

Enhanced Agricultural Coverage Endorsement - Form AP010

SUMMARY OF EXTENSIONS

	Coverage	Limit of Insurance (\$)
1	Accounts Receivable	\$25,000
2	Blanket By-Laws Coverage	\$25,000
3	Computer Coverage	\$10,000
4	Conviction Reward	\$10,000
5	Corrals and Farm Fencing Coverage	\$5,000
6	Cost of Restoring Farm Operation Records	\$5,000
7	Damage To Building By Burglary or Robbery	\$10,000
8	Debris Removal	5%
9	Exhibition Coverage	\$10,000
10	Errors and Omissions	\$25,000
11	Exterior Sign Coverage	\$10,000
12	Exterior Wiring Systems	\$5,000
13	Extra Expense Coverage	\$50,000
14	Farm Water Systems	\$10,000
15	Fire Department Charges	\$25,000
16	Food Product Contamination	\$10,000
17	Fuel and Fuel Tank Coverage	\$10,000
18	Good Neighbor Coverage	\$10,000
19	"Green" Environment Extension	\$50,000
20	Inflation Protection	included
21	Loss of Use – Agricultural Machinery and Equipment	\$10,000
22	Newly Acquired or Newly Constructed Property	
	A. Newly Acquired or Newly Constructed Buildings	\$500,000
	B. Newly Acquired or Leased Agricultural Machinery and Equipment	\$250,000
	C. Newly Acquired Livestock	\$5,000 per animal \$10,000 aggregate
23	Office Furnishing and Equipment Coverage	\$10,000
24	Pollutant Clean Up and Removal Expense – Insured Premises	\$10,000
25	Private Power and Light Poles	\$5,000
26	Professional Fees	\$25,000
27	Property in the Custody of a Common or Contact Carrier	\$15,000
28	Property in Transit	\$10,000
29	Property of Officers and Employees	\$5,000
30	Seed, Chemicals and Fertilizer	\$20,000
31	Stacked Hay, Straw, Feed	\$5,000

32	Standing Crop Coverage	
	a Standing or Swathed Grain & Seed	\$10,000
	b Standing, Swathed or Stored Hay, Straw or Feed	\$5,000
33	Valuable Papers	\$25,000
34	Veterinarian Supply Coverage	\$5,000
35	3-D Crime Coverage	
	Coverage A: Employee Dishonesty	\$5,000
	Coverage B: Loss Inside the Premises	\$5,000
	Coverage C: Loss Outside the Premises	\$5,000
	Coverage D: Money Orders and Counterfeit Paper Currency	\$5,000
	Coverage E: Depositors Forgery	\$5,000
	Coverage F: Computer Theft and Funds Transfer Fraud	\$5,000

Words and phrases in quotation marks have special meaning, and are defined below or in the Form(s) to which this endorsement is attached.

Extensions of coverage specific to this endorsement are subject to all the terms, definitions, limitations, deductibles, insured perils, provisions and other conditions of the Agricultural Property Broad Form – Form AP100 to which this endorsement is attached unless otherwise stated herein. If an extension of coverage provided under this form is more specifically insured elsewhere in this policy to which this form is attached, the extension of coverage under this form does not apply.

If a coverage limit provided in this enhancement has a limit greater than specifically insured elsewhere in the policy to which this form is attached, the limit under this endorsement will replace the limit shown elsewhere in the policy unless otherwise specified.

1 ACCOUNTS RECEIVABLE

The insurance under this policy is extended to insure:

- a all sums due the Insured from customers, provided the Insured is unable to effect collection thereof as to the direct result of loss or damage to records of accounts receivable;
- b collection expense in excess of normal collection cost and made necessary because of the loss or damage;
- c interest charges on any loss to offset impaired collections pending repayment of such sums made uncollectible by 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.

Basis of settlement: When there is proof that a loss covered by this Extension has occurred but the Insured cannot accurately establish the total amount of accounts receivable outstanding as of the date of such loss, such amount shall be based on the Insured's monthly statements and shall be calculated as follows:

- (i) 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;
- (ii) calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the twelve months immediately preceding with such average for the same months of the preceding year;
- (iii) the amount determined under (i) above, increased or decreased by the percentage calculated under (ii) above, shall be the agreed total amount of accounts receivable as of the last day of the fiscal month in which said loss occurs;
- (iv) the amount determined under (iii) above shall be increased or decreased in conformity of the business since the last day of the last fiscal month for which statement has been rendered.

There shall be deducted from the total amount of accounts receivable, however established, the amount of such accounts 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. All unearned interest and service charges shall be deducted.

This extension of coverage is limited to a maximum recovery of **\$25,000** in any one occurrence. No deductible applies to this coverage.

2 BLANKET BY-LAWS COVERAGE

Applicable to Agricultural Property Broad Form – Form AP100 and Agricultural Property Named Perils Form – Form AP101:

The Insurance under this policy is, without increasing the amount of insurance, and only as a result of an insured peril, extended to indemnify the Insured for:

- a loss occasioned by the demolition of any undamaged portion of the buildings or structures;
- b the cost of demolishing and clearing the site of any undamaged portion of the buildings or structures;
- c any increase in the cost of repairing, replacing, constructing or reconstructing the “building” on the same site or 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;
 - (ii) is in force at the time of such loss or damage.

