any other substance falling within the Schedules of the Controlled Drugs and Substances Act, whether or not the insured is aware of such use of the property;
- (16) loss or damage resulting from, contributed to or caused directly or indirectly by "Data Problem". However, if loss or damage caused by "Data Problem" results in the occurrence of further loss or damage to property insured that is directly caused by "Specified Perils" as defined in this policy, this exclusion shall not apply to such resulting loss or damage.

BEEKEEPERS (HONEY)

PROPERTY INSURED

If the Coverage Summary Page shows that Beekeepers Coverage applies, we insure the property described on the Coverage Summary Page and used in connection with your beekeeping operations, but only while the property is within the Province of Saskatchewan.

DEFINITIONS

Beekeeping Equipment shall include portable or mobile beekeeping equipment and supplies used in conjunction with the beekeeping operation. This does not include machinery and/or implements.

Hives shall include honey bees, in all stages of development and one or two brood chambers.

Honey shall include processed and unprocessed honey while contained in any building or while in barrels.

Supers shall mean additional hives and/or boxes not specifically used as brood chambers.

INSURED PERILS

Fire & Extended Coverage – If the Coverage Summary Page shows Fire & EC, you are insured against direct loss or damage caused by the following perils, as described and limited:

- (1) Fire, Lightning or Explosion;
- (2) Smoke - The term "Smoke" shall mean sudden, unusual and accidental damage caused by smoke from a heating or cooking unit;
- (3) Vandalism or Malicious Damage. This peril does not include loss or damage:
 - (a) to glass constituting part of a building;
 - (b) caused by any tenant, tenant's guests, tenant's employees or members of their households;
 - (c) caused by you, members of your household or your employees.
- (4) Theft or attempted theft. This peril does not include loss or damage:

- (a) caused by you, members of your household or your employees;
 - (b) caused by any tenant, tenant's guests, tenant's employees or members of their households;
 - (c) caused by mysterious disappearance or unexplained shortages;
 - (d) caused by dishonesty of any person to whom the insured property has been entrusted;
- (5) Windstorm or Hail - There is no coverage under this peril for loss or damage:
 - (a) to property in a building unless damage is concurrent with and results from an opening caused by windstorm or hail;
 - (b) to an outside hive or property within an outside hive unless the hive was properly anchored;
 - (c) caused by high water, flood, overflow, water borne objects, waves or surface ice whether or not driven by the wind;
 - (d) to bees in the open;
 - (e) to buildings or structures in course of construction or dismantling, unless permission is granted to complete construction or to dismantle building(s) or structure(s);
 - (f) to buildings or structures in transit or while raised off foundations;
 - (g) to roofs of buildings or structures roofed with straw, hay or tar paper;
 - (6) Ravaging by bears;
 - (7) Earthquake, Collision, upset or overturning of a vehicle on which the insured property is being transported within the Province of Saskatchewan, including collapse of bridges or culverts;
 - (8) Impact by land vehicle or aircraft;

OPTIONAL EXTENSION OF COVERAGE

- (1) **Property in Transit** - If the Coverage Summary Page shows a premium for "Trip Transit", the insurance provided by this rider is extended to apply while the insured property, except machinery or permanent buildings, is in transit anywhere in Canada or the Continental United States of America.
- (2) **Bees in the open**. If the Coverage Summary Page shows a premium for "Bees in the Open", the exclusion for "bees in the open" under the peril of Windstorm or Hail is deleted.
- (3) **Electrical Power Interruption**. - If the Coverage Summary Page shows a premium for "Power Interruption", we will pay for direct loss or damage caused by:
 - (a) electrical power interruption or as a result of a mechanical breakdown of fans, blowers, coolers or other brooding building equipment;
 - (b) fumes.

A deductible of \$500 applies to each occurrence insured under this extension.

The insurance provided by this extension does not apply unless there is in place an "approved" automatic operable back-up system which will provide uninterrupted power to the heating and ventilating system of the building containing the insured bees.

CO-INSURANCE CLAUSE

The Insured shall at all times maintain an amount of insurance on such property insured, for which a separate amount of insurance is shown on the Coverage Summary Page, equivalent to at least 80% of the actual cash value of such property insured, and that should the Insured fail to maintain such insurance, the Insurer shall not be liable for a greater proportion of any loss than the amount of insurance carried bears to 80% of the actual cash value of such property at the time of loss. We agree to waive this clause if the amount of loss in any one occurrence is less than \$2500.00 or 5% of the amount of insurance shown, whichever is less. If more than one item is insured, this clause will apply separately to each item for which an amount of insurance is shown.

EXCLUSIONS:

Property Not Insured: We do not insure any building which has not been used for beekeeping purposes for more than 60 consecutive days, unless you notify us of this in writing.

Loss or Damage Not Insured: We do not insure loss or damage:

- (1) caused by death resulting from or contributed to by disease, illness, predators, parasites or poison, whether as a consequence of an insured peril or not; or
- (2) caused directly or indirectly by electrical currents, other than lightning, but if fire or explosion results, we will pay for the resulting fire or explosion damage;

- (3) caused directly or indirectly by interruption of electrical power, even if the interruption is the result of an Insured Peril.

SPECIAL DEDUCTIBLE - Property in the open field.

In the case of loss or damage by bear(s) to insured property while located in the open field, we are responsible only for the amount by which the loss or damage exceeds the greater of \$2,500 or the deductible amount shown on the Coverage Summary Page in any one occurrence.

BEEKEEPERS (LEAFCUTTER)

PROPERTY INSURED

If the Coverage Summary Page shows that Beekeepers Coverage applies, we insure the property described on the Coverage Summary Page and used in connection with your beekeeping operations, but only while the property is within the Province of Saskatchewan.

DEFINITIONS

Beekeeping Equipment shall include portable or mobile beekeeping equipment and supplies used in conjunction with the beekeeping operation. This does not include machinery and/or implements.

Adult Bees or Cocoons shall mean leafcutter bees and cocoons, including all stages of development.

Nesting Boards and Shelters shall mean nesting boards and shelters used in conjunction with a leafcutter operation.

INSURED PERILS

Fire & Extended Coverage – If the Coverage Summary Page shows Fire & EC, you are insured against direct loss or damage caused by the following perils, as described and limited:

- (1) Fire, Lightning or Explosion;
- (2) Smoke - The term "Smoke" shall mean sudden, unusual and accidental damage caused by smoke from a heating or cooking unit;
- (3) Vandalism or Malicious Damage. This peril does not include loss or damage:
 - (a) to glass constituting part of a building;
 - (b) caused by any tenant, tenant's guests, tenant's employees or members of their households;
 - (c) caused by you, members of your household or your employees.
- (4) Theft or attempted theft. This peril does not include loss or damage:
 - (a) caused by you, members of your household or your employees;
 - (b) caused by any tenant, tenant's guests, tenant's employees or members of their households;
 - (c) caused by mysterious disappearance or unexplained shortages;
 - (d) caused by dishonesty of any person to whom the insured property has been entrusted;
- (5) Windstorm or Hail - There is no coverage under this peril for loss or damage:
 - (a) to property in a building unless damage is concurrent with and results from an opening caused by windstorm or hail;
 - (b) to an outside hive or property within an outside hive unless the hive was properly anchored;
 - (c) caused by high water, flood, overflow, water borne objects, waves or surface ice whether or not driven by the wind;
 - (d) to bees and/or cocoons in the open;
 - (e) to buildings or structures in course of construction or dismantling, unless permission is granted to complete construction or to dismantle building(s) or structure(s);
 - (f) to buildings or structures in transit or while raised off foundations;
 - (g) to roofs of buildings or structures roofed with straw, hay or tar paper;
- (6) Ravaging by bears;
- (7) Earthquake, Collision, upset or overturning of a vehicle on which the insured property is being transported within the Province of Saskatchewan, including collapse of bridges or culverts;
- (8) Impact by land vehicle or aircraft;

OPTIONAL EXTENSION OF COVERAGE

- (1) **Property in Transit** - If the Coverage Summary Page shows a premium for "Trip Transit", the insurance provided by this rider is extended to apply while the insured property, except

machinery or permanent buildings, is in transit anywhere in Canada or the Continental United States of America.

- (2) **Bees and/or Cocoons in the open.** If the Coverage Summary Page shows a premium for "Bees and/or Cocoons in the Open", the exclusion for "bees and/or cocoons in the open" under the peril of Windstorm or Hail is deleted.
- (3) **Electrical Power Interruption.** - If the Coverage Summary Page shows a premium for "Power Interruption", we will pay for direct loss or damage caused by:
- (a) electrical power interruption or as a result of a mechanical breakdown of fans, blowers, coolers or other brooding building equipment;
 - (b) fumes.
- A deductible of \$500 applies to each occurrence insured under this extension.

The insurance provided by this extension does not apply unless there is in place an "approved" automatic operable back-up system which will provide uninterrupted power to the heating and ventilating system of the building containing the insured bees.

CO-INSURANCE CLAUSE

The Insured shall at all times maintain an amount of insurance on such property insured, for which a separate amount of insurance is shown on the Coverage Summary Page, equivalent to at least 80% of the actual cash value of such property insured, and that should the Insured fail to maintain such insurance, the Insurer shall not be liable for a greater proportion of any loss than the amount of insurance carried bears to 80% of the actual cash value of such property at the time of loss. We agree to waive this clause if the amount of loss in any one occurrence is less than \$2500.00 or 5% of the amount of insurance shown, whichever is less. If more than one item is insured, this clause will apply separately to each item for which an amount of insurance is shown.

EXCLUSIONS

Property Not Insured: We do not insure any building which has not been used for beekeeping purposes for more than 60 consecutive days, unless you notify us of this in writing.

Loss or Damage Not Insured: We do not insure loss or damage:

- (1) caused by death resulting from or contributed to by disease, illness, predators, parasites or poison, whether as a consequence of an insured peril or not; or
- (2) caused directly or indirectly by electrical currents, other than lightning, but if fire or explosion results, we will pay for the resulting fire or explosion damage;
- (3) caused directly or indirectly by interruption of electrical power, even if the interruption is the result of an Insured Peril.

LOSS REPORTING

Any occurrence causing loss or damage insured by this rider must be reported immediately.

LOSS ADJUSTMENT CLAUSE - Bees and/or Cocoons in the open field:

If this rider insures loss or damage to Bees and/or Cocoons while in the open field, we will not pay for such loss or damage if the number of cocoons recovered during the season is equal to or greater than the number of adult bees and/or cocoons released at the beginning of the season.

SPECIAL DEDUCTIBLE - In the case of loss or damage caused by the peril of windstorm or hail to bees and/or cocoons, while located in the open field, including while in shelters, we are responsible only for the amount by which the loss or damage exceeds the greater of \$2,500 or the deductible amount shown on the Coverage Summary Page in any one occurrence.

FARM OUTBUILDINGS AND CONTENTS

The word "building", as used in describing this coverage also means a "structure"

PROPERTY INSURED

(1) Farm Outbuildings

(a) Blanket Cover – If the Coverage Summary Page shows an amount of insurance for "Outbuildings" with "Blanket" cover, we insure farm buildings on your premises, including their permanently attached fixtures and equipment, owned by you and used in connection with your farming operations.

We do not insure:

- (1) any building, or mobile home used in whole or in part for residential purposes, whether or not insured under any section of this policy;
- (2) any building used or intended for use as a greenhouse;

- (3) any building separately described and specifically insured by this or any other policy;
- (4) windmills, wind chargers and their towers;
- (5) outdoor radio and T.V. antennae and towers, including satellite dishes, and the attachments of any of them, whether or not they are attached or connected to a building;
- (6) Special Risk barns;
- (7) any building used in whole or in part for manufacturing or commercial purposes other than farming;
- (8) any open-sided buildings and/or shelters including fabric or tarp type structures;
- (9) any building using solid fuel and/or oil heat.

(b) Scheduled Cover – If the Coverage Summary Page shows an amount of insurance for “Outbuildings” with “Scheduled” cover, we insure the buildings described on the Coverage Summary Page and for which an amount of insurance is shown, including their permanently attached fixtures and equipment.

We do not insure:

- (1) fences or corrals attached to any building, unless they are specifically described on the coverage summary page with an amount of insurance indicated;
- (2) any building used in whole or in part for manufacturing or commercial purposes, other than farming, unless permission for such use is shown on the Coverage Summary page;
- (3) outdoor radio and T.V. antennae and towers, including satellite dishes or the attachments of any of them, whether or not they are attached or connected to a building.

(2) Farm Outbuilding Contents

(a) Blanket Cover – If the Coverage Summary Page shows an amount of insurance for “Contents” with “Blanket” cover, we insure the contents of farm buildings on your premises while contained in insured buildings. This insurance applies only to property you own or for which you are legally liable and which pertains to your farming operations.

We do not insure:

- (1) contents of Special Risk barns;
- (2) stacked fodder in open-sided shelters;
- (3) threshed grain, fertilizer or chemicals.

Also see “Property Not Insured” below.

(b) Scheduled Cover – If the Coverage Summary page shows an amount of insurance for “Contents” with “Scheduled” coverage, we insure the contents of the building(s) described on the Coverage Summary page and for which an amount of insurance is shown for “contents”, while contained in the building(s). This insurance applies only to property you own or for which you are legally liable and which pertains to your farming operations.

(c) Property Not Insured – These exclusions apply to both Blanket and Scheduled Cover. We do not insure:

- (1) contents of a dwelling or property usual to the ownership or maintenance of a dwelling;
- (2) any other personal or miscellaneous property separately described and specifically insured by this or any other insurance policy;
- (3) animals (including fowl and bees) except as provided for under the “Farm Contents Extension”;
- (4) automobiles, motorcycles, all terrain vehicles, snowmobiles, other motorized land vehicles, house trailers, farm machinery and field equipment (including tractors, swathers and combines) or the equipment and appurtenances of any of them;
- (5) aircraft, air cushion vehicles, watercraft, including the equipment and appurtenances of any of them;
- (6) buildings, including permanently attached fixtures or equipment forming part of any building;
- (7) semen and semen tanks;
- (8) liquefied petroleum gas, benzene or naphtha;

- (9) threshed grain, fertilizer or chemicals;
- (10) money, securities, accounts, bills, stamps, or evidences of debt or title;
- (11) contents in any building used in whole or in part for manufacturing or commercial purposes other than farming;
- (12) building and/or structures, and their contents, used in whole or in part for cultivation, harvesting, processing, manufacture or distribution or sale of marijuana or any product derived from, or containing marijuana or any other substance falling within the Schedules of the Controlled Drugs and Substances Act. Whether or not the insured is aware of such use of the property.

(d) Farm Contents Extension – You may apply up to 10% of the amount of insurance on Farm Building Contents or \$500 whichever is the lower amount, to cover poultry and bees, of any maturity, usual to a mixed farming operation, but only against loss by fire and subject otherwise to all terms and conditions of this policy. This extension does not apply to poultry contained in a Special Risk Barn.

INSURED PERILS

(1) Fire and Lightning - If the Coverage Summary page specifies Fire & Lightning you are insured against direct loss of damage caused by:

- (a) fire,
- (b) lightning (excluding lightning damage to electrical devices or appliances) or
- (c) explosion of natural, coal or manufactured gas.

Loss or Damage Not Insured

We do not insure loss or damage:

- (a) to contents undergoing any process, but resulting fire damage to other property is insured;
- (b) to a building or contents occurring when the farm premises has been vacant for more than 3 consecutive months or unoccupied for more than 6 consecutive months, unless we have given permission for vacancy or unoccupancy;
- (c) caused by fire if there is, to your knowledge, in addition to what is in the fuel tanks of vehicles, more than five gallons in all of gasoline, benzene, naphtha or other material of greater volatility, in an insured building or in a building in which insured property is contained;
- (d) we do not insure any loss, expense or increased costs of repair or replacement due to the operation of any law or ordinance regulating the zoning, demolition, repair or construction of buildings and their related services.

(2) Fire and Extended Coverage - If the Coverage Summary Page specifies Fire & EC, you are insured against direct loss or damage caused by the following perils as described and limited:

- (a) Fire;
- (b) Lightning, including lightning damage to electrical devices or appliances;
- (c) Explosion or Implosion;
- (d) Smoke: this peril means smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises;
- (e) Impact by aircraft or land vehicle, including impact by objects falling from an aircraft;
- (f) Riot;
- (g) Vandalism or Malicious Acts: This peril does not include loss or damage:
 - (1) caused by theft or attempted theft;
 - (2) to glass constituting part of a building;
 - (3) caused by any tenant, tenant’s guest, tenant’s employees or members of their household;
 - (4) caused by you or any member of your household;
 - (5) occurring while an insured building is vacant or under construction, even if we have given permission for construction or vacancy;
- (h) Windstorm or Hail: This peril does not include loss or damage:
 - (1) to fences, roof signs or corrals;
 - (2) directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow load, ice load, tidal wave, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslide;

- (3) to the interior of a building or to the contents of a building unless damage occurs concurrently with and results immediately from an opening in the building caused by windstorm or hail;
- (4) to a building in course of construction unless we have given permission to complete construction;
- (5) to a building while being moved or otherwise in course of transit;
- (6) to a building not fully enclosed on all sides;
- (7) to a building while raised off its foundation;
- (8) to walls or roofs of buildings constructed of or covered with straw, hay, tar paper, tarp or similar covering;
- (i) Theft or Attempted Theft: This peril does not include:
 - (1) loss or damage caused by your employees or a member of your or an employee's household; or
 - (2) mysterious disappearance.

Loss or Damage Not Insured

We do not insure loss or damage:

- (a) to contents undergoing any process, but resulting fire damage to other property is insured;
- (b) to a building or contents occurring when the farm premises has been vacant for more than 3 consecutive months or unoccupied for more than 6 consecutive months, unless we have given permission for vacancy or unoccupancy;
- (c) caused by fire if there is, to your knowledge, in addition to what is in the fuel tanks of vehicles, more than five gallons in all of gasoline, benzene, naphtha or other material of greater volatility, in an insured building or in a building in which insured property is contained;
- (d) we do not insure any loss, expense or increased costs of repair or replacement due to the operation of any law or ordinance regulating the zoning, demolition, repair or construction of buildings and their related services.

- (3) **All Risk Coverage:** If the Coverage Summary Page specifies All Risk Coverage you are insured against direct physical loss or damage from any external cause, subject to the following exclusions:

Loss or Damage Not Insured

(1) **Property Excluded** – We do not insure loss or damage to:

- (a) sewers, drains or water mains located beyond the outside bearing walls or foundations of the property insured, outside communication towers, antennae (including satellite receivers) and equipment attached to them;
- (b) any building which is, to the knowledge of the Insured, vacant, unoccupied or shut down for more than thirty (30) consecutive days;
- (c) electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing, unless fire or explosion ensues and then only for such ensuing loss or damage;
- (d) (i) any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch above atmospheric pressure);
(ii) any boiler, including the piping and equipment connected to it, which contains steam or water under steam pressure (except tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use);
(iii) caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use, but this exclusion does not apply to manually portable gas cylinders, explosion of natural, coal or manufactured gas, explosion of gas or consumed fuel within a furnace or with the gas passages to the atmosphere.

