

PERSONAL LIABILITY

AGREEMENT

We provide, the insurance described in this policy in return for payment of the premium and subject to the terms and conditions set out. All amounts of insurance, premiums and other amounts expressed in this policy are in Canadian Currency.

DEFINITIONS

Amount Of Insurance means the maximum amount we will pay for any one occurrence or incident no matter how many people covered by this policy are involved. Different amounts apply to different coverages and these amounts are shown on the Coverage Summary page.

Bodily Injury means bodily injury, sickness or disease or resulting death.

Business means any continuous or regular pursuit undertaken for financial gain including a trade, profession, occupation or agricultural operations.

Business Premises means premises on which a business is conducted, premises rented in whole or in part to others, or held for rental.

Business Property means property pertaining to a business, trade, profession or occupation.

Data means representations of information or concepts in any form.

Dwelling means the building described on the Coverage Summary page, wholly or partially occupied by you as a private residence.

Environmental Pollutants mean, but are limited to:

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

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

Legal Liability means responsibility which courts recognize and enforce between persons who sue one another.

Occurrence means an accident to which this coverage applies occurring within the policy period, including continuous or repeated exposure to conditions neither expected nor intended.

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

Premises means all premises where the person(s) named as Insured on the Coverage Summary page, or his or her spouse, maintains a residence, including seasonal and other residences, provided such premises are specifically described on the Coverage Summary page.

It also includes:

1. premises where you are residing temporarily or which you are using temporarily, as long as you are not:
 - a) the owner of the premises;
 - b) the lessee or tenant of the premises under any agreement which is longer than 90 consecutive days;
2. premises in Canada to be occupied by you as your principal residence from the date you acquire ownership or take possession but not beyond the earliest of:
 - a) 60 consecutive days;
 - b) the date the policy expires or is terminated;
 - c) the date upon which specific liability insurance is arranged for such premises;
3. individual or family cemetery plots or burial vaults;
4. vacant land in Canada you own or rent, other than farmland;
5. land in Canada where you or an independent contractor is building a one, two or three-family residence to be occupied by you.

Property Damage means:

1. physical damage to, or destruction of, tangible property;
2. loss of use of tangible property.

Residence Employee means a person employed by you to perform household or domestic services or duties of a similar nature in connection with the maintenance or use of the insured premises but not persons performing duties in connection with any business you conduct.

Terrorism means an ideologically motivated unlawful act or acts, included but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

We or Us or Our means the company providing this insurance.

You or Your refers to the Insured. In addition, we will insure:

1. any person or organization legally liable for damage caused by a watercraft or animal owned by you, and to which this insurance applies. This does not include any one using or having custody of the watercraft or animal in the course of any business or without the owner's permission;
2. any person while performing duties as your residence employee;
3. your legal representative having temporary custody of the insured premises, if you die while insured by this form, for legal liability arising out of the premises;
4. any person who is insured by this form at the time of your death and who continues residing on the premises.

Insured means the person(s) named as Insured on the Coverage Summary page and, while living in the same household:

- his or her spouse;
- the relatives of either; and
- any person under 21 in their care.

Spouse means:

- either of a man and a woman who are married to each other or who have together entered into a marriage that is voidable or void; or
- either of two persons who are living together in a conjugal relationship outside marriage and have so lived together continuously for a period of 2 years or, if they are the natural or adoptive parents of a child, for a period of 1 year.

In addition, a student who is enrolled in and actually attends a school, college or university and who is dependent on the Named Insured or his or her spouse for support and maintenance is also insured even if temporarily residing away from the principal residence stated on the Coverage Summary page.

Domestic Water Container means a device or apparatus for personal use on the premises for containing, heating, chilling or dispensing water.

Ground Water means water in the soil beneath the surface of the ground, including but not limited to water in wells, underground streams and percolating water.

Surface Waters means water on the surface of the ground where water does not usually accumulate in ordinary watercourses, lakes or ponds.

Watermain means a pipe forming a part of a water distribution system, which conveys consumable water but not waste water.

COVERAGES

This insurance applies:

1. to accidents or occurrences which take place during the period this policy is in force;
2. separately to each Insured against whom the claim is made or action is brought, but this does not increase the amount of insurance.

PERSONAL LIABILITY

This is the part of the policy you look to for protection if you are sued.