The Insurer shall not be liable under this endorsement for loss occasioned by the enforcement of any by-law, regulation, ordinance or law which prohibits an Insured from rebuilding or repairing on the same site or an adjacent site or prohibits continuance of like occupancy.

In addition to the amount of insurance provided under the Agricultural Property Broad Form and Agricultural Property Named Perils Form, this extension will also provide an additional coverage limit of \$25,000 maximum recovery in any one occurrence.

3 COMPUTER COVERAGE

The insurance under this policy is extended to insure against direct physical loss or damage by an insured peril to computer equipment and electronic data processing equipment including their component parts, and “electronic media” at the “premises”.

This extension does not insure:

- a any data processing media which cannot be replaced with other of like kind and quality;
- b loss that is covered by a manufacturer’s warranty or service contract except for loss that is in excess of the amount received by the Insured from the warranty or service contract;
- c loss or damage caused directly or indirectly by programming errors or faulty machine instructions.

This extension provides systems breakdown coverage, to computer equipment, electronic data processing and word processing equipment including their components parts, and “electronic media” at the “premises”, as described below:

The Insurer agrees to insure against loss, damage, or expense resulting from or caused by:

- (i) mechanical breakdown, machinery breakdown, or media failure while said media is being run through the electronic data processing system;
- (ii) short circuit, blow-out or other electrical or magnetic disturbance, other than lightning, within electrical equipment, apparatus or devices;
- (iii) electric or magnetic injury, disturbance or erasure of electronic recordings.

This extension of coverage is limited to a maximum recovery of **\$10,000** in any one occurrence and is subject to a \$1,000 Deductible.

4 CONVICTION REWARD

The Insurer will pay for information which leads to a conviction of arson, vandalism, burglary or robbery or attempt thereof, in connection with a loss to Covered Property at the described "premises".

The maximum payable will not be increased regardless of the number of persons providing information. The Insured, and officers and partners thereof are not eligible for this reward.

This extension of coverage is limited to a maximum recovery of **\$10,000** in any one occurrence. No deductible applies to this coverage.

5 CORRALS AND FARM FENCING COVERAGE

This form insures against direct physical loss of or damage to corrals and/or fences on the farm premises arising from "Named Perils".

This extension of coverage is limited to a maximum recovery of **\$5,000** in any one occurrence and is subject to a \$1,000 Deductible.

6 COST OF RESTORING FARM OPERATIONS RECORDS

The Insurer will pay to cover the insured's cost to research, replace or restore the lost information on farm operations records damaged by an insured peril.

This extension of coverage is limited to a maximum recovery of **\$5,000** in any one occurrence. No deductible applies to this coverage.

7 DAMAGE TO BUILDING BY BURGLARY OR ROBBERY

This form insures damage (except by fire) to that part of the building occupied by the Insured directly resulting from theft or attempted theft and from vandalism or malicious acts committed on the same occasion.

This extension of coverage is limited to a maximum recovery of **\$10,000** in any one occurrence and is subject to a \$1,000 Deductible.

8 DEBRIS REMOVAL

The Insurer will pay the reasonable expense incurred by the insured in the removal of debris of insured property as a result of an Insured Peril. If the amount payable for the loss, including the expense for removal of debris, is greater than the amount of Insurance on the insured property, an **additional 5%** of that amount will be available to cover debris removal expense. No deductible applies to this coverage.

9 EXHIBITION COVERAGE

This form insures against direct physical loss of or damage to Agricultural Property while at any fairground, exhibition or exposition for the purpose of exhibition or sale, caused by an insured peril. This coverage does not increase the amount of insurance applying to the damaged property.

This extension of coverage is limited to a maximum recovery of **\$10,000** in any one occurrence and is subject to a \$1,000 Deductible.

10 ERRORS AND OMISSIONS

In the event of loss of or damage to insured property at a location owned or occupied by the Insured that is not payable under this form solely due to error or unintentional omission by the Insured of any of the following:

- a
 - i. an unreported location at the beginning of the current policy period;
 - ii. the description of a location;
 - iii. reported values; or
 - iv. incorrect deletion of an insured location.
- b loss or damage will be insured by the policy:
 - i. only to the extent that the policy would have provided coverage in the absence of such error or omission;
 - ii. that any error or omission will be reported and corrected, including the appropriate adjustment of premium when discovered.

This coverage does not apply if there is coverage applicable under EXTENSION 22. NEWLY ACQUIRED OR NEWLY CONSTRUCTED PROPERTY.

This extension of coverage is limited to a maximum recovery of **\$25,000** in any one occurrence and is subject to a \$1,000 Deductible.

11 EXTERIOR SIGN COVERAGE

The insurance under this policy is extended to insure loss or damage caused by a peril insured against to exterior sign(s), lettering and ornamentation located on the "premises" as specified on the "Declarations Page".

This extension of coverage is limited to a maximum recovery of **\$10,000** in any one occurrence. No deductible applies to this coverage.

12 EXTERIOR WIRING SYSTEMS

Applicable to Agricultural Property Broad Form – Form AP100, Agricultural Property Named Perils Form – Form AP101 and Agricultural Property Fire and Lightning Form – Form AP102 :

This form insures against loss or damage to exterior wiring systems consisting of poles, wires, transformers, switches and lighting on the insured premises, caused by an insured peril.

This extension of coverage is limited to a maximum recovery of **\$5,000** in any one occurrence and is subject to a \$1,000 Deductible.

