

# Insuring Agreements - General Terms and Conditions - Form 900

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This policy is made and accepted subject to the provisions, stipulations and conditions printed herein which are hereby specially referred to and made a part of this Policy, together with such other provisions, agreements, or conditions as may be endorsed hereon or added hereto. No term or condition of a contract shall be deemed to be waived by the Insurer in whole or in part unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by the Insurer. Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of a contract by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or to the investigation or adjustment of any claim under the contract.

By the acceptance of this Policy the Insured acknowledges the cancellation, from the effective date of this Policy, of any previous Policy (or the renewal thereof) which is stated as being replaced.

Your complete policy is made up of the attached documents and the Coverage Summary Page(s) provided to you.

The Insurance Policy has two sections:

**Section I – Property Coverage**

**Section II – Liability Coverage**

**The amounts of insurance are shown on the Coverage Summary Page.**

## INSURING AGREEMENT

We provide the insurance described in this policy, only if indicated on the Coverage Summary Page, in return for payment of the premium specified and subject to the terms and conditions set out.

All claims (under Section – I Property) will be settled directly with the person(s) named on the Coverage Summary Page.

All coverages are subject to a deductible unless otherwise stated. The deductible is shown on the Coverage Summary Page.

## SECTION I – PROPERTY COVERAGE

### DEFINITIONS

**“Burglary”** means theft following illegal and forcible entry or exit, leaving visible marks at the point of forced entry or exit.

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

**“Cash Card”** means a card designed to store a cash value by electronic means for use as a mode of payment, without a personal identification number and without direct access to a bank or other account.

**“Condominium Corporation”** means a condominium or strata corporation established under Provincial Legislation.

**“Condominium Unit Owner”** means an owner of a dwelling unit forming part of property owned by a condominium or strata corporation.

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

**“Data Problem”** means:

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

**“Domestic Water Container”** means a device or apparatus for personal use on the premises for containing, heating, chilling or dispensing water including but not limited to waterbeds, swimming pools, hot tubs and aquariums.

**“Dwelling”** means a building, mobile home or, if tenant, life lease occupant or condominium unit owner, the portion of a building occupied principally as a private residence.

**“Flood”** means spray, waves, tides, dam breaks, seiche, tsunami, tidal waves or the rising of, the breaking out or the overflow of, any body of water or water source, whether natural or man-made; shoreline ice build-up, water borne ice or other objects, all whether driven by wind or not.

**“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.

**“Model Aircraft”** for the purpose of this policy means an aircraft, the total weight of which does not exceed 35 kg (77.2 pounds), that is mechanically driven or launched into flight for recreational purposes and is not designed to carry persons or other living creatures.

**“Occurrence”**

Under Section I – Property Coverages, Occurrence means a loss to insured property during the policy term caused by one or more of the Insured Perils.

Under Section II – Liability Coverage, Occurrence means an accident, including continuous or repeated exposure to the same generally harmful conditions, and occurring during the policy period.

**“Overland Water”** means, the rising of, the breaking out or the overflow of a body of fresh water or fresh water source, whether natural or man-made.

Overland Water also means the unusual and rapid accumulation or run off of surface waters from any source, including snow melt or torrential rainfall.

**“Personal Property”** or **“Contents”** means the contents of your home including property of a personal nature such as clothing and other property usual and incidental to the ownership or maintenance of a dwelling.

**“Pollutant”** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapors, soot, fumes, acids, alkalis, chemicals, waste, as well as animal or human bodily fluids. Waste includes materials to be recycled, reconditioned or reclaimed.

**“Premises”** means any location described in the Coverage Summary, or if a condominium or apartment, **“Premises”** means your unit and includes garages, outbuildings, lockers, storage rooms and private approaches reserved for your use or occupancy only.

