

## OUTBUILDING COVERAGE

### Indemnity Agreement

In the event that any of the property Insured be lost or damaged by the perils insured against, the insurer will indemnify the Insured against the direct loss so caused to an amount not exceeding whichever is the least of :

- a. the actual cash value of the property at the time of loss or damage;
- b. the interest of the Insured in the property;
- c. the amount of insurance specified on the "Declaration Page" in respect of the property lost or damaged.

Provided, however, that where the insurance applies to the property of more than one person or interest, the insurer's total liability for loss sustained by all such persons and interests shall be limited in the aggregate to the amount or amounts of insurance specified on the "Declaration Page".

### Property Insured

This form insures the following property but only those items for which an amount of insurance is specified on the "Declaration Page":

"OUTBUILDING"

The insured property is covered anywhere within the territorial limits of Canada and the Continental United States of America and inland and coastal waterways.

### Deductible

In any one occurrence, we are responsible only for the amount by which the insured loss or damage exceeds the amount of the deductible shown on the "Declaration Page". Coverage provided under the "Extensions of Coverage" is also subject to the policy deductible applicable to the insured premises. If one occurrence could lead to the application of more than one deductible only the largest deductible will apply.

### Co-Insurance

If the "Declaration Page" shows that a co-insurance percentage applies to any item this clause will apply only where the total loss exceeds the lesser of 2% of the applicable amount of insurance or \$5,000. If no co-insurance percentage appears on the "Declaration Page" it is understood that the co-insurance percentage applicable to Machinery and Equipment, "Livestock" and Produce shall be 80%.

The Insured is required to maintain a limit of insurance on each item to which this clause applies equal to at least the amount that is calculated when the Co-insurance percentage designated on the "Declaration Page" (or 80% for Machinery and Equipment, "Livestock" and Produce) is multiplied against the actual cash value of the insured property at the time of the loss. Failure to do so will result in the Insured only being 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

### Exclusions

#### A. PROPERTY EXCLUDED

This Form does not insure loss or damage to:

- a. sewers, drains or water mains 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" provided such perils are not excluded in Clause B, C or D of the exclusions;

- 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 the definitions ensues and then only for each ensuing loss or damage, provided such perils are not excluded in Clause B or C or D of the exclusions
- d. growing plants, trees, shrubs or flowers, all while in the open;
- e. property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority.
- f. (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.
- g. property used in whole or in part for the cultivation, harvesting, processing, manufacture, distribution or sale of marijuana or any product derived from, or containing, marijuana or any other substance falling within the Schedules of the Controlled Drugs and Substance Act, whether or not the insured is aware of such use of the property.
- h. to property while undergoing a process involving the application of heat, but resulting damage to property is insured;
- i. to automobiles, trucks, motorcycles or similar equipment designed or licensed for highway use or any other vehicle subject to motor vehicle registration, aircraft, portable saw mills, or machinery and equipment used in logging and forestry operations or the equipment and attachments of all of them, unless specifically listed.
- j. to books of account and evidences of debt or title;

#### B. PERILS EXCLUDED

This Form does not insure against loss or damage resulting from, contributed to or 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 Definitions;
- 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 the definitionw or leakage from a water main;
  - 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 B C or D of the exclusions;
- (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 B or C or D of the exclusions.
- d. by any "fungi" or "spores" unless such "fungi" or "spores" are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this Form;
- e. 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;
- f. by dampness or dryness of atmosphere, changes of temperature, contamination, freezing, heating, shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, 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 A(f) hereof, theft or attempt thereat or accident to transporting conveyance provided that such perils are not excluded in Clause B or C or D of the exclusions. Damage to pipes caused by freezing is insured provided such pipes are not excluded in A(f) hereof;
- g. by smoke from agricultural smudging or industrial operations;
- h. by rodents (such as squirrels and rats), insects or vermin (such as skunks and raccoons), but this exclusion does not apply to loss or damage caused directly by a peril not otherwise excluded in Clause B or C or D of the exclusions;.
- i. by delay loss of market, or loss of use or occupancy;
- j. by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- k. (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;
- l. (i) by misappropriation, secretion, conversion, infidelity or 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;
- (ii) by voluntary parting of ownership or title by the insured to any party whether from a legal or illegal transaction;
- (iii) by loss or shortage disclosed on taking inventory or any mysterious disappearance;
- m. to "buildings" by
  - (i) snowslide, landslide, subsidence or other earth movement except for ensuing loss or damage which results directly from fire, explosion, smoke or leakage from fire protective equipment, all as described in the Definitions;
  - (ii) explosion (except with respect to explosion of natural, coal, or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the Insured, unless fire ensues and then only for the loss or damage caused directly by such ensuing fire:
    - 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. 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 but this exclusion does not apply to loss or damage resulting from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use;
    - d. moving or rotating machinery or parts thereof;
    - e. any vessels and apparatus and pipes connected therewith while undergoing pressure tests but this exclusion does not apply to other property insured thereunder that has been damaged by such explosion;
    - f. gas turbines.
  - (iii) settling, expansion, contraction, moving, shifting or cracking unless concurrently and directly caused by a peril not otherwise excluded in B or C or D of the exclusions;
- n. 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.
- o. by wear and tear, gradual deterioration, latent defect, scratching, marring, , birds, moths, vermin (such as skunks and raccoons), rodents (such as squirrels or rats) or insects, rust, corrosion, extremes of temperature, wet or dry rot, fungi or spore(s), or contamination, 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;
- p. caused by mechanical or electrical breakdown or failure, or repairing or maintenance operations unless specific coverage is included in your policy;
- q. caused by freezing or extremes of temperature unless specific coverage is included in your policy;
- r. resulting from intentional or criminal acts or failure to act by you, your employees or anyone to whom the damaged or lost property is entrusted;
- s. because of the voluntary parting with title or ownership, whether or not induced to do so by any fraudulent scheme, trick, device or false pretences;
- t. caused by mysterious disappearance.
- u. caused by or resulting from contamination or pollution, or the release, discharge or dispersal of contaminants or pollutants,

