

**Form #HBB-PROP (Rev. August 23, 2021)**  
**Home Based Business – Property Insurance**

**1.A. PROPERTY INSURED**

This Form insures the following property but only those items for which an amount of insurance is specified in the "Declarations Page":  
"EQUIPMENT"  
"STOCK"  
"CONTENTS OF EVERY DESCRIPTION"  
The insurance in this Clause 1.A. applies only while at the location(s) specified in the "Declarations Page".

**2. DEDUCTIBLE**

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

**3. CO-INSURANCE**

This clause applies separately to each item for which a co-insurance percentage is specified in the "Declarations Page" and only where the total loss exceeds the lesser of 2% of the applicable amount of insurance or \$5,000. The Insured shall maintain insurance concurrent with this form on the property insured to the extent of at least the amount produced by multiplying the actual cash value of the property by the co-insurance percentage specified in the "Declarations Page", and failing to do so, shall only be entitled to recover that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.

**4. PERILS INSURED**

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

**5.A. EXCLUSIONS - PROPERTY EXCLUDED**

This Form does not insure loss of or damage to:

- (a) Sewers, drains or watermains located beyond the outside bearing walls or foundations of the property insured, outside communication towers, antennae (including satellite receivers) and equipment attached thereto, street clocks, exterior signs, exterior glass or vitrolite and lettering or ornamentation thereon, but this exclusion does not apply to loss or damage caused directly by "Named Perils";
- (b) Property at locations which to the knowledge of the Insured, are vacant, unoccupied or shut down for more than thirty (30) consecutive days;
- (c) Electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing, unless fire or explosion as described in Clause 17(i) ensues and then only for such ensuing loss or damage;
- (d) Growing plants, trees, shrubs or flowers, all while in the open except as provided in the Extensions of Coverage Clause 6 (c);
- (e) Animals, fish or birds, but this exclusion does not apply to loss or damage caused directly by "Named Perils" or from theft or attempt thereat;
- (f) Money, bullion, platinum and other precious metals and alloys, securities, stamps, tickets and tokens, evidence of debt or title;
- (g) Automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property, but this exclusion shall not apply to watercraft, amphibious or air cushion vehicles held for sale, unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the "Premises" of the Insured;
- (h) Furs, fur garments, jewels, jewellery, costume jewellery, watches, pearls, precious and semiprecious stones and pre-recorded video tapes, but this exclusion does not apply to:
  - (i) The first one thousand dollars (\$1,000) of any loss insured herein;
  - (ii) any loss or damage caused directly by "Named Perils";
- (i) property insured under the terms of any Marine Insurance, and property while waterborne, except while on a regular ferry or railway car transfer in connection with land transportation;
- (j) property on loan or on rental or sold by the Insured under conditional sale, installment payment or other deferred payment plan, from the time of leaving the Insured's custody, but this exclusion does not apply while such property is in the custody of a carrier for hire for the purpose of delivery at the risk of the Insured;
- (k) property temporarily outside the "Premises" of the Insured, unless an amount of insurance is shown in the "Declarations Page" pertaining to "Property Temporarily Off Premises";
- (l) property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority;
- (m) (i) any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
  - (ii) any boiler, including the piping and equipment connected thereto, which contains steam or water under steam pressure (except tanks having an internal diameter of 610 millimetres (24 inches) or less used for the storage of hot water for domestic use); caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use, but this exclusion does not apply to:
    - (1) manually portable gas cylinders;
    - (2) explosion of natural, coal or manufactured gas;
    - (3) explosion of gas or unconsumed fuel within a furnace or within the gas passages therefrom to the atmosphere.

**5.B. PERILS EXCLUDED**

This Form does not insure against loss or damage caused directly or indirectly:

