

**Form #J1 - J1 Personal Liability Insurance**  
(April 2019)

**DEFINITIONS**

Applicable to this insurance.

**Underwriters**

Throughout this policy the words "we", "us" and "our" refer to certain Underwriters at Lloyd's, London, England who provide this insurance.

**Insured**

We insure the person(s) named on the Declarations page and, if residents of the same household, the spouse or same-sex partner (as defined), the relatives of either, and any other person in the care of a person insured. The terms of this insurance apply to each person insured.

In addition, a student who is enrolled in and actually attends a school, college or university and is dependent on the Named Insured or his or her spouse or same-sex partner for support and maintenance is also insured even if temporarily residing away from the principal residence.

Throughout this policy the words "you" and "your" refer to any person insured, or collectively, to all persons insured.

Persons insured under this policy may also be referred to as "an Insured", "any insured" or "person insured".

**Spouse**

In this policy the word "spouse" means a man or woman who:

1. Is married to and living with the Named Insured; or
2. Has been living with the Named Insured as husband and wife for two years, or for one year if:
  - a.) a child has been born or is to be born of their union;
  - b.) they have jointly adopted a child; or
  - c.) one of them has adopted a child of the other.

**Same-sex Partner**

In this policy, the term "same-sex partner" means a person of the same sex who has been living with the Named Insured for two years in a relationship as a couple or family.

**Additional Insureds**

In addition, the following persons are insured:

1. Any person or organization legally liable for damage caused by a watercraft or animal owned by you, and to which this insurance applies. This does not include anyone using or having custody of the watercraft or animal in the course of any business or without the owner's permission;
2. Any person while performing duties as your residence employee;
3. Your legal representative having temporary custody of the insured premises. If you die while insured by this policy, for legal liability arising out of the insured premises;
4. Any person who is insured by this policy at the time of your death and who continues residing on the insured premises

**Bodily Injury and Property Damage**

"Bodily Injury" means bodily injury, sickness or disease or resulting death.

"Property Damage" means damage to, or destruction of, or loss of use of property.

**Residence Employee**

"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.

**Premises**

"Premises" means all premises where the person(s) named as Insured on the Declarations page, their spouse or same-sex partner, maintains a residence, provided such premises are specifically described on the Declarations page. It also includes:

1. Other residential premises specified on the Declarations page, except business property and farms;
2. Individual or family cemetery plots or burial vaults;
3. Vacant land you own or rent, excluding farm land;
4. Land where an independent contractor is building a one or two-family residence to be occupied by you;
5. Premises you are using or where you are temporarily residing, if you do not own such premises.

**Watercraft You Own**

You are insured against claims arising out of your ownership, use or operation of watercraft equipped with an outboard motor or motors of not more than 19kW (25 HP) in total when used with or on a single watercraft.

You are also insured if your watercraft has an inboard or an inboard-outboard motor of not more than 38kW (50 HP) or for any other type of watercraft not more than 8 metres (26 feet) in length.

If you own any motors or watercraft larger than those stated above, you are insured only if they are shown on the Declarations page. If they are acquired after the effective date of this policy, you will be insured automatically for a period of 30 days only from the date of the acquisition.

NB: You are **not insured** if your watercraft is a jet propelled personal watercraft.

**Watercraft You Do Not Own**

You are insured against claims arising out of your use or operation of watercraft which you do not own, but not for damage to the watercraft itself.

**Motorized Vehicles You Own**

You are insured against claims arising out of your ownership, use or operation of the following:

1. Self-propelled lawn mowers, snow blowers, garden-type tractors, or implements, used or operated mainly on your property, provided they are not used for compensation or hire, and their trailers;
2. Motorized golf-carts while in use on a golf course, and their trailers;
3. Remote control caddies;
4. Motorized wheelchairs.

#### **Motorized 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 licensed and is designed primarily for use off public roads;
2. You are not using it for business or organized racing. You are not insured for damage to the vehicle itself.

#### **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.

#### **Business or Business**

"Business" means a trade, profession or occupation.

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

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 physical disciplinary action to a student or injury to a fellow employee.
2. Your work as a teacher, provided that 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, rental to others of a one or two-family dwelling usually occupied in part by you as a residence, provided no family unit includes more than two roomers or boarders.
4. The rental of space in your residence to others for incidental office, school or studio occupancy;
5. The rental to others, or holding for rent, of not more than three car spaces or stalls in garages or stables;
6. Activities during the course of your trade, profession or occupation which are ordinarily incidental to non-business pursuits;
7. The temporary or part time business pursuits of an Insured under the age of 21 years.