except as provided under "Extensions of Coverage";

- v. caused by or resulting from breaking or falling through ice (Livestock excepted);
- w. because of increased costs of repair due to the operation of any law regulating the zoning, demolition, repair or construction of buildings and their related services;

### C. POLLUTION EXCLUDED

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 not 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".

### D. DATA & DATA PROBLEM EXCLUDED

- a. This Form does not insure "Data"
- b. This Form does not insure loss or damage caused directly or indirectly by "Data Problem".

However, if loss of damage caused by "Data Problem" results in the occurrence of further loss of or damage to property insured that is directly caused by fire or lightning, explosion, impact by aircraft, spacecraft or land vehicle, leakage from fire protective equipment, windstorm or hail, all as described in Definitions "Named Perils" this exclusion (b) shall not apply to such resulting loss or damage.

### 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 such articles, materials, and supplies in such quantities as are usual or necessary to the Insured's business.

### Breach of Condition

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.

### Reinstatement

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

### Subrogation

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

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.

### Property Protection Systems

It is agreed that the Insured shall notify forthwith the Insurer of any interruption to, or flaw or defect, coming to the knowledge of the Insured, in any:

- (a) sprinkler or other fire extinguishing system; or
- (b) fire detection system; or
- (c) intrusion detection system;

and shall also notify forthwith the Insurer of the cancellation or non-renewal of any contract which provides monitoring or maintenance services to any of these systems or of the notification of the suspension of police service in response to any of these systems.

### 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.

### Definitions

Wherever used in this Form:

"A.T.I.M.A." means 'as their interest may appear'

"Building" means:

the outbuilding(s) described on the "Declaration Page" and includes:

- (i) fixed structures pertaining to the building(s) and located on the "premises";
- (ii) additions and extensions communicating and in contact with the building(s);
- (iii) permanent fittings and fixtures attached to and forming part of the building(s);
- (iv) materials, equipment and supplies on the "premises" for maintenance of and normal repairs and minor alterations to the "building" or for building services;
- (v) growing plants, trees, shrubs or flowers inside the "building" used for decorative purposes when the Insured is the owner of the building.

"Clean Up" means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to the aforementioned processes.

"Clean-up" means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization of "pollutants", including testing which is integral to the aforementioned processes.

"Data" means representations of information or concepts, in any form.

"Data Problem" means:

- (i) erasure, destruction, corruption, misappropriation of "Data";
- (ii) error in creating, amending, entering, deleting or using "Data"; or
- (iii) inability to receive, transmit or use "Data";
- (iv) damage to electronic data processing equipment or any other related component system, process or device.

"Declaration Page" means the Declaration Page applicable to this Form.

"Fire Protective Equipment" includes tanks, water mains, 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 water mains 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.

**"Fungi"** includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any "fungi" or "spores" or resultant mycotoxins, allergens or pathogens.

**"Livestock"** includes such classes of livestock usual to the Insured's business with each class insured separately

**"Machinery and Equipment"** includes farm tools, machinery and implements usual to the operation of a farm, only while in use for agricultural purposes, and materials and supplies on premises insured under this policy intended for use in construction, alteration or repair of a building insured under this policy. Vehicles subject to registration under any government authority are not included.