We will pay all sums which you become legally liable to pay as compensatory damages because of unintentional bodily injury or property damage arising out of:

1. your personal actions anywhere in the world.
2. your ownership, use or occupancy of the premises defined in Definitions under Personal Liability Protection.

This insurance also applies if you assume, by a written contract, the legal liability of other persons in relation to your premises.

The amount of insurance shown on the Declarations page is the maximum amount we will pay for all compensatory damages in respect of one accident or occurrence regardless of the number of claims made or the number of insureds against whom claims are made or actions are brought.

Defence costs and supplementary expense payments as described under **Defence, Settlement, Supplementary**

Payments are in addition to the amount of insurance.

We do not insure claims made against you arising from:

1. damage to property owned by an insured;
2. damage to property used, occupied, leased or rented by or in the care, custody or control of an insured except for unintentional property damage to premises owned by others, or their contents, which you are using, renting or have in your custody or control caused by fire, explosion, water damage or smoke. Water Damage has the same meaning as in **Definitions**;
3. damage to personal property or fixtures as a result of work done on them by you or anyone on your behalf;
4. bodily injury to you or to any person residing in your household other than a residence employee;
5. the personal actions of a named insured who does not reside on the premises described on the Coverage Summary page.

We will not pay punitive or exemplary damages, meaning that part of an award by a court which is in excess of compensatory damages and is stated or intended to be a punishment to you.

There are other exclusions that apply to all Coverages as described under **Exclusions**.

Defence, Settlement, Supplementary Payments

If a claim is made against you for which you are insured under **Personal Liability** we will defend you, even if the claim is groundless, false, or fraudulent. We reserve the right to select legal counsel, investigate, negotiate and settle any claim if we decide this is appropriate. We will pay only for the legal counsel we select.

We will also pay:

1. all expenses which we incur;
2. all costs charged against you in any suit insured under **Personal Liability**;
3. any interest accruing after judgment on that part of the judgment which is within the amount of insurance of **Personal Liability**.
4. premiums for appeal bonds required in any insured lawsuit involving you and bonds to release any property that is being held as security, up to the amount of insurance, but we are not obligated to apply for or provide these bonds;
5. expenses which you have incurred for emergency medical or surgical treatment to others following an accident or occurrence insured by this form;
6. reasonable expenses including actual loss of income up to \$100 per day, which you incur at our request.

What You Must Do After An Accident Or Occurrence

1. When an accident or occurrence takes place you must promptly give us notice (in writing if requested by us).

The notice must include:

- a) the date, time, place and circumstances of the accident or occurrence;
- b) names and addresses of witnesses and potential claimants.

2. You must also:

- a) co-operate with us in any legal actions including obtaining witnesses, information and evidence about the accident or occurrence, if we ask you;
- b) immediately send to us legal documents and any other written communication you receive concerning the accident or occurrence.

Action Against Us

No suit may be brought against us:

1. until you have fully complied with all the terms of this Coverage, nor until the amount of your obligation to pay has been finally determined, either by a judgment against you or by an agreement which has our consent;
2. more than one year after either the date of an agreement which has our consent or of the final determination of the action against you, including appeals, if any.

Unauthorized Settlements

You shall not, except at your cost, voluntarily make payment, assume any obligations or incur expenses, other than first aid expenses necessary at the time of accident.

TENANT'S LEGAL LIABILITY

Legal liability for property damage to premises or their contents which you are using, renting or have in your custody or control caused by:

- (a) Fire;
- (b) Explosion;
- (c) Smoke due to a sudden, unusual or faulty operation of any heating or cooking unit in or on the premises, but not smoke from fireplaces;
- (d) Water Escape. This peril means:
 - (i) accidental discharge or overflow of water or steam from within a plumbing, heating, sprinkler or air conditioning system, domestic appliance, swimming pool or equipment attached and public watermains;
 - (ii) sudden and accidental bursting, tearing apart, cracking, burning or bulging due to the pressure of water or steam, or lack of water or steam, in a plumbing, heating, sprinkler or air conditioning system or an appliance for heating water;
 - (iii) freezing or any part of a plumbing, heating, sprinkler or air conditioning system or domestic appliance within a building heated during the usual heating season;
 - (iv) escape of water from a waterbed;

This peril does not include damage:

- (i) caused by continuous or repeated seepage or leakage;
- (ii) to the system or appliance caused by rust or corrosion;
- (iii) to public watermains, outdoor swimming pools or equipment attached;
- (iv) occurring while the building is under construction or vacant even if we have given permission for construction or vacancy;
- (v) caused by freezing which occurs during the usual heating season if the inhabitant has been away from the premises for more than 4 consecutive days. However, if arrangements had been made for a competent person to enter the dwelling daily to ensure that the heating was being maintained or if the inhabitant had shut off the water supply and had drained all pipes and appliances, you would still be insured;
- (vi) caused by backing up or escape of water from a sewer.

