

Federated Agencies Limited

COMMERCIAL PROPERTY FORM Including Actual Loss of Income - Housing Charges

WORDS AND PHRASES IN QUOTATION MARKS HAVE SPECIAL MEANING AS DEFINED IN EITHER SECTION D DEFINITIONS OF THIS FORM OR IN THE INSURING AGREEMENTS & EXCLUSIONS, COMMON DEFINITIONS AND CONDITIONS FORM

SECTION A – INSURING AGREEMENTS

In consideration of the premium specified and the statements contained in the “Certificate of Insurance”, and subject to all the terms and conditions of this Form and any riders or Endorsements attached, the Insurer agrees to insure the Named Insured, subject to the Limit(s) of Insurance applying for the specified policy period.

I Limit(s) of Insurance

The Insurer’s liability for the cumulative total of adjusted net claims resulting from any one loss, casualty, disaster or occurrence (including all costs, fees, charges and expenses) shall not exceed the Limit(s) of Insurance stated in the “Certificate of Insurance”.

Limits of Insurance for certain extensions of coverage, being part of and not in addition to the Limit(s) of Insurance specified in the “Certificate of Insurance”, are indicated within the applicable extensions of coverage clauses.

II Deductible

The Insurer is liable only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount, specified in the “Certificate of Insurance”, in any one occurrence.

If loss or damage is caused by snowslide or landslide, and earthquake coverage is added to this Policy by Endorsement, the deductible shall be the amount as specified in the “Certificate of Insurance” for earthquake.

Should any occurrence give rise to the application of more than one deductible amount for any one “Premises”, only the highest deductible will be applied.

III Co-insurance

This clause applies separately to each item for which a co-insurance percentage is specified in the “Certificate of Insurance” and only where the amount of loss or damage exceeds the lesser of five percent of the applicable limit of insurance or \$10,000.

The Insured shall maintain insurance concurrent with this form on the insured property to the extent of at least the amount produced by multiplying the value of the property as determined in the VALUATION – BASIS OF LOSS SETTLEMENT clause of this form by the co-insurance percentage specified in the “Certificate of Insurance”. If the Insured fails to do so, the Insured shall be entitled to recover only the 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.

SECTION B- ALL PROPERTY

I INSURED PERILS

This form, except as herein excluded, insures against all risks of direct physical loss of or damage to the Insured Property.

II INSURED PROPERTY

This form insures "Building", "Equipment", "Stock" or "Contents", or "All Property" only if specified in the "Certificate of Insurance" and except as hereinafter excluded, the Insured's own property or the property of others for which they are legally liable, or for which they have assumed liability, or in which they have an insurable interest, while at the location(s) specified in the "Certificate of Insurance" and at any temporary location(s) or while in transit, to the extent provided by this Form.

III EXCLUDED PROPERTY

This form does not insure loss of or damage to:

- A. land, land value, land restoration or water;
- B. railway sidings and spur tracks;
- C. tarpaulins, polyethylene fabrics or other plastic materials used in hoardings unless loss or damage is caused directly by fire, lightning or explosion;
- D. sewers, drains or watermains, except underground storage tanks, located beyond the "Premises". This exclusion does not apply to loss or damage caused directly by "Named Perils";
- E. money, "Cash Cards", bullion, platinum and other precious metals and alloys, securities, stamps, tickets (except lottery tickets) and tokens, or evidence of debt or title, but this exclusion does not apply to the first \$1,000 of any loss insured herein at any location specified in the Certificate of Insurance;
- F. furs, fur garments, jewels, jewellery, costume jewellery, watches, pearls, precious and semi-precious stones;
- G. automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property, but this exclusion shall not apply to:
 - i. watercraft, amphibious or air cushion vehicles held for sale, unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the "Premises" of the Insured;
 - ii. unlicensed tank-trailers used in the business of the Insured in the Province of Manitoba only;
- H. property insured under the terms of any Marine Insurance, and property while waterborne, except while on a regular ferry or railway car transfer in connection with land transportation;
- I. property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority;

- J. property on loan or on rental or sold by the Insured under conditional sale, installment payment or other deferred payment plan, from the time of leaving the Insured's custody, but this exclusion does not apply while such property is in the custody of a carrier for hire for the purpose of delivery at the risk of the Insured;
- K. growing plants, lawns, trees, or shrubs except as provided under "Growing Plants, Lawns, Trees, or Shrubs" extension of this form;
- L. animals, fish or birds. This exclusion does not apply to loss or damage caused directly by "Named Perils" or by theft or attempted theft or collapse of a "building" or other structure;
- M.
 - i. any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure; or
 - 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 millimeters (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:

 - i. manually portable gas cylinders;
 - ii. explosion of natural, coal or manufactured gas;
 - iii. explosion of gas or unconsumed fuel within a furnace or within the gas passages from the furnace to the atmosphere;
- N. electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing, unless fire or explosion as described in Definitions "Named Perils" ensues and then only for such ensuing loss or damage.

IV EXCLUDED PERILS

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

- A. in whole or in part by earthquake. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage, except for loss or damage caused directly by resultant fire, explosion, smoke or leakage from "Fire Protective Equipment", all as described in Definitions "Named Perils". This exclusion does not apply to property in transit;
- B. in whole or in part by flood, including "Surface Water", waves, tides, tidal waves, tsunamis, or the breaking out or overflow of any natural or artificial body of water. This exclusion applies whether or not there are one or more other causes or events (whether covered or not) that contribute concurrently or in any sequence to the occasioning of the loss or damage, except for loss or damage caused directly by resultant fire, explosion, smoke, leakage from "Fire Protective Equipment", all as described in Definitions "Named Perils". This exclusion does not apply to property in transit or loss or damage caused directly by leakage from a watermain;
- C. by
 - i. 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 this form;
 - ii. the backing up or overflow of water from sewers, sumps, septic tanks or drains, wherever

located, unless concurrently and directly caused by a peril not otherwise excluded in this form;

- iii. 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 this form;

- D. by centrifugal force, mechanical or electrical breakdown or derangement in or on the "Premises". This exclusion does not apply to loss or damage caused directly by resultant fire;

E. by

- i. dampness or dryness of atmosphere, changes in or extremes of temperature, freezing (outside the bearing walls or foundations of the property insured), or heating,
- ii. total or partial interruption to the supply of electricity, water, gas or steam;

This exclusion E. does not apply to:

- a. loss or damage caused directly by rupture of pipes or breakage of apparatus not excluded in Excluded Property, exclusion M;
- b. damage to pipes caused directly by freezing, unless such pipes are excluded in Excluded Property, exclusion M;
- c. loss of or damage to "Buildings" or "Equipment" caused directly by "Named Perils", theft or attempted theft;
- d. loss or damage caused directly by an accident to a transporting conveyance

F. by

- i. shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, change in color or texture or finish;
- ii. contamination;
- iii. marring, scratching or crushing;

This exclusion (F) does not apply to loss or damage caused directly by:

- a. "Named Perils";
- b. rupture of pipes or breakage of apparatus not excluded under Excluded Property, exclusion M;
- c. theft or attempted theft;
- d. an accident to transporting conveyance.

- G. by cessation of work or by interruption of construction, unless directly caused by a peril not otherwise excluded;

- H. by rodents, insects or vermin. This exclusion does not apply to loss or damage caused directly by a peril not otherwise excluded in this Form.