13 EXTRA EXPENSE COVERAGE

The insurance under this policy is extended to indemnify the Insured for the extra expense necessarily incurred by the Insured to continue normal business services and operations which are interrupted as a result of loss by a peril insured against to insured "Property" and only for the period of time required with the exercise of due diligence and dispatch to repair, rebuild or replace the damaged or destroyed insured property to restore normal business service and operations.

This extension does not insure any extra expense related to short term rental of mobile agricultural machinery or contractors equipment.

This extension of coverage is limited to a maximum recovery of **\$50,000** in any one occurrence. No deductible applies to this coverage.

14 FARM WATER SYSTEMS

This form insures loss of or damage to:

- a sewers, drains and water mains;
 - b water systems, water pumps, pressure systems or pump houses; and
- that are located on the "premises" and are used in farming.

This extension of coverage is limited to a maximum recovery of **\$10,000** in any one occurrence. No deductible applies to this coverage.

15 FIRE DEPARTMENT CHARGES

This form insures any expenses the Insured is charged by a municipality for fire department services, as a result of a fire or any other insured peril.

This extension of coverage is limited to a maximum recovery of **\$25,000** in any one occurrence. No deductible applies to this coverage.

16 FOOD PRODUCT CONTAMINATION

This form insures physical loss of or damage to the Insured's food product "stock" or "farm produce" resulting from "contamination" while the "stock" or "farm produce" is on the "premises".

For the purpose of this coverage only, "contamination" means the introduction of a foreign material or substance into the food product in such a way as to render the food product unfit for its intended consumption as determined by any regulatory authority.

This extension does not insure "contamination" of milk.

This extension of coverage is limited to a maximum recovery of **\$10,000** in any one occurrence and is subject to a \$1,000 Deductible.

17 FUEL AND FUEL TANK COVERAGE

This form insures physical loss or damage to fuel tanks, fuel tank stands, and liquefied petroleum or manufactured gas stored on the premises, caused by an insured peril.

This extension of coverage is limited to a maximum recovery of **\$10,000** in any one occurrence and is subject to a \$1,000 Deductible.

18 GOOD NEIGHBOR COVERAGE

The insurer will pay up to **\$10,000** in any one occurrence as an additional amount of insurance for direct physical loss or damage to Agricultural Property owned in whole by others, while in the Insured's care, custody and control, caused by an insured peril. If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss or damage in excess of the amount due to that other insurance.

This coverage is subject to a \$1,000 deductible.

19 "GREEN" ENVIRONMENT EXTENSION

This extension shall only be applicable to "building(s)" coverage and only if coverage to the "building(s)" is written on a "replacement cost" basis following the "replacement cost" terms and provisions as per the Form to which it attaches.

The insurance under this policy is extended to insure, at the request of the insured, new property of like kind and quality, which shall also include similar new property which is more energy efficient or has a better environmental emissions rating than that lost or damaged.

This extension does not apply to any increase in the cost of replacement occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law.

This extension of coverage provides for reimbursements for any additional costs involved in such property, however, shall be limited to a maximum recovery of **\$50,000** in any one occurrence.

20 INFLATION PROTECTION

It is agreed that:

- a the amount of insurance applicable to "building(s)" shall be increased during the policy period by the proportion by which the latest published Statistics Canada Non-Residential Building Output Price Indexes have increased since the last "premium due date";
- b at the "premium due date", the amount of insurance shall be increased automatically in accordance with the latest published Statistics Canada Non-Residential Building Output Price Indexes and the appropriate premium charged;
- c if the amount of insurance applicable to "building(s)" is changed at the request of the Insured during the policy period, the effective date of this Endorsement is deemed to coincide with the effective date of such change;
- d if the policy insures two or more items, the foregoing shall apply separately to each item to which this Endorsement applies;
- e this Endorsement is not applicable if the "building" is "vacant" at the time of the loss

21 LOSS OF USE – AGRICULTURAL MACHINERY AND EQUIPMENT

Applicable to Agricultural Machinery and Equipment Floater – Form AP200.

This extension extends to reimburse the Insured for the expense incurred for the rental of substitute mobile agricultural machinery similar in size and capacity to an item insured which has become inoperative because of loss or damage exceeding the deductible amount and caused by an insured peril.

Reimbursement shall end on the date of completion of repairs or replacement of the lost or damaged property or on the date that we make or tender settlement for such loss, whichever is first.

Reimbursement is limited per day to 10% of the amount provided by this extension (**\$10,000 per occurrence**). No deductible applies to this coverage.

22 NEWLY ACQUIRED OR NEWLY CONSTRUCTED PROPERTY

The insurance under this policy is extended to insure the following property that is owned, rented or controlled by the Insured:

- A. NEWLY ACQUIRED OR NEWLY CONSTRUCTED BUILDINGS including:
 - a New buildings while being built; and
 - b Buildings acquired during the policy term at locations other than the specified premises; which are intended for;
 - c Similar use as the building(s) described in the Declaration Page.

This extension of coverage is limited to a maximum recovery of **\$500,000** in any one occurrence and is subject to a \$1,000 Deductible (or such other amount as may be shown on the Declarations Page for Form AP100). This is not an additional amount of insurance.

B. NEWLY ACQUIRED OR LEASED AGRICULTURAL MACHINERY AND EQUIPMENT:

- a subject to all the terms, definitions, limitations, deductibles, insured perils, provisions and other conditions of the Agricultural Machinery and Equipment Floater – Form AP200;
- b Excluding: individually scheduled tools, other machinery, spare parts and tools.