- (a) by earthquake, except for ensuing loss or damage which results directly from fire, explosion, smoke or leakage from fire protective equipment, all as described in Clause 17 (i);
- (b) by flood, including waves, tides, tidal waves, tsunamis, or the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made, but this exclusion does not apply to ensuing loss or damage which results directly from fire, explosion, smoke, leakage from fire protective equipment, all as described in Clause 17 (i) or leakage from a watermain; Exclusions (a) and (b) do not apply to property in transit;
- (c) (i) by seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows or other openings, therein, foundations, basement floors, sidewalks, sidewalk lights, or by the backing up of sewers, sumps, septic tanks or drains, unless concurrently and directly caused by a peril not otherwise excluded in Clause 5.B. hereof;
  - (ii) by the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings unless through an aperture concurrently and directly caused by a peril not otherwise excluded in Clause 5.B. hereof;
- (d) by centrifugal force, mechanical or electrical breakdown or derangement in or on the "Premises", unless fire ensues and then only for the loss or damage caused directly by such ensuing fire;
- (e) by dampness or dryness of atmosphere, changes of temperature, freezing, heating, shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, contamination, change in colour or texture or finish, rust or corrosion, marring, scratching or crushing, but this exclusion does not apply to loss or damage caused directly by "Named Perils", rupture of pipes or breakage of apparatus not excluded under paragraph (m) of Clause

5.A. hereof, theft or attempt thereof or accident to transporting conveyance. Damage to pipes caused by freezing is insured provided such pipes are not excluded in paragraph (m) of Clause 5.A. hereof;

- (f) by smoke from agricultural smudging or industrial operations;
- (g) by rodents, insects or vermin, but this exclusion does not apply to loss or damage caused directly by a peril not otherwise excluded in Clause 5.B. hereof;
- (h) by delay, loss of market, or loss of use or occupancy;
- (i) by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- (j) by any dishonest or criminal act on the part of the Insured or any other party of interest, employees or agents of the Insured, or any person to whom the property may be entrusted (bailees for hire excepted), but this exclusion does not apply to physical damage, caused directly by employees of the Insured, which results from a peril otherwise insured and not otherwise excluded under this form;
- (k) 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 DOES THIS FORM INSURE:**

- (l) wear and tear, gradual deterioration, latent defect, inherent vice, or the cost of making good faulty or improper material, faulty or improper workmanship, faulty or improper design, provided, however, to the extent otherwise insured and not otherwise excluded under this Form, resultant damage to the property is insured;
- (m) mysterious disappearance or shortage of "Equipment" or "Stock" disclosed on taking inventory;
- (n) loss or damage sustained to "Equipment" or "Stock" while actually being worked upon and directly resulting therefrom or caused by any repairing, adjusting or servicing of "Equipment" or "Stock", unless fire or explosion as described in Clause 17 (i) ensues and then only for such ensuing loss or damage;
- (o) disturbance or erasure of electronic recordings by electric or magnetic injury except by lightning.

**6. EXTENSIONS OF COVERAGE**

The following extensions of coverage shall not increase the amounts of insurance applying under this Form and are subject to all the conditions of this Form.

(a) **Personal Property of Officers and Employees:**

At the option of the Insured, "Equipment" also includes personal property of officers and employees of the Insured. The insurance on such property:

- (i) shall not attach if it is insured by the owner unless the Insured is obliged to insure it or is liable for its loss or damage;
- (ii) is, in any event, limited to a maximum recovery of one thousand dollars (\$1,000) in respect of any one officer or employee;
- (iii) shall apply only to loss or damage occurring at a location specifically described in the "Declarations Page" or included in "Newly Acquired Location".

**7. PERMISSION**

Permission is hereby granted:

- (a) for other insurance concurrent with this Form;
- (b) to make additions, alterations or repairs;
- (c) to do such work and to keep and use such articles, materials, and supplies in such quantities as are usual or necessary to the Insured's business.

**8. BREACH OF CONDITIONS**

Where a loss occurs and there has been a breach of condition relating to a matter before the happening of the loss, which breach would otherwise disentitle the Insured from recovery under this Form, the breach shall not disentitle the Insured from recovery if the Insured establishes that the loss was not caused or contributed to by the breach of condition or if the breach of condition occurred in any portion of the "Premises" over which the Insured has no control.

**9. REINSTATEMENT**

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

**10. PREMIUM ADJUSTMENT**

This clause is applicable if a specific amount of insurance is shown in the "Declarations Page" for "Stock".