- I. by delay, loss of market, or loss of use or occupancy;

J. by

- i. any dishonest or criminal act committed by the Insured, any other party of interest, agents of the Insured, or any person to whom the property may be entrusted (except bailees for hire), acting alone or in collusion with others; but this exclusion does not apply to physical damage, caused directly by members or employees of the Insured, which results from a peril otherwise insured and not otherwise excluded under this Form;
- ii. theft or attempted theft by employees of the Insured acting alone or in collusion with others

For the purpose of this exclusion J:

- a. criminal act includes but is not limited to;
 - i. any act that would be considered an offence under the Criminal Code of Canada;
 - ii. any act that would be considered an offence under any federal or provincial legislation whether or not such an offence is punishable by incarceration. It is not necessary that an act result in a charge and/or conviction for the act to be a criminal act;
- b. agent includes a property manager of the Insured, as well as any other person who would qualify as an agent of the Insured in law;

K. to "Buildings" by:

- i. Snowslide, landslide, subsidence or other earth movement. This exclusion does not apply to property in transit, or to loss or damage caused directly by resultant fire, explosion, smoke or leakage from "Fire Protective Equipment", all as described in Definitions "Named Perils":
- ii. explosion (except 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;
 - 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 their connected pipes 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 millimeters (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 their connected pipes while undergoing pressure tests but this exclusion does not apply to other insured property hereunder that has been damaged by such explosion;
 - f. gas turbines;

this exclusion K, section ii. does not apply to loss or damage caused by resultant fire;

- iii. settling, expansion, contraction, moving, shifting or cracking. This exclusion does not apply to loss or damage caused directly or concurrently by a peril not otherwise excluded in the Excluded Perils section of this Form.

V OTHER EXCLUDED LOSSES

This Form does not insure:

- A. Wear and tear; rust or corrosion; gradual deterioration, hidden or latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself.
This exclusion (A) does not apply to loss or damage caused by a resultant peril not otherwise excluded in this Form.
- B. the cost of making good:
 - i. Faulty or improper material;
 - ii. Faulty or improper workmanship;
 - iii. Faulty or improper design;
 This exclusion (B) does not apply to loss or damage caused directly by a resultant peril not otherwise excluded in this Form.
- C. mysterious disappearance or shortage of "Stock", "Equipment" or "Contents" disclosed on taking inventory;
- D. loss or damage sustained to "Equipment", "Stock" or "Contents" while actually being worked upon and directly resulting therefrom or caused by any repairing, adjusting or servicing of "Equipment" "Stock" or "Contents", unless fire or explosion as described in Definitions "Named Perils" ensues and then only for such ensuing loss or damage;

VI VALUATION – BASIS OF LOSS SETTLEMENT

For the purpose of reporting of values and loss adjustment, the value of the property insured is agreed as follows:

A. Records

Business records, including those which exist on electronic or magnetic media (other than pre-packaged software programs):

- i. the cost of blank materials for reproducing the records; and
- ii. the cost of labour to transcribe or copy the records when there is a duplicate.

B. "Fine Arts"

The value of each item is agreed as follows:

- i. If appraised prior to the loss: the value stated therefor on the most current appraisal;
- ii. If not appraised: the value of the item as declared to the Insurer prior to the loss
- iii. In the absence of an appraisal or an itemized schedule of declared values: the Actual Cash Value

C. All Other Property

- i. For those items subject to replacement cost as specified in the "Certificate of Insurance", the following shall apply:

"Replacement Cost" which means the cost of repairing, replacing or reconstructing (whichever is the least) the property on the same site using new materials of similar kind and quality and for like occupancy without deduction for depreciation but is subject to the following:

- a. until the property is actually repaired, replaced or reconstructed, the maximum amount recoverable shall be the actual cash value of the lost or damaged property
- b. the Insured shall exercise due diligence and dispatch in effecting repair, replacement or reconstruction;

- c. replacement need not be effected on the same site, nor be of same or similar style, construction or occupancy PROVIDED that the Insurer shall not be liable under this clause for that portion of the increased replacement cost that is directly attributable to the inclusion of this provision.
- ii. For those items for which replacement cost is not specified in the "Certificate of Insurance" the following shall apply:

Actual Cash Value: Various factors shall be considered in the determination of actual cash value. The factors to be considered shall include, but not be limited to, replacement cost less any depreciation and market value. In determining depreciation, consideration shall be given to the condition of the property immediately before the damage, the resale value, the normal life expectancy of the property and obsolescence.

VII EXTENSIONS OF COVERAGE

The following extensions of coverage shall not increase the Limit(s) of Insurance to be considered for the purpose of determining the application of any coinsurance clause indicated in the "Certificate of Insurance" and are subject to all conditions of this Form.

The Limits of insurance for these extensions are part of, and not in addition to, the loss limit specified in the "Certificate of Insurance".

The limit provided for each extension of coverage is indicated on the Extension of Coverage Limits Summary.

The deductible amount, if any, for a specific extension, is indicated on the Extension of Coverage Limits Summary for any one loss.

1. Arson, Theft or Malicious Acts Reward

In the event of loss or damage by theft, malicious act, or fire which results from the act of arson, for which coverage is afforded under this policy, the Insurer will reimburse the Insured for rewards paid for information leading directly to conviction for that act.

2. Automatic Fire Suppression System Recharge Expense

The automatic fire suppression recharge expense incurred by the Insured due to leakage or discharge of the fire suppressant within any automatic fire suppression system at the "Premises" of the insured where such discharge or leakage is caused by or results from an Insured Peril under this policy

3. Building By-Laws

This Form shall, and, only as a result of an Insured Peril, extend to indemnify the Insured for:

- a. loss occasioned by the demolition of any undamaged portion of the "Building" or structures; or
- b. the cost of demolishing and clearing the site of any undamaged portion of the "Building" or structures; or
- c. any necessary increase in the cost of repairing, replacing, constructing or reconstructing the "Building", or structures, on the same site or on an adjacent site, of like height, floor area and style, and for like occupancy;

arising from the enforcement of the minimum requirements of any by-law, regulation, ordinance or law which:

- i. regulates zoning or the demolition, repair or construction of damaged buildings or structures; and
- ii. is in force at the time of such loss or damage.

THIS EXTENSION, HOWEVER, DOES NOT INSURE AGAINST:

- a. the enforcement of any by-law, regulation, ordinance or law which prohibits the Insured from rebuilding, or repairing, on the same site or adjacent site or prohibits continuance of like occupancy;
- b. direct or indirect loss, damage, cost or expense, arising out of the clean-up, removal, containment, treatment, detoxification, decontamination, stabilization, neutralization, remediation resulting from any actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release, or escape of "Pollutants";
- c. direct or indirect loss, damage, cost or expense, for any testing, monitoring, evaluation or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "Pollutants".

4. Building Damage by Theft

This Form is extended to insure damage (except by fire) to that part of a "Building" occupied by the Insured directly resulting from theft or any attempted theft and from vandalism or malicious acts committed on the same occasion, provided the Insured is not the owner of such "Building" and is liable for such damage and the "Building" is not otherwise insured under this policy.

5. Civil Authority

Property which is insured under this form is also covered against the risk of damage or destruction by civil authority during a conflagration or other catastrophe and for the purpose of retarding same; provided that neither such conflagration or other catastrophe, nor such damage or destruction, is caused or contributed to by a peril excluded under this form.

6. Courier and Parcel Post

Insurance is provided for property in any one package in the course of transit by parcel post or courier until delivered.

7. Debris Removal

The Insurer will indemnify the Insured for expenses incurred in the removal from the "Premises" of debris of the insured property, occasioned by loss of, or damage to such property, for which loss or damage insurance is afforded under this form.

This does not apply to costs or expenses;

- a. To "Clean Up" "Pollutants" from land or water or
- b. For testing monitoring evaluating, or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "Pollutants".

Debris removal expense shall not be considered in the calculation of the values as per the VALUATION – BASIS OF LOSS SETTLEMENT section for the purpose of applying Co-insurance.

8. Debris Removal – 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 on to the “Premises”.

This does not apply to costs or expenses;

- a. to “Clean Up” “Pollutants” from land or water or
- b. for testing monitoring evaluating, or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “Pollutants”.

Debris removal expense shall not be considered in the calculation of the values as per the VALUATION – BASIS OF LOSS SETTLEMENT section for the purpose of applying Co-insurance.

9. Electronic Data Processing System, Equipment and Media:

If insured under “Contents” and/or “Equipment” the following exclusions are deleted for electronic data processing systems, including equipment and component parts thereof, programs and instruction vehicles, the property of the Insured or the property of others, leased, rented or under the control of the Insured and for which the Insured is liable:

Exclusion N of Section B, III Excluded Property and
Exclusions C., D., E., F and H. of Section B, IV Excluded Perils

Data Processing Media Duplicates Warranty

It is warranted by the Insured that any electronic data and custom software insured under this Form shall be duplicated, maintained and stored at the Insured's expense as specified in this Form.