**"Named Perils"** means:

- (i) FIRE OR LIGHTNING
- (ii) 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 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 there from;
  - (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 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.
- (iii) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE: The terms "Aircraft" and "Spacecraft" include articles dropped there from.

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;
  - (iii) caused by any aircraft or spacecraft when being taxed or moved inside or outside of "buildings".
- (iv) 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 19(m);
  - (iii) due to theft or attempt thereat.
- (v) 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.
- (vi) 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 "Declaration Page" or for adjoining premises and loss or damage caused by the fall or breakage or freezing of such equipment.
- (vii) WINDSTORM OR HAIL: There shall in no event be any liability hereunder or 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, tsunamis, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslide.
- (viii) "FALLING OBJECT": This peril means a falling object which strikes the exterior of a building but not objects which strike the building because of snowslide, iceslide, landslide or other earth movement.

**"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**"Premises"** means the entire area within the property lines and areas under adjoining sidewalks and driveways at the locations described on the "Declaration Page" and in or on vehicles within 100 metres (328 feet) of such locations.

**"Produce"** includes Commercial Feeds, Fertilizers, Herbicides and Pesticides, Milk and Unfertilized Eggs, and anything that is an agricultural product of the soil, excluding seed, Commercial Fertilizers, Herbicides and Pesticides held for resale unless specifically insured, tobacco, lumber and unharvested crops

**"Spores"** includes, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any "fungi".

**"We"** or **"us"** means the Company or Insurer providing this insurance.

**"You"** or **"your"** means the person(s) named as Insured on the Declaration Page and, while living in the same household, his or her spouse, the relatives of either or any person under the age of 21 in their care. "Spouse" includes either of two persons who are not married to each other and have lived together continuously for a period of not less than three years or, in a relationship of some permanence where there is a child born of whom they are the natural or adoptive parents, and have cohabited within the preceding year. Only the person named on the "Declaration Page" may take legal action against us.

## BASIS OF CLAIM PAYMENT

Unless stated otherwise, we will pay the Actual Cash Value of insured loss or damage up to your financial interest in the property but not exceeding the applicable amount(s) of insurance for any loss or damage arising out of one occurrence.

The Actual Cash Value will take into account such things as the cost of replacement less any depreciation, and in determining depreciation we will consider the condition immediately before the damage, the resale value and the normal life expectancy.

If you qualify for a tax credit, the loss payment will be reduced by that amount.

Any loss or damage will not reduce the amounts of insurance provided by this policy.

### Replacement Cost

Where the Declaration Page states that Replacement Cost applies this endorsement amends the Basis of Settlement Clause with respect to those items.

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) replacement shall be on the same site or on an adjacent site;
  - c) 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;
  - d) failing compliance by the Insured with any of the foregoing provisions, settlement shall be made as if this endorsement had not been in effect;
  - e) 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;
  - f) this endorsement applies separately to each item to which it applies
2. Any reference to actual cash value in a coinsurance clause in this Policy is deemed to be a reference to replacement cost of the property insured.
3. In this endorsement
  - a) replacement cost means the cost of replacing, repairing, constructing or reconstructing (whichever is the least) the property on the same site with new property of like kind and quality and for like occupancy without deduction for depreciation; and
  - b) replacement includes repair, construction or reconstruction with new property of like kind and quality.
4. 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.
5. EXCLUSIONS  
This endorsement does not apply to
  - a) stock;
  - b) livestock;
  - c) produce;
  - d) patterns, dies, moulds;
  - e) 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
  - f) any increase in the cost of replacement occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law.

All other terms and conditions of this Policy remain unchanged.

## Agreed Value

If the Declaration Page shows that Agreed Value applies, it is agreed between the Insurer and the Insured that, in the event of loss or damage to property insured by this policy and subject to this clause, the Insurer will make settlement on the basis of the following provisions:

- (1) The Insurer shall make an initial payment of fifty percent of the policy limit or the amount of repairs, whichever is less.
- (2) An additional amount equal to the difference between the sum payable under (1) and the cost of repairs to or the agreed value, subject to the Policy Exclusions and the following provisions:
  - (i) Until repairs or replacement has been effected, the initial payment made under (1) shall be the only payment made under this policy in respect to the loss or damage. The amount of the Insurer's liability shall in no event exceed the actual expenditure for repair or replacement;
  - (ii) The repairs or replacement must be made within 6 months of the date of loss;
  - (iii) If repair, replacement or reinstatement is restricted by any by-law, ordinance or law, any increased cost of repair, replacement or reinstatement due thereto shall not be covered by this clause;
  - (iv) If replacement is necessary, it must be on or within 90 metres (300 feet) of the original site and on the Insured's premises.
- (3) If there is other insurance in force which insures property subject to this clause, the Insurer shall be liable under paragraph (1) for not more than 50% of its proportion of any loss, and under paragraph (2) for not more than its proportion of such loss, the Insurer's proportion being defined as Other Insurance.