This extension of coverage is limited to a maximum recovery of **\$250,000** in any one occurrence and is subject to a \$1,000 Deductible (or such other amount as may be shown on the Declarations Page for Form AP200). This is not an additional amount of insurance.

C. NEWLY ACQUIRED LIVESTOCK:

- a similar livestock acquired during the policy term.
- b subject to all the terms, definitions, limitations, deductibles, insured perils, provisions and other conditions of the Livestock and Poultry Floater – Form AP300.

This extension of coverage is limited to a maximum recovery of **\$10,000, and not more than \$5,000 for any one animal**, in any one occurrence and is subject to a \$1,000 Deductible (or such other amount as may be shown on the Declarations Page for Form AP300). This is not an additional amount of insurance.

Insurance under this extension will cease on the earliest of:

- i. 30 days from the date of acquisition of such property;
- ii. the date values for such property are reported to the Insurer; or
- iii. the expiration date of this policy.

The Insured agrees to keep an accurate record of the date of the commencement of construction, acquisition and description and value of each item so covered and to pay pro rata additional premium thereon.

23 OFFICE FURNISHING AND EQUIPMENT COVERAGE

This form insures against direct physical loss of or damage to office furnishings and equipment located on the "Premises" caused by an insured peril. Office furnishings and equipment means: office furniture, fixtures, equipment, machines and supplies.

This extension of coverage is limited to a maximum recovery of **\$10,000** in any one occurrence and is subject to a \$1,000 Deductible.

24 POLLUTANT CLEAN UP AND REMOVAL EXPENSE – Insured Premises

- a This form insures expenses incurred to "clean up" "pollutants" from land and water at the "premises" provided the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of "pollutants":
 - i. is sudden, unexpected and unintended from the standpoint of the Insured; and
 - ii. first occurs during the policy period.
- b The liability of the Insurer in respect of this extension during any one policy period will not exceed, in the aggregate limit of **\$10,000** for this extension.
- c Notwithstanding the reinstatement clause in this form, following a loss under this extension, the limit of insurance for this extension will be reduced by the amount payable.
- d The Insurer will not be liable for:
 - i. expenses 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";
 - ii. expenses for "clean up" of any spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" that began before the effective date of this policy;
 - iii. fines, penalties, punitive or exemplary damages;
 - iv. expenses incurred for the "clean up" of "pollutants" at or from any premises, site or location which is or was at any time used by or for any Insured or others for the handling, storage, disposal, processing or treatment of waste;

- v. costs to test for, monitor or assess the existence, concentration or effects of “pollutants”. But we will pay for testing which is performed in the course of extracting the “pollutants” from land or water.
- e It is a condition precedent to recovery under this extension that all expenses insured by this extension must be incurred and reported within 180 days of the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of “pollutants” for which “clean up” expenses are being claimed.
- f The insurance afforded by this extension will apply as excess over any other valid and collectible insurance available to the Insured or any other interested party.

This extension of coverage is limited to a maximum recovery of **\$10,000** in any one occurrence and is subject to a \$1,000 Deductible.

25 PRIVATE POWER AND LIGHT POLES

This form insures physical loss of or damage to private power and light poles, outside wiring and attachments arising from a “Named Peril”. Attachments include switchboxes, fuse boxes and other electrical equipment mounted on poles you own at the premises.

This extension of coverage is limited to a maximum recovery of **\$5,000** in any one occurrence and is subject to a \$1,000 Deductible.

26 PROFESSIONAL FEES

The insurance under this policy is extended to include reasonable fees payable to professionals, except the Insured’s own employees, whom an Insured may hire to produce and certify particulars or details of the Insured’s loss or losses in order to arrive at the loss payable under this policy in the event of a claim.

This extension of coverage is limited to a maximum recovery of **\$25,000** in any one occurrence. No deductible applies to this coverage.

27 PROPERTY IN THE CUSTODY OF A COMMON OR CONTRACT CARRIER

You may extend the insurance that applies to Fertilizer / Chemicals / Pesticides / Herbicides / Produce/ Threshed Grain or Livestock to provide coverage while in the custody of a common or contract carrier, for up to a total of **\$15,000**.

This is not an additional amount of insurance.

The insurance under this policy is extended to insure “contents” in transit, other than parcel post, within Canada or the continental United States of America until delivered.

This coverage is subject to a \$1,000 Deductible.

28 PROPERTY IN TRANSIT

This form insures contents, usual to the insured’s agricultural operations or business, while in transit within the territorial within Canada or the continental United States of America until delivered. There is no coverage for business contents at a location owned, leased or controlled in whole or in part by the Insured.

This extension of coverage is limited to a maximum recovery of **\$10,000** in any one occurrence and is subject to a \$2,500 Deductible.

29 PROPERTY OF OFFICERS AND EMPLOYEES

This form insures personal effects of officers and employees of the Insured. The insurance on such property:

- a will not attach if it is insured by the owner unless the Insured is obligated to insure it or is liable for its loss or damage; and
- b will apply only to loss or damage occurring at a location described on the Declaration Page or at any newly acquired location for which coverage is provided under this form.

This extension of coverage is limited to a maximum recovery of **\$5,000** in any one occurrence and is subject to a \$1,000 Deductible.