If within six months after the expiry or anniversary date of each period of insurance, the Insured shall file with the Insurer a Premium Adjustment Application Form showing, for the said period, the actual cash value of the "Stock" insured on the last day of each month at each location as commented upon by the Insured's Accountant, the actual premium for the said period shall then be calculated at the Stock Adjustment Rate applying to each location, as stated in the Declarations, for the average amount of the total values declared. If the premium paid by the Insured for such "Stock" exceeds the actual premium thus calculated, the Insurer shall refund to the Insured any excess paid, subject to a maximum refund of 50% of the premium paid. In the event of any monthly declared values being in excess of the amount of insurance, the amount of the excess shall not be included in the premium adjustment calculations.

**11. VERIFICATION OF VALUES**

The Insurer or its duly appointed representative shall be permitted at all reasonable times during the term of this Policy, or within a year after termination or expiration, to inspect the property insured and to examine the Insured's books, records and such policies as relate to any property insured hereunder. Such inspection or examination shall not waive nor in any manner affect any of the terms or conditions of this Form.

**12. VALUATIONS**

For the purpose of calculating the total value of the property for the application of Co-Insurance, value reporting and for loss adjustment, the following valuation basis applies:

- (a) on unsold "Stock" - the actual cash value of the property at the time any loss occurs, but in no event to exceed what it would cost to repair or replace with material of like kind and quality;
- (b) on sold "Stock" - the selling price after allowance for discounts;
- (c) on property of others in the custody or control of the Insured for the purpose of performing work thereon - the amount for which the Insured is liable but in no event to exceed the actual cash value at the time and place of loss plus allowance for labour and materials expended to such time;
- (d) on tenant's Improvements and records - as defined in paragraphs (a) and (b) of Clause 14.;
- (e) on all other property insured under this Form and for which no more specific conditions have been set out - the actual cash value at the time the loss or damage occurs but in no event to exceed what it would then cost to repair or replace with material of like kind and quality.

**13. SPECIAL BASIS OF SETTLEMENT**

(a) **Records:** The liability of the Insurer for loss or damage to:

- (i) books of accounts, drawings, card index systems and other records, other than as described in (ii) below, shall not exceed the cost of blank books, blank pages or other materials, plus the cost of labour for actually transcribing or copying said records;