A plumbing system under this peril does not include sewers, sumps, septic tanks, eaves troughs or downspouts. We will replace or repair any parts of the building that must be removed or torn apart before any insured damage can be repaired, except damage related to an outdoor swimming pool or equipment attached, or watermains.

You are not insured for liability you assumed by contract unless your legal liability would have applied even if no contract had been in force.

EMPLOYER'S LIABILITY

Legal liability for bodily injury to residence employees arising out of and in the course of their employment by you.

You are not insured for claims made against you resulting from the ownership, use or operation of aircraft while being operated or maintained by your employee.

You are not insured for liability imposed upon or assumed by you under any workers' compensation statute.

VOLUNTARY MEDICAL PAYMENTS

We will pay reasonable medical expenses incurred within one year of the date of the accident, if you unintentionally injure another person or if they are accidentally injured on your premises. This coverage is available even though you are not legally liable. Medical expenses include surgical, dental, hospital, nursing, ambulance service and funeral expenses. Medical expenses for residence employees are insured.

The amount of insurance shown on the Coverage Summary page is the maximum amount we will pay for each person in respect of one accident or occurrence.

We will not pay

- 1. expenses covered by any medical, dental, surgical or hospitalization plan or law, or under any other insurance contract;
- 2. your medical expenses or those of persons residing with you, other than residence employees;
- 3. medical expenses of any person covered by any Workers' Compensation Statute.

There are other exclusions that apply to all Coverages as described under **Exclusions**.

What You Must Do After An Accident Or Occurrence

- 1. When an accident or occurrence takes place you must promptly give us notice (in writing if requested by us,).

The notice must include:

- a) the date, time, place and circumstances, of the accident or occurrence including the name and address of each injured person;
- b) names and addresses of witnesses.

2. If requested by us, you must arrange for the injured person(s) to:
 - a) give us written proof of claim as soon as possible, under oath if required;
 - b) submit to physical examination at our expense by doctors we select as often as we may reasonably require;
 - c) authorize us to obtain medical and other records.

Proofs and authorization may be given by someone acting on behalf of the injured person.

Action Against Us

No suit may be brought against us until you have fully complied with the terms of this Coverage.

COVERAGE G - VOLUNTARY PAYMENT FOR DAMAGE TO PROPERTY

We will pay for unintentional direct damage you cause to property even though you are not legally liable. You may also use this coverage to reimburse others for direct property damage caused intentionally by an Insured, 12 years of age or under.

We do not insure:

1. damage to property owned or rented by you or your tenant;
2. damage to property which is insured under **Property Coverages**;
3. claims resulting from the loss of use, disappearance or theft of property.

There are other exclusions that apply to all Coverages under **Personal Liability**. Please refer to "**Exclusions**".

Basis Of Payment

We will pay whichever is the lower amount of:

1. what it would cost to repair or replace the property with materials of similar quality at the time of loss;
2. the amount of insurance shown on the Coverage Summary page.

We 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 you or the owner of the property. We may take over any salvage if we wish.

What You Must Do After An Accident Or Occurrence

1. You must give us a written proof of claim as soon as possible, under oath if required, containing the following information:
 - a) the date, time, place and circumstances of the accident or occurrence;
 - b) the interest of all persons in the property affected.
2. If requested by us you must help us to verify the damage.

Action Against Us

No suit may be brought against us until you have fully complied with all the terms of this Coverage.

SPECIAL LIMITATIONS

Watercraft And Motorized Vehicles You Own

You are insured against claims arising out of your ownership, use or operation, maintenance, loading or unloading, entrustment to others, by or on behalf of any Insured of:

1. watercraft, including their attachments, equipped with an outboard motor, inboard/outboard motor, or inboard motor;
2. watercraft including their attachments, not more than 8 metres (26 feet) in length;
3. self-propelled lawn mowers, snow blowers, garden-type tractors or implements used or operated mainly on your property, provided they are not used for compensation for hire;
5. motorized golf carts & their trailers;
6. motorized wheelchairs, including motorized scooters, and their trailers, having more than two wheels and specifically designed for the carriage of a person who has a physical disability.
7. Unlicensed vehicles, snow machines, and ATV's used primarily on owned premises.