Frequency of Duplication

The Insured shall maintain duplicate copies at the same frequency as the insured electronic data and custom software is created, deleted and/or revised.

Storage of Duplicate Copies

The duplicate copies of all insured electronic data and custom software shall be stored in at least one of the following situations:

1. On Premises

If duplicate copies are stored or maintained on the same “Premises” as the insured electronic data and custom software, then such copies shall be stored in an approved fire resistive safe and/or records chest (with a U.L.C. fire-rating of at least 1 hour);

OR

2. Off Premises

The duplicate copies shall be stored or maintained elsewhere than on the same “Premises” as the insured electronic data and custom software.

10. Environmental Alternatives

In the event of loss or damage to the Insured's property, the Insurer will pay an additional percentage of the claim amount otherwise payable, subject to the maximum amount, to cover the additional cost to repair or replace the damaged or destroyed property with more environmentally responsible alternatives. The additional percentage and maximum amount payable under this section are as stated in the Extension of Coverage Limits Summary.

11. Extra Expense / Expediting Expense

This extension insures the extra expense necessarily incurred by the Insured in continuing "Normal" conduct of the Insured's business during the "Period of Restoration" following loss or damage by an Insured Peril to the property insured.

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

Civil Authority

This extension also includes the actual loss of income sustained by the Insured hereunder during the period of time, listed on the Extension of Coverage Limits Summary, while access to the "Premises" is prohibited by order of civil authority, but only when such order is given as a direct result of damage to a neighbouring "Premises" arising from a peril that would be covered under this Policy as a peril insured against if the damage was to the "Premises".

Leasehold Interest (Rent) extension

This extension also includes the extra lease expense resulting from direct physical loss or damage to property at the "Premises" by an Insured Peril rendering the "Premises" unfit for occupation, necessarily resulting in the Insured's lease being terminated under the terms of the lease agreement. The limit of insurance for this extension shall be the difference between monthly rent at the time of the loss or damage and the monthly rent at the replacing location, multiplied by the number of months remaining of the lease for the "Premises", including the lease renewal only if an offer to renew had been made and accepted by the landlord, in writing, prior to the loss. The difference in monthly rent shall be calculated on the basis that the replacing location is of similar size, condition and location without allowance for improvement.

THIS EXTENSION, HOWEVER, DOES NOT INSURE AGAINST:

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

In no event, however, shall the Insurer be liable under this extension for loss of income nor for "Extra Expense" in excess of that necessary to continue as nearly as practicable the "Normal" conduct of the Insured's business, nor the cost of repairing or replacing any of the described property that has been damaged or destroyed by the perils insured against, except cost in excess of the normal cost of such repairs or replacements necessarily incurred for the purpose of reducing the total amount of "Extra Expense".

12. Exhibitions

Insurance is provided for "Stock" and "Equipment" while temporarily on exhibition at any location not owned by the insured, in Canada, or the Continental United States of America, including while in transit to and from such locations.

13. Fine Arts

Insurance is extended to insure all risks of direct physical loss or damage to "Fine Arts". However, the Insurer is not liable for:

- a. Loss or damage or breakage of glassware, statuary, marbles, bric-a-brac, porcelain, and other fragile articles unless caused by fire, earthquake, explosion, falling object striking the exterior of a building, flood, impact by aircraft or land vehicle, lightning, riot, smoke, vandalism or malicious acts, windstorm or hail, or by accident to land, water, or air conveyances or by theft or attempt thereat;
- b. Loss or damage to any property while undergoing any process or while being actually worked upon where any loss or damage is due thereto.

This extension provides coverage on insured property within the territorial limits of Canada and the continental United States of America, excluding the premises of fairgrounds or of any national or international exposition.

14. Fire Department Charges

Insurance is provided for Fire Department Charges for which the Insured is liable for services rendered when the fire department is called for the protection of property owned by the Insured and covered under this form. This clause does not apply to the normal municipal fire department levy assessed against the Insured for fire protection services. The Insurer's liability for this extension shall not exceed an amount equal to 10% of the Limit of Insurance for the "Building" being protected.

15. Fire Extinguishing Materials

The Insurer will indemnify the Insured for the loss of or damage to foam solution, halon or any other fire extinguishing materials lost, expended or destroyed in firefighting.

16. Furs, Fur Garments, Jewels, Jewellery, Costume Jewellery, Watches, Pearls, Precious and Semi-precious Stones

Notwithstanding Excluded Property, section F., this Form is extended to insure loss or damage to furs, fur garments, jewels, jewellery, costume jewellery, watches, pearls, precious and semi-precious stones owned by the Insured, except those the Insured sells commercially, up to the amount indicated in the Extension of Coverage Limits Summary, and above that limit up to the limit indicated in the Certificate of Insurance for "contents" or "all property" if such loss is caused directly by "Named Perils" (except hail and windstorm) theft or attempt thereat, or collapse of a "Building" or other structure.

17. Glass

Insurance is extended to damage to exterior glass and /or vitrolite including lettering, ornamentation or burglary alarm tape thereon provided the Insured is the owner of the "Building" or is legally liable for such damage. This extension shall also include expense incurred for boarding up damaged openings or installing temporary plates and the cost of repairing or replacing frames immediately encasing and contiguous to insured glass when damage to the glass makes it necessary to repair or replace the frames.

Coverage shall not apply to glass cracked or broken prior to the effective date of this insurance until after such time as the damaged glass has been repaired or replaced.

18. Growing Plants, Lawns, Trees, or Shrubs

Notwithstanding Excluded Property section., K., this Form is extended to insure loss or damage to decorative growing plants, lawns, trees, or shrubs outside the "building", except those the Insured grows commercially, caused directly by "Named Perils" (except hail or windstorm), theft or attempt thereat, or collapse of a "Building" or other structure.

19. Home Office

Insurance is provided for property at a permanent residence of the Insured or any employee anywhere in Canada or continental United States of America except:

- a. Personal property of officers and employees
- b. Contents in the custody of a sales representative of the insured

20. Identity Theft

The Insurer will pay the "Identity Recovery Insured" for loss caused by "Identity Theft" and "Identity Recovery Expenses".

This extension does not apply to:

- a. "Identity recovery expenses" incurred to restore a professional or business identity;
- b. "Identity recovery expenses" incurred due to any fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", or by any authorized representative of an "identity recovery insured", whether acting alone or in collusion with others;
- c. Loss other than "identity recovery expenses".
- d. "Identity theft expenses" arising from any "identity theft" by or with the knowledge of any relative or former relative of the "identity recovery insured."
- e. Loss arising from an "identity theft" that is first discovered by the "identity recovery insured" prior to the policy period or after the policy period, whether or not such "identity theft" began or continued during the policy period.
- f. Loss arising from an "identity theft" that is not reported to the Insurer within 60 days after it is first discovered by the "identity recovery insured."
- g. Loss arising from an "identity theft" that is not reported in writing to the police

21. Inflation Protection

- a. The amount of insurance applicable to "Building" shall be increased during the policy period by the proportion by which the latest published "Building Construction Index" has increased since the last "Premium Due Date".
- b. At the "Premium Due Date", the amount of insurance shall be automatically increased in accordance with the latest published "Building Construction Index" and the appropriate premium charged.
- c. If the Limit of Insurance applicable to "Building" is changed at the request of the Insured during the policy period, Item a. above shall apply only for the period from the effective date of the change.
- d. If this Form insures two or more items, the foregoing shall apply separately to each item.

22. Inventory Preparation Expenses

If, as a result of loss or damage insured against by this form, the Insurer requests the preparation of inventories to help determine the amount of the loss, the Insurer will indemnify the Insured for the necessary expenses incurred to prepare such inventories. The insurer shall not be liable under this

extension from expenses to prove this policy insures against a loss. This extension does not apply to Professional Fees or Proof of Loss Preparation Costs.

