



Intact Insurance Company

Customer Storage Insurance - Applicable To All Locations Listed On The Policy

Customer Storage Insurance

This Endorsement Changes the Policy. Please read it carefully.

Attached to and forming part of this Policy.

PROPERTY INSURED: This insurance covers the property of the Insured, or the property of others for which the Insured may be liable or have assumed liability prior to a loss, while in storage within the storage space leased or rented by the Insured at the described premises.

PERILS INSURED AGAINST: This policy insures against all risks of direct physical loss or damage to the insured property from any external cause, except as hereinafter excluded.

SPECIAL LIMITS OF INSURANCE:

1. Electronic hardware, including data processing equipment, and components, including electronic media, are insured to a maximum recovery of \$1,000 per item and a maximum recovery of \$2,000 per any one "occurrence" of loss or damage. Electronic Media means data storage devices, and programme devices for electronic and electro-mechanical data processing or for electronically controlled equipment.
2. Property held as samples or for sale or for delivery after sale for a maximum of \$2500.
3. Sporting Equipment to a maximum per claim of \$1,000.

REPLACEMENT COST

Applicable to "Contents Only" at the locations listed on the "Declaration Page(s)".

1. The Insurer agrees to amend the Basis of Valuation 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) any other insurance effected by or on behalf of the Insured in respect of the insured perils under this Policy on the property to which this extension is applicable shall be on the basis of "replacement cost";
 - (d) failing compliance by the Insured with any of the above provisions, settlement shall be made as if this extension had not been in effect.
2. In the event that new property of like kind and quality is not obtainable, new property which is as similar as possible to that lost or damaged 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 extension.

3. Exclusions

This extension 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) business records, including those which exist on electronic or magnetic media (other than pre-packaged software programs);
- (e) any increase in the cost of "replacement" occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law.

4. Definitions

- (a) "replacement" includes repair, construction or re-construction with new property of like kind and quality; and

(b) "replacement cost" means whichever is the least of the cost of replacing, repairing, constructing or re-constructing the property on the same site with new property of like kind and quality and for like occupancy without deduction for depreciation.

EXCLUSIONS:

A. GENERAL EXCLUSIONS – This form does not insure:

(a) accounts, bills, currency, deeds, evidences of debt, securities, money, notes, jewelry, watches, precious stones, furs or garments trimmed with fur, explosives or ammunition, fire arms, liquor or beer;

(b) livestock, other animals, fish, birds, insects or reptiles;

(c) against loss or damage caused by or resulting from, contributed to or aggravated by any of the following:

1. flood, surface water, waves, tidal water or tidal wave, overflow of streams or other bodies of water, or spray from any of the foregoing, all whether driven by wind or not.

2. water which backs up through sewers or drains.

3. water below the surface of the ground including that which exerts pressure on or flows, seeps or leaks through sidewalks, driveways foundations walls, basement or other floors, or through doors, windows or any other openings in such sidewalks, driveways, foundations, walls or floors.

(d) against loss or damage caused by or resulting from wear and tear, gradual deterioration, inherent vice, latent defect, moths, insects, vermin, mould or mildew, wet or dry rot, atmospheric condition and or changes in temperature; breakage of glass or similar fragile articles; delay, loss of use or market;

(e) against loss or damage due to shortage disclosed on taking inventory or unexplained or mysterious disappearance;

(f) against loss or damage caused by or arising out of infidelity or any dishonest act of the Insured committed alone or in collusion with others, by any employee of the Insured, or by any person or persons to whom the property may, be entrusted;

(g) against loss or damage caused by or resulting from theft but this exclusion shall not apply to loss by burglary or hold-up, "Burglary" means the felonious abstraction of the insured property from within a building, room or storage space by any persons making felonious entry therein by actual force and violence, of which there shall be visible marks made upon the exterior of such building, room or storage space at the place of such entry. The mere absence of a lock or padlock will not constitute visible marks of forcible entry;

(h) loss or damage caused by or resulting from failure of the Insured to use every reasonable means to save and preserve the property insured at and after time of loss;

(i) loss or damage caused by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;

(j) i. by 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;

ii. by contamination by radioactive material.

(k) against loss or damage caused by earthquake, except for ensuing loss or damage which results directly from fire, explosion, smoke or leakage from fire protective equipment.

(l) growing plants, trees, shrubs or flowers.

(m) Musical Instruments

(o) Any motorized vehicles such as, automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property.

B. POLLUTION EXCLUSION – This form does not insure against:

a. loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants", nor the cost or expense of any resulting "clean up", but this exclusion does not apply:

i. if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is the direct result of a peril otherwise excluded under this form;

ii. to loss or damage caused directly by a peril not otherwise excluded under this form.

b. cost or expense for any testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

DEDUCTIBLE CLAUSE: Each claim for loss or damage shall be adjusted separately and from the amount of each such adjusted claim the sum or \$500 shall be deducted.

VALUATION CLAUSE: The Insurer shall not be liable beyond the actual cash value of the property at the time any 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, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.

OTHER INSURANCE: Notwithstanding any provision to the contrary which may appear elsewhere in this policy, if other collectible insurance with any other insurer is available to the Insured covering a loss also covered hereunder, except insurance purchased to apply in excess of the limits of liability hereunder, this insurance shall be in excess of and not contribute with such other insurance.

AUTOMATIC REINSTATEMENT: Loss under this policy shall not reduce the applicable amount of insurance hereunder.