Any other watercraft, motors or watercraft larger than those stated above, are insured only if liability coverage for it is shown on the Coverage Summary page. If the watercraft or motor with which it is equipped is acquired after the effective date of this policy, you will be insured automatically.

You are not insured for claims arising out of the use, operation, loading or unloading of watercraft that has been entrusted to your customers or guests.

Watercraft And Motorized Vehicles You Do Not Own

You are also insured against claims arising out of your use or operation of:

1. any type of watercraft;
 2. any self-propelled land vehicle, amphibious vehicle or air cushion vehicle, provided that the vehicle is not subject to motor vehicle registration and is designed primarily for use off public roads;
- provided that the motorized vehicle or watercraft is not owned by any person insured by this policy.

You are not insured for claims arising out of the use, operation, loading or unloading of watercraft that has been entrusted to your customers or guests.

Watercraft And Motorized Vehicle Uses We Do Not Insure

We do not insure the use or operation of any watercraft or motorized vehicle, whether owned by you or not, while it is:

1. used for carrying passengers for compensation;
2. used for business purposes;
3. used in any race or speed test, except for sailboats up to 8 metres in length in non-professional races organized by a yacht club of which you are a member;
4. rented to others;
5. being used or operated without the owner's consent if you are not the owner.

You are not insured for damage to the watercraft and/or motorized vehicle itself.

You are not insured for claims arising out of the use, operation, loading or unloading of watercraft that has been entrusted to your customers or guests.

Trailers

We insure you against claims arising out of your ownership, use or operation of any trailer or its equipment, provided such trailer is not attached to, carried on or being towed by a motorized vehicle subject to motor vehicle registration.

Business And Business Property

We insure you against claims arising out of:

1. your personal actions during the course of your trade, profession or occupation which are not related directly to your trade, profession or occupation;
 2. the occasional rental to others of the portion of the dwelling usually occupied by you as a private residence;
 3. the rental to others of portions of your two or three-family dwelling usually occupied in part by you as a private residence provided no family unit includes more than 2 roomers or boarders;
 4. the rental of space in your residence to others for incidental office, school or studio occupancy;
 5. the rental to others, or holding for rent, of not more than 3 car spaces or stalls in garages or stables;
 6. the temporary or part time business pursuits of an insured person under the age of 21 years.
 7. Your work for someone else as a sales representative, collector, messenger or clerk, provided that the claim does not involve injury to a fellow employee.
 8. Your work as a teacher, provided the claim does not involve physical disciplinary action to a student or injury to a fellow employee.
- Claims arising from any other business pursuit or operation are insured only if liability coverage for it is shown on the Coverage Summary page.

EXCLUSIONS – PERSONAL LIABILITY

We do not insure claims arising from:

1. war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
 2. bodily injury or property damage which is required to be insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of insurers;
 3. business pursuits or any business use of the premises except as provided under "**Business and Business Property**" in **Personal Liability**;
 4. the rendering or failure to render any professional service;
 5. liability imposed upon or assumed by you under any workers' compensation statute;
 6. bodily injury or property damage caused by any intentional or criminal act or failure to act by:
 - a) any person insured by this policy; or
 - b) any other person at the direction of any person insured by this policy;
 7.
 - a) sexual, physical, psychological or emotional abuse, molestation or harassment, including corporal punishment by, at the direction of, or with the knowledge of any person insured by this policy; or
 - b) failure of any person insured by this policy to take steps to prevent sexual, physical, psychological or emotional abuse, molestation or harassment or corporal punishment;
 8. the transmission of any communicable or sexually transmitted disease, including Acquired Immune Deficiency Syndrome, by any person insured by this policy;
 9. the ownership, use or operation of any watercraft, motorized vehicle or trailer except as provided in **Personal Liability** under "**SPECIAL LIMITATIONS**" for watercraft, motorized vehicles and trailers;
 10. the ownership, use or operation of:
 - a) any aircraft;
 - b) premises used as an airport or landing facility;and all activities related to either, except docks, wharfs, piers on property owned or in the care, custody and control of the Insured;
 11.
 - a) the failure of any computer to operate, or the failure, malfunction or inadequacy of any computer or other equipment, including embedded microchips, computer program or software to correctly read, recognize, process, distinguish, interpret or accept any date, time, or combined date/time data field. Such failure shall include any error in original or modified data entry or programming;
 - b) any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you, or for you, to determine, rectify or test for any potential or actual problems described in a) of this exclusion;
 12.
 - a) erasure, destruction, corruption, misappropriation, misinterpretation of data,
 - b) erroneously creating, amending, entering, deleting or using data, including any loss of use arising from either a) or b),
 - c) the distribution or display of data by means of an Internet Website, the Internet, an intranet, extranet, or similar device or system designed or intended for electronic communication of data;nor do we insure:
 13. any claim that arises directly or indirectly, in whole or in part, out of Terrorism or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate Terrorism. This exclusion applies regardless of any contributing or aggravating cause or event that contributes concurrently or in sequence to the claim.
 14. any liability arising directly or indirectly, in whole or in part, out of the actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" or "environmental pollutants" from any commercial risk or commercial operation of an Insured.
- "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- "Environmental Pollutants" means:

