

**Form #PROP-EXT-MC (Rev. March 1, 2016)**  
**Property Extension Endorsement****IF INDICATED ON DECLARATIONS, THE FOLLOWING EXTENSIONS OF COVERAGE SHALL MODIFY THE COVERAGE GRANTED UNDER COMMERCIAL BUILDING, EQUIPMENT AND STOCK BROAD FORM: S20001 (Rev January 2006).**

The following extensions of coverage, shall apply but only when Extensions of Coverage are listed on the Declarations with a specific limit;

- (i) if no specific limit is shown, no coverage will apply.
- (ii) coverage will not apply if the Extensions of Coverage are more specifically insured elsewhere in this Policy.
- (iii) unless otherwise limited within each Extension of Coverage listed below, these Extensions of Coverage will increase the amount of insurance for this Policy by the amounts or limits stated in Declarations
- (iv) coverage will apply within territorial limits of Canada only and
- (v) unless otherwise stated, are subject to the exclusions, provisions, and conditions of this Form and Policy.

**EXTENSIONS OF COVERAGE****1. Accounts Receivable**

This Form is extended to cover against all risks of direct physical loss or damage to the Insured's records of accounts receivable occurring during the policy period.

This extension insures:

- (i) all sums due to the Insured from customers, provided the Insured is unable to effect collection thereof as the direct result of loss or damage to records of accounts receivable;
- (ii) interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by such loss or damage;
- (iii) collection expense in excess of normal collection cost and made necessary because of loss or damage;
- (iv) other expenses, when reasonably incurred by the Insured in re-establishing records of accounts receivable following such loss or damage.

This insurance shall apply only while records of accounts receivable are contained in the Premises described on the Declarations. It is a condition precedent to any right of recovery hereunder that, except while in actual use, such records be kept in receptacles (minimum of metal filing cabinets), when the premises are not open for business.

This insurance also applies while records of accounts receivable are being removed to and while at a place of safety because of imminent danger of loss or damage and while being returned therefrom, provided the Insured notifies the Insurer in writing within thirty (30) days of such removal.

In addition to those exclusions found in the Commercial Building Equipment and Stock Broad Form, the following also apply:

This extension does not apply:

- (i) to loss due to bookkeeping, accounting or billing errors or omissions;
- (ii) to loss, the proof of which as to factual existence, is dependent upon an audit of records or an inventory computation; but this shall not preclude the use of such procedures in support of claim for loss which the Insured can prove, through evidence wholly apart therefrom, is due solely to a risk of loss to records of accounts receivable not otherwise excluded hereunder;
- (iii) to loss due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property but only to the extent of the wrongful giving, taking, obtaining or withholding.

**Basis of Settlement**

When there is a proof of loss covered by these extensions but the Insured cannot accurately establish the total amount of accounts receivable outstanding on the date of loss, such amount shall be based on the Insured's monthly statements and shall be computed as follows;

- (i) determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the loss occurs;
- (ii) calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the twelve months immediately preceding the month in which the loss occurs, or such part thereof for which the Insured has furnished monthly statements to the Insurer, as compared with such average for the same months of the preceding year;
- (iii) the amount determined under (i) above, increased or decreased by the percentage calculated under (ii) above, shall be the agreed total amount of accounts receivable on the last day of the fiscal month in which said loss occurs;
- (iv) the amount determined under (iii) above shall be increased or decreased in conformity with the normal fluctuations in the amount of accounts receivable during the fiscal month involved, due consideration being given to the experience of the business since the last day of the last fiscal month for which statement has been rendered.

There shall be deducted from the total amount of accounts receivable, however established, the amount of such accounts evidenced by records not lost or damaged, or otherwise established or collected by the Insured, and an amount to allow for probable bad debts which would normally have been uncollectible by the Insured. On deferred payment accounts receivable, unearned interest and service charges shall be deducted.