MINIMUM PREMIUM: The minimum retained premium under this policy in the event of cancellation shall be \$50. This Policy is made and accepted subject to the foregoing provisions, and to the following provisions, stipulations and conditions printed on back hereof which are hereby specially referred to and made a part of this Policy, together with such other provisions, agreements, or conditions as may be endorsed hereon or added hereto. No term or condition of a contract shall be deemed to be waived by the Insurer in whole or in part unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by the Insurer. Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of a contract by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or to the investigation or adjustment of any claim under the contract.

Commercial Property Policy Conditions

(Applicable to all provinces except Alberta, British Columbia, Manitoba and Quebec)

The following Commercial Property Policy Conditions and Additional Conditions, as modified or supplemented by the attached forms or endorsements, apply to all perils insured by this Policy (including fire). If any portion of these conditions are found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.

1. Misrepresentation

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

2. Property of Others

Unless otherwise specifically stated in the contract, the Insurer is not liable for loss or damage to property owned by any person other than the Insured, unless the interest of the Insured in such property is stated in the contract.

3. Change of Interest

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

4. Material Change

Any change material to the risk and within the control and knowledge of the Insured voids the contract as to the part affected by the change, unless the change is promptly notified in writing to the Insurer or its local agent. The Insurer, when so notified, may return the unearned portion, if any, of the premium paid and cancel the contract. Alternatively, the Insurer may notify the Insured in writing that, if the Insured desires the contract to continue in force, the Insured must, within fifteen days of the receipt of the notice, pay to the Insurer an additional premium. In default of such payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.

5. Termination

(1) This contract may be terminated,

(a) by the Insurer giving to the Insured written notice of termination at least:

(i) five days before the effective date of termination if personally delivered;

(ii) fifteen days before the effective date of termination if the contract is terminated by registered mail for non payment of premium; or

(iii) thirty days before the effective date of termination if the contract is terminated by registered mail for any other reason.

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

(2) When this contract is terminated by the Insurer,

- (a) the Insurer shall refund the excess of premium actually paid by the Insured over the proportionate premium for the expired time, subject to any minimum retained premium specified; and
- (b) the refund shall accompany the notice, unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
- (3) When this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
- (4) The refund may be made by money, postal or express company money order or cheque payable at par.
- (5) The fifteen and thirty days mentioned in clauses (1)(a)(ii) and (iii) of this condition commence to run on the day following the receipt of the registered letter at the post office to which it is addressed.

6. Requirements After Loss

- (1) Upon the occurrence of any loss of or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11,
 - (a) immediately give notice of the loss or damage in writing to the Insurer;
 - (b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
 - (i) giving a complete inventory of the lost or damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,
 - (iii) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the Insured,
 - (iv) showing the amount of other insurances and the names of other Insurers,
 - (v) showing the interest of the Insured and of all others in the property with particulars of all mortgages, liens, encumbrances and other charges upon the property,
 - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
 - (vii) showing the place where the insured property was located at the time of loss or damage;
 - (c) if required, give a complete inventory of undamaged property, showing in detail quantities, cost, actual cash value;
 - (d) if required and if practicable, produce accounts, warehouse receipts, stock lists, invoices and other pertinent records, verified by statutory declaration, as well as any relevant contracts or agreements with others.
- (2) The evidence furnished under clauses (1) (c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

7. Fraud

Any fraud or willfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declaration.

8. Who May Give Notice and Proof

In case of absence or inability of the Insured to give notice of loss or make proof of loss, notice of loss may be given and proof of loss may be made by the agent of the Insured. If the Insured fails to give notice immediately, the notice of loss may be given and the proof of loss may be made by a person to whom any part of the insurance money is payable.

9. Salvage

- (1) The Insured, in the event of any loss or damage to any insured property, shall take all reasonable steps to prevent further damage to such property and to prevent damage to other insured property, including, if necessary, removal to a secure location.
- (2) The Insurer shall contribute proportionately, according to the respective interests of the parties, towards any reasonable and proper expenses in connection with steps taken by the Insured and required under subsection (1) of this condition.

10. Entry, Control, Abandonment

After loss or damage to insured property, the Insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage. After the Insured has secured the property, the Insurer has a further right of access and entry sufficient to enable its agents to make appraisal or particular estimate of the loss or damage. The Insurer is not entitled to the control or possession of the insured property. There can be no abandonment of insured property to the Insurer without the Insurer's consent.

11. Appraisal

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

12. When Loss Payable

The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

13. Replacement

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

(2) In that event, the Insurer shall commence to repair, rebuild, or replace the property within forty-five days after receipt of the proof of loss, and shall proceed with all due diligence to completion of the work.

14. Action

Every action or proceeding against the Insurer for the recovery of any claim shall be absolutely barred unless commenced within one year after the loss or damage occurs, unless legislation provides otherwise.

15. Notice

Any written notice to the Insurer may be sent by registered mail or delivered to the chief agency or any office of the Insurer in Canada. Written notice may be given to the Insured by letter personally delivered to the Insured or by registered mail addressed to the Insured at the Insured's latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.

16. Canadian Currency Clause

All limits of insurance, premiums and other amounts as expressed in this policy are in Canadian currency.

17. Contribution

If, on the happening of any loss or damage to property in consequences of which a claim is or may be made under this Policy, there is in force more than one contract covering the same interest, the liability of the Insurer under this Policy shall be limited to its proportionate share of such claim.

Additional Conditions

I. Notice to Authorities

Where the loss is due to malicious mischief, burglary, robbery, theft, or attempt thereof, or is suspected to be so due, the Insured shall give immediate notice thereof to the police or other authorities having jurisdiction.

II. Sue and Labour

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

III. Basis of Settlement

Unless otherwise provided, the Insurer is not liable beyond the actual cash value of the property at the time any 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, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.