30 SEED, CHEMICALS AND FERTILIZER

This form insures the property described against direct loss or damage caused by the Insured Perils listed below:

- a Fire, lightning or smoke;
- b Explosion, except explosion originating in internal combustion engines;
- c Windstorm or hail;
- d Collision or overturning of a conveyance on which the insured property is being transported including collapse of bridges and culverts;

- e Impact by aircraft or motor vehicles other than motor vehicles owned or controlled by you or your employees;
- f Riot, Vandalism or Malicious Acts;
- g Theft from within a fully enclosed building following forcible entry of which there shall be visible marks at the place of such entry. No evidence of forcible entry is required if the theft occurred from the principal farm location.

Loss or Damage Not Insured

This extension is subject to the exclusions, limitations, and other conditions of the Agricultural Property Broad Form – Form AP100.

This extension of coverage is limited to a maximum recovery of **\$20,000** in any one occurrence and is subject to a \$1,000 Deductible.

31 STACKED HAY, STRAW & FEED

This form insures physical loss or damage to your stacked or baled hay, straw, silage or feed, commercial feed supplements, concentrates and processed grains, all for animal consumption, while located anywhere on property owned, leased or rented to the insured (including tarps and/or silage bags, on or attached to the Hay, Straw, Silage and Feed) caused by a “Named Peril”

This extension of coverage is limited to a maximum recovery of **\$5,000** in any one occurrence and is subject to a \$500 Deductible.

32 STANDING CROP COVERAGE

This form insures:

- a up to **\$10,000** in any one occurrence as an additional amount of insurance, for direct physical loss by fire to standing or swathed grains and seed crops; and
- b up to **\$5,000** in any one occurrence as an additional amount of insurance for direct physical loss by fire to standing, swathed or stored hay, straw or feed.

If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss or damage in excess of the amount due for that other insurance.

This coverage is subject to a \$1,000 Deductible.

33 VALUABLE PAPERS

The insurance under this policy is extended to insure “valuable papers and records” owned by the Insured or held by the Insured in any capacity, provided the insurance applies only to the interest of the Insured in such property, including the Insured’s liability to others, and does not apply to the interest of any other person or organization in any of said property unless included in the Insured’s proof of loss.

The Insurer will pay the additional expense necessarily incurred in the reproduction of the Insured’s “valuable papers and records”, because of loss, destruction, or damage caused by an insured peril.

This extension does not insure against loss or damage:

- a directly resulting from errors or omissions in processing or copying unless fire or explosion ensues and then only for direct loss caused by such ensuing fire or explosion;
- b to property which cannot be replaced with other of like kind and quality.

This extension of coverage is limited to a maximum recovery of **\$25,000**. No deductible applies to this coverage.

34 VETERINARIAN SUPPLY COVERAGE

This form insures physical loss of or damage to drugs, medications, prescriptions and veterinarian supplies (excluding semen and semen tanks) kept for use in your agricultural operations while on the “premises”, caused by an insured peril (Consequential Loss is included.)

This extension of coverage is limited to a maximum recovery of **\$5,000** in any one occurrence and is subject to a \$1,000 Deductible.

35 3-D CRIME COVERAGE

The following Crime Extensions of coverage are all subject to the exclusions, special conditions and definitions specified hereunder and all other terms and conditions of this policy. Loss or damage is covered under these crime extensions if discovered not later than one year from the end of the Policy period and occurred or sustained during the Policy Period within Canada and the continental United States of America.

Coverage A - Employee Dishonesty

This extension insures, under Coverage A loss of "money", "securities" and other property which the Insured shall sustain, to an amount not exceeding in the aggregate of **\$5,000** for Employee Dishonesty, resulting directly from one or more "fraudulent or dishonest acts" committed by an "employee" acting alone or in collusion with others.

This extension does not apply to:

- a loss, the proof of which as to its factual existence or amount is dependent upon an inventory computation or a profit and loss computation;
- b loss caused by any "employee" of the Insured or any predecessor in interest of the Insured, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation;
- c loss caused by any "employee" after discovery by the Insured, or by any partner or officer thereof not in collusion with such "employee", of any "fraudulent or dishonest acts" committed by that "employee" whether before or after becoming employed by the Insured.

Coverage B - Loss Inside the Premises

This extension insures, under Coverage B to an amount not exceeding the aggregate of **\$5,000** for Loss Inside the Premises,

- a loss of or damage to "money" and "securities" by the actual destruction, disappearance or wrongful abstraction thereof within the "premises" or within any "banking premises" or similar recognized places of safe deposit;
- b loss of or damage to other property caused by "safe burglary" or "robbery" within the "premises", or attempt thereat and loss of a locked cash drawer, cash box or cash register by felonious entry into such container within the "premises", or attempt thereat, or by felonious abstraction of such container from within the "premises";
- c damage to the "premises" by "safe burglary", "robbery" or felonious abstraction, or by or following burglarious entry into the "premises" or attempt thereat, provided with respect to damage to the "premises" the Insured is the owner thereof or is liable for such damage.