- (ii) media, data storage devices, and program devices for electronic and electro-mechanical data processing or for electronically controlled equipment, shall not exceed the cost of reproducing such media, data storage devices, and program devices from duplicates or from originals of the previous generation of the media, but no liability is assumed hereunder for the cost of gathering or assembling information or data for such reproduction. Whichever of the above is applicable shall be the basis to be adopted for the purpose of applying Co- Insurance.
14. **STATED AMOUNT CO-INSURANCE CLAUSE:** The following condition applies only if this policy is stated to be subject to Stated Amount Co-insurance Clause in the Declarations.
- (a) In consideration of a statement of values filed and attested by the Insured or an independent appraisal dated no more than twelve (12) months prior to the inception date of the policy, the following clause (b) is substituted for the Co-Insurance Clause cited in the policy.
- (b) It is part of the consideration of this policy and the basis upon which the rate of premium is fixed that the Insured shall maintain insurance by - or concurrent in form, range and wording with - this policy on the property hereby insured, so that the total amount of insurance on the said property shall be not less than the amount indicated in the filed statement of values or independent appraisal (including the amount of insurance effected by this policy) and that, failing so to do, the Insured shall be a Co-Insurer to the extent of an amount sufficient to make the total insurance on the said property equal to the said indicated amount and, in that capacity, shall bear their proportion of any loss that may occur.
15. **CO-INSURANCE CLAUSE:** The following condition applies only if this policy is stated to be subject to co-insurance in the declarations. It is part of the consideration of this policy, and the basis upon which the rate of premium is fixed, that the Insured shall maintain insurance concurrent in form, range and wording with this policy on the property hereby insured to the extent of at least the percentage amount as cited in the declarations of the:
- (a) actual cash value thereof (with proper deduction for depreciation) if a loss or claim is being settled on an Actual Cash Value basis, or
- (b) replacement cost value thereof (without deduction for depreciation) if a loss or claim is being settled on a Replacement Cost basis; and that, failing to do so, the Insured shall only be entitled to recover that portion of a loss that the amount of insurance in force at the time of the loss bears to the amount of insurance to be maintained by this clause.
16. **CO-INSURANCE WAIVER:** In case of loss, the Co-Insurance Clause shall not be held to apply where the total loss does neither exceed \$10,000.00. nor 5% of the value of the property at the location involved.
17. **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 the owner of the property.
18. **LOCKED VEHICLE WARRANTY**  
This Clause does not apply to property which is under the control of a common carrier. It is warranted by the Insured that any vehicle in which the property insured is carried is equipped with a fully enclosed metal body or compartment, and the Insurer shall be liable in case of loss by theft from an unattended vehicle only as a direct result of forcible entry (of which there shall be visible evidence) into such body or compartment the doors and windows of which shall have been securely locked.
19. **DEFINITIONS**  
Wherever used in this Form:
- (a) **"Declarations Page"** means the Declarations Page applicable to this Form.
- (b) **"Equipment"** means:
- (i) generally all contents usual to the Insured's business including furniture, furnishings, fittings, fixtures, machinery, tools, utensils and appliances other than "Building" or "Stock" as herein defined;
- (ii) similar property belonging to others which the Insured is under obligation to keep insured or for which he is legally liable;
- (iii) tenant's improvements which are defined as building improvements, alterations and betterments made at the expense of the Insured to a "Building" occupied by the Insured and which are not otherwise insured, provided the Insured is not the owner of such "Building". If the Insured purchased the use interest in tenant's improvements made by a predecessor tenant, this Form applies as though such tenant's improvements had been made at the expense of the Insured.
- (c) **"Stock"** means:
- (i) merchandise of every description usual to the Insured's business;
- (ii) packing, wrapping and advertising materials; and
- (iii) similar property belonging to others which the Insured is under obligation to keep insured or for which he is legally liable.
- (d) **"Contents of Every Description"** means Equipment and Stock as defined above.
- (e) **"Premises"** means the entire area within the property lines and areas under adjoining sidewalks and driveways at the locations described in the "Declarations Page" and in or on vehicles within 100 metres (328 feet) of such locations;
- (f) **"Fire Protective Equipment"** includes tanks, watermains, hydrants, valves and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
- (i) branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
- (ii) any watermains or appurtenances located outside of the described "Premises" and forming a part of the public water distribution system;
- (iii) any pond or reservoir in which the water is impounded by a dam.
- (g) **"Named Perils"** means:
- (A) FIRE OR LIGHTNING**
- (B) EXPLOSION:** Except with respect to explosion of natural, coal or manufactured gas, there shall in no event be any liability hereunder for loss or damage caused by explosion, rupture or bursting in or of the following property owned, operated or controlled by the Insured:
- (i) (a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
- (b) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
- (c) the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type and the flues or passages which conduct the gases of combustion therefrom;
- (d) smelt dissolving tanks;
- (ii) other vessels and apparatus, and pipes connected therewith, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure except that liability is specifically assumed for loss or damage resulting from the explosion of manually portable gas cylinders;
- (iii) moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
- (iv) any vessels and apparatus and pipes connected therewith while undergoing pressure tests, but this exclusion shall not apply to other property insured hereunder that has been damaged by such explosion;
- (v) gas turbines; The following are not explosions within the intent or meaning of this section:
- (a) electric arcing or any coincident rupture of electrical equipment due to such arcing;
- (b) bursting or rupture caused by hydrostatic pressure or freezing;
- (c) bursting or rupture of any safety disc, rupture diaphragm or fusible plug.
- (C) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE:**

The terms "Aircraft" and "Spacecraft" include articles dropped therefrom. There shall in no event be any liability hereunder due to cumulative damage or for loss or damage:

- (i) caused by land vehicles belonging to or under the control of the Insured or any of his employees;
- (ii) to aircraft, spacecraft or land vehicles causing the loss;

**(D) RIOT, VANDALISM OR MALICIOUS ACTS:**

The term Riot includes open assemblies of strikers inside or outside the "Premises" who have quitted work and of locked-out employees. There shall in no event be any liability hereunder for loss or damage:

- (i) due to cessation of work or by interruption to process or business operations or by change(s) in temperature;
- (ii) due to flood or release of water impounded by a dam, or due to any explosion other than an explosion in respect of which there is insurance under Clause 17 (i) (B);
- (iii) due to theft or attempt thereat.

**(E) SMOKE:**

The term "Smoke" means smoke due to a sudden, unusual and faulty operation of any stationary furnace. There shall in no event be any liability hereunder for any cumulative damage.