IV. Subrogation

The Insurer, upon making any payment or assuming liability for payment under this policy, shall be subrogated to all rights of recovery of the Insured against others, and may bring action to enforce such rights. All rights of subrogation are waived against any corporation, firm, individual or other interest with respect to which insurance is provided by this policy.

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

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

General Insuring Agreement Applicable To This Policy

1. In consideration of the premium specified and the statements contained in the "Declaration Page(s)" and the conditions, stipulations and declarations contained in the Forms and Endorsements, the Insurer agrees to insure the Insured named in the "Declaration Page(s)" to the extent provided by the Forms and Endorsements for the policy period.

By acceptance of this policy, the Insured acknowledges the cancellation from the effective date of this policy, of any previous policy (or the renewal thereof) which is stated in the "Declaration Page(s)" as replaced.

2. TERMINATION

Notwithstanding anything contained to the contrary in the Conditions specifically applying to each section of this policy, the "Termination" condition of the Commercial Property Policy Conditions of this policy may at the Insurer's option be applied to the contract entirely.

3. DEFINITION

Wherever the word policy, contract (meaning the insurance contract) or insurance (meaning the insurance contract) is used in the

Conditions applicable to this policy or in the Forms and Endorsements forming part thereof, such word shall be held to apply only to the specific cover provided by that Section and by the Forms and Endorsements forming part thereof.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

Standard Mortgage Clause (Approved by The Insurance Bureau of Canada)

It is hereby provided and agreed that:

1. BREACH OF CONDITIONS BY MORTGAGOR OWNER OR OCCUPANT – The insurance and every documented renewal thereof – AS TO THE INTEREST OF THE MORTGAGEE ONLY THEREIN – is and shall be in force notwithstanding any act, neglect, omission or misrepresentation attributable to the mortgagor, owner or occupant of the property insured, including transfer of interest, any vacancy or non-occupancy, or the occupation of the property for purposes more hazardous than specified in the description of the risk:

PROVIDED ALWAYS that the Mortgagee shall notify forthwith the Insurer (if known) of any vacancy or non-occupancy extending beyond thirty (30) consecutive days, or of any transfer of interest or increased hazard THAT SHALL COME TO THE MORTGAGEE'S KNOWLEDGE; and that every increase of hazard (not permitted by the policy) shall be paid for by the Mortgagee – on reasonable demand – from the date such hazard existed, according to the established scale of rates for the acceptance of such increased hazard, during the continuance of this insurance.

2. RIGHT OF SUBROGATION – Whenever the Insurer pays the Mortgagee any loss award under this policy and claims that – as to the Mortgagor or Owner – no liability therefore existed, it shall be legally subrogated to all rights of the Mortgagee against the Insured; but any subrogation shall be limited to the amount of such loss payment and shall be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer; or the Insurer may at its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and shall thereupon receive a full assignment and transfer of the mortgage together with all securities held as collateral to the mortgage debt.

3. OTHER INSURANCE – If there be other valid and collectible insurance upon the property with loss payable to the Mortgagee – at law or in equity – then any amount payable thereunder shall be taken into account in determining the amount payable to the Mortgagee.

4. WHO MAY GIVE PROOF OF LOSS – In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.

5. TERMINATION – The term of this Mortgage Clause coincides with the term of the policy; Provided always that the Insurer reserves the right to cancel the policy as provided by Statutory provision but agrees that the Insurer will neither terminate nor alter the policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory provision.

6. FORECLOSURE – Should title or ownership to said property become vested in the Mortgagee and/or assigns as owner or purchaser under foreclosure or otherwise, this insurance shall continue until expiry or cancellation for the benefit of the said Mortgagee and/or assigns.

SUBJECT TO THE TERMS OF THE MORTGAGE CLAUSE (and these shall supersede any policy provisions in conflict therewith BUT ONLY AS TO THE INTEREST OF THE MORTGAGEE), loss under this policy is made payable to the Mortgagee.

Clause type relative aux garanties hypothécaires
(Formule approuvée par la Bureau d'Assurance du Canada)

1. VIOLATIONS DU CONTRAT – Ne sont pas opposables aux créanciers hypothécaires les actes, négligences ou déclarations des propriétaires, locataires ou occupants des biens assurés, notamment en ce qui concerne les transferts d'intérêts, la vacance ou l'inoccupation, ou l'affectation des lieux à des fins plus dangereuses que celles déclarées. Les créanciers hypothécaires sont tenus d'aviser l'Assureur (si ce dernier leur est connu) dès qu'ils sont au courant de toute inoccupation ou vacance de plus de trente jours consécutifs, de tout changement dans les droits de propriété ou de toute aggravation du risque, à charge pour eux d'acquitter, sur demande raisonnable, les surprime afférentes aux aggravations dépassant les normes d'acceptation fixées pour le présent contrat et cela au tarif établi à cet égard et pour la durée du contrat restant à courir à compter du début des aggravations en question.

2. SUBROGATION – À concurrence des indemnités versées par lui aux créanciers hypothécaires, l'Assureur est subrogé dans les droits de ces derniers contre les débiteurs ou propriétaires auxquels il se croit justifié d'opposer un motif de non-garantie, les créanciers hypothécaires n'en demeurant pas moins en droit de recouvrer le solde de leurs créances avant que la subrogation ci-dessus puisse être exercée. L'Assureur se réserve cependant le droit d'acquitter les créances intégralement, auquel cas il a droit au transfert de celles-ci et de toutes les sûretés les garantissant.

3. PLURALITÉ D'ASSURANCES – Si d'autres assurances sont, à quelque titre que ce soit, acquises aux créanciers hypothécaires, les indemnités qu'ils peuvent en recevoir doivent être prises en ligne de compte pour la détermination des sommes qui leur sont payables.