## OUTBUILDING COVERAGE

### Insured Perils

If the Declaration Page shows Outbuilding Comprehensive Coverage applies, you are insured against all risks of direct physical loss of or damage to the property insured, subject to the exclusions and conditions of this policy.

If the Declaration Page shows Outbuilding Named Perils Coverage applies, you are insured against direct loss or damage caused by the Named Perils as described and limited, subject to the exclusions and conditions of this policy.

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

- (a) **Removal:** If any of the insured property is necessarily removed from the location(s) specified herein to prevent loss or damage or further loss or damage thereto, that part of the insurance under this Form that exceeds the amount of the Insurer's liability for any loss already incurred shall, for 7 days only, or for the unexpired term of the policy if less than 7 days, insure the property removed and any property remaining in the location(s) specified herein in the proportions which that value of the property in each of the respective location(s) bears to the value of the property in all of them.
- (b) (i) **Debris Removal:** The insurer will indemnify the Insured for expenses incurred in the removal from the "premises" of debris of the property insured, occasioned by loss or damage to such property, for which loss or damage insurance is afforded under this Form.  
  
The amount payable under this extension shall not exceed 25% of the total amount payable for the direct physical loss to property insured plus the amount of the applicable deductible.
- (ii) **Removal of Windstorm Debris:** The Insurer will indemnify the Insured for expenses incurred in the removal of debris or other property which is not insured by this Form but which has been blown by windstorm upon a location specified on the "Declaration Page".

Extensions of coverage b(i) and b(ii) do not apply to costs or expenses:

- (a) to "clean up" "pollutants" from land or water; or
- (b) for testing, monitoring, evaluation or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

(c) **Pollution Damage – Insured Premises:** If a sudden and unintentional event occurs during the policy term resulting in pollution or contamination of property of the insured premises, which is required to be reported to any provincial authority, we will pay up to \$5000 in any one policy year subject to the policy deductible, for costs to remove and restore property of the insured premises.

(d) **Exterior Wiring Systems:** Up to \$5000 of the insurance provided on all buildings may be applied to "Exterior Wiring Systems" for damage caused by the perils insured against in the coverage applicable to insured buildings. "Exterior Wiring Systems" means all owned poles (and any attached lighting units), wires, transformers, switches that are supplying hydro to the insured premises.

(e) **Farm Fences:** Up to \$5000 of the insurance provided on all buildings may be applied to Farm Fences for damage caused by the perils insured against in the coverage applicable to insured buildings.

(f) **Building Under Construction:** "Building" for not more than \$50,000 on new additions, new buildings, and new structures and intended for agricultural occupancy. This limit of insurance attaches at the date that construction begins and extends until:

- (i) the inception of more specific insurance; or
  - (ii) the expiration of this policy; or
  - (iii) for a period of 60 days;
- whichever occurs first.

Items covered under (f) and (g) are not subject to the terms of the Coinsurance Clause in this Form.

## Exclusions

This coverage does not insure against loss or damage arising directly or indirectly from:

1. the clean-up, removal, containment, treatment, detoxification, decontamination, stabilization, neutralization or remediation resulting from any actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escaped of "pollutants";
2. 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".

## Limited Debris Removal Only Cost Coverage

If the Declaration Page indicates that Limited Debris Removal Only Cost Coverage applies to a specific building or structure we agree to indemnify you, up to the amount of insurance specified for the specific building, for the cost of removing debris of this specific insured building or structure when the building or structure has been damaged or destroyed by one of the following insured perils as defined and limited.

1. FIRE.
2. FALLING OBJECT: This peril means a falling object which strikes the exterior of a building but not objects which strike the building because of snowslide, iceslide, landslide or other earth movement.
3. IMPACT BY AIRCRAFT OR LAND VEHICLE: (Limited to Buildings and Contents therein) This peril does not include any impact by a vehicle owned or operated by you, your employees or members of your household.
4. LIGHTNING.
5. RIOT.
6. WINDSTORM OR HAIL: This peril does not include loss or damage to insured property or to the interior of an insured building caused by windstorm, hail or coincidental rain damage, unless the storm first creates an opening in the building.

This peril does not include damage:

- (a) due to weight or pressure of ice or snow, waves, floods, land subsidence, whether driven by wind or not.