This extension does not apply to:

- (i) loss of or damage to "money", "securities" and other property which has been transferred by any computer to a person or to a place outside the covered "premises" on the basis of unauthorized electronic instructions;
- (ii) loss or damage, other than to "money", "securities", a safe or vault, by fire whether or not such fire is caused by, contributed to by or arises out of the occurrence of hazard insured against;
- (iii) loss of or damage to "money" contained in coin operated amusement devices or vending machines, unless the amount of "money" deposited within the device or machine is recorded by a continuous recording instrument therein;

Coverage C - Loss Outside the Premises

This extension insures, under Coverage C to an amount not exceeding in the aggregate of **\$5,000** for Loss Outside the Premises:

- a loss of or damage to "money" and "securities" by the actual destruction, disappearance or wrongful abstraction thereof outside the "premises" while being conveyed by a "messenger" or any armored motor vehicle company, or while within the living quarters in the home of any "messenger";
- b loss of or damage to other property by "robbery" outside the "premises" while being conveyed by a "messenger" or any armored motor vehicle company, or by theft while within the living quarters in the home of any "messenger".

This extension does not apply to:

- (i) loss or damage due to the surrender of "money", "securities" or other property away from the "premises" as a result of or threat to do bodily harm to any person, or damage to the "premises" or property owned by the Insured or held by the Insured in any capacity; provided, however, this exclusion does not apply to loss of or damage to "money", "securities" or other property while being conveyed by a "messenger" when there was no knowledge by the Insured of any such threat at the time the conveyance was initiated;

- (ii) loss of or damage to insured property while in the custody of any armored motor vehicle company, unless such loss or damage is in excess of the amount recovered or received by the Insured under:
 - 1. the Insured's contract with said armored motor vehicle company;
 - 2. insurance carried by the said armored motor vehicle company for the benefit of users of its service;
 - 3. all other insurance and indemnity in force in whatsoever form carried by or for the benefit of users of said armored motor vehicle company's service, and then this Extension shall cover only such excess.

The following additional exclusions apply only to Coverages B and C of this Crime Extensions of coverage:

- (i) loss or damage due to any fraudulent, dishonest or criminal act by an employee, director, trustee or authorized representative of any Insured, while working or otherwise and whether acting alone or in collusion with others; provided, this exclusion does not apply to "safe burglary" or "robbery" or attempt thereof;
- (ii) loss or damage due to the giving or surrendering of "money" or "securities" in exchange or purchase;
- (iii) loss or damage due to accounting or arithmetical errors or omissions;
- (iv) loss of or damage to manuscripts, books of account or records, except for blank value.

Coverage D - Money Orders and Counterfeit Paper Currency

This extension insures, under Coverage D to an amount not exceeding in the aggregate of **\$5,000** for Money Orders and Counterfeit Paper Currency, loss or damage due to the acceptance in good faith, in exchange for merchandise, money or services, of any post office or express money order, issued or purporting to have been issued by any post office or express company, if such money order is not paid upon presentation, or due to the acceptance in good faith in the regular course of business of counterfeit Canadian or United States paper currency.

Coverage E - Depositors Forgery

This extension insures, under Coverage E to an amount not exceeding in the aggregate of **\$5,000** for Depositors Forgery, loss which the Insured or any bank which is included in the Insured's proof of loss and in which the Insured carries a chequing or savings account, as their respective interests may appear, shall sustain through forgery or alteration of, on or in any cheque, draft, promissory note, bill of exchange, or similar written promise, order or direction to pay a sum certain in "money", made or drawn by or drawn upon the Insured, or made or drawn by one acting as agent of the Insured, or purporting to have been made or drawn as hereinbefore set forth, including:

- a any cheque or draft made or drawn in the name of the Insured, payable to a fictitious payee and endorsed in the name of such fictitious payee;
- b any cheque or draft procured in a face to face transaction with the Insured, or with one acting as agent of the Insured, by anyone impersonating another and made or drawn payable to the one so impersonated and endorsed by anyone other than the one so impersonated; and
- c any payroll cheque, payroll draft or payroll order made or drawn by the Insured, payable to bearer as well as to a named payee and endorsed by anyone other than the named payee without authority from such payee; whether or not any endorsement mentioned in (a), (b) or (c) be a forgery within the law of the place controlling the construction thereof. Mechanically reproduced facsimile signatures are treated the same as handwritten signatures.

The Insured shall be entitled to priority of payment over loss sustained by any bank aforesaid. Loss under this Coverage E, whether sustained by the Insured or such bank, shall be paid directly to the Insured in its own name, except in cases where such bank shall have already fully reimbursed the Insured for such loss. The liability of the Insurer to such bank for such loss shall be a part of and not in addition to the amount of insurance applicable to the Insured's office to which such loss would have been allocated had such loss been sustained by the Insured. If the Insured or such bank shall refuse to pay any of the foregoing instruments made or drawn as hereinbefore set forth, alleging that such instruments are forged or altered, and such refusal shall result in suit being brought against the Insured or such bank to enforce such payment and the Insurer shall give its written consent to the defence of such suit, then any reasonable attorney's fees, court costs or similar legal expenses incurred and paid by the Insured or such bank in such defence shall be construed to be a loss under Coverage E and the liability of the Insurer for such loss shall be in addition to any other liability under Coverage E.

Coverage F – Computer Theft and Funds Transfer Fraud

This extension insures under Coverage F to an amount not exceeding in the aggregate of **\$5,000** for Computer Theft and Funds Transfer Fraud, loss of "money" or "securities" by "computer theft" or by "Funds Transfer Fraud".