4. PRÉSENTATION DES DEMANDES D'INDEMNITÉ – En cas d'absence ou incapacité de l'Assuré, ou s'il refuse ou néglige de présenter les déclarations de sinistre ou formulaires de demandes d'indemnité exigées par le contrat, ces déclarations peuvent en être faites par les créanciers hypothécaires dès qu'ils sont au courant des sinistres, les formulaires de demande devant dès lors être produits par eux dans les meilleurs délais.

5. CESSATION – Les effets de la présente clause prennent fin en même temps que le contrat, sous réserve des droits de résiliation dont l'Assureur peut se prévaloir aux termes de ce dernier, et à charge pour l'Assureur de se conformer aux dispositions de l'article 5 des Conditions légales, et de donner aux créanciers hypothécaires le préavis exigé de toute résiliation ou modification pouvant leur causer préjudice.

6. SAISIE – Si les créanciers hypothécaires ou leurs ayants droit acquièrent, par saisie ou autrement, les titres ou les droits de propriété des biens assurés, ils ont droit dès lors au bénéfice de la présente assurance tant qu'elle demeure en vigueur.

Aux conditions ci-dessus (lesquelles doivent par ailleurs prévaloir en ce qui concerne les intérêts des créanciers hypothécaires contre toutes celles du contrat en conflit avec elles), les sinistres sont payables directement aux créanciers hypothécaires ou à leurs ayants droit.

Cancellation Agreement

This is to certify that the undersigned insured and other interested parties, where applicable, named in this policy acknowledge the termination of the insurance coverage provided under this policy effective _____ 20____ at 12:01 a.m. Standard Time at the postal address of the named insured.

Signature of Insured: _____

Résiliation

Ceci est pour attester que l'assuré, et la personne ayant droit à toute partie du montant de garantie où applicable, nommé, dans le contrat accuse réception que le présent contrat est résilié à partir de _____ 20____ à 0h 01 heure normale à l'adresse du proposant.

L'assuré: _____

Commercial Policy Conditions

(Applicable to Alberta, British Columbia and Manitoba only)

The following Commercial Policy Conditions and Additional Conditions, as modified or supplemented by the attached forms or endorsements, apply to all perils insured by this Policy (including fire). If any portion of these conditions are found to be invalid, unenforceable or contrary to statute, the remainder shall remain in full force and effect.

Statutory Conditions

1. Misrepresentation

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

2. Property of others

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

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

3. Change of interest

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

4. Material change in risk

- (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
 - (a) material to the risk, and
 - (b) within the control and knowledge of the insured.
- (2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
 - (a) terminate the contract in accordance with Statutory Condition 5, or
 - (b) notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.
- (4) If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

5. Termination of insurance

- (1) The contract may be terminated
 - (a) by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
 - (b) by the insured at any time on request.
- (2) If the contract is terminated by the insurer,
 - (a) the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
 - (b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.

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

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

6. Requirements after loss

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

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

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

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

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

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

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

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

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

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

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

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

(i) produce books of account and inventory lists,

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

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

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

7. Fraud

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

8. Who may give notice and proof

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

(b) may be made

(a) by the agent of the insured, if

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

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

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

(a) of this condition.

9. Salvage

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

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

10. Entry, control, abandonment

After loss or damage to insured property, the insurer has

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

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

- (i) without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and
- (ii) without the insurer's consent, there can be no abandonment to it of the insured property.

11. In case of disagreement

- (1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the Insurance Act, whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.
- (2) There is no right to a dispute resolution process under this condition until
 - (a) a specific demand is made for it in writing, and
 - (b) the proof of loss has been delivered to the insurer.

12. When loss payable

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

13. Repair or replacement

- (1) Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
- (2) If the insurer gives notice under subparagraph (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

14. Notice

- (1) Written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the province.
- (2) Written notice to the insured may be personally delivered at, or sent by registered mail addressed to, the insured's last known address as provided to the insurer by the insured.

Additional Conditions

The following Additional Conditions as modified or supplemented by the attached forms or endorsements apply to all perils insured by this Policy (including fire).

1. Notice to Authorities

Where the loss is due to malicious mischief, burglary, robbery, theft, or attempt thereof, or is suspected to be so due, the Insured shall give immediate notice thereof to the police or other authorities having jurisdiction.

2. Sue and Labour

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

3. Basis of Settlement

Unless otherwise provided, the Insurer is not liable beyond the actual cash value of the property at the time any 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, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.

4. Subrogation

The Insurer, upon making any payment or assuming liability for payment under this policy, shall be subrogated to all rights of recovery of the Insured against others, and may bring action to enforce such rights. All rights of subrogation are waived against any corporation, firm, individual or other interest with respect to which insurance is provided by this policy.

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

5. Canadian Currency Clause

All limits of insurance, premiums and other amounts as expressed in this policy are in Canadian currency.

6. Contribution

If, on the happening of any loss or damage to property in consequences of which a claim is or may be made under this Policy, there is in force more than one contract covering the same interest, the liability of the Insurer under this Policy shall be limited to its proportionate share of such claim.

7. Action

An action or proceeding against an insurer in relation to a contract must be commenced, where required under legislation:

- (1) in the case of loss or damage to insured property, not later than 2 years after the date the insured knew or ought to have known the loss or damage occurred, and
- (2) in any other case, not later than 2 years after the date the cause of action against the insurer arose.

General Insuring Agreement

Applicable To This Policy

1. In consideration of the premium specified and the statements contained in the "Declaration Page(s)" and the conditions, stipulations and declarations contained in the Forms and Endorsements, the Insurer agrees to insure the Insured named in the "Declaration Page(s)" to the extent provided by the Forms and Endorsements for the policy period.