(2) **Perils Excluded** – We do not insure against loss or damage caused directly or indirectly:

- (a) by snowslide, landslide, subsidence or other earth movement, except for ensuing loss or damage such results directly from fire, explosion, smoke or leakage from fire protective equipment;

- (b) by flood, including waves, tides, tidal waves, tsunamis, or the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made, but this exclusion does not apply to ensuing loss or damage which results directly from fire, explosion, smoke, leakage from fire protective equipment, or leakage from a water main;
- (c) by seepage, leakage or influx of water derived from natural openings in the building, foundations, basement floors, sidewalks, sidewalk lights, or by the backing up of sewers, sumps, septic tanks or drains, unless concurrently and directly caused by a peril not otherwise excluded by this Coverage;
- (d) by the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings unless through an opening concurrently and directly caused by a peril not otherwise excluded by this Coverage;
- (e) by centrifugal force, mechanical or electrical breakdown or derangement in or on the premises, unless fire ensues and then only for the loss or damage caused directly by such ensuing fire;
- (f) by explosion (except with respect to explosion of natural, coal or manufactured gas), collapse, rupture, bursting cracking, burning out or bulging of the following property owned, operated or controlled by the Insured, unless fire ensues and then only for the loss or damage caused directly by such ensuing fire:
 - (i) the portions containing steam or water under steam pressure of all boilers generating steam and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
 - (ii) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
 - (iii) other vessels and apparatus and pipes connected to them while under pressure, or while in use or in operation provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure but this exclusion does not apply to loss or damage resulting from the explosion of manual portable gas cylinders or of tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use;
 - (iv) moving or rotating machinery or parts thereof;
 - (v) any vessels and apparatus and pipes connected to them while undergoing pressure tests but this exclusion does not apply to other property insured by this coverage that has been damaged by such explosion;
 - (vi) gas turbines.
- (g) by settling, expansion, contraction, moving, shifting or cracking unless concurrently and directly caused by a peril not otherwise excluded by this Coverage;
- (h) by dampness or dryness of atmosphere, changes of temperature, contamination, freezing, heating, shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, change in colour or texture or finish, rust or corrosion, marring, scratching or crushing, but this exclusion does not apply to loss or damage caused directly by fire, lightning, smoke, windstorm, hail, explosion, strike, riot, impact by aircraft, spacecraft or land vehicle, leakage from fire protective equipment, rupture of pipes or breakage of apparatus not excluded under exclusion (f) hereof, vandalism or malicious acts, theft or attempted theft or accident to transporting conveyance.
- (i) by smoke from agricultural smudging or industrial operations;
- (j) by rodents (such as squirrels and rats), insects or vermin (such as skunks and raccoons), but this exclusion does not apply to loss or damage caused directly by a peril not otherwise excluded in this Coverage;
- (k) by delay, loss of market or loss of use or occupancy;
- (l) by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- (m) (i) by 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;

(ii) by contamination by radioactive material;

- (n) by any dishonest or criminal act on the part of the Insured or any other party of interest, employees or agents of the Insured, or any person to whom the property may be entrusted (bailees for hire excepted), but this exclusion does not apply to physical damage, caused directly by employees of the Insured, which results from a peril not otherwise excluded under this Coverage;
 - (o) proximately or remotely, arising in consequence of, or contributed to, by the enforcement of any by-law, regulation, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures, which, by-law, regulation, ordinance or law, makes it impossible to repair or reinstate the property as it was immediately prior to the loss;
 - (p) the melting of ice or snow on the roof of the building.
- Nor does this coverage insure:
- (q) wear and tear, gradual deterioration, latent defect, inherent vice; or
 - (r) the cost of making good faulty or improper material, faulty or improper workmanship, faulty or improper design, provided, however, to the extent otherwise insured and not otherwise excluded under this coverage, resultant damage to the property is insured;
 - (s) mysterious disappearance or unexplained loss or any loss or shortage disclosed on taking inventory;
 - (t) loss or damage to electrical devices or appliances caused by electrical currents other than lightning, but if fire results we will pay only the resulting loss or damage;
 - (u) accumulative damage however caused or any loss or damage not due to a sudden unexpected event;
 - (v) loss or damage to property while being worked on, where the loss or damage results from such work, or caused by any repairing, adjusting or servicing of insured property, but if fire explosion results, we will pay only for the resulting fire or explosion damage;
 - (w) loss, expense or increased costs of repair or replacement due to the operation of any law or ordinance regulating zoning, demolition, repair or construction of buildings and their related services;

(3) Pollution Excluded - We do not insure against:

- (a) loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of pollutants, nor the cost or expense of any resulting clean up, but this exclusion does not apply:
 - (i) if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of pollutants is the direct result of a peril not otherwise excluded under this Coverage;
 - (ii) to loss or damage caused directly by a peril not otherwise excluded under this Coverage;
 - (iii) cost or expense or any testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of pollutants.

ADDITIONAL COVERAGES

- (1) Newly Acquired Buildings at Newly Acquired Locations** – Coverage is automatically provided on buildings acquired by the insured during the policy term at locations other than those shown on the Coverage Summary Page, and situated within the territorial limits of Canada, to a maximum aggregate of \$100,000. This coverage shall cease:
- (a) at the inception of more specific insurance; or
 - (b) at the expiration of the policy; or
 - (c) 60 days from the inception of such acquisition, whichever occurs first.

When such newly acquired buildings are to be insured under this policy beyond the expiry of the above limits, premium shall be payable from the date of such acquisition. If coverage under this section applies to more than one building on a newly acquired premises, the total

amount of insurance shall be divided in the proportions that the value of all structures on the premises at the time of loss.

- (2) Buildings in Course of Construction** – This section insures, subject to all terms and conditions of the policy, for not more than \$50,000 on new additions, new buildings, and new structures and intended for agricultural occupancy. This coverage shall cease:

- (a) at the inception of more specific insurance; or
- (b) at the expiration of the policy; or
- (c) 60 days from the date construction begins, whichever occurs first.

If coverage under this section applies to more than one building on a premise, the total amount of insurance shall be divided in the proportions that the value of each structure has to the value of all structures on the premises that are in the course of construction at the time of loss.

CO-INSURANCE CLAUSE

The Insured shall at all times maintain an amount of insurance on such property insured, for which a separate amount of insurance is shown on the Coverage Summary Page, equivalent to at least 80% of the actual cash value of such property insured, and that should the Insured fail to maintain such insurance, the Insurer shall not be liable for a greater proportion of any loss than the amount of insurance carried bears to 80% of the actual cash value of such property at the time of loss. We agree to waive this clause if the amount of loss in any one occurrence is less than \$2,500.00 or 5% of the amount of insurance shown, whichever is less. If more than one item is insured, this clause will apply separately to each item for which an amount of insurance is shown.

REPLACEMENT COST – FARM BUILDINGS: Where the Coverage Summary Page sets out the basis of settlement as "Replacement Cost", if there is loss or damage to a building or structure, you may choose as the basis of loss settlement either Option A or Option B below, provided that:

1. the building or structure is used for the purpose for which it was built or has been altered in a manner suitable for its current use,
2. the building or structure is not more than 15 years old
3. the building or structure is on a masonry foundation and is fully enclosed,
4. you repair or replace the property within 180 days after the date on which the loss or damage occurred, otherwise settlement will be as set out in Option B.

Option A: Replacement Cost Settlement – Replacement Cost means the cost, at the time of the loss, or repair or replacement (whichever is less) with new property of similar kind and quality, without deduction for depreciation. If replacement is necessary, you replace the building on the same site or within 200 feet (65 meters) thereof, with a building designed for the same purpose for which the destroyed building was originally intended. If you have other insurance on the building insuring against the same perils as this policy, it must include "Replacement Cost" coverage identical to this endorsement, otherwise settlement will be as if this endorsement had not been in effect. We will not pay more than the applicable limit of insurance shown on the Coverage Summary page, nor will we pay a greater proportion of the loss than the limit of insurance bears to 80% of the Replacement Cost of the property at the time of the loss.

Option B: Actual Cash Value Settlement: - The Actual Cash Value of the loss or damage at the time of the loss, but not exceeding the applicable limit of insurance shown on the Coverage Summary page. Actual Cash Value will take into account such things as the cost of replacement less any depreciation, and in determining depreciation, we will consider the condition immediately before the damage, the resale value, and the normal life expectancy. We will not pay a greater proportion of the loss than the limit of insurance bears to 80% of the Actual Cash Value of the property at the time of the loss.

FARM MACHINERY AND EQUIPMENT

If the Coverage Summary Page shows Farm Machinery, we insure your Machinery and Equipment against external risks of direct physical loss or damage, subject to the terms and conditions below.

PROPERTY INSURED

- (a) Blanket Cover**

If the Coverage Summary Page shows an amount of insurance for Machinery with "Blanket Cover", we will insure mobile farm machinery and implements, including their equipment

whether attached or not, which you own or for which you are legally liable and which are used in connection with your farming operations. We insure this property only while it is on your premises or temporarily away from your premises anywhere in Canada or the continental USA. We do not insure:

- (1) automobiles, motorcycles, snow mobiles, dirt bikes, go-carts, all terrain vehicles or similar types of motorized vehicles, any other motorized land vehicles required to be licensed for use on public roads, whether licensed or not, mobile homes or house trailers or the equipment or appurtenances of any of the foregoing;
- (2) watercraft and their motors, aircraft or air cushion vehicles, or the equipment or appurtenances of any of the foregoing;
- (3) equipment forming part of a building or structure;
- (4) any farm machinery or implements separately described and specifically insured by this or any other policy;
- (5) grain dryers, including aeration fans or heaters for grain bins;
- (6) irrigation equipment;
- (7) property used in logging, forestry, brush cutting or sawmill operations, but brush cutting on land you own or lease is permitted;
- (8) property while engaged in custom work outside Canada or while in transit in connection with such custom work. "Custom Work" means the use of the insured property for others for compensation.

Extension of Coverage (applicable to Blanket Coverage only)

- (1) **Portable Farm Tools** – You may apply up to 10% of the amount of insurance for Machinery Blanket Coverage or \$1,000, whichever is less, to insure your portable farm tools or spare parts specific to machinery insured under this coverage. This extension is subject to all the terms and conditions applicable to Farm Machinery coverage.
- (2) **Damage to Non-Owned Equipment** – At your option, up to 10% of the total limit of insurance on machinery and equipment may be applied for loss or damage to non-owned machinery and equipment while in your care, custody or control caused by the perils insured against in this coverage. This extension also applies to non-owned machinery and equipment in your control through any rental or lease agreement.

(b) Scheduled Cover

If the Coverage Summary Page shows an amount of insurance for Machinery with "Scheduled Cover" we insure machinery you own or for which you are legally liable, described on the Coverage Summary Page and for which a limit of insurance and premium are shown. We insure this property only while it is on your premises or temporarily away from your premises anywhere in Canada or the continental U.S. We do not insure:

- (1) property used in logging, forestry, brush cutting or sawmill operations, but brush cutting on land you own or lease is permitted;
- (2) property while engaged in custom work outside Canada or while in transit in connection with such custom work. "Custom Work" means the use of the insured property for others for compensation.

Extension of Coverage

- (1) **Newly Acquired Machinery & Equipment** – This coverage is extended to apply to additional items which are similar in nature to those scheduled and described on the Coverage Summary Page, which are your property and have been acquired during the term of this policy. You agree to report such additions within 14 days from the date acquired, and to pay premiums for such additions from the date acquired at pro rata of the coverage rate.

It is specifically understood and agreed, however, that this coverage will cease to cover such items if they are not reported to us within the said 14-day period. Under the conditions of this agreement we will not pay more than 25% of the amount of insurance under this coverage on machinery and equipment. If you acquire more than one item of machinery within a 30 day period, the increased amount will be divided among the newly acquired items in the proportions that the value of each of these items bears to the value of them all.

- (2) **Replacement Farm Machinery** – If you dispose of an item of machinery insured by this policy and replace it with one you acquire as owner and which is designed for the same use as the one you disposed of, the insurance on the item you disposed of will

apply to the replacement item, with the amount of insurance increased by \$30,000 or up to the actual cash value of the replacement item, whichever is less.

- (3) **Damage to Non-Owned Equipment** – At your option, up to 10% of the limit of insurance on machinery and equipment may be applied for loss or damage to non-owned machinery and equipment while in your care, custody or control caused by the perils insured against in this coverage. This extension also applies to non-owned machinery and equipment in your control through any rental or lease agreement.

Special Limit of This Coverage

- (1) Unless specifically scheduled, coverage will be limited to not more than \$1,000 on any individual item or building materials.
- (2) Coverage for loss or damage to tires and tubes will be limited to not more than \$1,000 on any individual item of machinery or equipment. This limit shall not apply to loss or damage caused by fire, windstorm, theft or vandalism and malicious acts or when the loss happens at the same time as other loss or damage insured by this coverage.
- (3) Coverage for loss or damage to fuel used to operate insured machinery and equipment will be limited to not more than \$1,000 in any one storage unit.

INSURED PERILS

- (1) **Fire** – If the Coverage Summary Page specifies Fire Coverage, you are insured against direct loss or damage caused by fire, lightning, or explosion of natural, coal or manufactured gas.
- (2) **Broad** – If the Coverage Summary Page specifies Broad Coverage, you are insured against direct physical loss or damage from any external cause, except the following:

We do not insure loss or damage:

- (a) caused by or resulting from wear, tear, gradual deterioration, mechanical breakdown, failure or defect, inherent vice, dryness or dampness of atmosphere, corrosion, rust, freezing or extremes of temperature, scraping, scratching, insects, rodents, vermin, skunks, moles, mice, raccoons or domesticated animals;
- (b) caused by short circuit or other electrical disturbance, except by lightning, but if fire results, we will pay only the resulting fire damage;
- (c) caused by or resulting from repairing, adjusting (including the necessary adjustments to a machine to place it into or out of its transporting position), servicing, fuelling or maintenance operations, but if any of these result in fire or explosion, we will pay only for the loss or damage to the insured property caused by the fire or explosion;
- (d) to tires or tubes unless the loss or damage is caused by fire, windstorm, vandalism or malicious damage or theft, or is coincident with other loss or damage insured by this policy;
- (e) caused by or resulting from internal damage to machinery due to clogging, compacting, plugging or piling up of straw, hay or other material intended to be ingested into the machine.

We do not insure:

- (f) mysterious disappearance or unexplained loss;
- (g) accumulative damage, however caused.

CO-INSURANCE CLAUSE

The Insured shall at all times maintain an amount of insurance on such property insured, for which a separate amount of insurance is shown on the Coverage Summary Page, equivalent to at least 80% of the actual cash value of such property insured, and that should the Insured fail to maintain such insurance, the Insurer shall not be liable for a greater proportion of any loss than the amount of insurance carried bears to 80% of the actual cash value of such property at the time of loss. We agree to waive this clause if the amount of loss in any one occurrence is less than \$2,500.00 or 5% of the amount of insurance shown, whichever is less. If more than one item is insured, this clause will apply separately to each item for which an amount of insurance is shown.

DEDUCTIBLE

The Deductible Clause noted on the Coverage Summary Page is replaced by the following in the case of any claim arising out of internal damage caused by a foreign object(s) being ingested into a machine.

We are responsible only for the amount by which the loss or damage in any one occurrence exceeds 25% of the amount of the loss or \$2,500.00, or the amount shown on the coverage summary page, whichever is greater.

LIMITED WAIVER OF DEPRECIATION

If the Coverage Summary Page shows an amount of insurance for "Machinery", in the event that loss or damage to such farm machinery exceeds the deductible amount shown in the policy, we agree to waive our right under Basis of Claim Payment of Section 2 – Farm Property Coverage subject to the following terms and conditions:

- (1) The limit on the damaged item must be maintained at 100% of its Replacement Cost Value. Failing to do so, you will only be entitled to recover that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.
- (2) The owner/lessee must be the first owner/lessee of the farm machinery and the farm machinery was of the current model year at the time of delivery to the owner/lessee.
- (3) The damage must occur within 36 months of the date on which the farm machinery was first delivered to the owner/lessee.
This coverage will not apply with respect to
 - (a) tires and batteries, or
 - (b) betterment resulting from the necessary repair or replacement of parts having prior unrepaired damage, or
 - (c) any claim arising out of internal damage caused by a foreign object(s) being ingested into a machine.
- (4) Settlement will be made on this basis only when you have made replacement. In no event will we pay more than the actual purchase price of the farm machinery and its equipment to the owner/lessee or the manufacturer's suggested list price at the original date of purchase (or list price since then), or the actual replacement cost of the farm machinery and its equipment, whichever is the lesser amount.

LOSS OF USE COVERAGE

This coverage applies only if an amount of insurance is shown on the Coverage Summary Page. If any farm machinery insured by this policy under the "Farm Machinery" coverage becomes inoperative because of loss or damage for which a claim is payable under this policy, we agree to pay 90% of the expense you incur for the rental of replacement farm machinery but not exceeding the amount of insurance shown. In determining the amount of payment, only the rental cost of a machine similar in size, use and capacity to the inoperative machine will be considered. Payment shall end on the date of completion of repairs or replacement of the damaged property or the date we make or tender settlement for the loss or damage, whichever is first.

FERTILIZER & FARM CHEMICALS

If the Coverage Summary Page shows an amount of insurance for fertilizer or chemicals, we insure Farm Fertilizer and Farm Chemicals you own for which an amount of insurance is specified. We insure this property while it is anywhere within the Province of Saskatchewan.

INSURED PERILS

Broad - If the Coverage Summary Page specifies Broad Coverage, you are insured against direct loss or damage caused by the following perils as defined and limited:

- (1) Fire, lightning and explosion;
- (2) Windstorm, but only while the insured property is stored in a fully enclosed building(s) or storage tank(s);
- (3) Accidental collision of a vehicle on which the insured property is being transported with any other vehicle or object;
- (4) Overturn of a vehicle on which the insured property is being transported;
- (5) Vandalism or Malicious Acts, excluding theft or attempted theft;
- (6) Theft, or attempted theft, from within a fully enclosed building or while the property is in transit. This peril does not include mysterious disappearance or unexplained shortage.

EXCLUSIONS - Losses not insured

We do not insure loss or damage:

- (1) occurring before you have accepted delivery of the insured property;

- (2) caused by or resulting from strike, lockout, labour disturbance, riot, civil commotion or the acts of any person or persons taking part in any of these activities;
- (3) to property undergoing any process or while being worked on, where the damage results from such process or work.

CO-INSURANCE CLAUSE

The Insured shall at all times maintain an amount of insurance on such property insured, for which a separate amount of insurance is shown on the Coverage Summary Page, equivalent to at least 80% of the actual cash value of such property insured, and that should the Insured fail to maintain such insurance, the Insurer shall not be liable for a greater proportion of any loss than the amount of insurance carried bears to 80% of the actual cash value of such property at the time of loss. We agree to waive this clause if the amount of loss in any one occurrence is less than \$2,500.00 or 5% of the amount of insurance shown, whichever is less. If more than one item is insured, this clause will apply separately to each item for which an amount of insurance is shown.

LOCKED STORAGE WARRANTY

It is a condition of this insurance that all storage facilities such as buildings, tanks and pumps, will be securely locked when not in use, otherwise, coverage under perils (5) and (6) will be excluded.

FODDER & FEEDS

PROPERTY INSURED

- (1) **Blanket Cover** – If the Coverage Summary Page shows an amount of insurance for "Fodder & Feeds with "Blanket" cover, we insure fodder owned by you or for which you are legally liable, while stacked in the open or in open-sided feed or fodder shelters, but not inside a fully enclosed building, anywhere in the territorial limits of Canada.
- (2) **Scheduled Cover** – If the Coverage Summary Page shows an amount of insurance for "Fodder & Feeds" with "Scheduled" cover, we insure fodder owned by you, or for which you are legally liable, as described on the Coverage Summary Page and for which an amount of insurance is shown. We insure this property anywhere in the territorial limits of Canada, unless otherwise stated on the Coverage Summary Page.

