
WORDS AND PHRASES IN QUOTATION MARKS HAVE SPECIAL MEANING, AS DEFINED IN CLAUSE 11.

1. INDEMNITY AGREEMENT

In the event that any of the property insured is lost or damaged during the policy period by the perils insured against, the Insurer will indemnify the Insured against the direct loss so caused to an amount not exceeding whichever is the least of:

- (a) the actual cash value of the property at the time of loss or damage;
- (b) the interest of the Insured in the property;
- (c) the amount of insurance specified on the "Declaration Page(s)" in respect of the property lost or damaged.

Provided, however, that where the insurance applies to the property of more than one person or interest, the Insurer's total liability for loss sustained by all such persons and interests shall be limited in the aggregate to the amount or amounts of insurance specified on the "Declaration Page(s)".

2. PROPERTY INSURED

This Form insures the property described in the "Declaration Page(s)" as per the schedule of insured property attached hereto or on file with the Insurer, the property of the Insured or the property of others for which the Insured may be liable.

3. AMOUNTS OF INSURANCE

The maximum liability of the Insurer in any one loss shall not exceed the amount(s) of insurance specified for each item listed on the schedule of insured property attached hereto or on file with the Insurer.

4. DEDUCTIBLE

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

5. DEBRIS REMOVAL EXTENSION

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

The above extension of coverage does not apply to costs or expenses:

- (i) to "clean up" "pollutants" from land or water; or
- (ii) for testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

The above extension of coverage shall not increase the amounts of insurance applying under this Form and is subject to all conditions of this Form.

6. PERILS INSURED

This Form, except as herein provided, insures against all risks of direct physical loss of or damage to property insured from any external cause.

7. EXCLUSIONS

A. PROPERTY EXCLUDED

This Form does not insure:

- (a) property illegally acquired, kept, stored or transported, or property seized or confiscated for breach of any law or by any order of any public authority;
- (b) property at locations which to the knowledge of the Insured are vacant, unoccupied or shut down for more than thirty (30) consecutive days;
- (c) waterborne property insured under the terms of any Marine insurance.

B. PERILS EXCLUDED

This Form does not insure:

- (a) loss or damage caused by wear and tear, latent defect or inherent vice, mechanical breakdown or derangement. This exclusion does not apply to loss or damage caused directly by a resultant peril not otherwise excluded under this Form;
- (b) loss or damage caused by deterioration, vermin, corrosion, rust, dampness of atmosphere, freezing or extremes of temperature. This exclusion does not apply to loss or damage caused directly by a resultant peril not otherwise excluded under this Form;
- (c) loss or damage (unless fire or explosion ensues and then only for the loss or damage caused by such ensuing fire or explosion) sustained while the property insured is actually being worked upon and directly resulting therefrom or caused by any repairing, adjusting or servicing the property insured;
- (d) loss, damage or expense caused by or resulting from misappropriation, secretion, conversion, infidelity or any dishonest act on the part of the Insured or any other party of interest, employees or agents of the Insured or any person or persons to whom the property may be entrusted (bailees for hire excepted) or any mysterious disappearance or loss or shortage disclosed upon taking inventory;
- (e) loss or damage caused by or resulting from delay, loss of market or loss of use;
- (f) loss or damage caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- (g) loss or damage caused directly or indirectly;
 - (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.

C. POLLUTION EXCLUDED

This Form does 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 Form;
 - (ii) to loss or damage caused directly by a peril not otherwise excluded under this Form;
- (b) 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".

D. DATA EXCLUSION

This form does not insure:

- (1) "data".
- (2) loss or damage caused directly or indirectly by a "data problem".
- (3) Paragraphs (1) and (2) do not apply to specific coverage provided by this form for Accounts Receivable, Electronic Data Processing media or Valuable Papers and Records.

Paragraph (2) does not apply to loss or damage caused directly by resultant fire, explosion of natural, coal or manufactured gas, smoke, leakage from "fire protective equipment", or water damage caused by bursting of frozen pipes and tanks.

E. FUNGI AND SPORES EXCLUSION

This form does not insure:

- (1) loss or damage consisting of or caused directly or indirectly, in whole or in part, by any "fungi" or "spores".
- (2) the cost or expense for any testing, monitoring, evaluating or assessing of "fungi", or "spores".
- (3) Paragraph (1) does not apply:
 - (i) if the "fungi" or "spores" are directly caused by a peril not otherwise excluded in this form, or
 - (ii) to loss or damage caused directly by a resultant peril not otherwise excluded in this form.

F. TERRORISM EXCLUSION

This form does not insure loss or damage caused directly or indirectly, in whole or in part, by "terrorism" or by any activity or decision of a government agency or other entity to prevent, respond to or terminate "terrorism".

This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage. If any portion of this exclusion is found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.

8. VALUATION

One of the following clauses as specified in the "Declaration Page(s)" applies to this Form:

(a) Actual Cash Value

The Insurer shall not be liable beyond the actual cash value of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.

(b) Valued

The Insurer shall not be liable for more than the amount set opposite the respective item insured hereunder which amounts are agreed to be the values of said items for the purpose of this insurance.

9. TERRITORIAL LIMITS

This Form covers only within the territorial limits of Canada and the Continental United States of America.

10. REINSTATEMENT

Loss under any item of this Form shall not reduce the applicable amount of insurance.

11. DEFINITIONS

Wherever used in this Form:

- (a) "**Clean up**" means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to the aforementioned process.

- (b) **“Data”** means representations of information or concepts, in any form.
- (c) **“Data problem”** means:
 - (i) erasure, destruction, corruption, misappropriation, misinterpretation of “data”;
 - (ii) error in creating, amending, entering, deleting or using “data”; or
 - (iii) inability to receive, transmit or use “data”.
- (d) **“Declarations page(s)”** means the Declaration Page(s) applicable to this Form.
- (e) **“Fire protective equipment”** includes tanks, watermains, hydrants, valves and any other apparatus whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
 - (i) branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
 - (ii) any watermains or appurtenances located outside of the "premises" and forming a part of the public water distribution system;
 - (iii) any pond or reservoir in which the water is impounded by a dam.
- (f) **“Fungi”** includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any “fungi” or “spores” or resultant mycotoxins, allergens, or pathogens.
- (g) **“Pollutants”** means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- (h) **“Premises”** means the entire area within the property lines and areas under adjoining sidewalks and driveways at each location described on the "Declarations Page(s)"; and in or on vehicles within 100 metres (328 feet) of such locations.
- (i) **“Spores”** includes, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any “fungi”.
- (j) **“Terrorism”** means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.