**“Renewable Energy Equipment”** means

1. solar panels and all related equipment and structures permanently installed on your “premises”, or;
2. wind powered generators (not exceeding a rated power generating capacity of 1KW) and all related equipment and structures permanently installed on your “premises”;

All used for the generation, transmission or utilization of electrical power for private residential use.

This does not include any Renewable Energy Equipment used to generate electrical power for Commercial or Agricultural purposes.

**“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 or farming operation, even if we have extended Liability coverage on the Coverage Summary Page to include either business or farming operations.

**“Robbery”** means theft by violence or threat of violence to any person.

**“Specified Perils”** means: fire or lightning; explosion; smoke; falling object which strikes the exterior of the building; impact by aircraft, spacecraft or land vehicle; riot; vandalism or malicious acts, other than theft or attempted theft; freezing of any part of a plumbing, heating, sprinkler or air conditioning system or “Domestic Water Container”; rupture of a heating, plumbing, sprinkler or air conditioning system, or by escape of water from such a system, a “Domestic Water Container”, or from a swimming pool or attached equipment, or from a public water main; windstorm or hail; weight of ice, snow or sleet; collapse of a building or any part of a building; sudden and accidental damage from artificially generated electrical current.

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

**“Terrorism”** means any 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 sector of the public.

**“Under Construction”** means:

For construction of a new Dwelling Building or Detached Private Structure:

The period of time commencing from the date site preparation is initiated and continuing through the entire construction process, concluding when the Dwelling Building or Detached Private Structure is completed and ready for occupancy.

**“Unit”** means the condominium unit described in the Condominium Declaration occupied by you as a private dwelling.

**“Unmanned Air Vehicle”** for the purpose of this policy means a power driven aircraft, other than a “Model Aircraft” that is operated without a flight crew member on board, and is used for non-recreational or commercial purposes.

**“Vacant”** 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. To further clarify, occupants are deemed to have moved out (and the property is considered vacant) when they cease to occupy the premises as their usual residence, even in circumstances where they temporarily return thereafter to clean the premises, remove personal property, care for the property, inspect the property or use the property on a casual or intermittent basis.

Unoccupancy, as is normal to a seasonal dwelling does not constitute vacancy.

**“We”** and **“us”** and **“insurer”** means the Red River Mutual Insurance Company o/a Red River Mutual.

**“You”** and **“your”** and **“insured”** means the person(s) named as Insured on the Coverage Summary Page and, while living in the same household, his or her spouse, the relatives of either or any person under 21 in their care. Spouse means:

1. either of two persons who are married to each other; or
2. either of two persons who are living together in a conjugal relationship outside marriage and have so lived together continuously for a period of 2 years or, if they are the natural or adoptive parents of a child, for a period of 1 year.

In addition, an unmarried student who is enrolled in and actually attending a school, college or university and who is dependent on the Named Insured or his or her spouse for support and maintenance is also insured even if temporarily residing away from the principal residence stated on the Coverage Summary Page.

In addition, an Insured, child, parent, grandparent or other family member of an Insured who is dependent on the Named Insured or his or her spouse for support and maintenance, is also insured while residing in a nursing or care facility.

Only the person(s) named on the Coverage Summary Page may take legal action against us.

## **BASIS OF CLAIM PAYMENT – (APPLICABLE TO SECTION I - PROPERTY COVERAGES)**

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.

**The basis of claim payment in all cases shall be Actual Cash Value (as defined below) unless otherwise specifically indicated.**

It is understood between the Insurer and Insured that if compensation becomes payable before the entire policy premium has been paid, the portion of the premium remaining unpaid shall be deducted from the amount of the compensation payable.

If you qualify for a tax credit as the result of a claim payment, the claim payment will be reduced by an amount equal to the tax credit.

**Actual Cash Value** means the cost at the time of loss to repair or replace your “dwelling” or “personal property” less depreciation. In determining depreciation, we will consider, but are not limited to the age, condition, resale value, obsolescence, and normal life expectancy of the property at the time of the loss.