INSURED PERILS

- (1) **Fire** – If the Coverage Summary Page specifies Fire Coverage, you are insured against direct loss or damage caused by fire, lightning or explosion of coal, natural or manufactured gas.
- (2) **Broad** – If the Coverage Summary Page specifies Broad Coverage, you are insured against direct loss or damage caused by the following perils as described and limited:
 - (1) Fire, lightning or explosion;
 - (2) Windstorm, but only while the insured property is in a fully enclosed building(s);
 - (3) Accidental collision of a conveyance on which the insured property is being transported with any other vehicle or object;
 - (4) Upset or overturn of a conveyance on which the insured property is being transported;
 - (5) Theft from within a fully enclosed building or while the property is in transit. This peril does not include mysterious disappearance or unexplained shortage.

EXTENSION OF COVERAGE

You may apply up to 10% of the amount of insurance on Fodder & Feeds or \$1,000, whichever is less, to cover hay (either loose or in bales) and baled straw in the open, which you own, but only against loss by fire.

GRAIN - THRESHED

PROPERTY INSURED

- (1) **Blanket Cover** – If the Coverage Summary Page shows an amount of insurance for "Grain" with "Blanket" cover, we insure whole threshed grain and seed usual or incidental to a farming operation and owned by you or for which you are legally liable. We insure this property while it is anywhere within the territorial limits of Canada.
- (2) **Scheduled Cover** – If the Coverage Summary Page shows an amount of insurance for "Grain" with "Scheduled" cover, we insure the grain you own or for which you are legally liable described on the Coverage Summary Page and for which an amount of insurance is shown.

INSURED PERILS

(1) Fire – If the Coverage Summary Page specifies Fire Coverage, you are insured against direct loss or damage caused by fire, lightning or explosion of coal, natural or manufactured gas.

(2) Broad: If the Coverage Summary Page specifies Broad Coverage, you are insured against direct loss or damage caused by the following perils as described and limited:

- (1) Fire, lightning or explosion;
- (2) Windstorm, but only while the insured property is in a fully enclosed building(s);
- (3) Accidental collision of a conveyance on which the insured property is being transported with any other vehicle or object;
- (4) Upset or overturn of a conveyance on which the insured property is being transported;
- (5) Theft from within a fully enclosed building or while the property is in transit. This peril does not include mysterious disappearance or unexplained shortage.

EXCLUSIONS

We do not insure:

- (1) property which has been delivered to any elevator company for storage or transportation purposes;
- (2) property of others in your care, custody or control for the purpose of custom grain drying while undergoing any process involving the application of heat;
- (3) loss or damage caused by or resulting from strike, lockout, labour disturbances, riot, civil commotion or the acts of any person or person taking part in any of these activities.

EXTENSION OF COVERAGE

- (1) You may apply up to \$1,000 of the amount of insurance on threshed grain to cover your standing or swathed grain and seed crops, but only against loss by fire.
- (2) We will reimburse you for your financial interest for grain transported directly on rail cars.

GRAIN (CUSTOMERS) IN DRYER

PROPERTY INSURED

If the Coverage Summary Page shows Grain (Customers) in Dryer applies, we insure threshed grain owned by others while in your grain dryer for the purpose of drying.

INSURED PERILS

We insure against loss or damage caused directly by fire, lightning or explosion of natural, coal or manufactured gas.

LOSS SETTLEMENT

Loss if any, will be settled with and payable to the person named as the insured on the Coverage Summary Page.

IRRIGATION EQUIPMENT

PROPERTY INSURED

We insure your irrigation equipment described on the Coverage Summary Page for which an amount of insurance is shown. We insure this property while it is anywhere within the territorial limits of Canada. We do not insure underground equipment used with or part of an irrigation system unless it is specifically described and separately insured.

INSURED PERILS

Broad – If the Coverage Summary Page specifies Broad Coverage, you are insured against direct physical loss or damage from any external cause, except the following:

EXCLUSIONS

We do not insure loss or damage:

- (1) caused by or arising from wear, tear, gradual deterioration, mechanical breakdown, mechanical defect, mechanical failure or inherent vice or defect, scraping, scratching, corrosion, rust, dampness of atmosphere, freezing or extremes of temperature;
- (2) caused by or arising from any repairing, adjusting, servicing or maintenance operation, but if fire or explosion results, we insure the resulting fire or explosion damage;
- (3) caused by short circuit or other electrical disturbances, except by lightning, but if fire results, we insure the resulting fire damage;
- (4) to tires or tubes unless the loss or damage is caused by fire, windstorm or theft or is coincident with other loss or damage insured by this rider.

CO-INSURANCE CLAUSE

The Insured shall at all times maintain an amount of insurance on such property insured, for which a separate amount of insurance is shown on the Coverage Summary Page, equivalent to at least 80% of the actual cash value of such property insured, and that should the Insured fail to maintain such insurance, the Insurer shall not be liable for a greater proportion of any loss than the amount of insurance carried bears to 80% of the actual cash value of such property at the time of loss. We agree to waive this clause if the amount of loss in any one occurrence is less than \$2,500.00 or 5% of the amount of insurance shown, whichever is less. If more than one item is insured, this clause will apply separately to each item for which an amount of insurance is shown.

DEDUCTIBLE

In the case of insured loss or damage caused by windstorm, the deductible amount shall be \$1,000 and not the deductible amount shown on the Coverage Summary Page. If loss or damage is caused by an insured peril other than windstorm, the deductible amount shown on the Coverage Summary Page will apply.

LIVESTOCK

PROPERTY INSURED

(1) Blanket Cover – If the Coverage Summary Page shows an amount of insurance for “Livestock” with “Blanket” cover, we insure all livestock you own of the “Class of Animal” shown on the Coverage Summary Page, excluding any livestock separately described and specifically insured by this or any other policy.

We insure this property while it is anywhere within the territorial limits of Canada. The insurance for Blanket Cover is based on “Class of Animal”. A separate amount of insurance shall apply to each insured “Class of Animal” determined by the number and average value per head shown for each “Class of Animal” on the Coverage Summary Page. “Class of Animal” means cattle, swine, horses or sheep, or if so described, types of animals within the aforementioned classes of animals.

(2) Scheduled Cover – If the Coverage Summary Page shows an amount of insurance for “Livestock” with “Scheduled” cover, we insure the livestock you own which is specifically described under “Scheduled Items” on the Coverage Summary Page and for which an amount of insurance is shown. We insure this property while it is anywhere within the territorial limits of Canada.

INSURED PERILS

(1) Fire – If the Coverage Summary Page specifies Fire Coverage, you are insured against death of insured livestock caused directly by fire, lightning, or explosion of natural, coal or manufactured gas.

(2) Broad – If the Coverage Summary Page specifies Broad Coverage, you are insured against direct death or destruction of insured livestock caused by the following perils:

- (1) Fire or Lightning;
- (2) Explosion or Earthquake;
- (3) Smoke;
- (4) Windstorm, tornado, cyclone or hail; but this peril does not include loss caused by or resulting from exposure or wind-driven snow or sleet;
- (5) Riot, riot attending a strike, civil commotion;
- (6) Collapse of any buildings, bridges, culverts; any falling structure, tree or part thereof;
- (7) Flood, meaning the natural rising of natural bodies of water;
- (8) Collision, derailment or overturning of a transporting conveyance while the insured property is in transit by land (the coming together of railway cars during coupling and uncoupling operations shall not be deemed a collision within the meaning of this peril);
- (9) Impact by aircraft or objects falling from aircraft;
- (10) Stranding, sinking, burning or collision (including general average and salvage charges for which you may be legally liable), also including jettison or washing overboard, while in or on ferries in connection with land conveyances;
- (11) Accidental shooting by a person or persons other than by you or any member of your household or any person employed by you;
- (12) Collision with any vehicle except those owned by you or any member of your household or by any tenant or employee yours;
- (13) Drowning;

- (14) Electrocution;
- (15) Attack by wild animals or non-owned dogs;
- (16) Vandalism or Malicious acts;
- (17) Huddling, piling, smothering, freezing or stampeding. This peril does not apply unless it is the immediate and direct result of one of the perils 1 to 16 above causing actual physical damage to the buildings in which such insured livestock are confined;
- (18) Entrapment meaning the accidental and involuntary physical restraint of an animal resulting in the death or destruction of the entrapped animal. There is no coverage under this peril:
 - (a) to any animal in the process of being bred, either by natural or artificial means;
 - (b) for death due to animal birth or while the animal is birthing;
 - (c) to any animal in transit or while being loaded or unloaded;
 - (d) for choking on objects or food, medicine taken or bloat;
 - (e) to any animal which contracted a disease or is sick prior to entrapment;
 - (f) to any animal being handled or forcibly restrained for care or treatment;
 - (g) for death resulting from physical injury due to an animal having been split;
 - (h) for death caused by huddling, piling, smothering, freezing or stampeding;
 - (i) for suffocation of animals in their own fluids, when caused by the animals natural inability to regain an upright position;
- (19) Theft or attempted theft, excluding mysterious disappearance or escape or shortage disclosed upon taking inventory;

EXCLUSIONS

Property Not Insured

We do not insure loss or damage of or damage to:

- (1) livestock less than sixty (60) days old;
- (2) livestock that have become non-functional for the purpose which the livestock is kept;
- (3) horses while on the ground of any public race track or while engaged in any competitive events;
- (4) diseased livestock that dies or is destroyed as a result of any of the provided coverages;
- (5) livestock illegally acquired or kept.

Losses Not Insured

We do not insure loss resulting from or arising out of:

- (1) death or destruction due to or made necessary to acute mastitis and/or milk fever;
- (2) damage to reproductive organs;
- (3) death or destruction due to any disease whether or not such loss by in any way caused by, contributed to or aggravated by any of the insured perils;
- (4) intentional destruction of any livestock without our prior approval;
- (5) resulting from contamination or pollution, or the release, discharge or dispersal of contaminants or pollutants;
- (6) death or destruction that occurs more than 15 days after the occurrence of an insured peril.

CO-INSURANCE CLAUSE –(Applicable to Blanket Cover only)

Insurance must be maintained to at least 80% of the number of animals of each "Class" owned. If, at the time of loss, the insured has not complied with this requirement, settlement will be made in the ratio that the number insured bears to the number that should have been insured, multiplied by the lesser of:

- (a) 1.5 times the average value per head as shown on the Coverage Summary Page; or
- (b) the fair market value of the animal(s) lost

BASIS OF CLAIM PAYMENT – (Applicable to Blanket Cover only)

Our liability for the loss of any one animal shall not exceed 1.5 times the average value per head shown on the Coverage Summary Page, nor in any event exceed the total amount of protection shown on the Coverage Summary Page.

CONDITIONS

- (1) Payment shall include any accrued subsidies (where applicable) but limited to payment in excess of government compensation.
- (2) Payment is limited under Perils (11) Accidental Shooting and (15) Attack to payment in excess of government compensation.
- (3) Livestock is subject to a limit of \$4,000 per animal unless specifically insured.
- (4) The deductible will be as noted on the Coverage Summary page.

- (5) You will be responsible for the removal of debris. Salvage value if any will be payable to us.
- (6) The carcass must not be moved prior to our approval.
- (7) Poultry is not covered.

MISCELLANEOUS FARM PROPERTY AND EQUIPMENT

PROPERTY INSURED

If the Coverage Summary Page shows an amount for Miscellaneous Farm Property and Equipment, we insure portable farm-related property and equipment, usual to a farming operation, owned or used by you and for which you may be legally liable, while such property is within the territorial limits of Canada.

Equipment: includes items such as aeration fans, bin sweeps, weigh scales, pumps, generators, pond mills, pressure washers, drill fills, portable water, chemical and fuel tanks not mounted on a stand, cradle or platform and similar items.

Farm Property: includes items such as portable corrals, cattle squeezes and chutes, watering bowls and similar items.

Extension of Coverage: includes Newly Acquired Miscellaneous Farm Property and Equipment (as defined) acquired subsequent to the effective date of this policy. The amount of protections shall be no more than that actual cash value of the property, subject to a maximum of 10% of the current total amount of protection or \$2000, whichever is greater.

INSURED PERILS

(3) Fire – If the Coverage Summary Page specifies Fire Coverage, you are insured against direct loss or damage caused by fire, lightning, or explosion of natural, coal or manufactured gas.

(4) Broad – If the Coverage Summary Page specifies Broad Coverage, you are insured against direct physical loss or damage from any external cause, except the following:

We do not insure loss or damage:

- (h) caused by or resulting from wear, tear, gradual deterioration, mechanical breakdown, failure or defect, inherent vice, dryness or dampness of atmosphere, corrosion, rust, freezing or extremes of temperature, scraping, scratching, insects, rodents, vermin, skunks, moles, mice, raccoons or domesticated animals;
- (i) caused by short circuit or other electrical disturbance, except by lightning, but if fire results, we will pay only the resulting fire damage;
- (j) caused by or resulting from repairing, adjusting (including the necessary adjustments to a machine to place it into or out of its transporting position), servicing, fuelling or maintenance operations, but if any of these result in fire or explosion, we will pay only for the loss or damage to the insured property caused by the fire or explosion;
- (k) to tires or tubes unless the loss or damage is caused by fire, windstorm, vandalism or malicious damage or theft, or is coincident with other loss or damage insured by this policy;
- (l) to property when the farm premises has been vacant for more than 30 consecutive days, unless permission for vacancy or unoccupancy is shown on the Coverage Summary Page.

We do not insure:

- (m) mysterious disappearance or unexplained loss;
- (n) accumulative damage, however caused.

This policy does not cover loss or damage:

- (a) To Miscellaneous Farm Property and Equipment when used in whole or in part or intended for use in whole or in part in any Business Pursuits, other than farming or when used in any Custom Farming.

CO-INSURANCE CLAUSE

The Insured shall at all times maintain an amount of insurance on such property insured, for which a separate amount of insurance is shown on the Coverage Summary Page, equivalent to at least 80% of the actual cash value of such property insured, and that should the Insured fail to maintain such insurance, the Insurer shall not be liable for a greater proportion of any loss than the amount of insurance carried bears to 80% of the actual cash value of such property at the time of loss. We agree to waive this clause if the amount of loss in any one occurrence is less than \$2,500.00 or 5% of the amount of insurance shown, whichever is less. If more than one

item is insured, this clause will apply separately to each item for which an amount of insurance is shown.

POULTRY

PROPERTY INSURED

If the Coverage Summary Page shows an amount for poultry, we insure poultry owned by you while anywhere within the territorial limits of Canada.

INSURED PERILS

- (1) **Fire** – If the Coverage Summary Page specifies Fire Coverage, you are insured against death of insured poultry caused directly by fire, lightning or explosion of natural, coal or manufactured gas.
- (2) **Broad** – If the Coverage Summary Page specifies Broad Coverage, you are insured against death or destruction of insured poultry directly resulting from or made necessary by:
 - (1) Fire, explosion, smoke or lightning;
 - (2) Snow, sleet or rainstorm;
 - (3) Windstorm or hail;
 - (4) Vandalism or Malicious Acts: This peril does not include loss or damage:
 - (a) caused by theft or attempted theft
 - (b) caused by any tenant, tenant's guests, employees or members of their household;
 - (c) caused by you or any member of your household;
 - (5) Flood, meaning the rising of natural waters;
 - (6) Collapse of any buildings, bridges, culverts; any falling structure, tree or part hereof;
 - (7) Impact by aircraft or land vehicle;
 - (8) Riot or civil commotion;
 - (9) Collision, derailment or overturn of a vehicle on which the insured poultry is being transported.

Broad Coverage includes insurance against loss of poultry by huddling, piling, smothering, drowning, freezing or stampeding if any of these are the immediate and direct result of one of the insured perils (1) to (7) above having caused actual physical damage to the building in which the poultry are contained or as an immediate and direct result of insured peril (7).

EXCLUSIONS

Losses not insured

We do not insure loss of poultry:

- (1) unless death results directly from or is made necessary by an insured peril within forty-eight hours of its occurrence or such longer period of time for which we have given our approval;
- (2) under Broad Coverage, due to rain, sleet or snow, whether or not driven by wind, unless, at the time of the loss the poultry is contained in a building with the doors and windows securely closed, and then we are responsible for payment only if windstorm or hail first makes an opening in the building, and immediately allows the entrance of the rain, sleet or snow which results in the death of the poultry.

CO-INSURANCE CLAUSE

The Insured shall at all times maintain an amount of insurance on such property insured, for which a separate amount of insurance is shown on the Coverage Summary Page, equivalent to at least 80% of the actual cash value of such property insured, and that should the Insured fail to maintain such insurance, the Insurer shall not be liable for a greater proportion of any loss than the amount of insurance carried bears to 80% of the actual cash value of such property at the time of loss. We agree to waive this clause if the amount of loss in any one occurrence is less than \$2500.00 or 5% of the amount of insurance shown, whichever is less. If more than one item is insured, this clause will apply separately to each item for which an amount of insurance is shown.

PRODUCE

PROPERTY INSURED

If the Coverage Summary Page shows an amount for Produce, we insure produce owned by you or for which you are legally liable, as described under "Scheduled Items" on the Coverage Summary Page and for which an amount of insurance is shown. We insure this property

anywhere in the territorial limits of Canada, unless otherwise stated on the Coverage Summary Page.

Produce includes milk, eggs and anything that is an agricultural product of the soil, excluding seed, commercial fertilizers, herbicides and pesticides, tobacco, lumber and unharvested crops.

INSURED PERILS

- (1) **Fire** – If the Coverage Summary Page specifies Fire Coverage, you are insured against direct loss or damage caused by fire, lightning or explosion of coal, natural or manufactured gas.
- (2) **Fire & EC** – If the Coverage Summary Page specifies Fire & EC Coverage you are insured against direct loss or damage caused by the following perils as defined and limited:
 - (1) Fire or Lightning;
 - (2) Explosion;
 - (3) Smoke: This peril means smoke due to a sudden, unusual and faulty operation of any heating or cooking unit flued to a chimney;
 - (4) Windstorm or Hail;
 - (5) Riot;
 - (6) Earthquake, Collapse of buildings, bridges or culverts;
 - (7) Flood: This peril means waves, tide or tidal water and the rising (including the overflowing or breaking of boundaries) of lakes, ponds, reservoirs, rivers, harbours, streams and similar bodies of water, whether driven by wind or not;
 - (8) Collision or Derailment or Overturn of a vehicle on which insured property is being transported;
 - (9) Impact by aircraft or land vehicle;
 - (10) Stranding, Sinking, Burning or Collision of vessels including general average and salvage charges incurred, while waterborne on land vehicles on board any regular ferry while operated on inland or coastal waterways only;
 - (11) Theft, but this does not include mysterious disappearance or unexplained shortage;
 - (12) Vandalism or Malicious Acts.

ADDITIONAL AGREEMENT

Refrigerated Produce – This coverage includes loss or damage to insured produce, while contained in refrigeration units within building(s) insured under this policy, due to change of temperature as a result of physical damage to these building(s) or equipment in said building(s), caused by a peril insured against, or due to mechanical breakdown of the refrigeration unit or electrical power interruption.

SEMEN AND SEMEN CONTAINERS

PROPERTY INSURED

If the Coverage Summary Page shows that we insure semen containers and the semen in containers owned by you and for which an amount of insurance is specified. We insure this property while it is:

- (1) at your premises or held at any breeding or artificial insemination station on your behalf, anywhere in Canada;
- (2) while in transit to and from your premises and such stations, or;
- (3) while in transit to and from your premises and elsewhere for the purpose of recharging the liquid nitrogen.