**Inspection and Audit**

The Insurer shall be permitted to inspect the premises and the receptacles in which the records of accounts receivable are kept by the Insured, and to examine and audit the Insured's books and records at any time during the policy period and any extension thereof and within three years after the final termination of this Policy, as far as they relate to the subject matter of any outstanding record of accounts receivable submitted by the Insured and the amount of recoveries of accounts receivable on which the Insurer has made any settlement.

**Recoveries**

After payment of loss, all amounts recovered by the Insured on accounts receivable for which the Insured has been indemnified shall belong and be paid to the Insurer by the Insured up to the total amount of loss paid by the Insurer, but all recoveries in excess of such amounts shall belong to the Insured.

The limit of insurance for this extension of coverage is \$25,000 for any one loss, or as per limit specified on the Declarations.

**2. Arson Award**

In the event of loss or damage by fire that results from an act of arson for which coverage is afforded under this Policy, the Insurer will re-imburse the Insured for rewards paid for information directly leading to convictions for that act of arson. The Insurer's total liability under this extension of coverage shall not exceed \$5,000,

### 3. Business Contents in Transit

This Form is extended to insure Business Contents in Transit, meaning property you own and are picking up from others, or are delivering to others. This coverage applies only to property more than three hundred fifty (350) metres from the described premises, including while in a terminal, garage or depot, and while loading and unloading, but only while in due course of transit anywhere in the world and until the property is delivered to the consignee at the intended destination. Coverage applies to property in or on a vehicle owned, leased or operated by you, or in the custody of a common carrier, contract carrier, registered mail carrier or parcel post carrier.

When title to a shipment passes to the consignee, and the consignee refuses to pay you because the shipment is lost or damaged, you may elect to claim that loss under this Extension of Coverage.

This Extension of Coverage is subject to the following additional exclusions:

- (a) Loss or damage caused by or resulting from your neglect to use all reasonable means to save and preserve the property at and after any loss, or when the property may be endangered;
- (b) Loss or damage caused by or resulting from deterioration arising from delays;
- (c) Business Contents belonging to others, that you are transporting for a fee (other than incidental delivery charges);
- (d) Live animals;
- (e) A Lock Vehicle Warranty applies. Warranted by you and any carrier of the insured property, that any vehicle which will transport the Business Contents covered under this Form is equipped with a fully enclosed body or compartment. In the event of a loss by theft from an unattended vehicle, we will be liable only as a direct result of forcible entry to or exit from such body or compartment (of which there must be visible evidence), the doors and windows shall have been securely locked. Failure to comply with this warranty shall, at our option, result in denial of coverage under the Extension for the amount of loss from that particular shipment.

The most that we will pay under this Extension of Coverage is \$10,000 or as specified on the Declarations for any one loss.

### 4. Bailee's Customers Form

**Property Insured:** This Form insures all kinds of lawful goods or articles accepted by the Insured or by agents of the Insured for cleaning, laundering, pressing, renovating, repairing, sewing or dyeing, being property of the Insured's customers, while in possession of the Insured as herein described, while located in the premises scheduled in the Declarations with respect to this form, and while being transported to or from the customers' premises or to or from the premises of the Insured's agents or sub-contractors, all only if shipped via the Insured's vehicles, messengers, or contract carriers within the Territorial Limits as stated herein.

**Limits Of Liability:** The limit of insurance for this extension of coverage is \$10,000 for any one loss.

**Deductible:** From the aggregate amount of all adjusted claims arising from each separate occurrence of loss of or damage to property insured by this Form or from the applicable limit of the Insurer's liability with respect to such separate occurrence of loss or damage, whichever is the less, the deductible amount shown in the Declarations shall be deducted. Such deductible shall not apply, however, to loss or damage by fire, lightning, smoke, leakage of fire protective equipment, explosion, strike, riot, tornado, windstorm, hail, flood, earthquake, burglary, robbery or collision or overturning of the transporting conveyance.

**Valuation:** The Insurer shall not be liable beyond the actual cash value of the property insured hereunder at the time when such 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. In addition to the foregoing, the Insurer will pay the Insured's customary charges that have been earned on such lost or damaged goods. This clause applies separately to each location described in the Declarations.

