

Personal Articles Endorsement – K1

Agreement

In return for your payment of the premium as stated separately on the Declarations page or included in the total premium we agree as follows:

We insure your personal articles listed in the “Schedule of Articles Insured” against all risks of direct physical loss or damage subject to the terms and conditions of this endorsement.

Territorial Limits

This insurance applies worldwide.

Basis of Settlement

An insured loss will be paid on the basis of **Replacement Cost** in accordance with the terms and conditions described in the Homeowners, Tenants or Condominium policy to which this endorsement is attached.

If You do not Repair or Replace

If the Replacement Cost conditions are not met, or if you choose not to repair or replace any article,

We will pay the **lesser** of:

1. The actual cash value of the article at the time of the loss;
2. The amount insured for each article.

We reserve the right to repair or replace the article(s).

Should the letter “V” appear beside an article insured that specific article is valued for the amount insured.

Exclusions

We **do not** cover:

- a. Property illegally acquired or kept;
- b. Any musical instrument if it is or will be played for remuneration;
- c. Property lawfully seized or confiscated unless the property is destroyed to prevent the spread of fire;

We **do not** cover loss or damage caused by or resulting from:

- d. Wear and tear, deterioration, rust or corrosion, extremes of temperatures, wet or dry rot or mould, inherent defect or mechanical breakdown;
- e. Vermin, rodents or insects;
- f. Directly or indirectly:
 - (a) any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;

- (b) contamination by radioactive material;
- g. War, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- h. Electrical currents, other than lightning, which damage electrical devices or appliances. If, however, a fire or explosion results, we will pay for the fire or explosion damage;
- i. Any criminal act or wilful negligence by an Insured, but this exclusion does not apply to any other Insured who has not committed and is not involved in the criminal act or wilful negligence.

Special Conditions for Stamp and Coin Collections

A stamp collection includes postage stamps and other philatelic property including books, pages and mountings.

A coin collection includes rare or collectible coins, medals, paper money and bank notes if part of a numismatic collection, including coin albums, containers, frames and display cabinets used with such collections.

When a collection is covered on a blanket basis, we will:

1. Pay for loss or damage to your collection **in the proportion that the amount of insurance bears to its cash market value at the time of the loss;**
2. Pay a maximum of \$250 on any single stamp, coin or individual article, or any pair, strip, block, series, sheet, cover, frame, card, or the like.

Additional Exclusions pertaining to Stamp and Coin Collections

In addition to the exclusions listed above, we do not cover:

- a. Fading, creasing, denting, scratching, tearing, thinning, transfer of colours, dampness, extremes of temperatures, gradual depreciation or damage from handling;
- b. Loss to property in the custody of transportation companies, or shipments by mail unless sent by registered mail.

Newly Acquired Articles - Temporary Cover

If you acquire any additional articles of a type already scheduled under this endorsement, we will automatically cover these articles for a period of 30 days from the date of the acquisition but not exceeding the expiry date of the policy to which this endorsement is attached. **You must report the newly acquired property to us within this same 30 days and pay the additional premium from the date acquired.**

Under this extension of cover, we will not pay more than 25% of the amount of insurance for the class of property being acquired, or \$5,000, **whichever is the lesser.**

We also reserve the right not to continue the insurance of the newly acquired property beyond the 30 day period.

Unearned Premium Clause

Following the payment of a loss, the amount of insurance provided for each article shall not be reduced except for a total loss of the scheduled property. Upon request, we will refund to you the unearned premium applicable to such property, or you may apply it to the premium due for the replacement of the scheduled property.

If, following a loss, you acquire any articles to replace those which were lost or damaged, you must advise us within 30 days. (Refer to the section entitled "Newly Acquired Articles - Temporary Cover").

Other Conditions that Apply

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

**REFER TO THE ATTACHED
"SCHEDULE OF ARTICLES INSURED"**

SAMPLE