**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.

If your claim involves personal property on which the Special Limits of Insurance apply, the limitations apply to losses exceeding the deductible amount.

If your claim involves property at more than one location, separate deductibles will apply at each location.

**Deductible Waiver** - Applies only to: Standard Form Packages – 991; Broad Form Packages – 992; and Comprehensive Form Packages – 993; EXTRA Form Package 998 - The deductible shown on the Coverage Summary Page will be waived **on fire claims only** if the insured value of the claim is greater than \$25,000, or 5 times the deductible for the applicable coverage (whichever is greater), unless otherwise indicated on the Coverage Summary Page.

**Obsolescence Clause** - We will not pay for increased costs that result when you cannot repair or replace your “Dwelling”, any other building or “Personal Property” because materials and/or parts are unavailable, obsolete, or outmoded. We will pay on the basis of building materials, craftsmanship, methods of construction and parts or “Personal Property” currently available and accepted as standard. To further clarify, in the event that new materials and/or parts or “Personal Property” of like kind and quality are not available or are obsolete, new materials and/or parts or “Personal Property” which are as similar as possible to that damaged or destroyed and which are capable of performing the same function shall be deemed to be new materials and/or parts or “Personal Property” of like kind and quality.

**Optional Loss Settlement Clause (Dwelling Building and Detached Private Structures) – NOT applicable to EXTRA Homeowners Package – Form 998** - If the Coverage Summary Page indicates this clause applies, and if you repair or replace the damaged or destroyed building on the same location with a building of the same occupancy constructed with materials of similar quality within a reasonable time after the damage, you may choose as the basis of loss settlement either 1 or 2 below; otherwise, settlement will be as in 2:

1. The cost of repairs or replacement (whichever is less) without deduction for depreciation, in which case 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. This means that if the amount of insurance is less than 80% of the replacement cost of your building, you will have to pay part of the loss.
2. The Actual Cash Value of the damage at the date of the occurrence.

**Option (1) is not applicable to buildings or structures designed for business or farming purposes whether occupied, unoccupied or “Vacant”, unless such building or structure is specifically scheduled on the Coverage Summary Page and identified as being subject to the Optional Loss Settlement Clause.**

**EXTRA Rebuilding Cost Clause – (Dwelling Building and Detached Private Structures) - applicable only to EXTRA Homeowners Package – Form 998** If the Coverage Summary Page indicates that this clause applies, and in the event of a loss to either the Dwelling or Outbuildings insured by this policy, we agree to pay:

1. Up to the Limit of Insurance, or;
2. Up to the cost to repair or rebuild the damaged or destroyed building with a building of the same occupancy constructed with materials of similar quality if less than the Limit of Insurance;

Whichever is less, without deduction for depreciation.

**Personal Property** - We will pay the Actual Cash Value of the damage up to the applicable amount of insurance, unless otherwise indicated.

**Reinstatement** - Any loss or damage shall not reduce the amounts of insurance provided by this policy (unless otherwise stated elsewhere), however the premium for the coverage claimed will be deemed fully earned for the balance of the policy term if the limit of insurance for that coverage has been exhausted.

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

### **Roof Surface Coverage**

Any direct loss or damage to the Roof Surface of a Dwelling or Detached Private Structure caused by Windstorm or “Hail Damage” will be settled on a Replacement Cost basis, which means the cost, including labour, on the date of the loss or damage, of the lesser of:

1. Repairing the Roof Surface with materials of similar kind, quality and usefulness, or if necessary;
2. Replacing the Roof Surface with new materials of similar kind, quality and usefulness.

**UNLESS** either of the following two conditions apply:

1. The Roof Surface is older than 10 years and shows evidence of “excessive wear and tear or deterioration”, or;
2. The Coverage Summary Page indicates that Depreciated Roof Coverage – Form 2132 applies.