By acceptance of this policy, the Insured acknowledges the cancellation from the effective date of this policy, of any previous policy (or the renewal thereof) which is stated in the "Declaration Page(s)" as replaced.

2. DEFINITION

Wherever the word policy, contract (meaning the insurance contract) or insurance (meaning the insurance contract) is used in the Conditions applicable to this policy or in the Forms and Endorsements forming part thereof, such word shall be held to apply only to the specific cover provided by that Section and by the Forms and Endorsements forming part thereof.

Except as otherwise provided in this endorsement all terms and conditions of this policy shall remain unchanged.

Standard Mortgage Clause (Approved by The Insurance Bureau of Canada)

It is hereby provided and agreed that:

1. BREACH OF CONDITIONS BY MORTGAGOR OWNER OR OCCUPANT – The insurance and every documented renewal thereof – AS TO THE INTEREST OF THE MORTGAGEE ONLY THEREIN – is and shall be in force notwithstanding any act, neglect, omission or misrepresentation attributable to the mortgagor, owner or occupant of the property insured, including transfer of interest, any vacancy or nonoccupancy, or the occupation of the property for purposes more hazardous than specified in the description of the risk:

PROVIDED ALWAYS that the Mortgagee shall notify forthwith the Insurer (if known) of any vacancy or non-occupancy extending beyond thirty (30) consecutive days, or of any transfer of interest or increased hazard THAT SHALL COME TO THE MORTGAGEE'S KNOWLEDGE; and that every increase of hazard (not permitted by the policy) shall be paid for by the Mortgagee – on reasonable demand – from the date such hazard existed, according to the established scale of rates for the acceptance of such increased hazard, during the continuance of this insurance.

2. RIGHT OF SUBROGATION – Whenever the Insurer pays the Mortgagee any loss award under this policy and claims that – as to the Mortgagor or Owner – no liability therefore existed, it shall be legally subrogated to all rights of the Mortgagee against the Insured; but any subrogation shall be limited to the amount of such loss payment and shall be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer; or the Insurer may at its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and shall thereupon receive a full assignment and transfer of the mortgage together with all securities held as collateral to the mortgage debt.

3. OTHER INSURANCE – If there be other valid and collectible insurance upon the property with loss payable to the Mortgagee – at law or in equity – then any amount payable thereunder shall be taken into account in determining the amount payable to the Mortgagee.

4. WHO MAY GIVE PROOF OF LOSS – In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.

5. TERMINATION – The term of this Mortgage Clause coincides with the term of the policy; Provided always that the Insurer reserves the right to cancel the policy as provided by Statutory provision but agrees that the Insurer will neither terminate nor alter the policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory provision.

6. FORECLOSURE – Should title or ownership to said property become vested in the Mortgagee and/or assigns as owner or purchaser under foreclosure or otherwise, this insurance shall continue until expiry or cancellation for the benefit of the said Mortgagee and/or assigns.

SUBJECT TO THE TERMS OF THE MORTGAGE CLAUSE (and these shall supersede any policy provisions in conflict therewith BUT ONLY AS TO THE INTEREST OF THE MORTGAGEE), loss under this policy is made payable to the Mortgagee.

Clause type relative aux garanties hypothécaires
(Formule approuvée par la Bureau d'Assurance du Canada)

1. VIOLATIONS DU CONTRAT – Ne sont pas opposables aux créanciers hypothécaires les actes, négligences ou déclarations des propriétaires, locataires ou occupants des biens assurés, notamment en ce qui concerne les transferts d'intérêts, la vacance ou l'inoccupation, ou l'affectation des lieux à des fins plus dangereuses que celles déclarées. Les créanciers hypothécaires sont tenus d'aviser l'Assureur (si ce dernier leur est connu) dès qu'ils sont au courant de toute inoccupation ou vacance de plus de trente jours consécutifs, de tout changement dans les droits de propriété ou de toute aggravation du risque, à charge pour eux d'acquitter, sur demande raisonnable, les surprime afférentes aux aggravations dépassant les normes d'acceptation fixées pour le présent contrat et cela au tarif établi à cet égard et pour la durée du contrat restant à courir à compter du début des aggravations en question.

2. SUBROGATION – À concurrence des indemnités versées par lui aux créanciers hypothécaires, l'Assureur est subrogé dans les droits de ces derniers contre les débiteurs ou propriétaires auxquels il se croit justifié d'opposer un motif de non-garantie, les créanciers hypothécaires n'en demeurant pas moins en droit de recouvrer le solde de leurs créances avant que la subrogation ci-dessus puisse être exercée. L'Assureur se réserve cependant le droit d'acquitter les créances intégralement, auquel cas il a droit au transfert de celles-ci et de toutes les sûretés les garantissant.

3. PLURALITÉ D'ASSURANCES – Si d'autres assurances sont, à quelque titre que ce soit, acquises aux créanciers hypothécaires, les indemnités qu'ils peuvent en recevoir doivent être prises en ligne de compte pour la détermination des sommes qui leur sont payables.

4. PRÉSENTATION DES DEMANDES D'INDEMNITÉ – En cas d'absence ou incapacité de l'Assuré, ou s'il refuse ou néglige de présenter les déclarations de sinistre ou formulaires de demandes d'indemnité exigées par le contrat, ces déclarations peuvent en être faites par les créanciers hypothécaires dès qu'ils sont au courant des sinistres, les formulaires de demande devant dès lors être produits par eux dans les meilleurs délais.