INSURED PERILS

Broad – You are insured against direct physical loss or damage from any external cause, except the following:

We do not insure loss or damage:

- (1) caused directly or indirectly by wear, gradual deterioration, corrosion or mechanical breakdown of a semen container;
- (2) arising from the failure of semen to fertilize;
- (3) caused directly or indirectly by dampness of atmosphere, extremes of temperature, deterioration, contamination, vermin, insects, inherent vice or latent defect, rust, corrosion or mould;
- (4) caused by neglect in failing to maintain proper nitrogen charge;
- (5) to property while undergoing any process or while being worked on, where the loss or damage is due to such process or work.

CO-INSURANCE CLAUSE

The Insured shall at all times maintain an amount of insurance on such property insured, for which a separate amount of insurance is shown on the Coverage Summary Page, equivalent to at least 80% of the actual cash value of such property insured, and that should the Insured fail to maintain such insurance, the Insurer shall not be liable for a greater proportion of any loss than the amount of insurance carried bears to 80% of the actual cash value of such property at the time of loss. We agree to waive this clause if the amount of loss in any one occurrence is less than \$2,500.00 or 5% of the amount of insurance shown, whichever is less. If more than one item is insured, this clause will apply separately to each item for which an amount of insurance is shown.

SILAGE BAGS AND BAGGED SILAGE

PROPERTY INSURED

If the Coverage Summary Page shows an amount of insurance for your silage bags and/or silage in bags, we insure the bags and/or silage in the bags while on your premises or elsewhere in the Province of Saskatchewan.

INSURED PERILS

- (1) **Fire** – If the Coverage Summary Page specifies Fire Coverage, you are insured against direct loss or damage caused by fire, lightning or explosion of natural, coal or manufactured gas.
- (2) **Broad** – If the Coverage Summary Page specifies Broad Coverage, you are insured against direct loss or damage caused by the following perils as defined and limited:
 - (1) Fire, lightning, or explosion;
 - (2) Smoke: This peril means smoke due to a sudden, unusual and faulty operation of a heating or cooking unit flued to a chimney;
 - (3) Vandalism or Malicious Acts: This peril does not include loss or damage:
 - (a) caused by theft or attempted theft;
 - (b) caused by any tenant, tenant's guests, employees or members of their household;
 - (c) caused by you or any member of your household;
 - (4) Windstorm or Hail: This peril does not include loss or damage:
 - (a) caused directly or indirectly by high water, flood, overflow, waterborne objects, waves or surface ice, whether or not any of these are driven by wind or due to windstorm;
 - (b) to silage contained in bags unless the damage occurs concurrently with and results immediately from an opening caused by windstorm or hail;
 - (5) Accidental collision of a vehicle or object; upset of a transporting conveyance and collapse of bridges or culverts;
 - (6) Impact by land vehicle except a vehicle owned or operated by you or any person employed by you.

EXCLUSIONS

Loss not insured

We do not insure loss or damage:

- (1) occurring before you have accepted delivery of the insured property;
- (2) caused by or resulting from strike, lockout, labour disturbance, riot, civil commotion or the acts of any person or persons taking part in any of these activities;
- (3) to property while undergoing any process involving the application of heat, where the loss is caused by such application.
- (4) we do not insure any consequential loss or damage to silage arising from an insured peril, except as provided under the "Extension of Coverage" described below, and then only if silage is specifically insured.

EXTENSION OF COVERAGE

Without increasing the amount of insurance, we will pay for the cost of rebagging silage insured by this coverage, if the rebagging is made necessary because of loss or damage caused by an insured peril.

CO-INSURANCE CLAUSE

The Insured shall at all times maintain an amount of insurance on such property insured, for which a separate amount of insurance is shown on the Coverage Summary Page, equivalent to

at least 80% of the actual cash value of such property insured, and that should the Insured fail to maintain such insurance, the Insurer shall not be liable for a greater proportion of any loss than the amount of insurance carried bears to 80% of the actual cash value of such property at the time of loss. We agree to waive this clause if the amount of loss in any one occurrence is less than \$2,500.00 or 5% of the amount of insurance shown, whichever is less. If more than one item is insured, this clause will apply separately to each item for which an amount of insurance is shown.

TOOLS COVERAGE

PROPERTY INSURED

If the Coverage Summary Page shows an amount for tools, we insure your property or the property of others for which you are liable, described for this rider on the Coverage Summary Page and for which an amount of insurance is shown, while anywhere within the territorial limits of Canada. We do not insure:

- (1) property pertaining to a business, profession or occupation other than farming, unless permission for such use is stated on the Coverage Summary Page;
- (2) repair parts;
- (3) farm tools being used for custom work outside the Province of Saskatchewan, or while in transit for such purpose, unless permission is shown on the Coverage Summary Page;
- (4) any property illegally imported, transported, acquired, stored or kept.

INSURED PERILS

- (1) **Fire** – If the Coverage Summary Page specifies Fire Coverage, you are insured against direct loss or damage caused by fire, lightning or explosion of natural, coal or manufactured gas.
- (2) **Broad** – If the Coverage Summary Page specifies Broad Coverage, you are insured against direct physical loss or damage from any external cause. Tools insured on a blanket basis are subject to a limit of \$1,500 on an individual item.

EXCLUSIONS

We do not insure loss or damage caused directly or indirectly by or resulting from:

- (1) unexplained loss or mysterious disappearance of property;
- (2) wear and tear, inherent vice, derangement, defect or mechanical breakdown;
- (3) dampness of atmosphere, extremes of temperature, deterioration, contamination, vermin, insects, rodents, rust, corrosion, mould, staining or freezing;
- (4) any process or work being performed on the insured property, including any repairing, adjusting or servicing or maintenance operation, but if fire or explosion results, we will pay for the damage caused by the fire or explosion;
- (5) electrical currents, other than lightning, which damage electrical devices (including wiring). If, however, a fire results, we will pay for the fire damage.
- (6) to property when the Farm Premises has been vacant for more than 30 consecutive days, unless "Unoccupied" is specified on the Coverage Summary Page.

CO-INSURANCE CLAUSE

The Insured shall at all times maintain an amount of insurance on such property insured, for which a separate amount of insurance is shown on the Coverage Summary Page, equivalent to at least 80% of the actual cash value of such property insured, and that should the Insured fail to maintain such insurance, the Insurer shall not be liable for a greater proportion of any loss than the amount of insurance carried bears to 80% of the actual cash value of such property at the time of loss. We agree to waive this clause if the amount of loss in any one occurrence is less than \$2,500.00 or 5% of the amount of insurance shown, whichever is less. If more than one item is insured, this clause will apply separately to each item for which an amount of insurance is shown.

SPECIAL AG ENDORSEMENT

If the Coverage Summary Page shows Special Ag Endorsement applies, we insure your property as follows:

Please Note: "additional coverage" means that no underlying coverage is required; "extension of coverage" means this coverage is an extension to the coverage that is already insured on the policy summary page.

1. Fire Fighting Expenses—Liability

We will pay up to \$15,000 as an additional limit of insurance for the “Fire Fighting Expense Limitation” under Section III.

2. Fertilizer & Chemicals— Additional Coverage

We will pay up to \$5,000 in any one occurrence as an additional limit of insurance for direct physical loss or damage to farm fertilizer and chemicals caused by an “insured peril” as described and limited under Cover Code Broad for Fertilizer and Chemicals.

If we do not insure your property under Section II—Farm Property Coverage, a deductible in the amount of \$500 will apply to this coverage; otherwise, the deductible shown on the coverage summary page for Farm Fertilizer & Chemicals will apply.

3. Pollutant Clean-Up— Additional Coverage

We will pay your expense to extract “pollutants” from land or water at the “premises” if the discharge, dispersal, seepage, migration, release or escape of the “pollutants” is caused by or results from an Insured Peril that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the loss by Insured Peril occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of “pollutants”. But we will pay for testing which is performed in the course of extracting the “pollutants” from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of losses caused by Insured Perils occurring during each separate 12 month period of the policy. The amount is in addition to the Amounts of Insurance. Subject to a \$500 deductible.

4. Non-Owned Farm Machinery— Extension of Coverage

We will pay up to \$15,000 in any one occurrence as an additional amount of insurance for direct physical loss or damage to Personal Farm Machinery Property owned in whole by others, while in the Insured’s care, custody and control caused by an Insured Peril (Broad Form.) If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss or damage in excess of the amount due for that other insurance. Subject to a \$500 deductible.

5. Extra Expense— Additional Coverage

We will pay up to \$5,000 for the actual and necessary expenses you incur to resume normal farming operations interrupted as the result of direct physical loss of or damage by an Insured Peril to property insured under Farm Buildings & Contents or Farm Livestock. Coverage for such extra expense is not limited by the expiration of this policy. We will not pay extra expenses you incur after the period for repair, rebuilding or replacement of insured property. No deductible applies to this coverage.

6. Exhibition Coverage— Additional Coverage

ADDITIONAL COVERAGES in SECTION I— Farm Dwelling Coverage

We will pay up to \$5,000 for direct physical loss or damage to Coverage C—Personal Property while at any fairground, exhibition or exposition for the purpose of exhibition or sale, caused by an Insured Peril. This coverage does not increase the amount of insurance applying to the damaged property.

ADDITIONAL COVERAGES in SECTION II— Farm Property Coverage

We will pay up to \$5,000 for direct physical loss or damage to Farm Personal Property while at any fairground, exhibition or exposition for the purpose of exhibition or sale, caused by an Insured Peril. This coverage does not increase the amount of insurance applying to the damaged property. Subject to a \$500 deductible.

7. Corrals & Fencing— Additional Coverage

We will pay up to \$5,000 in any one occurrence as an extension of insurance for direct physical loss of or damage to corrals and/or fences (excluding pasture fences) caused by Insured Perils, Coverage Code FEC #1— Fire, #2— Lightning and #5— Impact by aircraft or land vehicle, including impact by objects falling from an aircraft. Subject to a \$500 deductible.

8. Farm Tools and Parts— Additional Coverage

We will pay up to \$2,500 in any one occurrence as an extension of insurance for direct physical loss or damage to Farm Tools, Parts and supplies on your “premises” caused by

an Insured Peril as described and limited under Cover Code Broad for Farm Tools. Subject to a \$500 deductible.

9. Exterior Farm Sign— Additional Coverage

We will pay up to \$3,000 in any one occurrence as an additional amount of insurance for direct physical loss of or damage to an exterior farm sign on the “premises”, caused by an Insured Peril (Broad Form.) Subject to a \$500 deductible.

10. Fuel & Fuel Tanks— Additional Coverage

We will pay up to \$3,000 in any one occurrence as an additional amount of insurance for direct physical loss or damage to fuel tanks, fuel stands, and liquefied petroleum or manufactured gas stored on the premises, caused by an Insured Peril (Fire & E.C. Form.) The tank (s) must be kept locked at all times in order for Theft or Vandalism Coverage to be in force. Subject to a \$500 deductible.

11. Private Power & Light Poles— Additional Coverage

We will pay up to \$5,000 in any one occurrence as an additional amount of insurance for direct physical loss of or damage to private power and light poles, outside wiring and attachments. Attachments include attached switch boxes, fuse boxes, and other electrical equipment mounted on poles you own at the premises. The \$5,000 limit applies in excess of any applicable Deductible.

12. Veterinarian Supplies—Additional Coverage

We will pay up to \$1,500 in any one occurrence as an additional amount of insurance for direct physical loss of or damage to Veterinarian Supplies (excluding semen and semen tanks) kept for use in your farming operations while on the “premises”, caused by an Insured Peril (Fire & E.C. Form.) Subject to a \$500 deductible.

13. Cost to Prepare Proof of Loss— Additional Coverage

We will pay up to \$1,000 for reasonable professional expenses incurred by you in preparing the proof of loss or any other exhibits required by this policy. This amount is in addition to the amounts of insurance. No deductible applies.

14. Newly Acquired: Farm Buildings— Extension of Coverage

Farm Buildings:

You may extend the insurance that applies to SECTION II—Farm Buildings to apply to:

- 1) Your new buildings while being built; and Buildings you acquire during the policy term at locations other than the specified premises which are intended for similar uses as the buildings described on the coverage summary page for loss or damage caused by fire, lightning or explosion of natural, coal or manufactured gas.

The most we will pay for loss or damage under this Extension is \$75,000. This is not an additional amount of insurance.

Newly Acquired: Farm Machinery— Extension of Coverage

Farm Machinery & Equipment (including leased)

- 1) You may extend the insurance that applies to SECTION II—Farm Machinery & Equipment you may acquire during the policy term or for which you are legally liable.

The most we will pay for loss or damage under this Extension is \$150,000. This is not an additional amount of insurance.

NOTE: Insurance under Newly Acquired Coverage Buildings & Machinery will end when one of the following occurs first:

- 1) The policy expires;
- 2) 30 days after you acquire or begin to construct the property;
- 3) The values are reported to us.

The Insured agrees to keep an accurate record from the commencement of construction, acquisition and description and the value of each item so covered and to pay pro-rata additional premium thereon. Subject to a \$500 deductible.

15. Crop Coverage— Additional Coverage

We will pay up to \$5,000 in any one occurrence as an additional limit of insurance for direct physical loss by fire ONLY to standing or swathed grain and seed crops. We will pay up to \$2,000 in any one occurrence for direct physical loss by fire ONLY to loose hay and straw in an open field. If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss or damage in excess of the amount due for that other insurance. Subject to a \$500 deductible.

****Endorsements #16– 22:**

Coverage already included on your Farm Insurance Policy— Limits as stated.

16. **Building Code By-laws Coverage— Extension of Coverage**

Coverage A—Loss of the Undamaged Portion of a Building:

If an Insured Perils causes loss or damage to a covered building at the described premises we will pay for loss to the undamaged portion of the building caused by the enforcement of any by-law that:

- 1) Requires the demolition of parts of the same building not damaged by an Insured Peril;
- 2) Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
- 3) Is in force at the time of the loss.

This is not an additional amount of insurance.

Coverage B— Demolition Cost Coverage

If an Insured Peril causes loss or damage to a covered building at the described premises we will pay for the cost to demolish and clear the site of undamaged parts of the building caused by the enforcement of any building, zoning or land use by-law.

This is not an additional amount of insurance.

Coverage C— Increased Cost of Construction Coverage

If an insured peril causes loss or damage to a covered building at the described premises we will pay for the increased cost to repair, rebuild or construct the building caused by the enforcement of any building, zoning or land use by-law. If the building is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by a zoning or land use by-law. We will not pay for the increased cost of construction of the building if not repaired or replaced.

This is not an additional amount of insurance.

We will not pay under any of the foregoing coverage (A, B, or C) for the cost associated with the enforcement of any by-law which requires you or others to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The Most we will pay under this Coverage is \$20,000. No deductible applies to this coverage.

SECTION 3 Farm Liability Coverages

DEFINITIONS

"You and your": in this Section has the same meaning as defined on page 1. In addition, the following persons are insured:

- (1) If the "Named Insured" is a partnership or joint venture, its partners or members, but only with respect to their duties as such in connection with the "Named Insured's" farming operations. No person or organization is insured with respect to the conduct of any current or past partnership or joint venture unless shown as a "Named Insured."
- (2) If the "Named Insured" is an organization other than a partnership or joint venture, any director, executive officer or shareholder of the organization, but only while acting within the scope of his or her duties as such in connection with the "Named Insured's" farming operations.
- (3) Any "Residence Employee" or "Farm Employee" of the "Named Insured" while engaged in his or her duties as such. No employee is insured for claims arising out of "Bodily Injury" to another person insured by this policy.
- (4) Any person while providing volunteer assistance, without remuneration, in the farming operations of the "Named Insured."
- (5) Any person or organization legally responsible for livestock owned by an "Insured", but only in so far as:
 - (a) the insurance under this policy applies to occurrences involving the livestock ;
 - (b) that person's or organization's custody or use of the livestock does not involve business; and
 - (c) that person or organization has the custody or use of the livestock with the owner's permission.

(6) In the event of the death of the "Named Insured":

- (a) the "Named Insured's" legal representative having temporary custody of the "Insured Premises";
- (b) any person who was an "Insured" prior to the "Named Insured's" death, but only while residing on the "Insured Premises."

(7) Any person or organization named as an "Additional Insured" in the Coverage Summary Page.

"We and us": in this Section has the same meaning as defined on page 1.

"Bodily Injury": means bodily injury, sickness or disease, including death at any time resulting therefrom, sustained by any person.

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

Business shall not include:

- (a) farming
- (b) any temporary or part-time business pursuit of an insured under the age of 21
- (c) activities during the course of an insured's trade, profession or occupation which are ordinarily incidental to non-business pursuits

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

"Completed Operations Hazard": means any Bodily Injury or Property Damage arising out of operations, but only if the Bodily Injury or Property Damage occurs after such operations had been completed or abandoned, and occurs away from Premises owned, rented or controlled by the Insured. Operations which may require further service or maintenance work, or correction, repair or replacement because of any defect or deficiency, but which are otherwise complete, shall be deemed completed. The Completed Operations Hazard shall not include Bodily Injury or Property Damage arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.

"Custom Farming": means the use of farm machinery or implements for others for a charge or remuneration or performance of any farm related work for others for a charge or remuneration if your annual gross receipts for these activities equal or exceed \$5000. Occasional farm work you do for others in return for their work for you or crop-share or similar agreements are not considered to be "Custom Farming"

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

"Farm Employee": means a person employed by you to perform duties principally connected with your "Farming" activities outside of your dwelling. This does not include, if living in your household, your spouse, whether common-law or otherwise, the relative of either or you or any person under the age of 21 in your care.

"Farming": means the ownership, maintenance or use of premises or machinery for the production of crops or the raising of care of livestock including all necessary related operations. "Farming" also includes beekeeping operations and the operation of roadside stands and farm markets maintained principally for the sale of your own farm products.

"Legal Liability": means responsibility, which courts recognizes and enforce between persons who sue one another.

"Motor Vehicle": means a land motor vehicle, trailer or semi-trailer (including any machinery or apparatus attached thereto) but does not include, except while being towed by or carried on a motor vehicle, any of the following:

- (1) a utility, boat, camp or home trailer;
- (2) a motorized wheelchair;
- (3) a "Recreational Vehicle"
- (4) a crawler or farm type tractor;
- (5) a self propelled implement of husbandry; or;
- (6) if not required to be registered under any government authority, any equipment which is designed for use principally off public roads.

"Named Insured": means the person or organization named as the insured on the Coverage Summary Page, but this does not include a person or organization named as an "Additional Insured."

“Named Insured’s Products”: means goods or products sold, handled or distributed by the Named Insured or by others trading under his or her name, but does not include any property rented to or loaned for the use of other but not sold.

“Occurrence”: means an accident, including continuous or repeated exposure to the same general harmful conditions.

“Property Damage”: means physical injury to or destruction of tangible property, including the loss of use thereof at any time resulting therefrom.

“Premises”: means

- (a) all premises where the Named Insured or his/her spouse maintains a farm, and other Residence Premises specified on the Coverage Summary Page;
- (b) individual or family cemetery plots or burial vaults;
- (c) Residence Premises in which the insured is temporarily residing, if not owned by an insured;
- (d) vacant land, other than farm land, you own or rent within the Province of Saskatchewan. Land shall not be “vacant” after the commencement of any construction operations thereon, unless such operations are being performed solely by independent contractors in connection with the construction of a 1 or 2 family dwelling for an insured.

“Products Hazard”: means Bodily Injury or Property Damage arising out of the Named Insured’s products, or out of the existence of any condition therein or any warranty with respect thereto, but only if the Bodily Injury or Property Damage occurs away from Premises owned, rented or controlled by the insured and after physical possession of such products has been relinquished to others.

As used in this definition, the term “Named Insured’s products” means goods or products sold, handled or distributed by the Named Insured or by others trading under his name, but shall not include any property rented or loaned for the use of others but not sold.