23. Land and Water Pollution Clean Up

Insurance is provided to indemnify the Insured for expenses incurred to “Clean Up” “Pollutants” from land or water at the “Premises provided the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of “Pollutants”;

- a. is occasioned by loss or damage to property insured at the “Premises” for which insurance exists under this form
- b. is sudden, unexpected, and unintended from the standpoint of the Insured and
- c. first occurs during the policy period

Notwithstanding any Reinstatement Clause for property insurance, following a loss under this extension of coverage, the amount of insurance specified above will be reduced by the amount payable.

The Insurer shall not be liable for:

1. Expense for “Clean Up” away, from, or beyond the “Premises” resulting from any spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “Pollutants” even if the “Pollutants” emanated from the “Premises”.
2. Expenses for “Clean Up” of any spill, discharge, emission, dispersal, seepage, leakage, release migration or escape of “Pollutants” that began before the effective date of this extension of coverage.
3. Fines, penalties, punitive or exemplary damages

24. Liberalization Clause

If, during the policy period there is any broadening of the standard coverage for this form without additional premium charge, then the broadened insurance shall also apply to the Insured’s coverage from the introduction date of the broadened coverage.

25. Lock Replacement Costs

Insurance is provided if physical loss of one or more keys requires, for proper security, the replacement of any locks. In the event the Insurer will indemnify the Insured for the cost of replacing such locks, even if the locks have sustained no physical damage.

26. Master Key Coverage

Insurance is provided to cover a loss caused by the necessary replacement of locks and keys, or repair or rekeying the lock cylinders, if the master keys, master electronic pass or master access cards are stolen. This extension: 1) only covers the cost of the replaced locks and keys including any labour cost for installation or repair and 2) is not subject to the deductible indicated in the “Certificate of Insurance”.

27. Newly Acquired “Building(s)”, “Equipment” and “Stock”

Insurance is provided for:

- a. new “Building(s)”, under construction at the “Premises” of the Insured
- b. “Building(s)”, “Equipment” and “Stock” at any newly acquired location, within Canada or the continental United States of America, that is owned, rented, or controlled by the Insured in part or in whole

- c. in or on vehicles within 100 meters (328 feet) of such location.

The limit of insurance attaches from commencement of construction or the acquisition and extends for a period of 60 days, or to the date that a Builders Risk policy is issued for new buildings under construction, or to the day of endorsement of this policy adding such location, or the expiry date of the Policy, whichever first occurs.

Adjustment of premium, if deemed necessary by the Insurer, shall be effected from the date of acquisition.

28. Non-Owned Locations

Insurance is provided for business contents while at a location not owned, rented or controlled in whole or in part by the insured, but this extension of coverage does not apply to the following property:

- a. Tools and contractor's equipment
- b. Computer equipment, media and accessories
- c. Property temporarily on exhibition at locations not owned by the Insured.

29. Pair and Set

In the event of loss or damage to any article(s) which are part of a pair or set, the measure of loss or damage to such article(s) shall be reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article(s), or the full amount of the value of such pair or set in accordance of the Valuation Clauses of this form, with the Insured surrendering the remaining article(s) to the Insurer. In no event shall the loss or damage to any article(s) be constructed to mean total loss of the pair or set.

30. Parking Lots, Walkways, Roadways

Insurance is provided, for damage to parking lots or other exterior paved surfaces forming part of the "Premises".

31. Personal Property of Officers and Employees

This extension insures personal property of officers and employees of the Insured. This insurance:

- a. shall not attach if the property is insured by the owner, unless the Insured is obligated to insure it or is liable for its loss or damage;
- b. shall apply only to loss or damage occurring at the "Premises".

32. Professional Fees

In the event of loss or damage by an Insured Peril, the Insurer will pay reasonable fees to auditors, accountants, lawyers, architects, engineers, or other professionals, except public adjusters and the Insured's own employees and, for producing and certifying particulars of the Insured's business required by the Insurer in order to arrive at the amount of loss payable under this form.

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

This extension does not apply to Inventory Preparation Expenses or Proof of Loss Preparation Costs.

33. Proof of Loss Preparation Costs

Insurance is provided under this policy for reasonable costs incurred in the preparation of a proof of loss form, required by the Insurer, in connection with any claim made against any part of this policy. This extension does not apply to Professional Fees or Inventory Preparation Expenses.

34. Property in Transit

Insurance is provided, for property while in transit, other than by parcel post or courier, until delivered, within Canada and the continental United States of America.

35. Removal of Insured Property

If any of the insured property is necessarily removed from the "Premises" to prevent loss of or damage to, or further loss of or damage to, such property, that part of the insurance under this policy that exceeds the amount of the Insurer's liability for any loss already incurred shall for thirty days only, or for the unexpired term of the policy if less than thirty days, insure the property removed and any property remaining at the "Premises" in the proportions which the value of the property in each of the locations bears to the value of the property in them all.

36. Temporary or Unnamed Locations

Insurance is provided for property at a temporary or unnamed location, other than a location specified in the "Certificate of Insurance", but there shall be no liability under this clause at any location owned, rented or controlled in whole or in part by the Insured for more than thirty (30) consecutive days. The Insurer's liability under this item is excess of any other valid and collectible insurance.

37. Third Party Vehicle

Notwithstanding Excluded Property III. G, at the option of the Insured this form shall extend to cover loss of or damage to any vehicle(s) belonging to others while on the "Premises" of the insured for the purpose of loading and unloading, but only when the Insured is liable for such damage. The Insurer's liability under this item is excess of any other valid and collectible insurance

This extension shall not apply to loss or damage caused by impact by vehicles belonging to, or under the control of, the Insureds or its employees.

38. Vacancy Permit

Permission is granted for an insured "Building" described in the "Certificate of Insurance" to remain vacant or unoccupied for the number of days indicated on the Summary of Extensions, from the date of vacancy or un-occupancy, or until the expiry date of this policy, whichever is less. The "Building" shall be checked internally every 72 hours, and be under the care and supervision of a competent person during the term of vacancy, and the doors and windows shall be securely closed and locked and all rubbish removed from the "Premises".

39. Valuable Papers and Records

This extension covers the actual loss sustained by the Insured through direct physical loss or damage by an Insured Peril to "Valuable Papers and Records".

The insurance provided by this extension applies:

- a. while the insured "Valuable Papers and Records" are contained in the "Premises" specified in the "Certificate of Insurance";
- b. while the insured "Valuable Papers and Records" are being removed to and while at a place of safety because of imminent danger of loss or damage and while being returned from such place, provided the Insured gives written notice to the Insurer of such removal within ten days of such removal;
- c. while the "Valuable Papers and Records" are being conveyed outside the "Premises" or temporarily within other "Premises" in Canada or the continental United States of America, except for storage.

Additional Exclusions

This extension does not insure:

- a. loss or damage resulting from loss of use of the property insured or loss of sums due to the Insured which the Insured is unable to collect because of loss of or destruction or damage to the property insured;
- b. loss of property held as samples or for sale or for delivery after sale;
- c. property which cannot be replaced with other of like kind and quality.

Basis of Settlement

Subject to the limit indicated in the Extension of Coverage Limits Summary the liability of the Insurer for loss or damage to:

- 1. Books of accounts, drawings, card index systems and other records, other than as described in 2. below, shall not exceed the cost of blank books, blank pages, or other materials, plus the cost of labour for actually transcribing or copying said records;
- 2. media, including electronic data, data storage devices, and programme devices for electronic and electro-mechanical data processing or for electronically controlled equipment, shall not exceed the cost of replacing or reproducing such media, including electronic data, data storage devices and programme devices or, if not replaced or reproduced, the blank value of the media;
- 3. other valuable papers shall not exceed the actual cash value of the property at time of loss nor what it would then cost to repair or replace the property with other of like kind and quality, provided, as respects property that cannot be replaced with other of like kind and quality and which has been specifically declared to the Insurer, the agreed value shall be the basis of settlement.

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

SECTION C- GENERAL CONDITIONS

Application of Cover

Cover under this form applies individually as to the interest of each Insured covered herein in the same manner and to the same extent as if a separate policy had been issued to each; however, these provisions shall increase neither the Limit of Insurance nor the deductible(s) for any one occurrence beyond the amounts that would apply in the absence of this clause.

Bills of Lading

The Insured may, without prejudice to this insurance, accept such bills of lading, receipts or contracts of carriage as are ordinarily issued by carriers, containing a limitation as to the value of goods and/or merchandise.