5. CESSATION – Les effets de la présente clause prennent fin en même temps que le contrat, sous réserve des droits de résiliation dont l'Assureur peut se prévaloir aux termes de ce dernier, et à charge pour l'Assureur de se conformer aux dispositions de l'article 5 des Conditions légales, et de donner aux créanciers hypothécaires le préavis exigé de toute résiliation ou modification pouvant leur causer préjudice.

6. SAISIE – Si les créanciers hypothécaires ou leurs ayants droit acquièrent, par saisie ou autrement, les titres ou les droits de propriété des biens assurés, ils ont droit dès lors au bénéfice de la présente assurance tant qu'elle demeure en vigueur.

Aux conditions ci-dessus (lesquelles doivent par ailleurs prévaloir en ce qui concerne les intérêts des créanciers hypothécaires contre toutes celles du contrat en conflit avec elles), les sinistres sont payables directement aux créanciers hypothécaires ou à leurs ayants droit.

Cancellation Agreement

This is to certify that the undersigned insured and other interested parties, where applicable, named in this policy acknowledge the termination of the insurance coverage provided under this policy effective

_____ 20_____ at 12:01 a.m. Standard Time at the postal address of the named insured.

Signature of Insured: _____

Résiliation

Ceci est pour attester que l'assuré, et la personne ayant droit à toute partie du montant de garantie où applicable, nommé, dans le contrat accuse réception que le présent contrat est résilié à partir de

_____ 20_____ à 0h 01 heure normale à l'adresse du proposant.

L'assuré: _____

GENERAL CONDITIONS

This policy is subject to the Civil Code of the Province of Quebec. Reference to Civil Code articles in some instances is for easier reading only and should not be construed as exact quotations. By accepting this policy, the Insured agrees that:

- The statements in the Declarations are accurate and complete;
- Those statements were made to the Insurer; and
- The policy was issued in reliance upon those statements.

For all coverages except where inapplicable.

STATEMENTS

1. REPRESENTATION OF RISK (Article 2408)

The client, and the Insured if the Insurer requires it, is bound to represent all the facts known to him which are likely to materially

influence an insurer in the setting of the premium, the appraisal of the risk or the decision to cover it, but he is not bound to represent facts known to the Insurer or which from their notoriety he is presumed to know, except in answer to inquiries.

The client means the person submitting an insurance application.

2. MATERIAL CHANGE IN RISK (Articles 2466 and 2467)

The Insured shall promptly notify the Insurer of any change that increases the risks stipulated in the policy and that results from

events within his control if it is likely to materially influence an insurer in setting the rate of the premium, appraising the risk or deciding to continue to insure it.

On being notified of any material change in the risk, the Insurer may cancel the contract or propose, in writing, a new rate of premium. Unless the new premium is accepted and paid by the Insured within 30 days of the proposal, the policy ceases to be in force.

3. MISREPRESENTATIONS OR CONCEALEMENT (Articles 2410, 2411 and 2466)

Any misrepresentation or concealment of relevant facts mentioned in section 1 and in the first paragraph of section 2 by the client or the Insured nullifies the contract at the instance of the Insurer, even in respect of losses not connected with the risk so misrepresented or concealed.

Unless the bad faith of the client or of the Insured is established or unless it is established that the Insurer would not have covered

the risk if he had known the true facts, the Insurer remains liable towards the Insured for such proportion of the indemnity as the

premium he collected bears to the premium he should have collected.

4. WARRANTIES (Article 2412)

Any increase in risk resulting from a breach of warranty suspends the coverage until accepted by the Insurer or until such breach has been remedied by the Insured.

GENERAL PROVISIONS

5. INSURABLE INTEREST (Articles 2481 and 2484)

(applicable only to property insurance)

A person has an insurable interest in a property where the loss or deterioration of the property may cause him direct and immediate

damage. It is necessary that the insurable interest exist at the time of the loss but not necessary that the same interest have existed throughout the duration of the contract. The insurance of a property in which the Insured has no insurable interest is null.

6. CHANGES (Article 2405)

The terms of this policy shall not be waived or changed except by endorsement.

7. ASSIGNMENT (Articles 2475 and 2476)

This policy may be assigned only with the consent of the Insurer and in favour of a person who has an insurable interest in the insured property.

Upon the death or bankruptcy of the Insured or the assignment of his interest in the insurance to a co-Insured, the insurance continues in favour of the heir, trustee in bankruptcy or remaining Insured, subject to his performing the obligations that were incumbent upon the Insured.

8. BOOKS AND RECORDS

The Insurer and its authorized representatives shall have the right to examine the Insured's books and records related to the subject

matter of this insurance at any time during the period of this policy and the 3 subsequent years.

9. INSPECTION

The Insurer and its authorized representatives shall have the right but are not obligated to make inspections of the risk, inform the

Insured of the conditions found and recommend changes. Any inspections, surveys, findings or recommendations relate only to

insurability and the premiums to be charged. They shall not constitute a warranty that the premises, property or operations are

safe or healthful or comply with laws, codes or standards.

10. CURRENCY

All limits of insurance, premiums and other amounts in this policy are in Canadian currency.

LOSSES

11. NOTICE OF LOSS (Article 2470)

The Insured shall notify the Insurer of any loss or damage which may give rise to an indemnity, as soon as he becomes aware of it.

Any interested person may give such notice.

In the event that the requirement set out in the preceding paragraph is not fully complied with, all rights to compensation shall be forfeited by the Insured where such non-compliance has caused prejudice to the Insurer.

12. INFORMATION TO BE PROVIDED (Article 2471)

The Insured shall inform the Insurer as soon as possible of all the circumstances surrounding the loss, including its probable cause,

the nature and extent of the damage, the location of the insured property, the rights of third parties, and any concurrent insurance; he shall also furnish him with vouchers and swear or warrant to the truth of the information.