**Perils Insured:** This Form insures against all risks of direct physical loss of or damage to the insured property from any external cause, except as provided elsewhere in this Form, and against confusion of the insured property caused by perils insured hereunder.

**Property Excluded:** This Form does not insure property accepted for storage, held in storage or for which a storage charge is made. Property held by the Insured without instructions from the owner to hold in storage shall not be considered as being held in storage unless such property is held for a period in excess of forty-five (45) days after processing is completed.

**Perils Excluded:** This Form does not insure against:

- (a) loss or damage caused by wear and tear, inherent vice, latent defect, gradual deterioration or depreciation, insects or vermin;
- (b) loss or damage caused by processing or any work upon the insured property unless fire or explosion ensues, and then only for direct loss or damage caused by such ensuing fire or explosion;
- (c) loss or damage 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 or carriers for hire excepted);
- (d) theft of insured property left upon any delivery vehicle overnight unless the vehicle is locked in the Insured's private garage or a building occupied solely by the Insured;
- (e) unexplained loss or mysterious disappearance of property (except property in the custody of carriers or bailees for hire);
- (f) loss or damage occasioned by neglect of the Insured to use all reasonable means to save and preserve the property at and after any disaster insured against or when the Insured has notice of an impending disaster.

#### Special Conditions

**Territorial Limits:** This Form covers only while the insured property is at locations within or is in transit within and between locations in Canada or the Continental United States of America, excluding Alaska.

**Warranty:** It is warranted that the Insured has not and will not enter into any agreement releasing or limiting the liability of any bailee or carrier unless such agreement is specifically reported to the Insurer and consent thereto endorsed hereon.

**Property Of Others:** At the option of the Insurer, any loss may be paid to the Insured or adjusted with and paid to the customer or owner of the property.

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

**Premises Protection Clause:** It is a condition of this insurance that the Insured shall maintain so far as is within his or her control such protective safeguards as were represented by the Insured to be in effect at the time of attachment of this insurance.

**Examination Of Records:** The Insured shall, as often as may be reasonably required during the term of this Form and for one year thereafter, produce the examination by the Insurer, or its authorized representative, all the books and records inventories and accounts relating to the property insured hereunder.

**Other Insurance:** If at the time of loss or damage there is available to a named or unnamed Insured or any other interested party any other insurance which would apply in the absence of this Form, the insurance under this Form shall apply only as excess insurance over such other insurance.

Except as otherwise provided in this endorsement all terms, provisions and conditions of the Policy shall have full force and effect.

**5. Computer Equipment Breakdown and Media**

This Form applies only to "computer equipment" including component parts thereof owned by the Insured or leased or under the control of the Insured and "computer media".

- (1) Computer Equipment Breakdown – Coverage is extended to include loss caused directly or indirectly by:
- (a) Mechanical failure, faulty construction or error in design;
  - (b) Short circuit, blow-out or other electrical disturbance, other than lightning within the electrical apparatus; or
  - (c) "computer media" failure or breakdown or malfunction of "computer equipment" including component parts when said "computer media" is being run through the equipment.

Each claim for loss or damage under the Computer Equipment Breakdown Extension shall be adjusted separately and the deductible amount specified on the Declarations shall be deducted from the amount of each such adjusted claim.

**Additional Exclusion:** This extension does not insure against loss or damage caused directly or indirectly by any change or interruption to electric power supply, if the change originates more than 30.5 meters (100 feet) away from the premises insured containing the property insured, except by lightning.

The Insurer's total liability under this extension of coverage shall not exceed \$5,000, or as per limit specified on the Declarations.

**6. Condominium Loss Assessment:** In the event of any loss or damage to any portion of the common elements of the building of which the Insured's "Unit" forms a part caused by a peril insured against, this Form covers the Insured's share of an assessment against all "Unit" owners made by the "Condominium Corporation", provided such assessment is for actual expenditure for repair or replacement made necessary by such loss or damage which is in excess of any recovery for the benefit of the Insured as owner of the "Unit" from Insurance covering the collective interest of the Condominium "Unit" owners.