**(F) "LEAKAGE FROM FIRE PROTECTIVE EQUIPMENT"**

The term "Leakage from fire protective equipment" means the leakage or discharge of water or other substance from within the equipment used for fire protection purposes for the "Premises" described in the "Declarations Page" or for adjoining "Premises" and loss or damage caused by the fall or breakage or freezing of such equipment.

**(G) WINDSTORM OR HAIL:**

There shall in no event be any liability hereunder for loss or damage:

- (i) to the interior of the "Buildings" insured or their contents unless damage occurs concurrently with and results from an aperture caused by windstorm or hail;
- (ii) directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow-load, ice-load, tidal wave, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslide.

**REPLACEMENT COST ENDORSEMENT**

APPLICABLE ONLY TO THE FORMS NOTED IN THE DECLARATIONS:

1. The insurer agrees to amend the basis of settlement from actual cash value to replacement cost subject to the following provisions:
  - (a) replacement shall be effected by the Insured with due diligence and dispatch;
  - (b) settlement on a replacement cost basis shall be made only when replacement has been effected by the Insured and in no event shall it exceed the amount actually and necessarily expended for such replacement;
  - (c) failing compliance by the Insured with any of the foregoing provisions, settlement shall be made as if this endorsement has not been in effect;
  - (d) any other insurance effected by or on behalf of the Insured in respect of the perils insured against by this Policy on the property to which this endorsement is applicable shall be on the basis of replacement cost as defined herein;
  - (e) this endorsement applies separately to each item(s) listed in the Declarations.
2. In this endorsement,
  - (a) "replacement cost" means the cost of replacing, repairing, constructing or reconstructing (whichever is the least) the property with new property of like kind and quality and for the like occupancy without deduction for depreciation; and
  - (b) "replacement" includes repaid, construction or reconstruction with new property of like kind and quality.
3. In the event that new property of like kind and quality is not obtainable, new property which is as similar as possible to that damaged or destroyed and which is capable of performing the same function, shall be deemed to be new property of like kind and quality for the purposes of this endorsement.
4. Exclusions  
This endorsement does not apply to:
  - (a) stock;
  - (b) patterns, dies, moulds;
  - (c) paintings, etchings, pictures, tapestries, statuary, marbles, bronzes, antique furniture, rare books, antique silver, porcelain, rare glassware, bric-a-brac or other articles of art, rarity or antiquity;
  - (d) manuscripts and records meaning books of account, drawings, card index systems and other records, media, data storage devices, and programme devices for electronic electro-mechanical data processing or for electronically controlled equipment;
  - (e) any increase in the cost of replacement occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law.
5. If the Policy is subject to a no co-insurance clause, actual cash value, for the purpose of applying such a clause to the property to which this endorsement is applicable, shall be deemed to be replacement cost without deduction for depreciation.

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

**TERRORISM EXCLUSION ENDORSEMENT**

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes injury loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear. This endorsement also excludes injury loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from arising out of or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Underwriters allege that by reason of this exclusion, any injury loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

**ELECTRONIC DATA ENDORSEMENT****1. Electronic Data Exclusion**

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

- (a) This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting there from, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, and software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

- (b) However, in the event that a peril listed below results from any of the matters described in paragraph (a) above, this Policy, subject to all its terms, conditions and exclusions will cover physical damage occurring during the Policy period to property insured by this Policy directly caused by such listed peril.

Listed Perils: Fire, Explosion

**2. Electronic Data Processing Media Valuation**

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost of the blank media plus the costs of copying the ELECTRONIC DATA from back up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

**MOLD EXCLUSION**

This policy does not insure any loss, injury, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to: mold, mildew, fungus, spores or other micro-organism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This exclusion applies regardless whether there is

- (i) any physical loss or damage to insured property;
- (ii) any insured peril or cause, whether or not contributing concurrently or in sequence;
- (iii) any loss of use, occupancy, or functionality; or
- (iv) any action required, including but not limited to repair, replacement, removal, clean-up, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

**ILLEGAL SUBSTANCE ENDORSEMENT**

Damage caused due to cultivating, harvesting, processing, manufacturing or distributing illegal substances is not covered by your property policy. Cultivating illegal substances, as identified in the Schedule of the Controlled Drugs and Substances Act Narcotic Control Regulations, is an illegal and destructive activity.