Where, for a serious reason, the Insured is unable to fulfil such obligation, he is entitled to a reasonable time in which to do so. If the

Insured fails to fulfil his obligation, any interested person may do so on his behalf.

In addition, the Insured shall forthwith send to the Insurer a copy of any notice, letter, subpoena or writ or document received in connection with a claim.

13. FALSE REPRESENTATION (Article 2472)

Any deceitful representation entails the loss of the right of the person making it to any indemnity in respect of the risk to which the representation relates.

However, if the occurrence of the event insured against entails the loss of both movable and immovable property or of both property for occupational use and personal property, forfeiture is incurred only with respect to the class of property to which the representation relates.

14. INTENTIONAL FAULT (Article 2464)

The Insurer is never liable to compensate for injury resulting from the Insured's intentional fault.

Where there is more than one Insured, the obligation of coverage remains in respect of those Insureds who have not committed an intentional fault.

Where the Insurer is liable for injury caused by a person for whose acts the Insured is liable, the obligation of coverage subsists

regardless of the nature or gravity of that person's fault.

15. NOTICE TO POLICE (applicable to Property insurance only)

The Insured must promptly give notice to the police of any loss caused by vandalism, theft or attempted theft or other criminal act.

16. SAFEGUARDING AND EXAMINATION OF PROPERTY

(Article 2495) (applicable to Property insurance only)

At the expense of the Insurer, the Insured must take all reasonable steps to prevent further loss or damage to the insured property and any further loss or damage resulting directly or indirectly from the Insured's failure to take such action shall not be recoverable.

The Insured may not abandon the damaged property if there is no agreement to that effect. The Insured shall facilitate the salvage and inspection of the insured property by the Insurer.

He shall, in particular, permit the Insurer and his representatives to visit the premises and examine the insured property before

repairing, removing or modifying the damaged property, unless so required to safeguard the property.

17. ADMISSION OF LIABILITY AND COOPERATION

The Insured shall cooperate with the Insurer in the processing of all claims.

(The following two paragraphs are applicable to Liability insurance only: Article 2504)

No transaction made without the consent of the Insurer may be set up against him.

The Insured shall not admit any liability nor settle or attempt to settle any claim, except at his own risk.

18. RIGHT OF ACTION (Article 2502)

(applicable to Liability insurance only)

The Insurer may set up against the injured third person any grounds he could have invoked against the Insured at the time of the loss, but not grounds pertaining to facts that occurred after the loss; the Insurer has a right of action against the Insured in respect of facts that occurred after the loss.

COMPENSATION AND SETTLEMENT

19. BASIS OF SETTLEMENT (Articles 2490, 2491 and 2493)

(applicable to Property insurance only)

Unless otherwise provided, the Insurer shall not be liable for more than the actual cash value of the property at the time of loss as normally determined.

In unvalued policies, the amount of insurance does not make proof of the value of the insured property. In valued policies, the agreed value makes complete proof, between the Insurer and the Insured, of the value of the insured property.

If the amount of insurance is less than the value of the property the Insurer is released by paying the amount of the insurance in the event of total loss or a proportional indemnity in the event of partial loss.

20. PAIR AND SET (applicable to Property insurance only)

In the case of loss of or damage to any article or articles, whether scheduled or unscheduled, which are part of a set, the measure of

loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, but in no event shall such loss or damage be construed to mean total loss of set.

21. PARTS (applicable to Property insurance only)

In the case of loss of or damage to any part of the insured property, whether scheduled or unscheduled, consisting, when complete for use, of several parts, the Insurer is not liable for more than the insured value of the part lost or damaged, including the cost of installation.

22. FIRE INSURANCE (Articles 2485 and 2486)

(applicable to Property insurance only)

In fire insurance, the insurer is bound to repair any damage which is an immediate consequence of fire or combustion, whatever the cause, including damage to the property during removal or that caused by the means employed to extinguish the fire, subject to the exceptions specified in the policy. The insurer is also liable for the

disappearance of insured things during the fire, unless he proves that the disappearance is due to theft which is not covered.

The insurer is not liable for damage caused solely by excessive heat from a heating apparatus or by any process involving the applications of heat where there is no fire or commencement of fire but, even where there is no fire, the insurer is liable for damage caused by lightning or the explosion of fuel.

An insurer who insures a property against fire is not liable for damage due to fires or explosions caused by foreign or civil war, riot or civil disturbance, nuclear explosion, volcanic eruption, earthquake or other cataclysm.

23. REPLACEMENT (Article 2494)

(applicable to Property insurance only)

Subject to the rights of preferred and hypothecary creditors, the Insurer reserves the right to repair, rebuild or replace the insured property. He is then entitled to salvage and may take over the property.

24. TIME OF PAYMENT (Articles 1591, 2469 and 2473)

The Insurer shall pay the indemnity within 60 days after receiving the notice of loss or, at his request, all relevant information and vouchers, provided the Insured shall have complied with all the terms of the contract.

Any outstanding premium may be deducted from the indemnity payable.

25. WAIVER

Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of the policy by any act relating to arbitration or to the completion or delivery of proof of loss, or to the investigation or adjustment of the claim.

26. ACTION AGAINST INSURER

The Insured may not bring any action to recover the amount of a claim under this policy unless the requirements of this policy have been complied with nor until the amount of the loss has been ascertained by arbitration or by judgment against the Insured or by agreement between the parties with the written consent of the Insurer

27. LIMITATION OF ACTIONS (Article 2925)

Every action or proceeding against the Insurer under this policy shall be commenced within 3 years from the date the right of action has arisen.

