

1. INDEMNITY AGREEMENT

In the event that any of the property insured be lost, destroyed or damaged by a peril insured against, the Insurer will indemnify the Insured to an amount not exceeding whichever is the least of:

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

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

2. PROPERTY INSURED

Resort Equipment as described on the "Declaration Page(s)" being:

- (a) the property of the Insured; or
- (b) the property of others used in the Insured's resort business for which the Insured may be legally liable.

3. ACQUISITION CLAUSE

This Form covers additional items of Resort's equipment acquired by the Insured as owner, subject to notice to this Insurer within thirty (30) days from the date of acquisition and payment of pro rata premium hereunder from such date, but this clause shall not operate to increase this Insurer's limit of liability in respect to any one disaster as provided in Clause 5 below.

4. PERILS INSURED

This Form insures against all risk of direct physical loss of or damage to the property insured from any external cause except as hereinafter excluded.

5. LIMIT OF LIABILITY

This Insurer shall not be liable for more than the amount shown on the "Declaration Page(s)" in any one disaster either in case of partial or total loss or salvage or other charges or expenses or all combined.

6. DEDUCTIBLE

The Insurer is liable only for the amount by which the loss or damage caused by any of the perils insured against exceeds the amount of the deductible specified on the "Declaration Page(s)" in any one occurrence.

7. DEBRIS REMOVAL EXTENSION

- (a) Debris Removal: The Insurer will indemnify the Insured for expenses incurred in the removal from the "premises" of debris of the property insured, occasioned by loss or damage to such property, for which loss or damage insurance is afforded under this Form.

The amount payable under this extension shall be subject to a maximum amount stated on the "Declaration Page(s)".

Debris removal expense shall not be considered in the determination of actual cash value for the purpose of applying the Co-Insurance Clause.

8. PROPERTY EXCLUDED

This Form does not insure:

- (a) property illegally acquired, kept, stored or transported, or property seized or confiscated for breach of any law or by order of any public authority;
- (b) licensed automobiles, aircraft, spacecraft, watercraft, licensed motorcycles or similar licensed conveyances, money, notes, securities, accounts, bills, evidence of debt or valuable papers, plans, blueprints, designs or specifications; This exclusion does not apply to Resort owned unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the premises;
- (c) personal belongings or personal effects;
- (d) property while located underground, in caissons or under water;
- (e) property which has become a permanent part of any structure;
- (f) property while waterborne from the commencement of loading until the completion of discharge except that this Form insures while on ferry, railway car or transfer barge, all in connection with land transportation;
- (g) tires or tubes unless the loss or damage is caused by Fire or Theft or is coincident with other loss or damage insured by this Form but in no event for more than the actual cash value of the tires or tubes at the time of loss or damage;
- (h) property whilst airborne unless otherwise endorsed hereon;
- (i) property leased, rented or loaned to others unless otherwise endorsed hereon.
- (j) contractors equipment and tools.

8.A. PERILS EXCLUDED

This Form does not insure:

- (a) loss or damage caused by or resulting from the weight of any load including the loadblock, if any, and all rigging exceeding any or all of:
 - (i) the maximum allowable load;
 - (ii) the lifting capacity;
 - (iii) the rated load;
 - (iv) eighty-five percent (85%) of the minimum tipping load; any or all of which may be set out in the manufacturers specifications, capacity tables, or rating sheets for the particular unit involved;
- (b) loss, damage or expense caused by or resulting from misappropriation, secretion, conversion, infidelity or any dishonest act on the part of the Insured or other party of interest, the employees or agents of the Insured or any person or persons to whom the property may be entrusted (bailees for hire excepted) or any mysterious disappearance or loss or shortage disclosed upon taking inventory;
- (c) loss or damage caused by wear and tear, latent defect or inherent vice, mechanical breakdown or derangement;
- (d) loss or damage caused deterioration, vermin, corrosion, rust, dampness of atmosphere, freezing or extremes of temperature;
- (e) loss or damage caused by electrical currents other than lightning unless fire or explosion ensues and then only for such destruction or damage results from such fire or explosion;
- (f) loss or damage caused by or resulting from subsidence or breaking through ice, or by sinking in muskeg, swamp, sand or other soft ground;
- (g) loss or damage caused by a criminal or willful act or omission of the Insured;
- (h) loss or damage caused by or resulting from delay, loss of market, or loss of use;
- (i) loss or damage (unless fire or explosion ensues and then only for the loss or damage caused by such ensuing fire or explosion) sustained while the property insured is actually being worked upon and directly resulting therefrom or caused by any repairing, adjusting or servicing of the property insured;
- (j) loss or damage caused by any blasting or dynamiting operation conducted by or under control of the Insured, unless fire ensues, and then only for direct physical loss or damage caused by ensuing fire;
- (k) loss or damage caused by explosion originating within steam boilers of the property insured;
- (l) loss, destruction or damage caused by civil commotion, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war rebellion, revolution, insurrection or military power;
- (m) loss or damage caused directly or indirectly:
 - (i) by any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
 - (ii) by contamination by radioactive material.
- (n) loss or damage caused by the inability of or failure of any electronic data processing equipment, or other equipment including microchips embedded therein, computer program, software, media, data, memory storage system, memory storage device, real time clock, date calculator or any other related component, system, process or device to correctly read, recognize, interpret or process any encoded, abbreviated or encrypted date, time or combined date/time data or data field. Such failure shall include any error in original or modified data entry or programming.

This exclusion does not apply to loss or damage caused directly by fire, lightning, explosion, impact by aircraft, spacecraft or land vehicle, riot, strike, civil commotion, vandalism, malicious acts, smoke, leakage from fire protective equipment, windstorm or hail, theft, burglary, freezing of a plumbing, heating or air conditioning system, sewer back-up or water from any source, to the extent that such losses are otherwise insured by this policy.

9. OTHER INSURANCE

The Insurer is not liable:

- (a) for more than the portion of any loss or damage covered by this Form which the applicable limit of this Form bears to the total amount of insurance covering against the peril of fire irrespective of whether or not such other insurance gives insurance in respect of the perils covered by this Form whether by endorsement thereto or otherwise;
- (b) where such other insurance does not insure against loss or damage by fire for more than the excess (if any) of any loss or damage over the applicable limit of any other insurance which would attach if this insurance had not been effected.

10. TERRITORIAL LIMITS

This Form insures only within the limits of Canada and the Continental United States of America excluding Alaska.

11. REINSTATEMENT

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

12. CO-INSURANCE CLAUSE

The Insurer shall not be liable for greater proportion of any loss or damage than the amount of insurance of each and every item of property insured hereunder at the time and place of loss bears to the percentage stated on the "Declaration Page(s)" of the actual cash value of the property at the time any loss or damage occurs, and in no event for an amount in excess of the limit of liability specified in this Form.

13. DEFINITIONS

Wherever used in this Form:

(a) "Declaration Page(s)" means the Declaration Page(s) applicable to this Form.

(b) "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.

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

All other terms and conditions of the policy remain unchanged.

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