**BIOLOGICAL OR CHEMICAL MATERIALS EXCLUSION**

It is agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

**SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION EXCLUSION**

U.S.A. & CANADA

LAND, WATER AND AIR EXCLUSION

Notwithstanding any provision to the contrary within the Policy of which this Endorsement forms part (or within any other Endorsement which forms part of this Policy), this Policy does not insure land (including but not limited to land on which the insured property is located), water or air, howsoever and wherever occurring, or any interest or right therein.

Notwithstanding any provision to the contrary within the Policy of which this Endorsement forms part (or within any other Endorsement which forms part of this Policy), this Policy does not insure:

- a) any loss, damage, cost or expense, or
- b) any increase in insured loss, damage, cost or expense, or
- c) any loss, damage, cost, expense, fine or penalty, which is incurred, sustained or imposed by order, direction, instruction or request of, or by any agreement with, any court, government agency or any public, civil or military authority, or threat thereof, (and whether or not as a result of public or private litigation),

which arises from any kind of seepage or any kind of pollution and/or contamination, or threat thereof, whether or not caused by or resulting from a peril insured, or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage or pollution and/or contamination or threat thereof.

The term 'any kind of seepage or any kind of pollution and/or contamination' as used in this Endorsement includes (but is not limited to):

- a) seepage of, or pollution and/or contamination by, anything, including but not limited to, any material designated as a 'hazardous substance' by the United States Environmental Protection Agency or as a 'hazardous material' by the United States Department of Transportation, or defined as a 'toxic substance' by the Canadian Environmental Protection Act for the purposes of Part II of that Act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other Federal, State, Provincial, Municipal or other law, ordinance or regulation; and

b) the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

**DEBRIS REMOVAL ENDORSEMENT**

This endorsement contains provisions which may limit or prevent recovery under this policy for loss where costs or expenses for debris removal are incurred.

Nothing contained in this Endorsement shall override any Seepage and/or Pollution and/or Contamination Exclusion or any Radioactive Contamination Exclusion or any other Exclusion applicable to this Policy.

Any provision within this Policy (or within any other Endorsement which forms part of this Policy) which insures debris removal is cancelled and replaced by the following:

- 1) In the event of direct physical damage to or destruction of property, for which Underwriters hereon agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay (hereinafter referred to as 'Damage or Destruction'), this Policy also insures, within the sum insured, subject to the limitations and method of calculation below, and to all the other terms and conditions of the Policy, costs or expenses:
  - a. which are reasonably and necessarily incurred by the Assured in the removal, from the premises of the Assured at which the Damage or Destruction occurred, of debris which results from the Damage or Destruction; and
  - b. of which the Assured becomes aware and advises the amount thereof to Underwriters hereon within one year of the commencement of such Damage or Destruction.
- 2) In calculating the amount, if any, payable under this Policy for loss where costs or expenses for removal of debris are incurred by the Assured (subject to the limitations in paragraph 1 above):
  - a. the maximum amount of such costs or expenses that can be included in the method of calculation set out in (b) below shall be the greater of CAD 25,000 (twenty-five thousand dollars) or 10% (ten percent) of the amount of the Damage or Destruction from which such costs or expenses result; and
  - b. the amount of such costs or expenses as limited in (a) above shall be added to:
    - i. the amount of the Damage or Destruction; and
    - ii. all other amounts of loss, which arise as a result of the same occurrence, and for which Underwriters hereon also agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay; andthe resulting sum shall be the amount to which any deductible or underlying amount to which this Policy is subject and the limit (or applicable sub-limit) of this Policy, shall be applied.

**ELECTRONIC DATE RECOGNITION EXCLUSION**

Notwithstanding anything to the contrary contained herein, it is understood and agreed that this Policy is subject to the following:-

This policy does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- a) the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not; or
- b) any change, alteration, or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not.

This clause applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

All other forms, conditions and limitations remain unaltered

**COMMUNICABLE DISEASE ENDORSEMENT**

1. This policy, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the period of insurance. Consequently and notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
  - 2.1. for a Communicable Disease, or
  - 2.2. any property insured hereunder that is affected by such Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
  - 3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
  - 3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
  - 3.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.
4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the policy remain the same.