In these situations, the loss will be settled based on the Roof Surface Depreciation Schedule (listed below)

### **Roof Surface Depreciation Schedule**

Roof Surface Material	Annual Depreciation Percentage After 10 Years	Maximum Depreciation
Asphalt, Fiberglass or Composition	5%	75%
Wood Shingles	4%	75%
Wood Shakes	3%	75%
Tar & Gravel	3%	75%
Metal or Rubber	2%	75%
Tile or Slate	2%	75%
All Other	5%	75%

**Definitions:**

**“Hail Damage”** for the purpose of this Coverage, is defined as an identifiable mark of distress caused by hail to the Roof Surface that has measurably reduced the integrity and / or functionality of the overall Roof Surface, where the Roof Surface was sound prior to the hail impact. Hail damage is sometimes found in the form of a mat fracture or a deflection (bruise) which exposes the Roof Surface mat layer.

**“Excessive wear and tear or deterioration”** means:

1. Chipping, curling, clawing or cupping of Roof Surface material;
2. Natural shrinkage of the Roof Structure;
3. Brittle, cracked or blistered Roof Surface material;
4. Loss of granules exposing the felt or underlying tar membrane or other membrane;
5. Moss, algae or lichen growth.

This endorsement will not apply in the event of a total loss to the Dwelling or Detached Private Structure.

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

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

**Unit Improvements and Betterments** - (applicable to Tenants, Life Leases and Condominium Packages) If within a reasonable time after damage, you replace or repair loss or damage to your unit improvements or betterments with materials of similar quality, we will pay for the actual cost of repairs or replacement (whichever is less) without deduction for depreciation.

If loss or damage is not replaced or repaired within a reasonable time, we will pay the Actual Cash Value of the loss or damage at the date of the occurrence.

**Replacement Cost on Contents Endorsement – (NOT applicable to EXTRA Homeowners Package – Form 998)**

If the Coverage Summary Page indicates that Replacement Cost on Contents is included, we agree to pay any loss under Coverage C - Personal Property - on the basis of Replacement Cost provided that:

1. the property at the time of loss was usable for its original purpose;
2. you have repaired or replaced the property promptly.

Otherwise, the basis of claim payment will apply as if this coverage had not been in effect.

**“Replacement Cost”** means the cost, at the time of loss, of repair or replacement (whichever is lower) with new property of similar kind and quality, without deduction for depreciation.

**Replacement Cost coverage does not apply to:**

1. Property that has not been maintained in good or workable condition;
2. Property no longer in use for its originally intended purpose;
3. Antiques, fine arts, paintings, statuary and similar articles which, by their inherent value, cannot be replaced with a similar article;

4. Articles whose age or history contribute substantially to their value including, but not limited to memorabilia, souvenirs, and collector's items.

**We will not be liable for any loss under this insurance unless and until actual repair or replacement is completed.**

You may elect not to replace some of the destroyed or stolen property. Settlement for the property not replaced will be on an Actual Cash Value basis. If, at a later date, you decide to replace any destroyed or stolen property, you are permitted to make an additional claim under this insurance but only if you present the claim within 180 days after the date of loss.

**Replacement Cost on Contents Endorsement – (applicable only to EXTRA Homeowners Package – Form 998)**

If the Coverage Summary Page indicates that Replacement Cost on Contents is included, we agree to pay any loss under Coverage C - Personal Property - on the basis of Replacement Cost provided that:

1. the property at the time of loss was usable for its original purpose;

Otherwise, the basis of claim payment will apply as if this coverage had not been in effect.

**"Replacement Cost"** means the cost, at the time of loss, of repair or replacement (whichever is lower) with new property of similar kind and quality, without deduction for depreciation.

**Replacement Cost coverage does not apply to:**

1. Property that has not been maintained in good or workable condition;
2. Property no longer in use for its originally intended purpose;
3. Antiques, fine arts, paintings, statuary and similar articles which, by their inherent value, cannot be replaced with a similar article;
4. Articles whose age or history contribute substantially to their value including, but not limited to memorabilia, souvenirs, and collector's items.