This extension does not include coverage for any portion of an assessment made necessary by a deductible in any insurance covering the collective interests of the Condominium "Unit" owners.

**Subrogation**

The Insurer, upon making any payment or assuming liability therefore under this Form, shall be subrogated to all rights of recovery of the Insured against others and may bring action to enforce such rights. Except with respect to arson, fraud, or vehicle impact, the Insurer agrees to waive its right of subrogation as to any claim against the "Condominium Corporation", its directors, property managers, agents and employees. Independent contractors shall not be considered to be agents or employees of the "Condominium Corporation", its directors, property managers, or of the "Unit" owners.

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 each.

Any release from liability entered into by the Insured prior to loss shall not affect the right of the Insured to recover.

**Where used in this extension:**

"Condominium Corporation" means a corporation constituted under provincial legislation relating to condominiums or co-ownership by declaration and includes a strata corporation and in Quebec means the meeting of co-proprietors duly constituted.

"Unit" means the unit as defined in provincial legislation relating to condominium or co-ownership by declaration and includes a strata lot, and in Quebec exclusive portion as defined.

Loss, if any, under this Form shall be payable to the Insured.

The Insurer's total liability under this extension of coverage shall not exceed \$10,000, or as per limit specified on the Declarations.

**7. Condominium Contingency Coverage:** should the condominium corporation's insurance not exist, be inadequate, or not respond because of an exclusion or condition. We will pay for the loss or damage to your unit caused by one of the perils insured by your policy, less any amount recoverable from any insurance covering the collective interest of the unit owners, as follows:

#### **Basis of Settlement**

- a) if within a reasonable time after the loss or damage you can replace or repair the loss or damage to your unit with materials of similar quality, we will pay for the actual cost of repairs or replacement, whichever is the lesser, without deduction for depreciation;
- b) if the 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 time of the loss, but not more than the amount required to repair or replace:

We will not pay for that portion of any assessment made necessary by a deductible clause in the insurance of the condominium corporation.

The Insurer's total liability under this extension of coverage shall not exceed \$10,000, or as per limit specified on the Declarations.

#### **8. Consequential Loss**

This Form is extended to insure consequential loss, destruction or damage to "Stock" caused by change in temperature or humidity resulting from damage by the perils insured against hereunder to equipment used for refrigerating, cooling, humidifying, dehumidifying, air conditioning, heating, generating or converting power (including their connections and supply or transmission lines and pipes) only when situated on the "Premises", described on the Declarations.

The most that we will pay under this Extension of Coverage shall not exceed \$10,000, or as per limit specified on the Declarations.

#### **9. Debris Removal**

This Form is extended to provide an additional amount of insurance of \$10,000 for debris removal expense coverage or as per limit specified on the Declarations.

#### **10. Exhibition Floater**

This Form is extended to cover direct physical loss or damage to "Equipment" and "Stock" while temporarily on exhibition at locations not owned or usually occupied by the Insured. The limit of insurance for this extension of coverage is \$25,000 at any one exhibition, or as per limit specified on the Declarations.

#### **11. Exterior Signs Including Street Clocks, Communication Towers, Antennae and Satellite Receivers**

This Form is extended to cover the aforementioned property on the "Premises" for loss or damage from a peril insured against excluding loss or damage caused by wear and tear, latent defect, corrosion or rust, mechanical breakdown or during installation, repairing or dismantling.

The limit of insurance with respect to this extension of coverage is \$25,000 for any one loss, or as per limit specified on the Declarations.

#### **12. Extra Expense**

This Form is extended to insure the necessary Extra Expense incurred by the Insured in order to continue as nearly as practicable the normal conduct of the Insured's business following damage to or destruction by the perils insured against to the building(s) or contents thereof at the "Premises" described on the "Declarations Page". The Insurer shall be liable for Extra Expense so incurred, for not exceeding such length of time, herein referred to as the Period of Restoration, commencing with the date of loss and not limited by the date of expiration of this Policy, as shall be required with the exercise of due diligence and dispatch to repair, rebuild, or replace such part of the described building(s) or contents thereof as may be destroyed or damaged.