Claims arising from the following business pursuits are insured only if the properties or operations are declared on the Declarations page:

1. The rental of residential buildings containing not more than six dwelling units;
2. The use of part of your residence by you for incidental office, school or studio occupancy.

#### **Aircraft**

The term aircraft includes Hang Gliders and all other devices which will bear the weight of an individual and become air borne when towed behind a motor vehicle, watercraft or aircraft, or by free flight from land elevations or structures.

The term does not apply to model aircraft.

#### **COVERAGES**

##### **Limit of Liability**

This insurance applies only to accidents or occurrences which take place during the period of insurance indicated on the Declarations page.

We provide coverage up to the limit of insurance shown on the Declarations page, for any one accident or occurrence.

##### **Separate Insureds**

Each person insured is a separate Insured, but this does not increase the limit of insurance.

#### **PERSONAL LIABILITY INSURANCE**

We will pay all sums on your behalf which you become legally liable to pay as compensatory damage because of bodily injury or property damage.

We **will not** pay any fines, penalties, punitive damages, exemplary damages or any other sum over and above actual compensatory damages.

The amount of insurance is the maximum amount we will pay for all compensatory damages in respect of one accident or occurrence.

You are insured for claims made against you arising from:

##### **A. Personal Liability**

Legal liability for unintentional bodily injury or property damage 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 or watercraft, except those for which coverage is provided in the policy. (Refer to the section entitled "Definitions");
- b. Damage to property you own, use, occupy 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.

##### **B. Premises Liability**

Legal liability arising out of your ownership, use or occupancy of the premises. This insurance also applies if you assume, by a written contract, the legal liability of other persons in relation to your premises.

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

- a. Damage to property you own, 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

#### **C. Tenants Legal Liability**

Legal liability for unintentional property damage caused directly to premises or their contents which you are using, renting or have in your custody or control.

You **are not** insured:

- a. For liability you have assumed by contract unless your legal liability would have applied even if no contract had been in force.

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

- b. Wear and tear of deterioration;
- c. Dampness or dryness of atmosphere, condensation, extremes of temperature, exposure to light, contamination, change in colour, rust, corrosion, mould, dry or wet rot;
- d. Loss or damage to tools, bicycles or sporting equipment where the loss or damage is due to their use;
- e. Loss or damage to electrical devices or appliances caused by electrical currents other than lightning, unless fire ensues, and then only for the resulting damage;
- f. Loss or damage to watercraft, motorized vehicles or aircraft;
- g. Loss or damage caused by animals, birds or fish;
- f. Loss or damage to real or personal property while undergoing any process or while actually being worked upon, but resulting damage to other property is insured;
- g. Any event, unless sudden and accidental;
- h. Loss or damage occurring after your dwelling or unit has, to your knowledge, been vacant for more than 30 consecutive days.

We **do not** insure:

- (b) Loss or damage caused by water unless the loss or damage resulted from:
  - 1.) the sudden and accidental discharge or overflow of water from public water mains carrying drinking water;
  - 2.) the sudden and accidental discharge or overflow of water or steam from within a plumbing, heating, sprinkler or air conditioning system, domestic appliance, aquarium, water bed, swimming pool or equipment attached;
  - 3.) freezing of any part of a plumbing, heating, sprinkler or air conditioning system, domestic appliance, aquarium, water bed, swimming pool or equipment attached, which is located inside an insured building heated during the usual heating season.
  - 4.) Water which enters through an opening which has been created suddenly and accidentally by an insured peril.

"Plumbing system" means water supply, distribution and disposal piping on the premises, including appliances and equipment attached thereto, between their connection points to a public or private system.

**You are not insured for claims arising from loss or damage:**

- a.) to public water mains carrying drinking water or public sewers;
  - b.) to a system or appliance from which the water escaped;
  - c.) caused by the backing up or escape of water from a sewer, sump, septic tank, eavestrough or downspout;
  - d.) caused by flood, surface water, spray, waves, tides, tidal waves, waterborne objects or ice, all whether driven by wind or not;
  - e.) occurring while the building is under construction or vacant, even if we have given permission for construction or vacancy.
- l. Mysterious disappearance;
  - m. Loss or damage caused directly or indirectly, 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.