## **POLICY CONDITIONS**

With respect to Section II - Liability Coverage that may form a part of this policy, the Insurer and Insured hereby agree that Statutory Conditions 1, 3, 4, 5 and 14 only apply. Otherwise, the Insurer and Insured hereby agree that all of the Conditions set forth under the titles Statutory Conditions and General Conditions apply as Policy Conditions, 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 forming part of this policy.

## **GENERAL CONDITIONS**

### **Loss or Damage Not Insured**

We do not insure:

1. loss or damage occurring after the building has been "Vacant" for more than 30 consecutive days (unoccupancy, as is normal to a seasonal dwelling, does not constitute vacancy), unless provided for elsewhere in this policy. Coverage for the perils of "Water Escape, Rupture and Freezing", Escape of Fuel Oil and/or "Vandalism or Malicious Acts" is excluded immediately upon vacancy. To further clarify, occupants are deemed to have moved out (and the property is considered vacant) when they cease to occupy the premises as their usual residence, even in circumstances where they temporarily return thereafter to clean the premises, remove personal property, care for the property, inspect the property or use the property on a casual or intermittent basis;
2. loss or damage caused by a domesticated animal you own or which is in your care (this exclusion is applicable to Section I – Property only);
3. loss or damage caused by any nuclear incident as defined in the Nuclear Liability Act, nuclear explosion or contamination by radioactive material;
4. loss or damage caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
5. buildings and/or structures, and/or their contents used in whole or in part or designed for business or farming purposes whether occupied, unoccupied or "Vacant", unless indicated on the Coverage Summary Page;
6. losses or increased costs of repair or reconstruction due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services (unless provided for elsewhere in this policy);
7. loss or damage resulting from any intentional or criminal act or failure to act by:

- a. any person insured by this policy; or
  - b. any other person at the direction of any person insured by this policy;
8. any buildings or structures, and the contents of any buildings or structures, where the buildings or structures are used in whole or in part for the illegal cultivation, harvesting, processing, manufacture, distribution or sale of marijuana or any product derived from, or containing, marijuana or any 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 and/or whether or not such use of the property causes, in any way, in whole or in part, any loss or damage. This includes any alteration of the premises to facilitate such illegal activity;
  9. loss or damage to any building and/or property undergoing any process, including a process involving the application of heat, or while being worked on, where the damage results from such process or work, but resulting damage to other property is insured;
  10. loss of or damage to any property illegally imported, acquired, kept, stored or transported;
  11. loss or damage to books of accounts and/or evidence of debt or title;
  12. loss or damage to any property lawfully seized or confiscated unless such property is destroyed to prevent the spread of fire;
  13. wear and tear, deterioration, defect or mechanical breakdown, marring or scratching, rust or corrosion, extremes of temperature, freezing (unless provided for elsewhere in this policy), dampness of atmosphere, condensation, wet or dry rot, fungi, mold, spores, decomposition, contamination or "pollution" (unless provided for elsewhere in this policy);
  14. loss or damage to buildings and/or contents caused by continuous or repeated seepage or leakage of water;
  15. loss or damage to automobiles, motor trucks, motorcycles, midget automobiles, all-terrain vehicles (with three or more wheels), snowmobiles, watercraft, aircraft or any other vehicles which are licensed or are subject to motor vehicle registration, including equipment or appurtenances of any of the foregoing (unless indicated on the Coverage Summary Page);
  16. loss, damage or expense caused by or resulting from misappropriation, secretion, conversion, infidelity or any dishonest act on the part of the Insured or other party of interest, his or their employees or agents or any person or persons to whom the property may be entrusted (bailees for hire excepted).
  17. loss or damage directly or indirectly caused by or resulting from neglect, meaning neglect by you to use all reasonable means to save and preserve the building and/or personal property at and after the time of a loss, or when the building and/or personal property is endangered by an Insured Peril;
  18. loss or damage caused by birds, bats or other vermin (including but not limited to skunks and raccoons), rodents (including but not limited to squirrels, rats and mice) or insects (including but not limited to moths, ants and bed bugs), except damage to building glass if glass breakage is provided by this policy;
  19. loss or damage caused by smoke from agricultural smudging or industrial operations;
  20. the cost of making good:
    - a. faulty or improper material;
    - b. faulty or improper workmanship;
    - c. faulty or improper design.
  21. loss or damage caused directly by failure of any:
    - a. data, or;
    - b. loss or damage caused directly or indirectly by data problem. However, if loss or damage caused by data problem results in the occurrence of further loss or damage to property insured that is directly caused by fire, explosion, smoke, leakage from fire protective equipment, water damage, this exclusion shall not apply to such resulting loss or damage;
  22. loss or damage to outdoor hot water heating unit(s) on the premises, including the structure or enclosure housing the unit(s), attached piping, radiators, all other associated equipment, the heat transfer medium (liquid), and any personal property or contents in the structure or enclosure.