This extension does not insure loss:

- a caused by an employee or authorized representative of the Insured acting alone or in collusion with others;
- b due to the giving or surrendering of "money" or "securities" in any exchange or purchase;
- c of "money" or "securities" or other property as a result of kidnap, ransom or other extortion payments surrendered to any person as a result of a threat to do bodily harm to any person or damage to the premises or other property owned by the Insured or held by the Insured in any capacity;
- d resulting from loss of computer time or use;
- e resulting from unintentional errors or omissions;
- f which inures directly to the benefit of any Financial Institution or to any electronic funds transfer system or electronic data processor. Any coverage hereunder shall be specifically excess of any indemnity from or insurance taken for the benefit of customers of any Financial Institution;
- g resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored value or other cards or the information contained on such cards;
- h resulting from:
 - (i) the unauthorized disclosure of confidential information including, but not limited to, patents, trade secrets, processing methods or customer lists; or
 - (ii) the unauthorized use or disclosure of confidential information of another person or entity which is held by you including, but not limited to, financial information, personal information, credit card information or similar non-public information;

Common Exclusions

The following exclusions "a" to "e" inclusive apply to all of the above crime extensions of coverage:

- a loss due to any fraudulent, dishonest or criminal act by any Insured or a partner therein, whether acting alone or in collusion with others;
- b the defence of any legal proceeding brought against the Insured, or to fees, costs or expense incurred or paid by the Insured in prosecuting or defending any legal proceeding whether or not such proceeding results or would result in a loss to the Insured covered by these crime extensions of coverage, except as may be specifically stated to the contrary in these crime extensions of coverage;
- c potential income including but not limited to interest and dividends, not realized by the Insured because of a loss covered under these crime extensions of coverage;
- d all damages of any type for which the Insured is legally liable, except direct compensatory damages arising from a loss covered under these crime extensions of coverage;
- e all costs, fees and other expenses incurred by the Insured in establishing the existence of, or amount of loss covered under these crime extensions of coverage.

Special Conditions

The following Special Conditions are applicable to all of the above crime extensions of coverage:

1 Ownership of Property - Interests Covered

The insured property may be owned by the Insured or held by the Insured in any capacity whether or not the Insured is liable for the loss thereof, or may be property as respects which the Insured is legally liable, provided the insurance applies only to the interest of the Insured in such property, including the Insured's liability to others, and does not apply to the interest of any other person or organization in any of said property unless included in the Insured's proof of loss.

2 Limits of Liability - Settlement Options

The limit of the Insurer's liability for loss shall not exceed the applicable amount of insurance specified for each crime extensions of coverage, nor what it would cost at the time of loss to repair or replace the property with other of like kind or quality, nor as respects securities the actual cash value thereof at the close of business on the business day next preceding the day on which the loss other property held by the Insured as a pledge, or as collateral for an advance or loan, shall be deemed not to exceed the value of the property as determined and recorded by the Insured when making the advance or loan, nor, in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates. The Insurer may

pay for the loss in money or may repair or replace the property and may settle any claim for loss of property either with the Insured or the owner thereof. Any property so paid for or replaced for which the Insurer has made indemnification shall become the property of the Insurer. Any property recovered after settlement of a loss shall be applied first to the expense of the parties making such recovery, with any balance applied as if the recovery had been made prior to such settlement, and loss readjusted accordingly. The Insured or the Insurer, upon recovery of any such property, shall give notice thereof as soon as practicable to the other. Under Coverages A and E, with respect to loss caused by any person (whether one of the employees or not) and which occurs partly during the period of the policy and partly during the period of other bonds or policies issued by the Insurer to the Insured or to any predecessors in interest of the Insured and terminated or cancelled or allowed to expire and in which the period for discovery has not expired at the time any such loss thereunder is discovered, the total liability of the Insurer under this policy and under such other bonds or policies shall not exceed, in the aggregate, the amount carried under the applicable crime extensions of coverage on such loss or the amount available to the Insured under such other bonds or policies, as limited by the terms and conditions thereof, for any such loss, if the latter amount be the larger. Except under Coverages A and E, the applicable amount of insurance specified for each crime extensions of coverage is the total limit of the Insurer's liability with respect to all loss of property of one or more persons or organizations arising out of any one occurrence. Any loss caused by any person or in which such person is concerned or implicated, or any loss incidental to an actual or attempted burglary or robbery, shall be deemed to arise out of one occurrence.

3 Non-Accumulation of Limit of Liability

Regardless of the number of years this policy remains in force, no Limit of Liability cumulates from year to year or policy period to policy period.

4 Insured's Duties When Loss Occurs

Upon knowledge or discovery of loss or of an occurrence which may give rise to a claim for loss, the Insured shall:

- a give notice thereof as soon as practicable to the Insurer or any of its authorized agents and, except under Coverages A and E, also to the police if the loss is due to violation of law;
- b file detailed proof of loss, duly sworn to, with the Insurer within four months after the discovery of loss. Proof of loss under Coverage E shall include the instrument which is the basis of claim for such loss. If it shall be impossible to file such instrument, the affidavit of the Insured or the Insured's bank of deposit setting forth the amount and cause of loss shall be accepted in lieu thereof;
- c upon the Insurer's request, submit to examination by the Insurer, subscribe the same, under oath if required, and produce for the Insurer's examination pertinent records, all at such reasonable times and places as the Insurer shall designate, and shall co-operate with the Insurer in all matters pertaining to loss or claims with respect thereto.

5 Superseded Insurance

If similar insurance of the Insured, consisting of one or more policies affording continuous coverage, terminated with the beginning of the policy period, loss, to the extent that it is not insured under such prior insurance solely because of late discovery, shall be deemed to have occurred on the first day of the policy period.