“Recreational Vehicle”: means a land motor vehicle designed for recreational use off public roads, and not required to be registered under any government authority.

“Residence Employee”: means an employee, other than a “Farm Employee”, whose duties in the employment of the insured are exclusively in connection with the ownership, maintenance, use or operation of the Residence Premises, and who is:

- (a) an inservant, whose duties are principally of a domestic nature and are performed principally inside such residence, or
- (b) an outservant, whose duties are principally of a domestic nature and are performed principally outside such residence, or
- (c) a private chauffeur, whose duties are solely in connection with the care, maintenance, use or operation of a motor vehicle.

“Residence Premises”: means a 1 or 2 family dwelling where the Named Insured and his or her spouse maintains a residence; or that portion of any other building occupied by the Named Insured or his or her spouse as a residence

“Self-propelled Implement of Husbandry”: means a self-propelled vehicle (other than a crawler or farm type tractor) manufactured, designed, redesigned, converted or reconstructed for a specific use in farming, while used for such purpose or when travelling from farm to farm or to such places as may be necessary for the maintenance or repair of the vehicle.

COVERAGES

We provide the insurance described in Coverages E, F and G only if Farmowner’s Liability is shown on the Coverage Summary Page. The insurance described applies only to accidents or “occurrences” which take place during the term of this policy. Each person insured is a separate insured but this does not increase the limit of insurance.

COVERAGE E - LEGAL LIABILITY

We will pay all sums which you become legally liable to pay as compensatory damages because of unintentional “Bodily Injury” or “Property Damage” to which this insurance applies. Other than as provided under “Defense, Settlement, Supplementary Payments”, the amount of insurance shown on the Coverage Summary Page is the maximum amount we will pay for all compensatory damages in respect of one accident or ‘occurrence’ regardless of the number of:

- (a) insured persons;
- (b) claims made or actions brought; or
- (c) persons or organizations making claims or bringing actions.

If there is a claim payable under Coverage E for which you are insured by us under more than one policy, we will pay up to the highest limit available under any one policy. The amounts of insurance specified for the individual policies may not be combined.

You are insured for claims made against you arising from:

1. Personal Liability – You are insured for legal liability arising out of your personal actions anywhere in the world.

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

- (a) the ownership, use or operation of any motorized vehicle, trailer, farm machinery or watercraft except those for which coverage is shown in this policy;
- (b) damage to property you own, use, occupy, rent or lease;
- (c) damage to property in your care, custody or control;
- (d) damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
- (e) bodily injury to you or to any person residing in your household other than a residence employee,

2. Premises Liability – You are insured for legal liability arising out of your ownership, use or occupancy of the premises and legal liability to others you assume by written contract relating to your premises.

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

- (a) damage to property you own, use, occupy or lease;
- (b) damage to property in your care, custody or control;
- (c) damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
- (d) bodily injury to you or to any person residing in your household other than a residence employee

4. Tenants Legal Liability – You are insured for legal liability for property damage to premises, or their contents, which you are using, renting or have in your custody or control caused by:

- (a) fire,
- (b) explosion,
- (c) smoke due to a sudden, unusual and faulty operation of any heating or cooking unit in or on the premises, but not smoke from fireplaces, water escape from a heating, plumbing, sprinkler or air conditioning system, waterbed or household appliance. This coverage will not apply if you have been away from your premises more than four consecutive days. However, if you had arranged for a competent person to enter your dwelling or unit daily to ensure that heating was being maintained or if you had shut off the water supply and had all the pipes and appliances drained, you would still be insured.
- (d) Water escape from a heating, plumbing, sprinkler or air conditioning system or household appliance.

You are not insured for liability you have assumed by contract unless your legal liability would have applied even if no contract had been in force. This insurance does not apply to premises or their contents you are using for business purposes.

5. Employers’ Liability – You are insured for legal liability for bodily injury to residence employees arising out of and in the course of their employment by you.

You are not insured for claims made against you resulting from:

- (a) the ownership, use or operation of aircraft while being operated or maintained by your employee;
- (b) liability imposed upon or assumed by you under any workers’ compensation, disability benefits, or unemployment compensation, or any similar law.

The “Additional Exclusions” listed below also apply to these coverages.

DEFENSE, SETTLEMENT, SUPPLEMENTARY PAYMENTS

We will defend you against any suit which makes claims against you for which you are insured under Coverage E and which alleges “Bodily Injury” or “Property Damage” and seeks compensatory damages, even if it is groundless, false or fraudulent. We reserve the right to investigate, negotiate and settle any claim or suit if we decide this is appropriate. In addition to the applicable limit of insurance, we will pay:

- (1) all expenses which we incur;
- (2) all costs charged against you in any suit insured under Coverage E;

- (3) any interest accruing after judgment on that part of the judgment which is within the amount of insurance of Coverage E;
- (4) premiums for appeal bonds required in any insured law suit involving you and bonds to release any property that is being held as security, up to the amount of insurance, but we are not obligated to apply for or provide these bonds;
- (5) expenses which you have incurred for emergency medical or surgical treatment to others following an accident or occurrence insured by this policy;
- (6) reasonable expenses, except loss of earnings, which you incur at our request in assisting us in the investigation or defense of any claim or suit.

COVERAGE F - VOLUNTARY MEDICAL PAYMENTS

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

The amount of insurance shown on the Coverage Summary Page is the maximum amount we will pay for all expenses incurred by or on behalf of each person who sustains Bodily Injury, including death resulting therefrom, in any one accident or occurrence. We will not pay for:

- (1) expenses covered by any medical, dental, surgical or hospitalization plan or law or under any other insurance contract;
 - (2) medical expenses or those of persons residing with you, other than residence employees;
 - (3) medical expenses of any person covered by any workers' compensation statute
- You shall arrange for the injured person, if requested, to:
- (1) give us, as soon as possible, written proof of claim, under oath if requested;
 - (2) submit to physical examination at our expense by doctors we select as often as we may reasonably require;
 - (3) authorize us to obtain medical and other records.

Proofs and authorizations may be given by someone acting on behalf of the injured person.

The "Additional Exclusions" listed below also apply to this coverage.

COVERAGE G - VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY

We will pay up to the limit shown on the Coverage Summary Page for unintentional direct damage you cause to property even though you are not legally liable. You may also use this coverage to reimburse others for direct property damage caused intentionally by anyone included in the definition of "you" or "your" in this section of the policy, 12 years of age or under. You are not insured for claims:

- (1) resulting from the ownership, use or operation of any farm machinery and equipment, recreational vehicles or watercraft;
- (2) loss or damage arising from any business of an insured, or any occurrence in connection with premises owned, rented or controlled by an insured, other than as stated on the Coverage Summary page. For the purpose of this exclusion, "Business" includes the temporary or part-time business pursuits of an insured.
- (3) Damage or destruction caused intentionally by or at the direction of an insured who has attained the age of 13 years or more
- (4) loss or damage to property you or your tenants own or rent;
- (5) caused by the loss of use, disappearance or theft of property; or
- (6) for any property damage excluded under Coverage E.

Basis of Payment: We will pay whichever is the least of the following:

- (a) the actual cash value of the property at the time of loss;
- (b) what it would cost to repair or replace the property with materials of similar quality at the time of loss;
- (c) the limit of insurance as shown on the Coverage Summary Page

We may pay for the loss in money or may repair or replace the property, and may settle any claim for loss of property either with you or the owner of the property. We may take over any salvage if we wish. Within 60 days after the loss, you must submit to us (under oath if required) a Proof of Loss Form containing the following information:

- (1) the amount, place, time and cause of loss;
- (2) the interest of all persons in the property affected;

- (3) the actual cash value of the property at the time of loss.

If necessary, you must help us verify the damage.

The "Additional Exclusions" listed below also apply to this coverage.

COVERAGE E - SPECIAL LIMITATIONS

(A) WATERCRAFT

Watercraft You Own: You are insured against claims arising out of your ownership, use or operation of watercraft provided the watercraft:

1. is not more than 8 meters (26 feet) in length and is equipped with an outboard motor or motors of not more than 19 kw (25 hp) in total when used with or on a single watercraft; or
2. is not more than 8 meters (26 feet) in length and is equipped with any other type of motor of not more than 38 kw (50 hp); or is not equipped with any motor and is not more than 8 meters (26 feet) in length.
3. If you own any motors or watercraft that exceed the motor power or length stated above and are not Jet Propelled Personal Watercraft, you are insured only if Watercraft Liability Extension is shown on the Coverage Summary Page. If you acquire any of these (other than a Jet Propelled Personal Watercraft) after the effective date of this policy, you will be insured automatically for a period of thirty days only from the date of their acquisition. You are not insured for claims arising out of the ownership, use or operation of any Jet Propelled Personal Watercraft you own.

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

- (1) the watercraft is being used or operated with the owner's consent;
- (2) the watercraft is not owned by anyone included in the definition of "you" or "your" of this policy.

You are not insured for damage to the watercraft itself.

Watercraft Uses Not Insured: We do not insure claims made against you arising from the use or operation of any watercraft, whether owned by you or not, while it is:

- (1) being used for carrying passengers for compensation;
- (2) being used in any race or speed test;
- (3) rented to others;
- (4) being operated or controlled by you while you are under the influence of intoxicating liquor or drugs to such an extent as to be incapable of the proper operation or control of the watercraft; being operated or controlled by you while your alcohol-blood ratio exceeds 80 milligrams of alcohol in 100 milliliters of blood;
- (5) We do not insure "Bodily Injury" or "Property Damage" when a motorboat and/or personal watercraft is not operated in accordance with the Canada Shipping Act regulations governing age and horsepower restrictions and operator competency requirements.

(B) MOTORIZED VEHICLES

Vehicles You Own: You are insured against claims arising out of your ownership, use or operation of the following motorized vehicles provided they are not subject to motor vehicle registration or used for compensation or hire:

- (1) self-propelled lawn mowers, snow blowers, garden-type tractors of not more than 22kW (30 HP), or implements used or operated mainly on your property;
- (2) motorized golf carts while used or operated on your premises or on a golf course;
- (3) motorized wheelchairs, scooters having more than 2 wheels and specifically designed for the carriage of a person with a physical disability;
- (4) while on the insured premises, recreational vehicles if they are designed for use off public roads and are not required to be registered under any government authority.

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

- (1) the vehicle is not required to be registered under any government authority and it is designed primarily for use off public roads;
- (2) you are not using it for business or organized racing;
- (3) the vehicle is being used or operated with the owner's consent;

- (4) the vehicle is not owned by anyone included in the definition of "you" or "your" of this policy.

You are not insured for damage to the vehicle itself.

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

(D) **BUSINESS AND BUSINESS PROPERTY**

You are insured against claims arising out of:

- (1) your work for someone else as a sales representative, collector, messenger or clerk, provided that the claim does not involve injury to a fellow employee;
- (2) your work as a teacher, provided the claim does not involve physical disciplinary action to a student or injury to a fellow employee;
- (3) the occasional rental of your residence to others;
- (4) rental to others of a one or two family dwelling usually occupied in part by you as a residence, provided that no family unit includes more than two roomers or boarders per family;
- (5) the rental of space in your residence to others for incidental office, school or studio occupancy;
- (6) the rental to others, or holding for rent, of not more than three car spaces or stalls in garages or stables;
- (7) activities during the course of your trade, profession or occupation which are ordinarily considered to be non-business activities;
- (8) the temporary or part-time business pursuits of an insured person under the age of twenty-one years.

Claims arising from the following business pursuits are insured only if the properties or operations are declared on the Coverage Summary Page;

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

ADDITIONAL EXCLUSIONS – Applicable to Coverage E, F, and G

Loss or damage not insured

You are not insured for claims arising from:

- (1) any business use of the premises unless stated on the Coverage Summary Page, or to any business of an insured, or to any business property;
- (2) the rendering of or the failure to render professional services.
- (3) the transmission by an insured of any communicable disease
- (4) Bodily Injury arising out of sexual, physical, psychological or emotional abuse or molestation, sexual harassment or corporal punishment by, at the direction of or with the knowledge of an Insured.
- (5) Bodily Injury or Property Damage arising out of any act or omission in connection with Premises (other than the Premises insured), owned, rented or controlled by an insured, but this exclusion does not apply to Bodily Injury sustained by a Residence Employee arising out of and in the course of his or her employment by an insured;
- (6) Any environmental liability of an insured for:
 - a) Bodily Injury and Property Damage arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants;
 - i) at or from Premises owned, rented or occupied by an insured;
 - ii) at or from any site or location used by or for an insured or others for the handling, storage, disposal, processing or treatment of waste;
 - iii) which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for an insured or any person or organization for whom the insured may be legally responsible; or
 - iv) at or from any site or location on which an insured or any contractors or subcontractors working directly or indirectly on behalf of an insured are performing operations; if the pollutants are brought on or to the site or location in connection with such operations; or if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the pollutants.

- b) any loss, cost or expense arising out of any governmental direction or request that an insured test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants;

- c) fines, penalties, punitive or exemplary damages arising directly or indirectly out of the discharge, dispersal, release or escape of any pollutants.

Sub-paragraphs I) and iv) of paragraph (a) of this exclusion do not apply to Bodily Injury or Property Damage caused by heat, smoke or fumes from a hostile fire. As used in this exclusion, a "hostile fire" means one that becomes uncontrollable or breaks out from where it was intended to be. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

- (7) Bodily Injury or Property Damage arising out of the ownership, maintenance, operation, use, loading or unloading of any;
 - a) air cushion vehicle or any aircraft; or
 - b) Motor Vehicle owned or operated by, rented or loaned to any insured, but this does not apply to Bodily Injury or Property Damage occurring on the premises insured if the Motor Vehicle is not required to be registered under any government authority because it is used exclusively on the Premises insured or kept in dead storage on the Premises insured; or
 - c) Recreational Vehicle owned by any insured, if the Bodily Injury or Property Damage occurs away from the Premises insured

Exclusion c) does not apply to Bodily Injury or Property Damage arising out of the ownership, use or operation of a golf cart on the insured premises or on a golf course.

Exclusions b) and c) do not apply to Bodily Injury sustained by a Residence Employee arising out of and in the course of his or her employment by an insured.

- (8) Any liability arising out of the ownership, existence, use or operation of any portion of the Premises for the purpose of an aerodrome, airport or aircraft landing facility, and all operations necessary, or incidental thereto.
- (9) Bodily Injury to any employee, other than a Residence Employee, if the Bodily Injury arises out of and in the course of their employment by the Insured.
- (10) Any obligation for which the insured or his Insurer may be held liable under any Workers' Compensation Law.
- (11) Bodily Injury or Property Damage caused by any intentional or criminal act or intentional or criminal failure to act by or at the direction of an insured.
- (12) Bodily Injury to:
 - (a) any insured; or
 - (b) any person regularly residing on the premises (other than a Residence Employee); or
 - (c) any person while engaged in alteration, demolition or new construction operations of the Insured.
- This exclusion does not apply to any person while providing voluntary assistance in the farming operations of the insured and who does work for which no remuneration is made, given or contemplated.
- (13) Bodily Injury or Property Damage arising out of the ownership, maintenance, operation, use, loading or unloading of any self-propelled land vehicle while being used in any pre-arranged or organized racing, speed, demolition, tractor pull or similar contest or in any stunting activity or in practice or preparation for any such contest or activity.
- (14) Bodily Injury or Property Damage caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power.
- (15) Bodily Injury or Property Damage with respect to which an insured under this coverage is also insured under a contract of nuclear energy liability insurance (whether the insured is named or not in such contract and whether or not it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other group or pool of

insurers or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability

- (16) Liability arising out of the ownership, maintenance, use or operation by or on behalf of an insured of any premises other than as specified on the Coverage Summary Page, but this exclusion shall not apply to:
- (a) the grazing of livestock on premises away from farm premises owned or leased by the insured; or
 - (b) farm premises or Residence Premises purchased or leased by an insured during the period this policy is in force, which is declared to the insurer within 14 days of such acquisition, and endorsed thereon.
- (17) Liability arising out of the ownership, use or operation by or on behalf of an insured of:
- (a) any premises for the purpose of boarding facilities, riding stables, riding arena or academy; or
 - (b) race horses off the Premises insured, but this does not apply to grazing away from the Premises insured
- (18) Custom farming operations, unless specified on the Coverage Summary Page, and an additional premium charge made therefore.
- (19) The application of any chemicals or fertilizers or any spraying operations away from the Insured Premises
- (20) The release or discharge of any substance from any aircraft, including the release of any substance in connection with crop spraying operations.
- (21) Property damage to the Named Insured's products arising out of such products or any part of such products
- (22) Erroneously creating, amending, entering, deleting or using "data"
- (23) The erasure, destruction, corruption, misappropriation or misinterpretation of "data"
- (24) Property damage to personal property or fixtures as a result of any work done on them by you or anyone on your behalf
- (25) Property damage to products manufactured, sold, handled or distributed by you, or work performed by or for you, arising out of your products or work or any part of them
- (26) Loss of use of tangible property which has not been physically injured or destroyed resulting from:
- (a) a delay in or lack of performance by or on behalf of the Named Insured of any contract or agreement; or;
 - (b) the failure of the "Named Insured's Products" or work performed by or on behalf of the Named Insured to meet the level of performance, quality, fitness or durability warranted or represented by the Named Insured.
- (27) Property damage caused by an Insured while unlawfully on the premises of others, or for an Insured's obligation to share compensatory damages with any other person or persons for Property Damage occurring while such other person or persons are unlawfully on the premises of others.
- (28) Bodily Injury or Property Damage arising out of any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses, damage, cost or expenses directly or indirectly caused by, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity. This exclusion applies regardless of any other cause that contributes concurrently or in any sequence to the loss, damages, cost or expense.
- (29) Property damage to property you own, use occupy or lease or to property in your care custody or control.

OPTIONAL COVERAGE H – JET PROPELLED/PERSONAL WATERCRAFT LIABILITY

We provide the insurance described in this Coverage only if an amount of insurance is shown for "Personal Watercraft Liability" on the Coverage Summary Page.

Passenger: means anyone other than the operator, who is in, on, getting onto or alighting from a jet propelled personal watercraft.

Coverage

You are insured for claims made against you arising from the ownership, use or operation of the jet propelled personal watercraft described for this coverage on the Coverage Summary Page. From hereon we will refer to this as "the personal watercraft." We will pay all sums which you

become legally liable to pay as compensatory damages because of unintentional "Bodily Injury" or "Property Damage" to which this insurance applies.

Other than as provided under "Defense, Settlement, Supplementary Payments," the amount of insurance shown on the Coverage Summary Page for Personal Watercraft Liability is the maximum amount we will pay for all compensatory damages in respect of one accident or occurrence regardless of the number of:

- (1) insured persons;
- (2) claims made or action brought; or
- (3) persons or organizations making claims or bringing actions.

COVERAGE H EXCLUSIONS

- (1) You are not insured for claims arising from the ownership, use or operation of the Personal Watercraft Liability while:
- a) being operated or controlled by any person under 16 years of age;
 - b) being operated or controlled by any person while under the influence of any intoxicating substance or whose alcohol-blood ratio exceeds 80 Milligrams of alcohol in 100 milliliters of blood
 - c) carrying passengers for a fee
 - d) in a race or speed test
 - e) rented or leased by you to others;
 - f) being used for any illicit or prohibited trade or transportation
 - g) being used or operated in an area where the use or operation of a jet propelled personal watercraft is restricted or prohibited.
- (2) You are not insured for claims when the engine capacity of the personal watercraft exceeds 650cc.
- (3) We do not insure "Bodily Injury" or "Property Damage" when a personal watercraft is not operated in accordance with the Canada Shipping Act regulations governing age and horsepower restrictions and operator competency requirements.