28. SUBROGATION (Article 2474)

Unless otherwise provided, the Insurer shall be subrogated to the extent of the amount paid or the liability assumed therefor under this policy to the rights of the Insured against persons responsible for the loss except when they are members of the Insured's household. The Insurer may be fully or partly released from his obligation towards the Insured where, owing to any act of the Insured, he cannot be so subrogated.

OTHER INSURANCE

29. PROPERTY INSURANCE (Article 2496)

The Insured who, without fraud, is insured by several insurers, under several policies, for the same interest and against the same risk so that the total amount of indemnity that would result from the separate performance of such policies would exceed the loss incurred may be indemnified by the insurer or insurers of his choice, each being liable only for the amount he has contracted for.

No clause suspending all or part of the performance of the contract by reason of other insurance may be used against the Insured.

Unless otherwise agreed, the indemnity is apportioned among the insurers in proportion to the share of each in the total coverage, except in respect of specific insurance, which constitutes primary insurance.

30. LIABILITY INSURANCE

The liability insurance provided under this policy is primary insurance except when stated to apply in excess of, or contingent

upon the absence of, other insurance. When this insurance is primary and the Insured has other insurance which is stated to be

applicable to the loss on an excess or contingent basis, the amount of the Insurer's liability under this policy shall not be reduced by the existence of such other insurance. When both this insurance and other insurance apply to the loss on the same basis whether

primary, excess or contingent, the Insurer shall not be liable under this policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

– Contribution by equal share:

If all of such other collectible insurance provides for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss than would be payable if each insurer contributed an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.

– Contribution by limits:

If any such other insurance does not provide for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss than the applicable limit of liability under this policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

CANCELLATION (Articles 2477 and 2479)

31. THIS POLICY MAY BE CANCELLED AT ANY TIME:

31.1 By mere written notice from each of the Named Insureds. Termination takes effect upon receipt of the notice and the

Insured shall therefore be entitled to a refund of the excess of the premium actually paid over the short-term rate for the expired time.

31.2 By the Insurer giving written notice to each Named Insured. Termination takes effect 15 days following receipt of such

notice by the Insured at his last known address and the Insurer shall refund the excess of premium actually paid over the pro rata premium for the expired time. If the premium is subject to adjustment or determination as to amount, the refund shall be made as soon as practicable.

Where one or more of the Named Insureds have been mandated to receive or send the notices provided for under paragraph 31.1 or 31.2 above, notices sent or received by them shall be deemed to have been sent or received by all Named Insureds.

In this Condition, the words "premium actually paid" means the premium actually paid by the Insured to the Insurer or its representative, but do not include any premium or part thereof paid to the Insurer by a representative unless actually paid to the agent by the Insured.

NOTICE

32. NOTICE

Any notice to the Insurer may be sent by any recognized means of communication to the Insurer or its authorized representative.

Notice may be given to the Named Insured by letter personally delivered to him or by mail addressed to him at his last known address. It is incumbent upon the sender to prove that such notice was received.

STANDARD MORTGAGE CLAUSE

(Approved by the Insurance Bureau of Canada)

IT IS HEREBY PROVIDED AND AGREED THAT:

1. BREACH OF CONDITIONS BY MORTGAGOR, OWNER OR OCCUPANT

This insurance and every documented renewal thereof - AS TO THE INTEREST OF THE MORTGAGEE ONLY THEREIN - is and shall be in force notwithstanding any act, neglect, omission or misrepresentation attributable to the Mortgagor, owner or occupant of the property insured, including transfer of interest, any vacancy or non-occupancy, or the occupation of the property for purposes more hazardous than specified in the description of the risk; PROVIDED ALWAYS that the Mortgagee shall promptly notify the Insurer (if known) of any change that increases the risks stipulated in the policy and that results from events within his control if it is likely to materially influence an insurer in setting the rate of the premium, appraising the risk or deciding to continue to insure it; and that every increase of risk (not permitted by the policy) shall be paid for by the Mortgagee - on reasonable demand - from the date such risk existed, according to the established scale of rates for the acceptance of such increase risk, during the continuance of this insurance.

2. RIGHT OF SUBROGATION

Whenever the Insurer pays the Mortgagee any loss award under this policy and claims that - as to the Mortgagor or Owner - no liability therefor existed, it shall be legally subrogated to all rights of the Mortgagee against the Insured ; but any subrogation shall be limited to the amount of such loss payment and shall be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer ; or the Insurer may at its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and shall thereupon receive a full assignment and transfer of the mortgage together with all securities held as collateral to the mortgage debt.

3. OTHER INSURANCE

If there be other valid and collectible insurance upon the property with loss payable to the Mortgagee - at law or in equity then any amount payable thereunder shall be taken into account in determining the amount payable to the Mortgagee..

4. WHO MAY GIVE PROOF OF LOSS

In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.

5. COVERAGE PERIOD

The term of this Mortgage Clause coincides with the term of the policy;

CANCELLATION OR AMENDMENT

PROVIDED ALWAYS that the Insurer reserves the right to cancel the policy as provided by Article 2477 of the Civil Code of Québec, but agrees that the Insurer will neither cancel nor amend the policy to the prejudice of the Mortgagee without 15 days' notice to the Mortgagee by registered letter.

6. TRANSFER OF TITLE

Should title or ownership to said property become vested in the Mortgagee and/or assigns as owner or purchaser under foreclosure or otherwise, this insurance shall continue until expiry or cancellation for the benefit of the said Mortgagee and/or assigns.

SUBJECT TO THE TERMS OF THIS MORTGAGE CLAUSE (and these shall supersede any policy provisions in conflict therewith BUT ONLY AS TO THE INTEREST OF THE MORTGAGEE), loss under this policy is made payable to the Mortgagee.