Breach of Condition

If the Insured does not comply with a condition of this insurance, any claim for subsequent loss or damage is not recoverable. The Insurer will not deny a claim for this reason if the Insured proves that the non-compliance neither caused nor worsened the loss or damage. Coverage will not be affected if the Insured fails to comply with a condition in part of the "Premises" over which the Insured has no control.

Errors and Omissions

It is understood and agreed that any unintentional errors in the description, location, occupancy or non-occupancy of any building, herein or on any plan, drawing or inspection report referred to herein, or supplied to the Insurer by the Insured or their representative shall not prejudice the rights of the Insured hereunder. However, the Insured must give notice in writing within 60 days of the unintentional errors coming to their attention.

Immediate Repairs

In the case of loss or damage the Insured is authorized and permitted to immediately carry out repairs which can conveniently and advantageously be undertaken by them, and costs so arising, including labour and overtime charges, and extra cost of expenses and temporary repairs and other rapid means of transportation, shall form part of the loss.

Notice of such loss or damage will be given to the Insurer as soon as reasonably practicable, and if practical the Insured will retain the damaged property for the Insurer to inspect.

Loss Payable

Loss, if any, shall be payable as follows:

On all real and personal property: To the insured(s) or their order, except with respect to certain items of property in which a third party has a definable interest and such interest has been specifically acknowledged in a Commercial Mortgagee Advice of Coverage issued by the Insurer, in which case the Certificate holder shall be first loss payee.

Mortgage Clause

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 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 HIS 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 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 liability, refusal or neglect of the Insured to give notice of loss to deliver the Proof of Loss under the policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as is practicable to the Proof of Loss.
5. Termination - The term of this Mortgage Clause coincides with the term of the policy; PROVIDED ALWAYS that the Insured 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 of 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.

Occurrence

For the purposes of this Policy, an occurrence shall be defined as a loss and/or a series of losses which are attributable directly or indirectly to one cause, disaster or occurrence. All such losses shall be added together and the total amount of such losses shall be treated as one loss irrespective of the period or area over which the losses occur.

Insofar as loss involving in whole or in part the perils of lightning, tornado, windstorm, cyclone, hurricane, or hail is concerned, the terms "One Cause, Disaster or Occurrence" shall mean one single disturbance as designated by Environment Canada or the United States Weather Bureau. In the event such a designation is not made, all atmospheric disturbances occurring within any consecutive seventy two (72) hours during the term of this Policy shall be construed to be a single cause, disaster or occurrence.

Permission

Permission is hereby granted:

- a. to make additions, alterations or repairs;
- b. to do such work and to keep and use such articles, materials and supplies in such quantities as are usual or necessary to the Insured's business.

Property Protection Systems

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

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

and shall also notify the Insurer forthwith 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.

Property of Others

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

Recovery and Subrogation

The Insurer shall be entitled at any time, either in its own name or in the name of the Insured, to take steps for the recovery of any part of the property lost or damaged or for securing reimbursement in respect of any loss or damage.

The Insured shall give the Insurer all information and assistance required in so doing and the Insurer shall indemnify the Insured for any costs or expenses which the Insured may incur or be compelled to pay as a result of providing such information and assistance. Such indemnification is not subject to any deductible amount.

The Insurer, upon making any payment or assuming liability therefore under this Policy, shall be subrogated to all rights of recovery of the Insured against others, and may bring action in the name of the Insured to enforce such rights.

Except with respect to criminal or intentional acts or vehicle impact, the Insurer hereby waives its rights of subrogation against:

- a. any Member of the Insured, and if residents of the household of the Member, his or her "Spouse", the relatives of either and any other person under the age of 21 in the care of the Member or his or her "Spouse", provided the Insured has waived its right of legal action against such person prior to the loss, an individual or organization including employees thereof, affiliated or associated with, or subsidiary to, the Insured;
- b. any Insured named in this Policy against any other Insured named herein, including their employees.

However, the Insurer shall retain their subrogated rights against architects and engineers (who are not employees of the Insured) for their liability in the event of loss caused by or resulting from any error in design or any other professional error or omission pertaining to the subject of this insurance.

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 hereunder shall not affect this Policy or the right of the Insured to recover hereunder.

Reinstatement

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

Termination

If this contract is terminated by the Insurer for non-payment of premium, the Policy Conditions shall apply.

Otherwise, Clause 5. a. of the Policy Conditions of Insuring Agreements and Common Definitions, Exclusions and Conditions is amended to read as follows:

This contract may be terminated,

- a. by the Insurer giving the Insured sixty days' notice of termination by registered mail or by written notice personally delivered;
- b. by the Insured at any time on request.

Territory

This Form applies only to insured property within the territorial limits of Canada and the continental United States of America, unless otherwise specified.

Titles of Paragraphs

The several titles of the various paragraphs of this Form (and of endorsements, if any, now or hereafter attached to this Policy) are inserted solely for convenience of reference and shall not be deemed in any way to limit or affect the provisions to which they relate.

Verification of Values

The Insurer or its duly appointed representative shall be permitted at all reasonable times during the policy period, 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 insured property. Such inspection or examination shall not waive nor in any manner affect any of the terms or conditions of this Form.

SECTION D DEFINITIONS

Wherever used in this Form:

"All Property" means "Building" and "Equipment" and "Stock" as defined herein.

"Building" means:

The building(s) described in the "Certificate of Insurance" and includes:

- a. Fixed structures pertaining to the building(s) and located on the "Premises";
- b. Additions and extensions communicating and in contact with the building(s);
- c. Permanent fittings and fixtures attached to and forming part of the building(s);
- d. Materials, equipment and supplies on the "Premises" for maintenance of, and normal repairs and minor alterations to the "Building" or for building services;
- e. Growing plants, trees, shrubs or flowers inside the "Building" used for decorative purposes when the Insured is the owner of the "Building".

"Building Construction Index" means the relevant Regional Index of the Non-residential Building Construction Input Price Indexes published by Statistics Canada.

"Cash Cards" means cards designed to store a cash value by electronic means as a mode of payment,

without a personal identification number and without direct access to a bank or other account.

“Contents” means “Equipment” and “Stock” as defined herein.

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

“Certificate of Insurance” means the first page(s) of your policy which provides the specifics of your insured coverages and limits, including any supplementary pages or schedule of coverages attached thereto, applicable to the policy subject to the terms and conditions of the policy.

“Equipment” means:

- a. generally all contents usual to the Insured’s business including furniture, furnishings, fittings, fixtures, machinery, tools, utensils and appliances other than “Building” or “Stock” as herein defined;
- b. similar property belonging to others which the Insured is under obligation to keep insured or for which the Insured is legally liable;

“Extra Expense” means the excess (if any) of the total cost during the Period of Restoration for the purpose of continuing the Insured’s business over and above the total cost that would normally have been incurred to conduct the business during the same period had no loss occurred; the cost in each case to include expense of using other property or facilities of other concerns or other similar necessary emergency expenses.

“Extra Expense” includes the reasonable extra cost of temporary repair and of expediting the repair or replacement of such lost or damaged property of the Insured, including overtime and the extra cost of express or other rapid means of transportation, but excludes all other direct or indirect loss or damage to property and any expense for physical property unless incurred to reduce extra expense loss (and then not to exceed the amount by which such loss is reduced with due consideration for the salvage value of such property).

“Fine Arts” includes paintings, etchings, pictures, tapestries and other bona fide works of art (such as valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains rare glass, and bric-a-brac) or rarity, historical value or artistic merit, the property of the Insured or the property of others in the custody or control of the insured on consignment for sale, display, or storage.

“Fire Protective Equipment” includes tanks, watermains, hydrants, valves and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:

- a. Branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
- b. Any watermains or appurtenances located outside of the “Premises” and forming a part of the public water distribution system;
- c. Any pond or reservoir in which the water is impounded by a dam.