OPTIONAL COVERAGE I – ALL TERRAIN VEHICLE LIABILITY

We provide the insurance described in this coverage only if an amount of insurance is shown for "All Terrain Vehicle Liability" on the Coverage Summary page.

Passenger: means anyone, other than the operator, who is in, on, getting onto or alighting from an All Terrain Vehicle

Underage Operator: means a person in control of or operating an All Terrain Vehicle who is 12 years of age or older but not more than 15 years of age

Coverage:

You are insured against claims made against you arising from the ownership, use of or operation of the All Terrain Vehicle described for this Coverage on the Coverage Summary Page. We will pay all sums, which you become legally liable to pay as compensatory damage because of unintentional "Bodily Injury" or "Property Damage" to which this insurance applies. Other than as provided under "Defense, Settlement, Supplementary Payments", the amount of insurance shown on the Coverage Summary page for All Terrain Vehicle Liability is the maximum amount we will pay for all compensatory damage in respect of one accident or occurrence, regardless of the number of:

- (1) insured persons;
- (2) claims made or actions brought, or
- (3) persons or organizations making claims or bringing actions.

COVERAGE I EXCLUSIONS – Loss or damage not insured:

- (1) You are not insured for claims arising from the ownership, use or operation of the All Terrain Vehicle while it is:
- (a) being operated or controlled by any person under 16 years of age, unless the Underage Operator Option is included;
 - (b) being operated or controlled by any person under 12 years of age, whether or not the Underage Operator Option is included;
 - (c) being operated or controlled by any person while under the influence of any intoxicating substance or whose alcohol-blood ratio exceeds 80 milligrams of alcohol in 100 milliliters of blood;
 - (d) carrying passengers for a fee;

- (e) in a race or speed test;
- (f) rented or leased by you to others;
- (g) being used for any illicit or prohibited trade or transportation
- (h) being used or operated in a matter contrary to the provisions of the All Terrain Vehicles Act (Sask)

(2) You are not insured for claims arising from bodily injury to a passenger

COVERAGE I OPTIONAL EXTENSION

The Coverage Summary Page will show if the following optional extension is included in this coverage, and if so, to which All Terrain Vehicle they apply. All Coverage I Exclusions apply to this option.

Underage Operator: If the Coverage Summary Page shows that the Underage Operator Option is included, you are insured for claims made against you because of bodily injury and property damage arising from the ownership use or operation of the All Terrain Vehicle while it is being operated by an underage operator.

CONDITIONS - Applicable to Coverage E, F, and G, H and I

Liability applies only to accidents and occurrences which take place during the period this policy is in force.

Limits of Liability

The inclusion under Coverage E of more than one insured shall not operate to increase the limits of the Insurer's liability.

The limit of Bodily Injury liability and Property Damage liability inclusive stated in the Liability Declarations as applicable to "each accident or occurrence" is the limit of the Insurer's liability for all damages arising out of Bodily Injury liability and Property Damage liability combined, in respect of any one accident or occurrence or series of accidents or occurrences arising out of one event, regardless of the number of claims arising therefrom.

All Property Damage arising out of a continuous or repeated exposure to substantially the same general conditions shall be considered as arising out of one accident or occurrence. The limits of Bodily Injury liability and Property Damage liability stated in the Liability Declarations as "aggregate each policy year" are the total limits of the Insurer's liability for all damages arising out of the Products Hazard and Completed Operations Hazard in any one-policy year. All such damages arising out of one prepared or acquired lot of goods or products shall be considered as arising out of one accident or occurrence.

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

- (1) your name and policy number;
- (a) the time, place and circumstances of the accident;
- (b) the names and addresses of witnesses and potential claimants.

Notice of Claim or Suit: If claim is made or suit is brought against an insured, the insured shall immediately forward to the Insurer every demand, notice, summons or other process received by him or his representatives.

Co-operation: The insured shall cooperate with the Insurer and, upon the Insurer's request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and the conduct of suits.

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

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

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

Deductible – Coverage E: Our obligation under Coverage E – Legal Liability to pay compensatory damages on your behalf applies only to the amount of compensatory damages in excess of any deductible amounts stated on the Coverage Summary Page. The limits of insurance applicable to "each occurrence" for Property Damage and "any one Premises" for Tenants Legal Liability will be reduced by the amount of such deductible. The "Aggregate Limit" for such coverages shall not be

reduced by the application of such deductible amount. The deductible amount stated on the Coverage Summary Page applies to all compensatory damages because of "property damage" as the result of any one "occurrence", regardless of the number of people or organizations who sustain compensatory damages because of the "occurrence". The terms of this insurance, including those with respect to our right and duty to defend any action seeking those compensatory damages and your duties in the event of an "occurrence", claim or action apply irrespective of the application of the deductible amount. We may pay any part or all of the deductible amount to effect settlement of any claim or action and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

Payment of Claim – Coverage F and G: Payment by us under either of these coverages is not an admission of liability by you or us.

Insurance Under More than One Policy: If you have other insurance which applies to a loss or claim, or would have applied if this policy did not exist, our policy will be considered excess insurance and we will not pay any loss or claim until the amount of such other insurance is used up. However, if you have other insurance with us which applies to a loss or claim, we will pay up to the highest limit available under any one of our policies.

Milk Contamination – Property Damage Deductible Endorsement

Any payment under Coverage E – Legal Liability, for property damage arising from contamination of milk will be reduced by a deductible amount as follows:

- (1) 25% of the total value of such a loss or damage, subject to a minimum deductible of \$500 for the first occurrence;
- (2) 50% of the total value of such loss or damage, subject to a minimum deductible of \$500 for any subsequent occurrence.

The aggregate limit for such coverages will not be reduced by the application of such deductibles. Our right and duty to defend any action seeking compensatory damages and your duties in the event of an occurrence, claim or action apply regardless of the application of the deductible amount. We may pay any part or all of the deductible amount to effect settlement of any claim or action and, upon notification or the action taken, you must promptly reimburse us for such part of the deductible amount as has been paid.

FARM'S LIMITED POLLUTION LIABILITY INSURANCE

SECTION I - COVERAGES

1. INSURING AGREEMENTS

(A) Bodily Injury and Property Damage

(1) We will pay those sums that the Insured becomes legally obligated to pay as compensatory damages because of "bodily injury" or "property damage" to which this insurance applies, provided that:

- (a) such "bodily injury" or "property damage" is caused by a "pollution incident" which commences during the policy period; and
- (b) the claim for such compensatory damages is first made against the insured during the policy period or within one year after its termination and reported to us in accordance with Section VI condition 5.

A claim by a person or organization seeking compensatory damages will be deemed to have been made when notice of such claim is received and recorded by any insured or by us, whichever comes first.

All claims for compensatory damages because of "bodily injury" or "property damage" sustained by any one person or organization as a result of any one "pollution incident" shall be deemed to have been made at the time the first of those claims is made.

(2) We have the right and duty to defend claims made or "actions" brought in Canada against the Insured seeking such compensatory damages and to pay for the "defence expense". This right and duty is limited.

(3) Compensatory damages include prejudgment interest awarded against the Insured on that part of the judgement we pay.

(B) Clean-up Costs

We will pay the Insured for reasonable and necessary "clean-up costs" incurred by the Insured as a result of the performance by the Insured of an obligation imposed by law on the Insured provided that:

- (1) such "clean-up costs" are incurred because of "environmental damage" to which this insurance applies; and
- (2) the "environmental damage" is caused by a "pollution incident" which commences during the policy period and is reported to us during the policy period or within 30 days after its termination.

We shall have the right, but not the duty, to participate at our expense in any proceeding seeking to impose legal obligations because of such "environmental damage." Each payment we make for compensatory damages, "defence expense" or "clean-up costs" reduces the amount of insurance available, as provided under Section III – Limits of Insurance and Deductible.

We have no obligation under this insurance to make payments or to perform acts or services except as provided for above.

2. DEFENCE OF CLAIMS OR ACTIONS

We have the right and duty to defend claims made or "actions" brought in Canada against the insured seeking compensatory damages payable under this policy for "bodily injury" or "property damage". We may make:

- (1) such investigation of any claim or "actions"; and
- (2) such settlements within the applicable amount of insurance available as we think appropriate.

Our right and duty to defend such claims or "actions" ends when we have used up the amount of insurance available, as provided under Section III "Limits of Insurance and Deductible". This applies both to claims and "actions" pending at that time and those filed thereafter.

When we control the defense for such claims or "actions", we will pay for the "defense expense". If by mutual agreement or court order the insured assumed control of the defense before the applicable amount of insurance available is used up, we will reimburse the insured for reasonable "defense expense". In either case, however, the amounts we pay will reduce the amount of insurance available, as provided under Section III "Limits of Insurance and Deductible".

3. EXCLUSIONS

This insurance does not apply to:

- (1) "Bodily Injury", "property damage" or "clean-up costs" which are expected or intended from the standpoint of any insured;
- (2) "Bodily Injury", "property damage" or "clean-up costs" arising out of a "pollution incident" which "pollution incident" is expected or intended from the standpoint of any insured;
- (3) Liability assumed by any insured under any contract or agreement, but this exclusion does not apply to liability that such insured would have in the absence of such contract or agreement;
- (4) Any obligation of any insured pursuant to any employment standards law, "Worker's Compensation Law, unemployment insurance law, disability benefits law, occupational health and safety law or any similar law;
- (5) (a) "Bodily Injury" to an employee of any insured arising out of or in the course of employment by any insured; or
(b) any claim for damages by the spouse, child, parent, brother, sister or other dependent of an employee of any insured as a result of
"Bodily Injury" to an employee arising out of or in the course of employment by any insured.
This exclusion applies:
 - (c) whether any insured may be liable as an employer or in any other capacity; or
 - (d) to any claim for contribution or indemnity by any person, Commission, Board, corporation or organization required to pay compensatory damages to an employee of any insured because of "bodily injury" to that employee;
- (6) "Property damage" to or "clean-up costs" at, in or on
 - (a) any property owned, rented or occupied by an insured;
 - (b) any property loaned to or used by any insured;
 - (c) any property in the care, custody or control of any insured;
 - (d) any property sold, given away or abandoned by any insured.

- (7) "Property damage" to or "clean-up costs" at, in or on any "waste facility";
- (8) "Bodily injury", "property damage" or "clean-up costs" caused by a "pollution incident" originating at, in or on any "waste facility" or caused by a "pollution incident" arising from or incidental to the delivery, handling, storage, disposal, processing or treatment of waste at, in or on any "waste facility";
- (9) "Bodily injury", "property damage" or "clean-up costs" that are within the "products completed operations hazard";
- (10) "Bodily injury", "property damage" or "clean-up costs" caused by a "pollution incident" originating:
 - (a) below the surface of the ground or water; or
 - (b) from "pollutants" which have, at any time, been buried under the surface of the ground or water, and then subsequently exposed by erosion, excavation or other means.
- (11) "Bodily injury" in the form of genetic damage or birth defects;
- (12) "Bodily injury", "property damage", or "clean-up costs" arising out of the ownership, use or operation by or on behalf of any insured of any self propelled land motor vehicle, trailers or semi-trailers while attached to such vehicle or unattached, including accessories and equipment while attached to or mounted on such vehicle, trailers or semi-trailers. This exclusion does not apply to a truck-mounted sprayer while carrying out spraying operations on the "insured premises" as defined.
- (13) (a) "Bodily injury", "property damage" or "clean-up costs" arising out of the ownership, maintenance, use, operation, loading or unloading, or the entrustment to others, by or on behalf of any insured of:
 - i. any railway rolling stock;
 - ii. any watercraft;
 - iii. any air cushion vehicle;
 - iv. any aircraft; or
 (b) "Bodily injury", "property damage" or "clean-up costs" arising out of the ownership, existence, use or operation by or on behalf of any insured of any premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto.
- (14) (a) "Bodily injury", "property damage" or "clean-up costs" arising out of a "pollution incident" which results from or is attributable to a failure to comply with any applicable statute, regulation, ordinance, directive or order relating to the protection of the environment and promulgated by any governmental body, provided that failure to comply is a wilful or deliberate act or omission of any insured;
- (b) "Clean-up costs" caused by a "pollution incident" if any insured is convicted of an offence under any applicable statute or regulation, relating to the protection of the environment and promulgated by any governmental body, as a result of any Insured's failure to comply with a legal duty to report the "pollution incident" to a governmental body or to take remedial steps after the "pollution incident".
- (15) "Bodily injury" or "property damage" or "clean-up costs" outside Canada;
- (16) (a) Liability imposed by or arising under the Nuclear Liability Act;
- (b) "Bodily injury", "property damage" or clean-up costs" with respect to which and insured under this policy is also insured under a contract of nuclear energy liability insurance (whether the insured is unnamed in such contract and whether or not it is legally enforceable by the insured) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability;
- (c) "Bodily injury", "property damage" or "clean-up costs" resulting directly or indirectly from the nuclear energy hazard arising from:
 - i. the ownership, maintenance, operation or use of a nuclear facility by or on behalf of an insured;
 - ii. the furnishing by an insured of services, materials, parts or equipment in connection with the planning construction, maintenance, operation or use of any nuclear facility; and
 - iii. the possession, consumption, use, handling, disposal or transportation of fissionable substances, or of other radioactive material (except radioactive

isotopes, away from a nuclear facility, which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an insured.

As used in this policy, the term "nuclear energy hazard" means the radioactive, toxic, explosive, or other hazardous properties of radioactive material;

The term "radioactive material" means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances that the Atomic Energy Control Board may, by regulation, designate as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;

The term "nuclear facility" means:

- a. any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
- b. any equipment or device designed or used for:
 - i. separating the isotopes of plutonium, thorium, and uranium or any one or more of them;
 - ii. processing or utilizing spent fuel; or
 - iii. handling, processing or packaging waste;
- c. any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- d. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste radioactive material; and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.

The term "fissionable substance" means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.

(17) "Bodily Injury", "Property Damage" or "clean-up costs" caused by a "pollution incident" resulting from war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power, riot or civil commotion, sabotage or any other act of deliberate destruction of property or terrorism.

(18) Erroneously creating, amending, entering, deleting or using "data"

(19) "Bodily Injury" or "Property Damage" or "clean-up costs" caused by a "pollution incident" arising out of any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses, damage, cost or expenses directly or indirectly caused by, resulting from, or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity. This exclusion applies regardless of any other causes that contribute concurrently or in any sequence to the loss, damages, cost or expense.

4. CLARIFICATION OF INTENTION

For greater certainty in interpreting the insuring agreements, the parties to this policy confirm that the insuring agreements are not intended to apply to:

- (1) "bodily injury", "property damage" or "clean-up costs" which result from or are caused by anything other than a "pollution incident";
- (2) punitive, aggravated or exemplary damages;
- (3) fines or penalties imposed by law.

SECTION II - WHO IS AN INSURED

(1) If you are designated on the declaration page as:

- (a) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- (b) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- (c) An organization other than a partnership or joint venture, you are an insured. Your executive officers and directors are insureds, but only with respect to their duties as your officers or directors. Your shareholders are also insureds, but only with respect to their liability as shareholders.

(2) Each of the following is also an insured:

- (a) Your employees, other than your executive officers, but only for acts within the scope of their employment by you. However, none of these employees is an insured for:
 - i. "bodily injury" to you or to a co-employee while in the course of his or her employment; or
 - ii. "bodily injury" for any person who at the time of injury is entitled to benefits under any Worker's Compensation Law; or
 - iii. "property damage" to property owned or occupied by or rented or loaned to that employee, any of your other employees, or any of your partners or members (if you are a partnership or joint venture).
- (b) Any person (other than your employee), or any organization while acting as your real estate manager.
- (c) Any person or organization having proper temporary custody of your property if you die, but only:
 - i. with respect to liability arising out of the maintenance or use of the property and
 - ii. until your legal representative has been appointed.
- (d) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this policy.

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a named insured on the Coverage Summary Page.

SECTION III - LIMITS OF INSURANCE AND DEDUCTIBLE

Aggregate Limit

- (1) Regardless of the number of insureds under this policy, or the number of persons or organizations who make claims or bring "actions", or the number of claims made or "actions" brought, or the amount of "clean-up costs" incurred, in no event shall our total limit of liability for:
 - (a) all "clean-up costs" incurred; AND
 - (b) all "defense expense" for claims and "actions" seeking compensatory damages because of "bodily injury" and "property damage", or both; AND
 - (c) all compensatory damages because of all "bodily injury" and all "property damage" exceed the limit of liability stated on the declaration page as aggregate limit.
- (2) Any and all payments made by us for such compensatory damages, "clean-up costs" and "defense expense" shall reduce, by the amount of the payment, the limit of liability stated on the declaration page as aggregate limit. In this policy, the aggregate limit as reduced by any such payment or payments is referred to as the amount of insurance available.
- (3) When the aggregate limit stated on the declaration page is reduced to the extent that there is no amount of insurance available, we shall have no further obligations or duties under this policy. Without limiting the generality of the foregoing, we shall have no further obligation to make payments for damages, "clean-up costs" or "defense expense" and shall have no further duty to defend or to continue to defend any claims or "actions".
- (4) You agree to reimburse us for any amounts paid by us for compensatory damages, "clean-up costs" or "defense expense" in excess of the amount of insurance available forthwith upon demand.

Incident Limits

- (1) Subject to part 1 of Section III above, and regardless of the number of insureds under this policy, or the number of persons or organizations who make claims or bring "actions", or

the number of claims made or "actions" brought or the amount of "clean-up costs" incurred, in no event shall our total limit of liability for

- (a) all "clean-up costs" incurred; AND
 - (b) all "defense expense" for claims and "actions" seeking compensatory damages because of "bodily injury" or "property damage" or both; AND
 - (c) all compensatory damages because of "bodily injury" and "property damage" from any one "pollution incident" exceed the limit of liability for each "pollution incident" stated on the declaration page, less any deductible amount stated on the Coverage Summary Page
- (2) We may or, if required by law, shall pay part or all of any deductible amount stated on the declaration page in order to effect settlement of any claim or "action". You shall reimburse us for any deductible amount so paid by us forthwith upon demand.
 - (3) You agree to reimburse us for any amounts paid by us for compensatory damages, "clean-up costs" or "defense expense" in excess of the amount of insurance available forthwith upon demand.

The limits of this policy apply separately to each consecutive annual period, starting with the beginning of the policy period shown on the Coverage Summary Page, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the limits of insurance.

SECTION IV - POLICY TERRITORY AND SCOPE

This insurance applies only to "bodily injury", "property damage", "clean-up costs" or "defense expense" caused by or incurred by reason of a "pollution incident" occurring in the Province of Saskatchewan but not to any such "bodily injury", "property damage" or "clean-up costs" for which an action on the merits is brought outside Canada, nor to any "defense expense" incurred in, or as a result of, such an action on the merits being brought outside Canada.

SECTION V - DEFINITIONS

"Action": means a civil proceeding in a Canadian Court in which compensatory damages to which this insurance applies are claimed. Action includes an arbitration proceeding in Canada in which such compensatory damages are claimed, provided that the Insured is either required to submit or submits with our consent to such arbitration proceeding.

"Bodily Injury": means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

"Clean-up Costs": means expenses for the removal or neutralization of "pollutants".

"Defense Expense": means payments allocated to a specific claim or "action" for its investigation, settlement, or defense, including:

- (a) legal fees, expert fees, disbursements and all other litigation expenses;
- (b) reasonable expenses incurred by the Insured at our request to assist us in the investigation or defense of the claim or "action" including actual loss of earnings up to \$100 a day because of time off from work;
- (c) all costs taxed against the Insured in the "action". Defense Expense does not include salaries and expenses of our employees or the Insured's employees, other than:
 - i. that portion of our employed lawyers' fees, salaries and expenses allocated to a specific claim or "action"; and the expenses described in 4. (b) above.