For the purposes of this clause "Extra Expense" means the excess (if any) of the total cost during the Period of Restoration for the purpose of continuing the Insured's business over and above the total cost that would normally have been incurred to conduct the business during the same period had no loss occurred; the cost in each case to include expense of using other property or facilities of other concerns or other similar necessary emergency expenses. In no event, however, shall the Insurer be liable under this Policy for loss of income nor for "Extra Expense" in excess of that necessary to continue as nearly as practicable the normal conduct of the Insured's business, nor the cost of repairing or replacing any of the described property that has been damaged or destroyed by the perils insured against, except cost in excess of the normal cost of such repairs or replacements necessarily incurred for the purpose of reducing the total amount of "Extra Expense".

"Normal" means the condition which would have existed had no loss occurred.

As soon as practicable after any loss, the Insured shall resume complete or partial business operations of the property described and, in so far as practicable, reduce or dispense with such extra expense as are being incurred.

This extension is extended to include the actual loss as insured hereunder during the period of time, not exceeding two weeks, while access to the described premises is prohibited by order of civil authority, but only when such order is given as a direct result of damage to a neighbouring premises by a peril insured against.

In addition to those exclusions found in the Commercial Building Equipment and Stock Broad Form, the following also apply:

The Insurer shall not be liable for:

- (i) loss due to fines or damages for breach of contract for late or non-completion of orders, or for any penalties of whatever nature;
- (ii) loss due to suspension, lapse or cancellation of any lease or license, contract or order;
- (iii) the cost of compiling books of account, abstracts, drawings, card index systems or other records including film, tape, disc, drum, cell or other magnetic recording or storage media for electronic data processing;
- (iv) any increase of loss due to interference at the described premises by strikers or other persons, with rebuilding, repairing or replacing property, or with the resumption or continuation of business;

The limit of insurance for this extension of coverage is \$10,000 for any one loss, or as per limit specified on the Declarations.

#### **13. Fine Arts**

This Form is extended to cover for direct physical loss or damage to Fine Arts, located within the Territorial Limits. The term "Fine Arts" includes paintings, etchings, pictures, 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.

##### **Territorial Limits**

Coverage on insured property applies within the territorial limits of Canada, excluding the premises of fair grounds or of any national or international exposition.

In addition to those exclusions found in the Commercial Building Equipment and Stock Broad Form, the following also apply:

This extension does not insure:

- (i) Breakage of glassware, statuary, marbles, bric-a-brac, porcelains and other fragile articles unless caused by:

- (a) fire, explosion, falling object striking the exterior of the building, impact by aircraft or land vehicle, lightning, smoke, vandalism or malicious acts, windstorm or hail or by accident to land, water or air conveyances, or by theft or attempt thereof;
  - (b) earthquake or flood, if otherwise insured under this Policy.
- (ii) Loss or damage to any property while undergoing any process or while being actually worked upon where any loss or damage is due thereto.

**Packing Condition**

It is agreed by the Insured that the property insured hereunder is packed and unpacked by competent packers.

The limit of insurance for this extension of coverage is \$10,000 any one item up to 50% of the contents for any one loss.

**13. Fire Department Service Charges**

This Form is extended to cover the Insured's liability assumed by contract or agreement, prior to the loss, for Fire Department Service Charges when the Fire Department is called to save or protect the insured property from a peril insured against. The maximum recovery under this extension is \$ 10,000 for any one loss, or as per limit specified on the Declarations.

**14. Fire Equipment Recharge**

This Form is extended to cover expenses actually incurred as a result of a peril insured against to recharge a fire protection or fire fighting system. The maximum recovery under this extension is \$10,000 for any one loss, or as per limit specified on the Declarations.

**15. Free standing fences and walls**

This Form is extended to cover, the value of Free Standing Fences and Walls at the insured premises and not attached to buildings or other structure. This Extension of Coverage does not include retaining walls used to contain water.