“Identity Theft” means the fraudulent use of the social insurance number or other method of identifying an “identity recovery insured.” This includes fraudulently using the personal identity of an “identity recovery insured” to establish credit accounts, secure loans, enter into contract or commit crimes. “Identity theft” does not include the fraudulent use of a business name, or any other method of identifying a business activity. “Identity theft” does not include the unauthorized use of a valid credit card, credit account or bank account. However, “identity theft” does include the fraudulent alteration of account profile information, such as the address to which statements are sent.

“Identity Recovery Expenses” means the following when they are reasonable and necessary expenses that are incurred in Canada or the United States as a direct result of an “identity theft”:

- a. Costs for re-filing applications for loans, grants or other credit instruments which are rejected solely as a result of an “identity theft”.
- b. Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of your efforts to report an “identity theft” or amend or rectify records as to the true name or identity of the “identity recovery insured” as a result of an “identity theft.”
- c. Costs for up to six credit reports from established credit bureaus dated within 12 months after the discovery of any “identity theft.”
- d. Fees and expenses for an attorney appointed by the Insurer for:
 - i. Defending any civil suit brought against an “identity recovery insured” by a creditor or collection agency or entity acting on behalf of a creditor for “non-payment for goods or services or default on a loan as a result of an “identity theft”; and
 - ii. Removing any civil judgement wrongfully entered against an “identity recovery insured” as a result of the “identity theft. “

“Identity Recovery Insured” means:

- a. When the business insured under this policy is a sole proprietorship, the "identity recovery insured" is the individual person who is the sole proprietor of the insured business.
- b. When the business insured under this policy is a partnership, the "identity recovery insureds" are all partners listed on this policy as insureds.
- c. When the business insured under this policy is a corporation or other organization, the "identity recovery insureds" are all individuals having an ownership position of 20% or more of the insured business. However, if and only if there is no one who has such an ownership position, then the "identity recovery insured" shall be the chief executive of the insured entity.

An "identity recovery insured" must always be an individual person. The business insured under this policy is not an "identity recovery insured."

“Named Perils” means:

1. FIRE OR LIGHTNING
2. EXPLOSION: Except with respect to explosion of natural, coal or manufactured gas, there shall in no event be any liability hereunder for loss or damage caused by explosion, rupture or bursting in or of the following property owned, operated or controlled by the Insured:
 - a.
 - i. 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;
 - ii. piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
 - iii. the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type and the flues or passages which conduct the gases of combustion therefrom;
 - iv. smelt dissolving tanks;
 - b. 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;

- c. moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
- d. 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;
- e. gas turbines;

The following are not explosions within the intent or meaning of this section:

- i. electric arcing or any coincident rupture of electrical equipment due to such arcing;
- ii. bursting or rupture caused by hydrostatic pressure or freezing;
- iii. bursting or rupture of any safety disc, rupture diaphragm or fusible plug.

3. **IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE:** The terms "Aircraft" and "Spacecraft" include articles dropped therefrom. There shall in no event be any liability for cumulative damage or for loss or damage:

- a. caused by land vehicles belonging to or under the control of the insured or any of the Insured's employees;
- b. to aircraft, spacecraft or land vehicles causing the loss;
- c. caused by any aircraft or spacecraft when being taxied or moved inside or outside of a "Building".

4. **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 Definitions, "Named Perils sections 1 Fire or Lightning. or 2. Explosion
- iii. due to theft or attempt thereat.

5. **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.

6. **LEAKAGE FROM "FIRE PROTECTIVE EQUIPMENT":** means:

- a. the leakage or discharge of water or other substance from;
- b. the collapse of; or
- c. the rupture due to freezing of,

"Fire Protective Equipment" for the "Premises" or adjoining structures.

7. **WINDSTORM OR HAIL:** There shall in no event be any liability hereunder for loss or damage:

- a. to the interior of "Buildings" or their "Contents" unless damage occurs concurrently with and results from an aperture caused by windstorm or hail;
- b. 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, tsunami, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslide.

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

"Period of Restoration" means the time required, with due diligence and dispatch, to repair, rebuild or replace such part of said building(s) or contents as have been lost or damaged.

“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.

“Premium Due Date” means the inception date of this Policy or any renewal, or anniversary date.

“Premises” means the entire area within the property lines and areas under adjoining sidewalks and driveways at:

- a. Each location described in the “Certificate of Insurance”
- b. Temporary Locations and any Newly Acquired Location, if covered by this policy and in or on vehicles within 100 meters (328 feet) of such locations.

“Stock” means:

Merchandise of every description usual to the insured’s business;

- a. Packing, wrapping and advertising materials;
- b. Similar property belonging to others which the insured is under obligation to keep insured or for which the insured is legally liable.

“Surface water” means water or natural precipitation temporarily diffused over the surface of the ground.

“Valuable Papers and Records” means written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, but does not mean money or securities.

HOUSING PROPERTY EXTENSION ENDORSEMENT

Extensions of coverage specified in this endorsement are subject to all terms, definitions, limitations, provisions and other conditions of the Federated Agencies Limited Property Form to which this endorsement is attached, unless stated otherwise in this endorsement. If an extension of coverage provided under this form is more specifically insured elsewhere in the policy to which this form is attached, the extension coverage under this form does not apply.

LIMIT OF INSURANCE

The Limits of insurance for these extensions are part of, and not in addition to the loss limit specified in the “Certificate of Insurance”.

The limit provided for each extension of coverage is indicated on the Extension of Coverage Limits Summary.

The deductible amount, if any, for a specific extension, is indicated on the Extension of Coverage Limits Summary for any one loss.

1. Accounts Receivable

INDEMNITY AGREEMENT

This extension insures all risks of direct physical loss or damage to the Insured’s records of Account Receivable during the policy period.

- a) All sums due the Insured from customers, provided the Insured is unable to effect collection thereof as the direct result of loss of or damage to records of Accounts Receivable at the location(s) specified in the "Certificate of Insurance";
- b) Interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by such loss or damage;
- c) Collection expense in excess of normal collection cost and made necessary because of such loss or damage;
- d) Other expenses, when reasonably incurred by the Insured in re-establishing records of accounts receivable following such loss or damage.

EXCLUSIONS

This extension does not insure against:

- a) loss due to bookkeeping, accounting or billing errors or omissions;
- b) loss due to any fraudulent, dishonest or criminal act by any Insured, a partner, or an officer, director or trustee, while working or otherwise and whether acting alone or in collusion with others;
- c) loss, the proof of which as to factual existence, is dependent upon an audit of records or an inventory computation; but this shall not preclude the use of such procedures in support of claim for loss which the Insured can prove, through evidence wholly apart therefrom, is due solely to a risk of loss to records of accounts receivable not otherwise excluded hereunder;
- d) Loss due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property but only to the extent of such wrongful giving, taking, obtaining or withholding.

EXTENSIONS OF COVERAGE

A. In Transit and Temporary Location

This coverage also applies while the records of Accounts Receivable are being conveyed outside the "Premises" and while temporarily within other "Premises" in Canada or the continental United States of America, except for storage.

B. Removal

This coverage also applies while the records of Accounts Receivable are being removed to and while at a place of safety because of imminent danger of loss or damage and while being returned from such place, provided the Insured gives written notice to the Insurer of such removal within ten days of such removal.

10. SPECIAL CONDITIONS

A. Inspection and Audit

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

B. Adjustment of loss

In the event that the Insured cannot accurately establish the total amount of accounts receivable outstanding as of the date loss occurs, such amount shall be based on the Insured's monthly statements and shall be computed as follows:

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

In determining the amount of the Insurer's liability for any loss hereunder there shall be deducted from the total amount of Accounts Receivable the amount of such accounts evidenced by records not lost or damaged, or otherwise established or collected by the Insured, and an amount to allow for probable bad debts which would normally have been uncollectible by the Insured. On deferred payment accounts receivable, unearned interest and service charges shall be deducted.

C. Recoveries

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

2. Improvements and Betterments

At the sole option of the Named Insured, or their appointed insurance trustee, insurance is extended to include Improvements and Betterments to individual units, made or acquired by the owners of such units.

3. Emergency Evacuation Expense

This extension covers the reasonable and necessary costs incurred by the Insured for the emergency evacuation and subsequent return of tenants or lawful occupants when the Insured's management, using reasonable discretion, or a civil authority orders the emergency evacuation of a described location as a direct result of immediately impending physical loss or damage of the type insured by this Policy.