"Environmental Damage": means the injurious presence of "pollutants" in or upon land, the atmosphere, or any watercourse or body of water.

"Insured's Product": means:

- (a) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - i. any Insured;
 - ii. others trading under any Insured's name; or
 - iii. a person or organization whose business or assets any Insured has acquired; and
- (b) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products. The Insured's Product includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in (a) and (b) above. The "Insured's product" does not include vending machines or other property rented to or located for the use of others but not sold.

"Insured's work": means

- (a) Work or operations performed by any insured or on behalf of any insured; and
- (b) Materials, parts or equipment furnished in connection with such work or operations. The Insured's work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in (a) or (b) above.

"Pollutants": means any solid, liquid or gaseous contaminant other than heat, sound, vibration or radiation.

"Pollution Incident": means an unexpected or unintentional discharge, dispersal, release or escape of any "pollutants", that is sudden and accidental. Such discharge, dispersal, release or escape is the result of the normal farming operations of the insured resulting in "environmental damage". The entirety of any such occurrences, which arise out of a continuous or repeated exposure to substantially the same conditions, shall be deemed to be one "pollution incident".

"Products-completed operations hazard": includes:

- (a) all "bodily injury", "property damage" and "clean-up costs" occurring away from premises any insured owns or rents and arising out of the "Insured's product" or the "Insured's work" except:
 - i. Products that are still in your physical possession; or
 - ii. Work that has not yet been completed or abandoned.
- (b) The "Insured's work" will be deemed completed at the earliest of the following times:
 - i. When all of the work called for in the Insured's contract has been completed.
 - ii. When all of the work to be done at the site has been completed if the Insured's contract calls for work at more than one site.
 - iii. When any person or organization other than another contractor or subcontractor working on the same project has put that part of work done at a job site to its intended use. Work that may need service, maintenance, correction, repair or replacement but which is otherwise complete, will be treated as completed
- (c) This hazard does not include "bodily injury", "property damage" or "clean-up costs" arising out of the existence of tools, uninstalled equipment or abandoned or unused materials.

"Property damage": means:

- (a) Physical injury to, destruction of, or contamination of tangible property, including all loss of use thereof at any time resulting therefrom: or
- (b) Loss of use of tangible property which has not been physically injured, destroyed, or contaminated but which has been evacuated, withdrawn from use, or rendered inaccessible because of a "pollution incident".

"Self-propelled land motor vehicle": means a land motor vehicle, trailer or semi-trailer designed for travel on public roads (including any machinery or apparatus attached thereto) but does not include, except while being towed by or carried on a motor vehicle, any of the following: crawler or farm type tractor, farm implement, or if not subject to motor vehicle registration, any farm equipment which is designed for use principally off public roads.

"Waste facility": means any site operated by any person or organization for the storage, disposal, processing or treatment of waste material, other than a site operated by any insured and disclosed in the Application for this policy.

SECTION VI - CONDITIONS

- (1) **Authorization** - By acceptance of this policy, the first Named Insured on the Coverage Summary Page agrees to act on behalf of all other Insureds, if any, named or described on the Coverage Summary page or included under Section II of this policy, with respect to all duties and obligations imposed on any Insured under this policy, including, without limitation, the completion of the Application for this policy, the giving and receiving of notice of a "pollution incident", claim or "action", the giving or receiving of notice of cancellation, the payment of premiums and the receiving of any return premiums that may become due under this policy, and all other Insureds agree that the first Named Insured on the Coverage Summary Page is authorized to so act on their behalf.
- (2) **Bankruptcy** - Bankruptcy or insolvency of the Insured or of the Insured's estate will not relieve us of our obligations under this policy.
- (3) **Cancellation**
 - (a) The first Named Insured shown on the Coverage Summary Page may cancel this policy by mailing or delivering to us advance written notice of cancellation.

- (b) We may cancel this policy by mailing or delivering to the first named Insured written notice of cancellation at least 15 days before the effective date of cancellation if we cancel for non-payment of premium; or for any other reason.
- (c) We will mail or deliver your notice to the first Named Insured's last mailing address known to us.
- (d) Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- (e) If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first named insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- (f) If notice is mailed, proof of mailing will be sufficient proof of notice.
- (4) **Changes** - This policy contains all the agreements between you and us concerning the insurance afforded. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.
- (5) **Duties in the Event of "Pollution Incident", Claim or "Action"**
- (a) You must see to it that we are notified immediately of a "pollution incident". Notice should include:
- how, when, where the "pollution incident" took place;
 - the names and addresses of any injured persons and of witnesses;
 - the nature and location of any "property damage" arising out of the "pollution incident". Notice of a "pollution incident" is not notice of a claim.
- (b) If a claim is made or "action" is brought against any insured, you must see to it that we receive immediate written notice of the claim or "action".
- You and any other involved Insured must:
 - Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "action";
 - Authorize us to obtain records and other information;
 - Cooperate with us in the investigation, settlement or defense of the claim or "action"; and
- (c) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "Insured" because of injury or damage to which this insurance may also apply.
- (d) No Insured will, except at its own cost, voluntarily make a payment, assume any obligation, or incur any expense, without our consent other than expenses for immediate "clean-up costs" which are required by any applicable state or regulation related to the protection of the environment and promulgated by any governmental body.
- (6) **Examination of Books and Records** - We may examine and audit any Insured's books and records as they relate to this policy.
- (7) **Inspections and Surveys** - We have the right but are not obligated to:
- make inspections and surveys at any time;
 - give you reports on the conditions we find; and
 - recommend any changes.
- Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
- are safe or healthful; or
 - comply with statutes, regulations, ordinances, directives, orders, codes or standards.
- This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations. The insurer waives no right and undertakes no responsibility by reason of any such inspection, survey, report or recommendation or the omission thereof.
- (8) **Legal Action Against Us** - No person or organization has a right under this policy:
- To join us as a part or otherwise bring us into an "action" asking for compensatory damages from an insured; or
- (b) To sue us on this policy unless all of its terms have been fully complied with. A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial but we will not be liable for compensatory damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the Insured and claimant or the claimant's legal representative. Every "action" or proceeding against us shall be commenced within one year next after the date of such judgment or agreed settlement and not afterwards.
- (9) **Material Change in the Risk** - If any change shall occur materially varying any of the statements made in the Application or during any inspection or survey, or if the Insured shall receive information indicating a material increase in the risks to which this policy relates, the Insured shall, within thirty (30) days of such change of information becoming known, give us notice of such change in writing.
- (10) **Other Insurance** - If at the time of the "pollution incident" covered by this policy here is any other insurance applicable we, under this policy, will be liable only for the excess, if any, of any loss over the applicable limit of the other insurance covering such loss.
- (11) **Premium Audit**
- We will compute all premiums for this policy in accordance with our rules and rates.
 - Premiums shown in this policy as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured subject to the retention of the minimum premium shown on the Coverage Summary Page.
 - The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.
- (12) **Priority of Payment** - Where the total of all compensatory damages because of "bodily injury" or "property damage" and all "clean-up costs" and all "defense expense" exceed the limits of liability for any one "pollution incident" or exceed the amount of insurance available, the available proceeds of this insurance shall be applied in the following descending order of priority:
- "clean-up costs";
 - "defense expense";
 - "property damage";
 - "bodily injury";
- (13) **Representations** - By accepting this policy, you agree that:
- the statements in the Application and Declarations are accurate and complete;
 - those statements are based upon representations you made to us; and
 - we have issued this policy in reliance upon your statements and representations.
- (14) **Transfer of Rights of Recovery Against Others to Us** - if the Insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The Insured must do nothing after loss to impair them. At our request, the Insured will bring "action" or transfer those rights to us and help us enforce them.
- (15) **Transfer of your Rights and Duties Under this Policy** - Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named Insured. If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone who is having proper temporary custody of your property will have your rights and duties but only with respect to that property.

SECTION 4 Miscellaneous Coverages

The coverage described in this section apply only if they are indicated on the Coverage Summary Page. All terms, exclusions, limitations and conditions of the policy remain unchanged except as provided by these endorsements.

(A) ALL TERRAIN VEHICLE COVERAGE

If the Coverage Summary Page shows that A.T.V Coverage applies, we insure the all terrain vehicle(s) described on the Coverage Summary Page, including its permanently attached equipment. This insurance applies only to insured property within the territorial limits of Canada and the Continental United States of America.

Insured Perils

Fire & Theft – If the Coverage Summary Page specifies “Fire & Theft”, you are insured against direct loss by “Fire or Lightning” or “Theft” only.

All Risk - We insure your All Terrain Vehicle listed on the Coverage Summary Page against all risks of direct physical loss or damage from any external cause, subject to the exclusions, limitations, terms and conditions below:

LOSS OR DAMAGE NOT INSURED

Property Not Insured

We do not insure:

1. loss or damage to any property illegally imported, acquired, kept, stored or transported
2. loss or damage to any property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
3. loss or damage to electrical apparatus (including wiring) caused by electricity other than lightning, but if fire ensues, we will pay for the damage caused by the fire;
4. loss or damage to any property which is used in any illegal trade or transportation;
5. loss or damage while used outside the territorial limits described;
6. loss or damage while used in whole or in part for the cultivation, harvesting, processing, manufacturing, distribution or sale of marijuana or any product derived from, or containing, marijuana or any other substance falling within the Schedules of the Controlled Drugs and Substances Act, whether or not the insured is aware of such use of the property.

Losses Not Insured

We do not insure against loss or damage resulting from, contributed to or caused directly or indirectly by:

1. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
3. contamination or pollution or the release, discharge or dispersal of contaminants or pollutants;
4. wear, tear, gradual deterioration latent defect, inherent vice, mechanical breakdown, scratching, denting, chipping, rust, corrosion, dampness or dryness of atmosphere, fungi or spore(s);
5. undergoing any process or while being worked on. If fire or explosion ensues we will pay for the resultant damage caused by the fire or explosion;
6. birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels and rats) or insects;
7. any process of refinishing, renovating, repairing, servicing or maintenance;
8. electrical currents, other than lightning;
9. weathering, ice, freezing or extremes of temperature;
10. your intentional or criminal acts;
11. infidelity of others who borrow or use the property insured.

Limitations of Use

We do not insure any property while it is:

1. rented or leased to others;
2. used to carry passengers for compensation;
3. being operated in any race or speed test;

4. not being operated in accordance with the All Terrain Vehicles Act (Sask) regulations.

Substitute Acquisition Clause

If you dispose of the insured property during the term of this policy we agree to hold covered similar property acquired in replacement thereof for a period not exceeding 30 days from the date of acquisition and to an amount not exceeding the amount of insurance on the property disposed of or the invoice cost of the newly acquired property, whichever is less. We will adjust your premium on a pro rata basis from the date of the acquisition.

BASIS OF CLAIM PAYMENT

Actual Cash Value

We will pay the Actual Cash Value of insured loss or damage up to your financial interest in the property but not exceeding the applicable amount(s) of insurance shown on the Coverage Summary Page for any loss or damage arising out of one occurrence

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

Deductible: We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

(B) BOAT & MOTOR COVERAGE

If the Coverage Summary Page shows that Boat and Motor Coverage applies, you are insured against all risks of direct physical loss or damage from any external cause, subject to the exclusions, limitations, terms and conditions below. We insure:

1. the boat(s) described on the Coverage Summary Page including its permanently attached equipment (except outboard motors) as well as oars, anchors, seat cushions, auxiliary fuel tanks, tarpaulins, fire extinguishers and spare propellers all pertaining to the described boat;
2. the motor(s) described on the Coverage Summary page including fuel containers and electric starting equipment or controls supplied as integral equipment by the manufacturer;
3. boat and/or motor accessories described on the Coverage Summary Page and not included in 1 or 2 above.

This insurance applies only to insured property within the limits of Canada and the Continental United States of America.

DEFINITIONS

“Miscellaneous Equipment” means the on board accessories and equipment that are not permanently attached to the Watercraft described on the Coverage Summary Page and that pertain to its use and safety. “Miscellaneous Equipment” does not include water skis or other related sports equipment. “Miscellaneous Equipment” does include boat covers, anchors, life preservers, lines, fire extinguishers, seat cushions, flares, oars, flaps, batteries, boxes, battery chargers, pumps, sails and similar equipment.

“Outboard Motors” means the outboard motor shown on the Coverage Summary Page including its fuel tanks, battery and electric starting equipment.

“Watercraft” means the pleasure craft shown on the Coverage Summary Page including accessories and equipment permanently attached.

LOSS OR DAMAGE NOT INSURED

Property Not Insured

We do not insure loss or damage to any watercraft, motors or equipment:

1. illegally imported, acquired, kept, stored or transported;
2. lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
3. to electrical apparatus (Including wiring) caused by electricity other than lightning, but if fire ensues, we will pay for the damage caused by the fire;
4. which is used in any illegal trade or transportation;
5. used for carrying people for compensation or which is chartered, leased or used for any commercial purpose; which is used in any illegal trade or transportation;
6. used outside the territorial limits described;
7. used in whole or in part for the cultivation, harvesting, processing, manufacturing, distribution or sale of marijuana or any product derived from, or containing, marijuana or

any other substance falling within the Schedules of the Controlled Drugs and Substances Act.

Losses Not Insured

We do not insure against loss or damage resulting from, contributed to or caused directly or indirectly by:

1. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
3. contamination or pollution or the release, discharge or dispersal of contaminants or pollutants;
4. wear, tear, gradual deterioration (including damage by marine life), mechanical defects or breakdown, scratching, denting, chipping, electrolysis, rust, corrosion, dampness or dryness of atmosphere or by any fungi or spore(s);
5. undergoing any process or while being worked on. If fire or explosion ensues we will pay for the resultant damage caused by the fire or explosion;
6. birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels and rats) or insects;
7. any process of refinishing, renovating, repairing, servicing or maintenance;
8. electrical currents, other than lightning;
9. weathering, ice, freezing or extremes of temperature;
10. your intentional or criminal acts;
11. infidelity of others who borrow or use the property insured.

Limitations of Use

We do not insure any property while it is:

1. rented or leased to others;
2. used to carry passengers for compensation;
3. being operated in any race or speed test;
4. not being operated in accordance with the Canada Shipping Act regulations governing age and horsepower restrictions and operator competency requirements;

Substitute Acquisition Clause

If you dispose of the insured property during the term of this policy we agree to hold covered similar property acquired in replacement thereof for a period not exceeding 30 days from the date of acquisition and to an amount not exceeding the amount of insurance on the property disposed of or the invoice cost of the newly acquired property, whichever is less. We will adjust your premium on a pro rata basis from the date of the acquisition.

BASIS OF CLAIM PAYMENT

Actual Cash Value

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

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

Replacement Cost

If boats or motors insured by this coverage are less than 4 years old, we will agree to make settlement on the basis of the cost of repairs or replacement cost (whichever is the lesser) of the insured item without deduction for depreciation subject to the policy conditions and exclusions and the following provisions:

- a. It is in use for its original purpose and has been maintained in good physical condition and insured to 100% of the replacement cost of the item
- b. the repair or replacement must be made within a reasonable time after the damage
- c. loss or damage to tires and batteries and betterment resulting from the necessary repair or replacement of prior damage that was not repaired shall be settled on Actual Cash Value basis
- d. we will pay the lesser of:
 - i. the cost to repair with materials of similar kind and quality; or

- ii. the cost of new items of similar kind, quality and usefulness without any deduction for depreciation; or
- iii. the applicable limit of insurance for this item as stated on the Coverage Summary page.

Otherwise the basis of claim payment will be Actual Cash Value.

Co-insurance: We will only be liable for no greater proportion of any loss than the amount of insurance bears to 100% of the actual cash or replacement cost value of the insured property.

Deductible: We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

(C) MISCELLANEOUS ARTICLES FLOATER COVERAGE

If the Coverage Summary Page shows that Personal Articles Floater applies we insure the items shown on the Coverage Summary Page for this coverage against risks of direct physical loss or damage, subject to the exclusions, limitations, terms and conditions below.

LOSS OR DAMAGE NOT INSURED

Property Not Insured

We do not insure loss or damage to:

1. electrical devices or appliances caused by electrical currents other than lightning;
2. any property illegally acquired or kept;
3. any property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
4. any musical instrument played for a fee unless we have given our written permission;
5. breakage of fragile or brittle articles;
6. loss or damage to sporting or hobby equipment where the loss is due to their use.

Losses Not Insured

We do not insure against loss or damage resulting from, contributed to or caused directly or indirectly by:

1. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
3. contamination or pollution or the release, discharge or dispersal of contaminants or pollutants;
4. wear, tear, gradual deterioration (including damage by marine life), mechanical defects or breakdown, scratching, denting, chipping, electrolysis, rust, corrosion, dampness or dryness of atmosphere or weathering *or by any "fungi" or "spore(s)";*
5. undergoing any process or while being worked on. If fire or explosion ensues we will pay for the resultant damage caused by the fire or explosion;
6. birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels and rats) or insects;
7. any process of refinishing, renovating, repairing, servicing or maintenance;
8. electrical currents, other than lightning;
9. weathering, ice, freezing or extremes of temperature;
10. your intentional or criminal acts;
11. property away from your premises for the purpose of exhibition.

This policy does not insure "Data" or loss or damage resulting from, contributed to or caused directly or indirectly by "Data Problem". However, if loss or damage caused by "Data Problem" results in the occurrence of further loss or damage to insured property that is directly caused by "Specified Perils", this exclusion shall not apply to such resulting loss or damage.

SPECIAL CONDITIONS

Stamp and Coin Collections: We will pay for loss or damage to your collection in the proportion that the amount of insurance on your collection bears to its cash market value at the time of loss. We will not pay more than \$250 on any single article of your collection. A single article means any one stamp, coin or other individual article or pair, strip, block, series, sheet, cover, frame, card or the like. This condition does not apply to articles listed on the Coverage Summary Page.

Newly Acquired Articles: If you acquire any additional articles of the type for which an amount of insurance is shown, we will automatically insure these under this coverage provided you notify us within 30 days. We will not pay more than \$5,000 under this extension.

Any loss or damage will not reduce the amount of insurance provided by this coverage. If, following payment of a claim, you acquire any articles to replace those which were lost or damaged, you must tell us within 30 days of acquisition.

BASIS OF CLAIM PAYMENT

Unless stated otherwise, we will pay the Replacement Cost of the insured loss or damage up to your financial interest in the property but not exceeding the applicable amount(s) of insurance for any loss or damage arising out of one occurrence, provided that;

(a) the property at the time of loss was useable for its original purpose and is not obsolete;

(b) you have repaired or replaced the property promptly. Otherwise the basis of claim payment in the policy will apply as if this coverage had not been in effect.

Replacement Cost coverage will not apply to:

(a) antiques, fine arts, paintings, statuary and similar articles which by their inherent nature, cannot be replaced with a similar article;

(b) fur garments or garments trimmed with fur or bridal gowns that are 5 years of age from the date they were originally purchased new.

Deductible: We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary Page in any one occurrence.

Insurance Under More Than One Policy: If you have other insurance on specifically described property, our policy will be considered excess insurance and we will not pay any loss or claim until the amount of such other insurance is used up. In all other cases, our policy will pay its rateable proportion of an insured loss.

(D) FINE ARTS COVERAGE

If the Coverage Summary Page shows that Fine Arts Coverage applies, we insure your fine arts described on the Coverage Summary Page against direct physical loss or damage, subject to the exclusions, limitations, terms and conditions set out below. We insure the described fine art only while it is at the location specified, unless otherwise stated on the Coverage Summary Page.