The limit of insurance for this extension of coverage is \$25,000 for any one loss, or as per limit specified on the Declarations for any one occurrence

**16. Glass**

This Form is extended to provide coverage for accidental breakage of all exterior glass and/or vitrolite including lettering, ornamentation or burglary alarm tape thereon provided the Insured is owner of the "Building" or is legally liable for such damage. This extension shall also include the expenses incurred for boarding up damaged openings or installing temporary plates. A deductible of \$500 applies to each and every loss.

**17. Growing Plants Trees or Shrubs in the Open**

This Form is extended to cover damage to growing plants, trees or shrubs in the open at the insured's premises caused directly by an insured peril. The most we will pay under this extension will not exceed \$10,000, in the aggregate, for any one occurrence

**18. Inflation Protection**

This Form is extended to cover:

- (a) The amount of insurance applicable to "Building" shall be increased during the policy period by the proportion by which the latest published Building Construction Index has increased since the last premium due date;
- (b) At the premium due date, the amount of insurance shall be increased automatically in accordance with the latest published Building Construction Index and the appropriate premium charged;
- (c) If the amount of insurance applicable to "Building" is changed at the request of the Insured during the policy period, the effective date of this endorsement is deemed to coincide with the effective date of the change;
- (d) If the Policy insures two or more items, the foregoing shall apply separately to each item to which this endorsement applies;
- (e) In this extension,
  - (i) "Building Construction Index" means the Index published by Statistics Canada relating to non-residential construction;
  - (ii) "premium due date" means the inception date of this policy or any renewal or anniversary date.

**19. Installation Floater**

(i) **Insured Property:**

This Form is extended to insure loss of or damage by an insured peril to supplies, machinery, equipment and materials all to enter into and form part of the completed project, including expendable materials and supplies not otherwise excluded, necessary to complete the project, except as herein excluded, belonging to you or to someone else if you are legally liable for such property, anywhere in Canada.

Coverage is extended while such property:

- (1) is in transit to any location, project or worksite where you are involved in an installation;
- (2) is awaiting installation at any location, project, or work site where you are involved in an installation, construction, or rigging project;
- (3) is being installed at any location, project, or work site where you are involved in an installation, construction, or rigging project; and
- (4) is located temporarily on "Premises" owned, leased or rented to you for not more than thirty (30) consecutive days awaiting installation in the project.

(ii) **Cessation of Coverage:**

Coverage on all property ceases:

- (1) when your interest ceases;
- (2) ninety (90) days after completion of the installation;
- (3) when the construction activity has ceased for more than thirty (30) consecutive days; or
- (4) this policy expires, whichever occurs first.

(iii) **Additional Exclusions:**

This Extension of Coverage does not insure:

- (1) loss of or damage to property occurring at any "Premises" that you own, rent, lease, operate or control if such property has been located at such "Premises" for more than thirty (30) consecutive days;
- (2) buildings, but building materials and supplies are covered until such time they become a permanent part of any installation project completed by you;
- (3) plans, blueprints, designs, specifications or any similar property;
- (4) contractor's tools and equipment including spare parts and accessories whether owned, loaned or hired or leased or any other property not a part of or destined to become a part of any installation project. However we will not apply this exclusion to tools and equipment expended in and forming part of the completed project;
- (5) any installation or part thereof from the commencement of use for purposes for which it was intended;
- (6) loss or damage covered under any guarantee or warranty (expressed or implied) by any contractor, manufacturer or supplier, whether or not such contractor, manufacturer or supplier is an insured under this Extension of Coverage;

- (7) loss, damage or expense caused directly or indirectly by or resulting from explosion, rupture or bursting of steam boilers, steam pipes, steam turbines or steam engines;
- (8) loss, damage or expense caused directly or indirectly by or resulting from cessation of work or by interruption of construction unless directly caused by a peril otherwise insured and not otherwise excluded under the terms of this Extension of Coverage; or
- (9) the difference in deductible from insurance afforded to the property from other insurance.