As respects Emergency Evacuation Expense, the following additional exclusions apply:

This Policy excludes:

- a) The cost to move personal property of tenants or lawful occupants.
- b) The cost of temporary or permanent housing or lodging.
- c) Loss caused by or resulting from terrorism, regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss.

This coverage is subject to the deductible provisions that would have applied had the physical loss or damage happened.

It is specifically understood and agreed that where the tenant holds other valid and collectible insurance against loss as described in this extension of coverage, then this Policy shall apply only as excess insurance and only after all other insurance shall have been exhausted.

4. Additional Living Expense and Occupant Relocation Expense

In the event that loss or damage by an Insured Peril renders the building described herein, or part thereof, untenantable, this Form covers the necessary increase in living expense (together with "relocation expenses", incurred by a "occupant" to continue as nearly as practicable the normal standard of living of the "occupant's" household for the applicable period of time described in 1) or 2) below to a maximum shown in the Summary in the aggregate for all members in any one loss, casualty or disaster:

- 1) The time required with the exercise of due diligence and dispatch, to repair or replace such damaged or destroyed property; or
- 2) The time required for the "occupant(s)" household to become settled in permanent quarters elsewhere.

The Insurer shall also be liable under this coverage for the period of time, not exceeding four weeks, when access to the "Premises" is prohibited by order of civil authority, but only when such order is given as a direct result of damage to neighbouring "Premises" by a peril insured against.

"Relocation expenses" means expenses for:

5. Packing, sorting, and transportation for "occupants", including their personal property;
6. Re-establishing new utility services, less refunds from discontinued services, at the damaged location;
7. Searching for new facilities or properties;
8. Disconnecting and reconnecting fixtures and equipment; and
9. Storage costs while awaiting possession of other facilities or properties or restoration of existing facilities or properties.

It is specifically understood and agreed that where the "occupant" holds other valid and collectible insurance against loss as described in this extension of coverage, then this Policy shall apply only as excess insurance and only after all other insurance shall have been exhausted.

The periods of time described above shall not be limited by the expiration of this Policy.

DEFINITIONS

Wherever used in this Form:

"Certificate of Insurance" means the first page(s) of your policy which provides the specifics of your insured coverages and limits, including any supplementary pages or schedule of coverages attached thereto, applicable to the policy subject to the terms and conditions of the policy.

"Occupant" means the co-op member or the tenant who legally occupies the individual housing unit.

COVERAGE TERRITORY

This Form insures applies only to insured property within the territorial limits of Canada and the continental United States of America, unless otherwise specified.

Housing Charges - Actual Loss of Income

INDEMNITY AGREEMENT

The Insurer agrees to indemnify the Insured against loss directly resulting from necessary interruption of business that is caused by destruction or damage by the Insured Perils to insured property at the "Premises", subject to the provisions, limitations, exclusions, conditions and other terms of this Policy including this Form.

MEASURE OF RECOVERY

This insurance is limited to loss of "Gross Profit" due to a. Reduction in "Turnover" and b. Increase in Cost of Working and the amount payable shall be:

- a. In Respect of Reduction in "Turnover": The sum produced by applying the "Rate of Gross Profit" to the amount by which the "Turnover" during the "Actual Period of Indemnity" shall, in consequence of the destruction or damage by an Insured Peril, fall short of the "Standard Turnover," but not exceeding the actual loss of income sustained by the Insured;
- b. In Respect of Increase in Cost of Working: The additional expenditure (subject to 8. Provisions Clause b.) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in "Turnover" which but for that expenditure would have taken place during the "Actual Period of Indemnity" in consequence of the destruction or damage by an Insured Peril, but not exceeding the sum produced by applying the "Rate of Gross Profit" to the amount of the reduction thereby avoided, or the actual loss of income sustained; less any sum saved during the "Actual Period of Indemnity" in respect of such Insured Standing Charges as may cease or be reduced in consequence of the destruction or damage by the Insured Perils.

The Insurer's limit of liability shall be the Actual Loss Sustained.

PAYROLL OPTION (ORDINARY PAYROLL)

Applicable only when an amount is stated under Limit of Insurance in the "Certificate of Insurance". The Insured's entire ordinary payroll expense is insured for a period of time not in excess of the number of consecutive calendar days stated in the "Certificate of Insurance" immediately following the date of loss, which may continue during a total or partial suspension of business, insuring only to the extent necessary to resume the "Normal" business operations of the Insured with the same quality of service which existed immediately preceding the destruction or damage by the Insured Perils, and which would have been incurred had no destruction or damage by the Insured Perils occurred.

This item does not insure any portion of salaries described under Insured Standing Charges. The Insurer shall not be liable, in the event of loss, for a greater proportion of the loss under this item than the amount hereby insured under the said item bears to 80 per cent of the Insured's entire ordinary payroll expense, excluding only salaries described under Insured Standing Charges, that would have been incurred (had no destruction or damage by an Insured Peril occurred) during the number of consecutive calendar days stated in the "Certificate of Insurance" immediately following the date of damage to or destruction of the described property.

INSURED STANDING CHARGES

All standing charges are insured unless otherwise specified on an attached endorsement, in which case only those standing charges so specified are insured.

- a. **Standing Charges** shall mean expenses that continue during a partial or total interruption of business and include but are not limited to:
 - i. Salaries of officers, executives and permanent staff;

- ii. Rent;
 - iii. Taxes;
 - iv. Electricity, heating, telephone, maintenance;
 - v. Depreciation;
 - vi. Auditor's fees;
 - vii. Interest on mortgages, loans and debentures;
 - viii. Services under contract, advertising, printing, postage, traveling, automobile upkeep, insurance premiums, and branch expenses.
- b. The following shall in no event be deemed to be standing charges:
- i. Depreciation of Stock;
 - ii. Bad Debts;
 - iii. Wages and salaries (ordinary payroll) other than salaries to permanent staff and wages to foremen and important employees whose services would not be dispensed with should business be interfered with or interrupted.

EXTENSIONS

The Limits of insurance for these extensions are part of, and not in addition to the loss limit specified in the "Certificate of Insurance".

The limit provided for each extension of coverage is indicated on the Extension of Coverage Limits Summary.

The deductible amount, if any, for a specific extension, is indicated on the Extension of Coverage Limits Summary for any one loss.

1. Additional Leasehold Expense

In case of loss or damage by an Insured Peril, if the landlord exercises the right to terminate the Insured's lease at the Insured's "Premises", the Insurer will pay the difference between the higher rent and the rent specified in the current lease agreement up to the amount specified in the Extension of Coverage Limits Summary without exceeding the amount of loss actually incurred by the insured. Any loss arising from the Insured's decision to terminate the lease is not covered.

2. Auditors Fees

This Form is extended to include reasonable fees payable to the Insured's Auditor(s) up to a maximum indicated on the Extension of Coverage Limits Summary, for assisting the Insured in determining the amount of loss if any under this Form. Auditor's Fees are in addition to the limit of insurance applicable to this Form.

3. By-laws

In case of loss or damage by an Insured Peril, this insurance extends to insure any increase in loss resulting from, or contributed to, by the operation of any by-law, ordinance or law which regulates zoning or the demolition, repair or construction of damaged buildings or structures, but shall in no way operate to extend the "Actual Period of Indemnity" or to increase the limit of insurance;

4. Breach of Contract including Contractual Penalties

Insurance is extended to cover fines or damages for Breach of Contract, including contractual penalties imposed by the customer of the Insured, for late or non-completion of orders resulting directly from the interruption in the insured's operations due to a loss covered under this policy.

5. Civil Authority

The Insurer shall be liable for actual loss of income sustained by the Insured during the period of time, stated in the Extension of Coverage Limits Summary while access to the "Premises" is prohibited by order of civil authority but only when such order is given as a direct result of damage to neighbouring "Premises" arising from a peril that would be covered under this Policy as an Insured Peril if the damage was to the "Premises".