6 No Benefits to Bailee

The Insurance afforded by Coverages B and C of this extension shall not enure directly or indirectly to the benefit of any carrier or other bailee for hire.

7 Subrogation

In the event of any payment under this Crime Extensions of coverage, the Insurer shall be subrogated to all the Insured's rights of recovery therefor against any person or organization and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Insured shall do nothing after a loss to prejudice such rights.

8 Waiver of Term or Condition

No term or condition of this form shall be deemed to be waived by this Insurer in whole or in part unless the waiver is clearly expressed in writing by a person authorized for that purpose by the Insurer.

Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of this form by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or the investigation or adjustment of any claim under this form.

Definitions

Wherever used in this Crime Extensions of Coverage:

- a "Banking Premises" means the interior of that portion of any building which is occupied by a banking institution in conducting its business.
- b "Computer Theft" means the loss of or damage to "money" or "securities" resulting directly from the use of any computer to fraudulently cause a transfer of "money" or "securities" from inside the "premises" or "banking premises":
 - (i) to a person (other than a messenger) outside the "premises"
 - (ii) to a place outside the "premises."
- c "Custodian" means the Insured or any employee who is duly authorized by the Insured or a partner of the Insured to have the care and custody of the insured property within the premises, excluding any person while acting as a watchman, porter or janitor.
- d "Employee" means any natural person (except a director or trustee of the Insured, if a corporation, who is not also an officer or employee thereof in some other capacity) while in the regular service of the Insured in the ordinary course of the Insured's business during the policy period and whom the Insured compensates by salary, wages or commissions and has the right to govern and direct in the performance of such service, but does not mean any broker, factor, commission merchant, consignee, contractor or other agent or representative of the same general character. As applied to loss under Coverage A, the above words "while in the regular service of the Insured" shall include as many of the first 30 days thereafter as are within the policy period.
- e "Fraudulent or Dishonest Acts" means only fraudulent or dishonest acts committed by such employee with the manifest intent:
 - (i) to cause the Insured to sustain such loss; and
 - (ii) to obtain financial benefit for the employee, or for any other person or organization intended by the employee to receive such benefit, other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment.
- f "Funds Transfer Fraud" means:
 - (i) Fraudulent electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions issued to a Financial Institution directing such institution to debit a "Transfer Account" and to transfer, pay or deliver "money" and "securities" from such account by use of an electronic transfer system at specified intervals or under specified conditions, which instructions purport to have been transmitted by the Insured or by a person duly authorized by the Insured to issue such instructions but which have been fraudulently transmitted by someone other than the Insured without the Insured's knowledge or consent.
 - (ii) Fraudulent written instructions (other than those described in Coverage E (Depositors Forgery)) issued to a Financial Institution directing such institution to debit a "Transfer Account" by use of an electronic funds transfer system at specified intervals or under specified conditions which written instructions purport to have been issued by the Insured but were in fact fraudulently issued, forged or altered by someone other than the Insured without the Insured's knowledge or consent.
- g "Messenger" means the Insured or a partner of the Insured or any employee who is duly authorized by the Insured to have the care and custody of the insured property outside the premises.
- h "Money" means currency, coins, bank notes and bullion, travellers cheques, register cheques and money orders held for sale to the public.
- i "Premises" means the interior of that portion of any building at a location specified on the "Declarations Page" which is occupied by the Insured in conducting its business. As respects robbery only, the premises shall also include the space immediately surrounding such building.
- j "Robbery" means the taking of insured property:
 - (i) by violence inflicted upon a messenger or a "custodian";
 - (ii) by putting the messenger or "custodian" in fear of violence;
 - (iii) by any other overt felonious act committed in the presence of a messenger or "custodian" and of which he/she was actually cognizant, provided such other act is not committed by an officer, partner or employee of the Insured;
 - (iv) from a messenger or "custodian" who while having custody of the insured property has been killed or rendered unconscious;
 - (v) from within the premises by means of compelling a messenger or "custodian" by violence or threat of violence while outside the premises to admit a person into the premises or to furnish them with means of ingress into the premises.

- k "Safe Burglary" means the felonious abstraction of:
 - i) a safe from within the premises;
 - ii) insured property from within a vault or safe located within the premises by a person making a felonious entry into such vault or such safe and any vault containing the safe, when all doors thereof are duly closed and locked by at least one combination or time lock thereon, provided that such entry shall be made by actual force and violence, of which force and violence there are visible marks upon the exterior of all such doors of such vault or such safe and any vault containing the safe, if entry is made through such doors, or the top, bottom or walls of such vault or such safe and any vault containing the safe through which entry is made if not made through such doors.
- l "Securities" means all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include money.
- m "Transfer Account" means an account, maintained by the Insured at a Financial Institution, from which the Insured or the Insured's authorized representatives can initiate the transfer, payment or delivery of "money" or "securities";
 - (i) by means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly or through an electronic funds transfer system; or
 - (ii) by means of written instructions (other than those described in **Coverage E** (Depositors Forgery)) establishing the conditions under which such transfers are to be initiated by such Financial Institution through an electronic funds transfer system.

EXCEPT AS OTHERWISE PROVIDED IN THIS FORM, ALL TERMS, CONDITIONS AND PROVISIONS OF THE POLICY TO WHICH THIS FORM IS ATTACHED SHALL HAVE FULL FORCE AND EFFECT.