It is further understood and agreed that any loss or damage resulting from or caused by escape of the heat transfer medium (liquid) is excluded by this policy;
  23. loss or damage caused directly or indirectly, in whole or in part, by any Terrorism or by any activity or decision of a government or other entity to prevent, respond to or terminate Terrorism regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage, but you are still insured for ensuing loss or damage which results directly from fire or explosion.

## Other Conditions

**Canadian Currency** - All amounts of insurance, premiums or other amounts stated in this policy are in Canadian Currency.

**Examination** – After submission of the Proof of Loss in respect of a loss which may be insured under Section I, each of you may be required separately to:

1. submit to examination under oath;
2. produce for examination all documents in your possession or control that relate to the application for insurance and Proof of Loss, and;
3. permit extracts and copies of such documents to be made, all at a reasonable place and time designated by us.

**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 the loss or claim.

**Liberalization Clause** - If we adopt any revision which would broaden coverage under this policy without any additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

### Limitation of Actions:

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in The Insurance Act.

### Loss to a Pair or Set -

**Pair:** If there is loss to one item of an identical pair by an Insured Peril, we will pay for the pair. The undamaged item becomes our property.

**Set:** For items that are part of a set of two or more pieces, we may only pay for those particular items which were lost or damaged by an Insured Peril.

**Loss to Parts** - In case of a loss to any part of the insured property, consisting of several parts when complete, we shall pay for the value of the part lost or damaged.

**No Benefit to Bailee** - No person or organization having custody of the property and to be paid for services shall benefit from this insurance.

**Notice to Authorities** - Where loss is claimed to be due to theft, burglary, robbery, malicious acts or disappearance the Insured shall give immediate notice thereof to the police or other authorities having jurisdiction.

**Permission** - You are permitted to make alterations, additions or repairs.

**Subrogation** - The Insurer upon making any payment or assuming liability therefore under this Policy shall be subrogated to all rights of recovery of the Insured against any person, and may bring action in the name of the Insured to enforce such rights.

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

If you are a condominium unit owner or live in a Life Lease unit, we agree to waive our rights to any claims against the Condominium or Life Lease Corporation, its Directors, Property Managers, agents and employees, except for arson, fraud and vehicle impact. We shall not consider independent contractors as being agents or employees of the Condominium or Life Lease Corporation, its Directors, Property Managers or of the unit owners.

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

**Sue and Labour** - It is the duty of the Insured in the event that any property insured hereunder is lost to take all reasonable steps in and about the recovery of such property. The Insurer shall contribute pro-rata towards any reasonable and proper expenses in connection with the foregoing according to the respective interests of the parties.