**Nor are you insured for claims made against you arising from:**

- n. Marring, scratching of any property or breakage of any fragile or brittle articles, such as glasses, glassware, marble, porcelain and china, unless caused by fire, explosion, smoke or water damage;
- o. Damage to trees, plants, shrubs and lawns permanently in the open on your premises, unless caused by fire or explosion;
- p. Damage to trees, plants and shrubs which are usually inside a dwelling and to animals, birds or fish, unless caused by fire, explosion, smoke or water damage;

#### **D. Employer's Liability**

Legal liability for unintentional 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 your resulting from the ownership, use or operation of aircraft while being operated or maintained by your employee.

You are not insured for liability imposed upon or assumed by you under any Worker's Compensation Statute.

#### **Claim Investigation and Defense**

We will defend, by counsel of our choice, any suit against you alleging bodily injury or property damage and seeking 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.

#### **Additional Payments**

In addition to the limit of insurance, we will pay:

- 1. All expenses which we incur;
- 2. All costs charged against you in any suit insured under this coverage;
- 3. Any interest, and indemnity as defined in the applicable article of the Civil Code of Quebec, accruing after judgment, or where applicable, interest accruing from the date of the action, or determined by the Court, on that part of the judgment which is within the limit of insurance;
- 4. Premiums for appeal bonds required in any insured suit involving you and bonds to release any property that is being held as security up to the limit 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 and insured accident or occurrence;
- 6. Reasonable expenses, except loss of earnings, which you incur at our request.

### **VOLUNTARY MEDICAL PAYMENTS TO OTHERS**

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 insured.

The amount of insurance shown on the Declarations page is the maximum amount we will pay for each person in respect of one accident or occurrence.

We **will not** pay expenses covered by any medical, dental, surgical or hospitalization plan or law, or under any other insurance contract.

We **will not** pay your medical expenses or those of persons residing with you, other than residence employees.

We **will not** pay medical expenses of any person covered by any Workers' Compensation Statute.

You **are not** insured for claims arising out of the ownership, use or operation of any motorized vehicle, trailer or watercraft, except those for which coverage is provided in this policy.

You shall attempt to arrange for the injured person, if requested, to:

1. Give us, as soon as possible, written proof of claim, under oath if required;
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 authorization may be given by someone acting on behalf of the injured person.

### **VOLUNTARY PROPERTY DAMAGE PAYMENTS TO OTHERS**

We will pay for unintentional direct damage you cause to property even though you are not legally liable up to the limit shown in the Declarations page for this coverage. You may also use this coverage to reimburse others for direct property damage caused intentionally by an Insured 12 years of age or under.

You **are not** insured for claims:

- a. Resulting from the ownership, use or operation of automobiles or watercraft;
- b. For property you or your tenants own or rent;
- c. Caused by the loss of use, disappearance or theft of property.

We will pay whichever is the least of the following:

1. The actual cash value of the property at the time of the loss;
2. What it would cost to repair or replace the property with materials of similar quality at the time of loss;
3. The amount shown on the Declarations 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 your 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 to verify the damage.

### **GENERAL EXCLUSIONS APPLICABLE TO PERSONAL LIABILITY INSURANCE**

You **are not** insured for claims arising from:

- a. Loss or damage caused by war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- b. Bodily injury or property damage which is required to be insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of Insurers;
- c. Your business or any business use of your premises except as defined or specified on the Declarations page;
- d. The rendering or failure to render any professional service;
- e. Bodily injury or property damage caused by your intentional or criminal act or failure to act, or any intentional or criminal act or failure to act by any other person at your direction;
- f. The ownership, use or operation of any aircraft or premises used as an airport or landing strip, and all necessary or incidental operations;
- g. The transmission of communicable disease by an Insured;
- h. Indecent acts, sexual assault, sexual, physical, psychological or emotional harassment, corporal punishment or abuse:
  - a.) by or with the express or implied consent of an Insured;
  - b.) by any other person at the direction of an Insured;
- i. The ownership, use or operation of any motorized vehicle, trailer or watercraft, except those for which coverage is provided in this policy;
- j. Underground fuel tanks or resultant pollutants. Fuel tanks that are located in the basement of a property are deemed to be above ground.

### **CLAIM AND DEFENSE CONDITIONS APPLICABLE TO PERSONAL LIABILITY INSURANCE**

#### **Notice of Accident or Occurrence**

When an accident or occurrence takes place, you must immediately give us notice (in writing if required).

The notice must include:

1. Your name and policy number;
2. The time, place, and circumstances of the accident;
3. The names and addresses of witnesses and potential claimants.