6. Contributing or Recipient Properties

Insurance is extended to cover, subject to the Limit of Insurance specified in the Extension of Coverage Limits Summary, loss of business income resulting directly from necessary interruption of business conducted at the "Premises" occupied by the Insured, caused by physical loss or damage by an Insured Peril to:

- a. Contributing property(ies) not operated by the Insured, which wholly or partially prevents the delivery of materials or provision of services to the Insured or to others on the Insured's behalf; or
- b. Recipient property(ies) not operated by the Insured, being property(ies) to which the Insured's product(s) is shipped or service(s) is provided, which wholly or partially prevents the acceptance of product(s) produced or service(s) provided by the Insured.

WAITING PERIOD DEDUCTIBLE

The Insurer shall not be liable under this Extension 6. for any loss unless the determined period of interruption exceeds a minimum of 48 hours, or such other period specified in the Extension of Coverage Limits Summary after the time of direct physical loss or damage and then liability shall exist only for such part of the loss that is incurred for the determined period of interruption in excess of the first 48 hours, or such other period specified in the Extension of Coverage Limits Summary.

7. Extra Expense / Expediting Expense

This extension insures the extra expense necessarily incurred by the Insured in continuing "Normal" conduct of the Insureds business during the "Period of Restoration" following loss or damage by an Insured Peril to the property insured.

As soon as practicable after any loss, the Insured shall resume complete or partial building services and operations and, in so far as practicable, reduce or dispense with such extra expense as is being incurred.

THIS EXTENSION, HOWEVER, DOES NOT INSURE AGAINST:

- a. loss due to suspension, lapse or cancellation of any lease or license, contract or order;
- b. the cost of compiling books of accounts, abstracts, drawings, card index systems or other records including film, tape, disc, drum, cell or other magnetic recording or storage media for electronic data processing;
- c. any increase of loss due to interference at the described "Premises" by strikers or other persons, with rebuilding, repairing or replacing property, or with the resumption or continuation of business.

In no event, however, shall the Insurer be liable under this extension for loss of income nor for "Extra Expense" in excess of that necessary to continue as nearly as practicable the "Normal" conduct of the Insured's business, nor the cost of repairing or replacing any of the described property that has been damaged or destroyed by the perils insured against, except cost in excess of the normal cost of such repairs or replacements necessarily incurred for the purpose of reducing the total amount of "Extra Expense".

8. Guaranteed Mortgage Rate

The loss of income insurance provided by this Form following the total loss of an insured "Building", is extended to include, subject to the limit of insurance stated in the "Extensions of Coverage – Limits Summary", any increase in the monthly cost of the mortgage (including legal fees) resulting from the issuance of a new mortgage at a competitive interest rate that is higher than the rate of the mortgage that has been terminated at the request of the mortgagee.

Coverage is limited to the difference between the cost of the mortgage in effect at the date of the loss and the new mortgage rate, based on the remaining mortgage balance. This coverage amount is payable in monthly instalments.

The length of time for which the Insurer shall be liable for this extension of coverage shall not exceed:

- a. the expiry of the mortgage period in force at the time of the loss;
 - b. the Insured's abandonment of the title or interests in the "Building";
 - c. 60 months from the date of loss of the described property;
- whichever first occurs.

9. Ingress / Egress

The Insurer shall be liable for actual loss of income sustained during the period of time, stated in the Extension of Coverage Limits Summary, while ingress to or egress from the "Premises" is prevented as a direct result of damage to neighbouring "Premises" by an Insured Peril.

10. Newly Acquired Locations

This extension provides coverage for loss of business income resulting from direct physical loss or damage, by an Insured Peril to property located in Canada or the United States of America that is acquired by the Insured after the inception date of the policy. This extension of coverage shall cease to exist after the time period shown in the Extension of Coverage Limits Summary. The starting date of the time period shall be the date of acquisition. If more specific insurance exists, this extension shall not apply as of the effective date of the more specific insurance.

11. Off-Premises Utilities

Insurance is extended to cover, subject to the Limit of Insurance specified in the Extension of Coverage Limits Summary, loss of business income resulting directly from necessary interruption of business conducted at the "Premises" occupied by the Insured, caused by physical loss or damage by an Insured Peril provided by this Policy to:

off-premises public utility plants, transformer or switching stations, sub-stations, transformers or pumping stations furnishing heat, light, power or gas to the "Premises".

WAITING PERIOD DEDUCTIBLE

The Insurer shall not be liable under this Extension 11. for any loss unless the determined period of interruption exceeds a minimum of 48 hours, or such other period specified in the "Extension of Coverage Limits Summary", after the time of direct physical loss or damage and then liability shall exist only for such part of the loss that is incurred for the determined period of interruption in excess of the first 48 hours, or such other period specified in the Extension of Coverage Limits Summary.

PROVISIONS

- a. If during the "Actual Period of Indemnity" goods shall be sold or services shall be rendered elsewhere than at the "Premises" for the benefit of the Insured's business either by the Insured or by others on behalf of the Insured, the money paid or payable in respect of such sales or service shall be brought into account in arriving at the "Turnover" during the "Actual Period of Indemnity".

- b. If any Standing Charges of the business are not insured by this Form, then in computing the amount recoverable as Increase In Cost of Working, that proportion only of the additional expenditure shall be brought into account which the sum of the "Net Profit" and the Insured Standing Charges bears to the sum of the "Net Profit" and all standing charges.
- c. On the happening of any destruction or damage by an Insured Peril in consequence of which a claim is or may be made under this Form, the Insured shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimize or check any interruption of or interference with the Insured's business or to avoid or diminish the loss.

DEFINITIONS

"Actual Period of Indemnity" means the period beginning with the occurrence of an Insured Peril and ending no later than the end of the "Period of Indemnity" during which the results of the business shall be affected in consequence of the destruction or damage by an Insured Peril, except that if media for, or programming records pertaining to, electronic data processing or electronically controlled equipment, including "Data" thereon, be destroyed or damaged by an Insured Peril then the "Actual Period of Indemnity" in respect thereof shall not extend beyond:

- i. 30 consecutive days after the occurrence of such destruction or damage; or
- ii. the date upon which liability ceases under this insurance for loss arising from other property destroyed or damaged by the same occurrence; whichever shall be later.

"Bodily Injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

"Extra Expense" means the excess (if any) of the total cost during the Period of Restoration for the purpose of continuing the Insured's business over and above the total cost that would normally have been incurred to conduct the business during the same period had no loss occurred; the cost in each case to include expense of using other property or facilities of other concerns or other similar necessary emergency expenses.

"Gross Profit" means the sum produced by adding to the "Net Profit" the amount of the Insured Standing Charges or if there is no "Net Profit" the amount of the Insured Standing Charges less such a proportion of any net trading loss as the amount of the Insured Standing Charges bears to all standing charges of the business.

"Month" means 30 consecutive days.

"Net Profit" means the net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the "Premises" after due provision has been made for all standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

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

"Period of Indemnity" means the maximum number of consecutive calendar months specified in the "Certificate of Insurance" for which indemnity is payable hereunder for any loss.

"Period of Restoration" means such length of time, commencing with the date of the loss and not limited by the date of expiration of this Form, as shall be required with the exercise of due diligence and dispatch to repair, rebuild, or replace such property at the "Premises" as may be destroyed or damaged.

“Public Health Official” means a person working under the direction and with the authority of a government health organization and includes other governmental authority, political office or official or public safety or law enforcement personnel.

* **“Rate of Gross Profit”** means the “rate of gross profit” earned on the “Turnover” during the financial year immediately before the date of the destruction or damage by an Insured Peril.

* **“Standard Turnover”** means the “turnover” during that period in the 12 months immediately before the date of the destruction or damage by Insured Perils which corresponds with the “Actual Period of Indemnity”.

“Turnover” means the money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the Insured’s business at the “Premises”, including rents payable to the Insured in respect of rental of the “Premises”.

* to which such adjustments shall be made as may be necessary to provide for the trend of the Insured’s business and for variations in, or special circumstances affecting the Insured’s business either before or after the destruction or damage by Insured Perils, or which would have affected the Insured’s business had the destruction or damage by Insured Perils not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the destruction or damage by Insured Perils, would have been obtained during the relative period after the destruction or damage by Insured Perils.