## DECLARATION OF EMERGENCY / EXTENSION OF TERMINATION OR EXPIRY DATE ENDORSEMENT

This endorsement modifies insurance provided by the Policy to which it is attached as follows:

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



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

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

“Emergency” means the first statutory declaration of an emergency:

- 1 with respect to a situation or an impending situation that constitutes a danger of major proportions that could result in serious harm to persons or substantial damage to property and that is caused by the forces of nature, a disease or other health risk, an accident or an act whether intentional or otherwise; or
- 2 as provided for by the relevant governing legislation if different from 1;

but does not include any subsequent statutory declaration(s) that may be issued relating to the same event.

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

## **STATUTORY CONDITIONS**

### **Section 1. Applicable to Manitoba, Saskatchewan, Alberta and British Columbia**

#### **Misrepresentation**

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

#### **Property of others**

**2** The insurer is not liable for loss or damage to property owned by a person other than the insured unless

- (a) otherwise specifically stated in the contract, or
- (b) the interest of the insured in that property is stated in the contract.

#### **Change of interest**

**3** The insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy and Insolvency Act (Canada) or a change of title by succession, by operation of law or by death.

#### **Material change in risk**

**4(1)** The insured must promptly give notice in writing to the insurer or its agent of a change that is

- (a) material to the risk, and
- (b) within the control and knowledge of the insured.

**4(2)** If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.

**4(3)** If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may

- (a) terminate the contract in accordance with Statutory Condition 5, or

(b) notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.

**4(4)** If the insured fails to pay an additional premium when required to do so under subparagraph (3)(b) of this condition, the contract is terminated at that time, and Statutory Condition 5 (2)(a) applies in respect of the unearned portion of the premium.

### **Termination of contract**

**5(1)** The contract may be terminated,

(a) by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or

(b) by the insured at any time on request.

**5(2)** If the contract is terminated by the insurer,

(a) the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and

(b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.

**5(3)** If the contract is terminated by the insured, the insurer must refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.

**5(4)** The 15-day period referred to in subparagraph (1)(a) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

### **Requirements after loss**

**6(1)** On the happening of any loss or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,

(a) immediately give notice in writing to the insurer,

(b) deliver as soon as practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration

(i) giving a complete inventory of that property and showing in detail quantities and costs of that property and particulars of the amount of loss claimed,

(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) stating the amount of other insurances and the names of other insurers,

(v) stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,

(vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and

(vii) stating the place where the insured property was at the time of loss,

(c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and

(d) if required by the insurer and if practicable,

(i) produce books of account and inventory lists,

(ii) furnish invoices and other vouchers verified by statutory declaration, and

(iii) furnish a copy of the written portion of any other relevant contract.

**6(2)** The evidence given, produced or furnished under subparagraph (1)(c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

### **Fraud**

**7** Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

### **Who may give notice and proof**

**8** Notice of loss under Statutory Condition 6(1)(a) may be given and the proof of loss under of Statutory Condition 6(1)(b) may be made

(a) by the agent of the insured if

(i) the insured is absent or unable to give the notice or make the proof, and

(ii) the absence or inability is satisfactorily accounted for, or

(b) by a person to whom any part of the insurance money is payable, if the insured refuses to do so, or in the circumstances described in clause (a) of this condition.

### **Salvage**

**9(1)** In the event of loss or damage to insured property, the insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.

**9(2)** The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) of this condition.

### **Entry, control, abandonment**

**10** After loss or damage to insured property, the insurer has

(a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and

(b) after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but

(i) without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and

(ii) without the insurer's consent, there can be no abandonment to it of the insured property.

### **In case of disagreement**

**11(1)** In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the Insurance Act whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.

**11(2)** There is no right to a dispute resolution process under this condition until

(a) a specific demand is made for it in writing, and

(b) the proof of loss has been delivered to the insurer.

### **When loss payable**

**12** Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

### **Replacement**

**13(1)** Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.

**13(2)** If the insurer gives notice under subparagraph (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss and must proceed with all due diligence to complete the work within a reasonable time.