#### **Assistance and Co-operation**

You are required to:

1. Help us obtain witnesses, information and evidence about the accident and co-operate with us in any legal actions if we ask you;
2. Immediately send us every demand, notice, letter, document or writ received concerning the claim;
3. Not interfere in any settlement or legal proceeding.

#### **Unauthorized Settlements**

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

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 us has been finally determined either by judgment against you or by an agreement which has our consent.

With respect to "Voluntary Medical Payments to Others" and "Voluntary Property Damage payments to Others" 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.

#### Other Liability Insurance

In the event you have other insurance which applies to a loss or claim, 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.

#### VOLUNTARY COMPENSATION FOR YOUR RESIDENCE EMPLOYEES

**This coverage is automatically provided for your occasional residence employees. It will be extended to your permanent residence employees, if so stated on the Declarations page.**

If an employee of yours is injured, or dies accidentally, while actually performing duties for you, even though you are not legally liable, we will, in exchange for a document releasing you from all responsibility for that accident which has been signed by the employee, or by his or her executors if he or she is dead, pay the benefits described in this Section.

If your employee, or any person acting on his or her behalf, does not accept these benefits or sues you, we may withdraw our offer, but this will not affect your legal liability insurance.

We have the right to recover from anyone, other than you, who is responsible for the employee's injury or death.

An injured employee must, if requested:

1. Submit to physical examination at our expense by doctors we select as often as we may reasonably require;
2. Authorize us to obtain medical and other records.

#### Exclusions

The General Exclusions applicable to Liability Insurance also apply to Voluntary Compensation for Your Residence Employees.

We **will not** pay benefits:

- a. For hernia injury;
- b. Where an employee is entitled to receive benefits under any Worker's Compensation Statute.

#### ADDITIONAL DEFINITIONS

##### Employee

Means your residence employee.

##### Weekly Indemnity

Means two-thirds of your employee's weekly wage at the date of the accident, but we **will not** pay more than two-thirds of the applicable minimum wage per week.

#### SCHEDULE OF BENEFITS

##### Loss of life

If your employee dies from injuries received in the accident within the following 26 weeks, we will pay:

1. To those wholly dependent upon him or her, a total of one hundred times the weekly indemnity in addition to any benefit for Temporary Total Disability paid up to the date of death; and
2. The actual funeral expenses, up to \$500.

##### Temporary Total Disability

If your employee temporarily becomes totally disabled from injuries received in the accident within the following 14 days and cannot work at any job, we will pay weekly indemnity to 26 weeks while such disability continues. We **will not** pay for the first seven days, unless the disability lasts for six weeks or more.

##### Permanent Total Disability

If your employee becomes permanently and totally disabled from injuries received in the accident within the following 26 weeks and cannot work at any job, we will pay weekly indemnity for 100 weeks in addition to benefits provided under Temporary Disability.

##### Injury Benefits

If, as a result of the accident, your employee suffers the loss of, or permanent loss of use of, any of the following (see schedule) within 26 weeks of the accident, we will pay weekly indemnity for the number of weeks shown.

#### INJURY BENEFITS SCHEDULE

The number of weeks payable for loss or total irrecoverable loss of use of:

- |                          |           |
|--------------------------|-----------|
| 1. Arm or hand           | 100 weeks |
| 2. One finger            | 25 weeks  |
| 3. Two fingers           | 50 weeks  |
| 4. Three or more fingers | 80 weeks  |
| 5. Leg or foot           | 100 weeks |
| 6. One toe               | 15 weeks  |
| 7. Two or more toes      | 35 weeks  |
| 8. One eye               | 50 weeks  |

- |               |           |
|---------------|-----------|
| 9. Both eyes  | 100 weeks |
| 10. One ear   | 50 weeks  |
| 11. Both ears | 100 weeks |

These benefits will be paid in addition to Temporary Total Disability Benefits and Medical Expenses, but **no others**, and no more than 100 weeks for any combination.

**Medical Expenses**

If, as a result of the accident, your employee incurs medical expenses, including surgical, dental, pharmaceutical, hospital, nursing and ambulance expenses, within the following 26 weeks, we will pay in accordance with the scale of charges provided by the Workers' Compensation Act of the Province in which the accident occurred, subject to a maximum of \$5,000, in addition to all other benefits.

We will pay the cost of supplying or renewing artificial limbs or braces, made necessary by the accident, for a period up to 52 weeks after the accident, subject to a maximum of \$5,000.

We **do not** cover costs recoverable from other insurance plans.