(iv) **Basis of Valuation:**

Subject to the limit of insurance for this Extension of Coverage, the basis of valuation of any loss is subject to the following:

- (1) On property you own: Actual cash value with proper deduction for depreciation, however caused and in no event to exceed the net cost of "replacement".
- (2) On property for which you are liable: The amount for which you are liable plus the additional cost, if any, expended thereon by you for labour and materials up to the time of loss.

(v) **Limit of Insurance:**

The most that we will pay under this Extension of Coverage shall not exceed \$10,000 or as per limit specified on the Declarations for any one occurrence.

## 20. Land and Water Pollution Clean Up

This Form is extended to:

- (a) Indemnify the Insured for expenses incurred to "clean up" "pollutants" from land or water at the "premises" provided the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of "pollutants":
  - (i) is occasioned by loss or damage to property insured at the "premises" for which insurance is afforded under the Commercial Building Equipment and Stock Broad Form;
  - (ii) is sudden, unexpected and unintended from the standpoint of the Insured and
  - (iii) first occurs during the policy period.

The maximum amount of insurance for this extension of coverage during any one policy period shall not exceed in the aggregate \$25,000.

No Automatic Reinstatement

- (b) Notwithstanding the Reinstatement Clause in this Policy, following a loss under this extension of coverage, the amount of insurance specified above will be reduced by the amount payable.

### Exclusions

(c) The Insurer shall not be liable for:

- (i) expenses for "clean up" away from or beyond the "premises" resulting from any spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants", even if the "pollutants" emanated from the "premises".
- (ii) expenses for "clean up" of any spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of "pollutants" that began before the effective date of this extension of coverage.
- (iii) fines, penalties, punitive or exemplary damages;
- (iv) expenses incurred for the "clean up" of "pollutants" at or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, processing or treatment of waste.

### Conditions

(d) (i) Reporting Period

It is a condition precedent to recovery that all expenses insured by this extension of coverage must be incurred and reported to the Insured within 180 days of the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of "pollutants" for which "clean up" expenses are being claimed.

(ii) Other Insurance

The insurance afforded by this extension of coverage shall apply as excess over any other valid and collectible insurance available to the Insured or any other interested party.

### Definitions

Wherever used in this extension of coverage:

- (i) "**Clean Up**" means the removal, containment, treatment, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to the aforementioned processes.
- (ii) "**Premises**" means the entire area within the property lines and areas under adjoining sidewalks and driveways at the locations described on the "Declarations Page".
- (iii) "**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.

## 21. Master Key Coverage

This Form is extended to insure the necessary expenses to repair or replace exterior or interior door locks and keys at the any scheduled location if:

- (i) your door keys are stolen;
- (ii) your master keys mysteriously disappear; or
- (iii) covered loss or damage at your "Premises" necessitates the repair or replacement of such locks or keys.

The most that we will pay under this Extension of Coverage shall not exceed \$5,000 or as per limit specified on the Declarations.

## 22. Newly Acquired Property

This Form is extended to insure Newly acquired property such as "Building, Contents, Equipment and Stock" that is newly owned, rented or controlled by the Insured in whole or in part. The limits of insurance attach at the time of the acquisition and extend for a period of 30 days or to the date of the endorsement to this Policy adding such Property whichever first occurs.

The maximum limit of insurance for this extension of coverage is \$25,000 for any one loss, or as per limit specified on the Declarations.

## 23. Parcel Post

This Form is extended to insure "Equipment" and "Stock" in any one package in course of transit by parcel post and or registered mail. The limit of insurance for this extension of coverage is \$1,000 for any one loss.

**24. Peak Season Increase**

The limit of insurance on "Stock" as stated on the Declarations is automatically increased by 25%. This increase shall not apply unless the limit of insurance on "Stock" shall be equal to at least 100% of the average monthly values for the twelve (12) months preceding the date of loss or, in the event the Insured has been in business for less than twelve (12) months, for such shorter period of time.