### **Notice**

**14(1)** Written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the province.

**14(2)** Written notice to the insured may be personally delivered at, or sent by registered mail addressed to the insured's last known address as provided to the insurer by the insured.

## **Section 2 - Applicable to Ontario**

### **Misrepresentation**

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

### **Property of others**

**2** 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.

### **Change of interest**

**3** The insurer shall be liable for loss or damage occurring after an authorized assignment pursuant to the Bankruptcy and Insolvency Act (Canada) or change of title by succession, by operation of law, or by death.

### **Material change**

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

#### **Termination of contract**

**5(1)** This contract may be terminated:

(a) by the insurer giving to the insured 15 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.

**5(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 pro rata premium for the expired time, but in no event, shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and

(b) the refund shall accompany the notice unless the premium is subject to adjustment or termination as to amount, in which case the refund shall be made as soon as practicable.

**5(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.

**5(4)** The refund may be made by money, postal or express company money order, or by cheque payable at par.

**5(5)** The 15 days mentioned in clause (a) of sub-condition (1) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

#### **Requirements after loss**

**6(1)** Upon the occurrence of any loss of or damage to the insured property, the insured shall, if such loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11:

(a) forthwith give notice thereof in writing to the insurer;

(b) deliver as soon as practicable to the insurer a proof of loss verified by statutory declaration;

(i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed;

(ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes;

(iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured;

(iv) showing the amount of other insurances and the names of other insurers;

(v) showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property;

(vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract;

(vii) showing the place where the property insured was at the time of loss;

(c) if required give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;

(d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.

**6(2)** The evidence furnished under clauses (c) and (d) of subparagraph (1) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

#### **Fraud**

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

#### **Who may give notice and proof**

**8** 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.

#### **Salvage**

**9(1)** The insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to any such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.

**9(2)** The insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the insured and required under subparagraph 1 of this condition according to the respective interests of the parties.

**Entry, control, abandonment**

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

**Appraisal**

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

**When loss payable**

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

**Replacement**

**13(1)** The insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within 30 days after receipt of the proofs of loss.

**13(2)** In that event the insurer shall commence to so repair, rebuild, or replace the property within 45 days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

**Action**

**14** Every action or proceeding against the insurer for the recovery of a claim under or by virtue of this contract is absolutely barred unless commenced within one year next after the loss or damage occurs.

**(Note:** repealed in Saskatchewan - 2004, c.L-16.1, 8.76.)

**Notice**

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

**EXCEPT AS OTHERWISE PROVIDED, ALL TERMS, CONDITIONS AND PROVISIONS OF THIS POLICY SHALL APPLY TO ALL FORMS AND ENDORSEMENTS ATTACHED HERETO.**

IN WITNESS THEREOF the Insurer has caused this policy to be signed by its President and Chief Executive Officer, but the same shall not be binding unless signed by an authorized representative of the Insurer on the Coverage Summary Page.



President / CEO

## OUR PRIVACY COMMITMENT TO YOU

Red River Mutual values you as a customer and we are committed to protecting your privacy. We collect, use and disclose your personal information in order to provide you with the insurance protection you have requested. We will use your information to:

1. Communicate with you;
2. Assess your application for insurance and underwrite your policies;
3. Evaluate claims;
4. Detect and prevent fraud;
5. Analyze business results;
6. Act as required or authorized by law.

We collect, and may have collected previously, personal information that is necessary to consider your application or provide you with insurance protection. All personal information is safeguarded with appropriate security means.

You may withdraw your consent subject to legal or contractual obligations and on reasonable notice.

Withdrawal of consent may prevent us from providing you with the requested product or service.

For more information about our Privacy Policies and Procedures, contact our Privacy Officer at:

Red River Mutual, Box 940 Altona, Mb. R0G 0B0 Phone (204) 324-6434 or 1-800-370-2888 or [info@redrivermutual.com](mailto:info@redrivermutual.com)