“**Fine Arts**” as described in this coverage, include paintings, etchings, picture, tapestries and other bona fide works of art (such as valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass and bric-a-brac) of rarity, historical value or artistic merit.

Loss or Damage Not Insured

We do not insure:

1. any property illegally acquired or kept;
2. any property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;
3. breakage of glassware, marble, statuary, bric-a-brac, porcelains and other fragile articles unless caused by fire, earthquake, explosion, falling object striking the exterior of a building, flood, impact by aircraft or land vehicle, lightning, riot, smoke, vandalism or malicious acts, windstorm or hail, or by accident to land, water or conveyances, or by theft or attempted theft;

We do not insure loss or damage caused directly or indirectly by or resulting from:

1. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
2. any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
3. contamination or pollution or the release, discharge or dispersal of contaminants or pollutants;
4. wear, tear, gradual deterioration (including damage by marine life), mechanical defects or breakdown, scratching, denting, chipping, electrolysis, rust, corrosion, dampness or dryness of atmosphere or weathering *or by any “fungi” or “spore(s)”*;
5. birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels and rats) or insects;

6. any process of refinishing, renovating, repairing, servicing or maintenance;
7. electrical currents, other than lightning;
8. weathering, ice, freezing or extremes of temperature;
9. your intentional or criminal acts;
10. property away from your premises for the purpose of exhibition.

Packing/Unpacking Warranty: The insured property must be packed and unpacked by competent packers, otherwise we will not pay for damage which occurs during the period from commencement of the packing until the property is completely unpacked.

Newly Acquired Articles: If you acquire any additional articles of the type for which an amount of insurance is shown, we will automatically insure these under this coverage provided you notify us within 30 days. We will not pay more than \$5,000 under this extension.

Any loss or damage will not reduce the amount of insurance provided by this coverage. If, following payment of a claim, you acquire any articles to replace those which were lost or damaged, you must tell us within 30 days of acquisition.

(E) BUILDING BYLAWS COVERAGE

If the Coverage Summary Page shows that Building Bylaw Coverage is included, and if there is loss or damage to the dwelling building caused by an insured peril, we will pay the additional cost of demolition, construction or repair which is required to comply with any law or ordinance regulating demolition, construction or repair of buildings, but only if the building is actually repaired, rebuilt or replaced on the same site and for the same occupancy as described in this policy. We will pay only the least of the following amounts:

1. the amount of insurance applicable to this coverage as shown on the Coverage Summary page;
2. the minimum amount required to comply with any law;
3. the actual amount you spend for the additional costs to which this coverage applies

We will not pay any additional cost caused by the enforcement of any by-law, regulation, ordinance or law which prohibits you from rebuilding or repairing on the same site or an adjacent site or prohibits continuance of like occupancy. All other terms and conditions of the policy to which this endorsement applies remain unchanged.

(F) FIRE DEPARTMENT CHARGES

If the Coverage Summary page indicates that Fire Department Charges is included, we will pay up to the amount specified for your liability for fire department charges incurred for attending the premises insured under this policy to save or protect or to prevent further loss or damage to the insured property or property of others adjacent to your premises. This coverage is not subject to a deductible.

(G) REDUCED GLASS DEDUCTIBLE

If the Coverage Summary Page shows that Glass Deductible Endorsement applies, the deductible amount, as it applies to Glass Breakage insured under Section 1 of this policy, is reduced to the amount shown on the Coverage Summary Page applicable to this endorsement.

(H) IDENTITY THEFT COVERAGE

If the Coverage Summary Page indicates that Identity Theft Endorsement applies, we agree that coverage is extended to include reimbursement of costs you actually incur resulting from Identity Fraud as defined and limited herein. **Identity Fraud** means the act or acts of knowingly transferring or using, without lawful consent or authority, your means of identity which constitutes a violation of any federal, provincial, territorial or municipal law.

Identity Fraud Occurrence means any act or series of acts of **Identity Fraud** by a person or group which results in an insured loss during the policy period.

Coverages - We insure, to the amount as stated on the Coverage Summary page in total during the term of this policy, the following reasonable costs and expenses incurred by an insured person, as a result of an Identity Fraud occurrence:

1. Reasonable costs associated with registered mail to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors;
2. Fees for the re-application of loans which had been declined as a result of incorrect or erroneous information;

SECTION 5 Conditions

3. The reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits for financial institutions, credit agencies, credit grantors or similar lenders;
4. The reasonable costs or expenses (including mileage, associated parking costs, taxi cab fees or public transit fees) incurred for notarizing affidavits for law enforcement agencies;
5. Long distance telephone expenses to discuss an actual **Identity Fraud Occurrence** to businesses, law enforcement agencies, financial institutions, credit agencies and similar credit grantors;
6. Earnings lost resulting from necessary time away from your employment for the purposes of completing affidavits and meeting with credit agencies, similar credit grantors, law enforcement departments, financial institutions, merchants and legal counsel, up to the amount as stated on the Coverage Summary Page per day to a maximum amount at stated , for each **Identity Fraud Occurrence**;
7. Reasonable costs, fees or expenses associated with the replacing of Canadian or Provincial Government issued documents as a result of an **Identity Fraud Occurrence**.
8. Reasonable legal fees incurred directly as a result of an **Identity Fraud Occurrence**, with prior notice to us for the removal of any criminal or civil judgments wrongly entered against you, or to challenge the information in your consumer credit report, or the defence of lawsuits brought against you by businesses or their collection agencies.
9. We will reimburse you for the reasonable cost of obtaining up to two credit reports after an **Identity Fraud Occurrence** has been reported to us, for a period of up to 12 months from the date of the reporting of the occurrence, but not limited by the expiry date of the policy.

Loss or Damage Not Insured

We do not insure:

1. your fraudulent, dishonest, or criminal acts;
2. your own use of your identity;
3. your commercial or business pursuits;
4. your intentional misuse of your identity;
5. fraudulent, dishonest, criminal or intentional misuse of your identity by any resident of your household;

Nor do we insure the following:

6. Any losses covered under the **Credit or Debit Cards, Automated Teller Cards, Library or Video Cards, Forgery and Counterfeit Money** coverage already available in the underlying policy;
Any losses covered by credit card insurance, bank insurance or other coverage available to you. This endorsement will be secondary with other insurance being primary. This endorsement will only apply once the other insurance available to you has been exhausted.

Deductible – No deductible applies to this coverage.

Requirements after Loss – In addition to the requirements outlined on the policy to which this endorsement attaches, you are required to contact your local law enforcement agency of the **Identity Fraud Occurrence**.

(I) SEWER, SEPTIC TANK, DRAIN OR SUMP BACKUP COVERAGE

If the Coverage Summary Page indicates that Sewer, Septic Tank, Drain or Sump Backup coverage applies, it is agreed that the policy is extended to cover direct loss or damage to the dwelling and personal property in the dwelling caused by: SEWER, SEPTIC TANK, DRAIN OR SUMP BACKUP, meaning sudden and accidental leakage or escape of water from a sewer, septic tank, drain or sump pit within the insured dwelling subject to the terms and conditions below.

Loss or Damage Not Insured

We do not insure loss or damage:

- (a) Resulting from escape of water from a sump pit not equipped with a sump pump; or
- (b) occurring while the dwelling insured is vacant or in the course of construction, irrespective of any permission for vacancy or construction elsewhere in the policy.

All other terms and conditions of the policy to which this endorsement is attached apply.

CONDITIONS REQUIRED BY LAW

With respect to Section 3-Liability Coverage, Statutory Conditions 1, 3, 4, 5 and 15 only apply. Otherwise, all of the Conditions set forth under the titles Statutory Conditions and Additional 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 attached.

STATUTORY CONDITIONS

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 voids 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 the insured desires the contract to continue in force, the insured must, within fifteen days of the receipt of the notice, pay to the insurer an additional premium, and in default of such 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 (*pro rata*) premium for the expired time, but, in no event, shall the proportionate (*pro rata*) premium for the expired time be deemed to be less than any minimum retained premium specified; and
 - (b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
 - (3) Where this contract is terminated by the insured, the insurer shall refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
 - (4) The refund may be made by money, postal or express company money order or cheque payable at par.
 - (5) The fifteen days mentioned in clause (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, and 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) under 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 willfully 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 proportionately (pro rata) towards any reasonable and proper expenses in connection with steps taken by the insured and required under sub condition (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 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 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 so to do 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

Repealed**

***The Limitations Act S.S. 2004, c.L-16.1 May 1, 2005*

Basic Limitation Period

Unless otherwise proved in this Act, no proceedings shall be commenced with respect to a claim after two years from the day on which the claim is discovered.

- 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.

GENERAL CONDITIONS

1. Subject to General Conditions (2) below, the company is not liable:
 - (1) for more than the portion of any loss, destruction or damage covered by this policy which the applicable limit under this policy bears to the total amount of insurance coverage against the peril of fire, irrespective of whether or not such other insurance provides insurance in respect to the perils covered by this policy, whether by endorsement thereto or otherwise;
 - (2) where such other insurance does not insure against loss, destruction or damage by fire, for more than the excess (if any) of any loss or damage over the applicable limit of any other insurance which would attach if the insurance under this policy had not been effected.
2. If the Insured has, at the inception date of this policy, any other insurance on the property covered by this policy which is not disclosed to the Company, or effects any other insurance thereon after the inception date of this policy without the written consent of the Company, this policy shall be void.
3. **REINSTATEMENT** Unless notice is given to the insurer to the contrary, any reduction in the amount insured under any item of this policy due to the payment of any loss or losses shall upon such payment automatically be reinstated for the balance of the term of the said policy, and additional premium on a pro rata basis, shall on demand become payable therefore.
4. **DEDUCTIBLE CLAUSE** The Company is liable only for the amount by which the loss or damage caused by any of the perils insured against under this policy exceeds the amount of deductible in any one occurrence.
5. **NOTICE TO AUTHORITIES** Where the loss is due to a malicious act, burglary, robbery, theft or attempt thereof, or is suspected to be so due, you must notify the police or other authority immediately.
6. **NO BENEFIT TO BAILEE** This insurance does not apply directly or indirectly to the benefit of any carrier or other bailee.
7. **PAIR AND SET** In the case of loss or damage to any article or articles, whether scheduled or unscheduled, which is or are a part of a set, we will pay only a reasonable and fair proportion of the total value of the set, and such loss or damage will not be understood to mean total loss of the set.
8. **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, we will not pay for more than the insured value of the part lost or damaged, including the cost of installation.
9. **YOUR DUTY AFTER LOSS** It is your duty in the event that any property insured by this policy is lost to take all reasonable steps to recover such property. We will contribute pro

rata towards any reasonable and proper expenses in connection with such efforts according to the respective interests of the parties.

- 10. VALUATION AND REPLACEMENT** Unless otherwise provided, the Company 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 the repair or replace the same with material of like kind and quality.
- 11. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US** Your rights to recover any part of your loss, for which we have made or agreed to make payment under this policy, are transferred to us. You must not impair those rights and must help us enforce them. When the net amount recovered after deducting the costs of recovery is not enough to provide a complete indemnity for the loss or damage suffered, that amount will be divided between you and us in the proportion in which the loss or damage has been borne by you and us.
- 12. CANADIAN CURRENCY** All limits of insurance, premiums and other amounts as expressed in this policy are in Canadian Currency.
- 13. REBUILDING CLAUSE** If the Coverage Summary Page shows that the Rebuilding Clause applies, to the building(s) specified on the Coverage Summary Page, this clause applies to those specified buildings.

In the event an insured peril damages or destroys any of the buildings to which this rebuilding clause applies, you must complete and submit a 'Proof of Loss' form to us. Upon receipt of the Proof of Loss form, we will make a first payment of only fifty percent of the amount of loss payable on the damaged or destroyed building(s). The amount of loss payable will be the lesser of (a) the actual amount of the damage; or (b) the limit of insurance applicable to the damaged or destroyed buildings. The balance of the amount of loss payable is subject to the following:

- (1) If you notify us of your intention to repair, rebuild or replace the damaged building(s) within three hundred feet (90 metres) of its original site on lands you own at the time of the loss with a building(s) of like use and you provide us with satisfactory proof within twelve months of the date of loss, that you spent or contracted to spend an amount not less than the total amount of all insurance payable in doing so, we will pay the balance of the amount of loss payable under this policy within thirty days.
- (2) If you notify us of your intention to rebuild or replace any building(s) which have been damaged or destroyed with a building(s) of like use on lands you own at the time of the loss within the Province of Saskatchewan but at a distance of more than three hundred feet from the site of the damaged or destroyed building(s) sought to be replaced, and provide us with satisfactory proof within twelve months of the date of loss that you spent or contracted to spend an amount not less than the total amount of all insurance payable, in doing so, we will pay you the balance of funds within thirty days up to seventy five percent of the amount of loss payable under this policy.
- (3) If due to any regulation or law applying to construction or repair you are prohibited from repairing or rebuilding the damaged building(s) on the same site, and notify us of your intention to rebuild or replace the destroyed building(s) with a building(s) of like use on land you own on other than the same site within the Province of Saskatchewan and you provide us with satisfactory proof within twelve months of the date of loss, that you spent or contracted to spend an amount not less than the total amount of all insurance payable in doing so, we will pay you the balance of the amount of loss payable under this policy, within thirty days.
- (4) If you do not comply with the conditions of Clauses (1) or (2) or (3), the first payment will be the only payment for the loss.

If two or more items are subject to this clause, it will apply separately to each item.

- 14. AUTOMOTIVE FUELS** Any fuels used for automotive purposes must be stored in accordance with government regulations.
- 15. LIBERALIZATION CLAUSE** During the term of this policy, if we adopt and publish for use any forms, endorsements or rules which would extend or broaden the insurance provided by this policy, without additional premium charge, either by endorsement or substitution, then such extended or broadened insurance will apply to loss occurring after the effective

date of such adoption and publication as though such endorsement or substitution had been made.

- 16. NON-WAIVER** This policy is subject to the terms and conditions set forth in it together with such other terms and conditions as may be endorsed or added to it. No terms or condition of this policy will be deemed to be waived in whole or in part by us unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by us.
- 17. EXAMINATION OF INSURED** In the event of a claim under this policy, you must submit to examination under oath, at our request, and produce for examination at such reasonable place and time as designated by us or our representative, all documents in your possession or control that relate to the matters in question, and you must permit extracts and copies of such documents to be made.

STANDARD MORTGAGE CLAUSE

(Approved by the Insurance Bureau of Canada)

Mortgage Conditions: It is hereby provided and agreed that subject to the terms of this mortgage condition (and these shall supersede any policy conditions in conflict therewith but only as to the interest of the mortgagee), loss under this policy is made payable to the Mortgagee specified on the Coverage Summary Page.

- 1. Breach of Conditions by Mortgagor Owner or Occupant** This insurance and every documented renewal thereof as to the interest of the Mortgagee only therein is and shall be in force notwithstanding any act, neglect, omission or misrepresentation attributable to the mortgagor, owner or occupant of the property insured, including transfer of interest, any vacancy or non occupancy or the occupation of the property for purposes more hazardous than specified in the description of the risk.

Provided always that the Mortgagee shall notify forthwith the Insurer (if known) of any vacancy or non occupancy extending beyond thirty (30) consecutive days, or of any transfer of interest or increased hazard that shall come to his knowledge; and that every increase of hazard (not permitted by the policy) shall be paid for by the Mortgagee on reasonable demand from the date such hazard existed, according to the established scale of rates for the acceptance of such increased hazard, during the continuance of this insurance.
- 2. Right of Subrogation** Whenever the Insurer pays the Mortgagee any loss award under this policy and claims that as the Mortgagor or Owner no liability therefore existed, it shall be legally subrogated to all rights of the Mortgagee against the Insured; but any subrogation shall be limited to the amount of such loss payment and shall be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer; or the Insurer may as its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and shall thereupon receive a full assignment and transfer of the mortgage together with all securities held as collateral to the mortgage debt.
- 3. Other Insurance** If there be other valid and collectible insurance upon the property with loss payable to the Mortgagee at law or in equity then any amount payable thereunder shall be taken into account in determining the amount payable to the Mortgagee.
- 4. Who May Give Proof Of Loss** In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.
- 5. Termination** The term of this mortgage condition coincides with the term of the policy; provided always that the Insurer reserves the right to cancel the policy as provided by Statutory Condition but agrees that the Insurer will neither terminate nor alter the policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory condition.
- 6. Foreclosure** Should title or ownership to said property become vested in the Mortgagee and/or assigns as owner or purchaser under foreclosure or otherwise, this insurance shall continue until expiry or cancellation for the benefit of the said Mortgagee and/or assigns.

INDEX
FARMOWNERS INSURANCE POLICY

A GUIDE TO YOUR POLICY	PAGE
AGREEMENT	3
Definitions (applicable to Sections 1, 2, 3 and 4).....	3
SECTION 1 – FARMOWNER COVERAGES	5 - 18
Coverage A - Dwelling Building.....	5
Coverage B – Detached Private Structures.....	6
Coverage C – Personal Property.....	6
Special Limits of Insurance.....	7
Coverage D – Additional Living Expenses.....	7
Additional Coverages of Section 1.....	8
Insured Perils – Farm owners Pak A.....	10
Insured Perils – Farm owners Pak B.....	13
Insured Perils – Farm owners Pak C.....	13
Basis of Claim Payment of Section 1.....	16
SECTION 2 – FARM PROPERTY COVERAGE	18 - 45
PART I Definitions (applicable to Section 2).....	19
PART II Basis of Claim Payment.....	19
PART III Extensions of Coverage.....	20
PART IV General Exclusions.....	20
Farm Property:	
Beekeepers (Honey).....	21
Beekeepers (Leafcutter).....	23
Farm Outbuildings and Contents.....	24
Farm Machinery and Equipment.....	30
Fertilizer and Farm Chemicals.....	33
Fodder and Feeds.....	34
Grain – Threshed.....	34
Grain – (Customers).....	35
Irrigation Equipment.....	35
Livestock.....	36
Miscellaneous Farm Property and Equipment.....	38
Poultry.....	39
Produce.....	39
Semen and Semen containers.....	40
Silage Bags.....	41
Tools Coverage.....	42
Special Ag Endorsement.....	42
SECTION 3 – FARM LIABILITY COVERAGE	45 - 64
Definitions (applicable to Section 3).....	45
Coverage E – Legal Liability.....	47
Coverage F – Voluntary Medical Payments.....	49
Coverage G – Voluntary Payment for Damage to Property.....	49
Coverage E – Special Limitations.....	50
Additional Exclusion (applicable to Coverage E, F, G).....	51
Coverage H – Jet Propelled Personal Watercraft Liability.....	53
Coverage I – All Terrain Vehicle Liability.....	54
Farm’s Limited Pollution Liability Insurance.....	56
Insuring Agreements.....	56
Who is an insured?.....	60
Limits of Insurance and Deductible.....	60

Policy Territory and Scope.....	61
Definitions.....	61
Conditions.....	62

SECTION 4 – MISCELLANEOUS COVERAGE	65 - 71
(A) All Terrain Vehicle Coverage.....	65
(B) Boat & Motor Coverage.....	66
(C) Miscellaneous Articles Floater Coverage.....	68
(D) Fine Arts Coverage.....	69
(E) Building Bylaws Coverage.....	70
(F) Fire Department Coverage.....	70
(G) Reduced Glass Deductible.....	70
(H) Identity Theft Coverage.....	70
(I) Sewer, Septic Tank, Drain or Sump Backup Coverage... ..	71
SECTION 5 – CONDITIONS	72 - 77
Statutory Conditions.....	72
General Conditions.....	74
Standard Mortgage Clause.....	77