The most that we will pay under this Extension of Coverage is shall not exceed 25%, or as specified on the Declarations for any one occurrence but only if an amount is indicated for "Stock"

**25. Personal Effects - Volunteers**

This Form is extended to insure loss of or damage by an insured peril to personal effects owned by volunteer workers while such property is at any scheduled location.

However we will not cover a loss to personal effects if that loss is covered by another insurance policy, even if you or the owner of the personal property cannot collect under that policy for any reason.

The most that we will pay under this Extension of Coverage is \$2,500 or as per limit specified on the Declarations for any one loss

**26. Professional Fees:** In the event of loss or damage from a peril insured against, the Insurer will pay reasonable fees to auditors, accountants, architects, engineers or other professionals other than public adjusters and the Insured's own employees for producing and certifying particulars or details of the Insured's business required by the Insurer in order to arrive at the amount of loss payable under this Form.

This extension applies only to fees incurred in establishing the quantum of a loss, liability for which is otherwise accepted by the Insurer. This extension may also apply to any Business Interruption loss covered under this Policy.

The limit of insurance for this extension of coverage is \$10,000 for any one loss, or as per limit specified on the Declarations.

**27. Sales Representative**

This Form is extended to insure "Equipment" and "Stock", whether in transit or otherwise, in the custody of a sales representative of the Insured.

The limit of insurance for this extension of coverage is \$2,500 for any one loss, or as per limit specified on the Declarations.

**28. Temporary Locations**

This Form is extended to insure loss of or damage by an insured peril to insured property that is away from any scheduled location, at any temporary location that is owned, rented or controlled by you in whole or in part by you. The limit of insurance attaches at the time of acquisition and extends for a period of 120 days. This extension also provides coverage for a pre-sell location of the insured as long as the Declarations provide for property coverage at the location described in declarations.

This Extension of Coverage does not insure property while in transit;

The most that we will pay under this Extension of Coverage is \$50,000 or as per limit specified on the "Declarations Page" for any one loss.

**29. Valuable Papers and Records**

This Form is extended to cover the actual loss sustained by the Insured through direct physical loss or damage to Valuable Papers and Records. The term "Valuable Papers and Records" means written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, but excluding money and securities, electronic data control tapes or discs.

The insurance provided by this extension applies:

- (i) while the insured Valuable Papers and Records are contained in the "Premises" specified on the "Declarations Page". It is a condition precedent to any right of recovery hereunder, that the Valuable Papers and Records shall be kept in receptacles (minimum of metal filing cabinets) at all times when the premises are not open for business, except while such valuable papers and records are in actual use or as stated in (ii) or (iii) below;
- (ii) while the insured Valuable Papers and Records are being removed to, and while at a place of safety because of imminent danger of loss or damage and while being returned from such place, provided the Insured notifies the Insurer in writing within thirty (30) days of such removal;
- (iii) while the Valuable Papers and Records are being conveyed outside the Insured's premises or temporarily in other premises (except for storage).

In addition to those exclusions found in the Commercial Building Equipment and Stock Broad Form, the following also apply:

This extension does not insure:

- (i) loss directly resulting from errors or omissions in processing or copying unless fire or explosion ensues and then only for the direct loss caused by such ensuing fire or explosion;
- (ii) loss of property held as samples or for sale or for delivery after sale;
- (iii) property which cannot be replaced with other of like kind and quality.

**Basis of Settlement**

The limit of the Insurer's liability for loss shall not exceed the actual cash value of the property at the time of loss, nor what it would cost to repair or replace the property with other of like kind and quality, subject to a maximum recovery of \$25,000 for any one loss, or per limit as specified on the Declarations.

The Insurer may pay for the loss in money or may repair or replace the property and may settle any claim for loss of the property either with the Insured or the owner thereof. Any property so paid for or replaced shall become the property of the Insurer. The Insured or Insurer, upon recovery of any such property, shall give notice thereof as soon as practicable to the other and the Insured shall be entitled to the property upon reimbursing the Insurer for the amount so paid or the cost of replacement.

Nothing herein contained shall vary, alter or extend any provision or condition of the Policy other than as above stated. This Form attaches to and forms part of the Policy.