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

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

Insurance Under More Than One Policy

If you have other insurance which applies to a loss or claim, or would have applied if this policy did not exist, this policy will be considered excess insurance and we will not pay any loss or claim until the amount of such other insurance is used up.

HOME BASED BUSINESS LIABILITY EXTENSION AGREEMENT

This form extends the insurance provided by your personal use residence policy to cover the home based business conducted from your home and operated by you, or a member of your family residing in the same household as you.

This Extension is subject to all the terms, limitations, exclusions and conditions of your personal use residence policy, except as amended by this form.

LIABILITY COVERAGE

Coverage

Section II, Coverage E – Personal Liability of your personal use residential policy, is extended to include:

a) All sums, which you become legally liable to pay as compensatory damages because of personal injury or property damage arising out of the operation of the home based business insured under this policy, up to the limit shown on the Coverage Summary page for the personal use Homeowners. Coverage applies to claims arising from any accident or occurrence that takes place during the policy period.

b) All sums which you become legally liable to pay as compensatory damages because of property damage caused by fire, explosion, smoke or leakage from fire protective equipment to premises rented to you, or occupied by you, arising out of the business operation we insure.

Limits of Liability – Coverage E

The amount of insurance shown in the Policy Declarations page for the personal use Homeowners is the maximum amount we will pay, under one or more sections of Coverage E for all compensatory damages in respect of an occurrence, and is the maximum aggregate we will pay for any occurrence in any one policy period, if caused by the products-completed operations hazard.

Advertising Injury

You are also insured for up to **\$10,000** in any one policy term, for advertising injury caused by an offense committed in the course of advertising the goods, products or services arising out of the home based business operation in the personal use residence we insure.

Defence, Settlement, Supplementary Payments

Coverage provided under Section II, Coverage E of your residential policy, is extended to the home based business operation in the personal use residence we insure, however, we will not pay for the investigation, settlement or defence of any claim, suit, proceeding, damages, loss, cost or expense excluded under Exclusion 16 of this Extension, or alleging or in any way involving the items excluded under Exclusion 12 of this Extension.

Limits of Liability – Coverage F

Section II, Coverage F of this Policy, Voluntary Medical Payments, is extended to include the reasonable home based business voluntary medical expenses of other persons who sustain bodily injury accidentally arising out of your home based business operation in your personal use residence we insure, even though you are not legally liable.

Territory

This insurance applies only to occurrences taking place in Canada.

Exclusions

All exclusions under Section II, Personal Liability Protection of your personal use residential policy, are applicable. In addition, this insurance does not apply to:

1. Liability for bodily injury or property damage by reason of assumption of liability in a contract or agreement.
2. Any obligation under workers' compensation, disability benefits or employment compensation or similar law.
3. Damage to that particular part of real property on which you or any contractor or sub-contractor working directly or indirectly on your behalf is performing operations if the property damage arises out of these operations.
4. Damage to that particular part of any property which must be restored, repaired or replaced because your work was performed on it, other than property damage included in the products-completed operations hazard.
5. Property damage to your product arising out of it or any part of it.
6. Property damage to your work arising out of it or any part of it and included in the products-completed operations hazard; however, this exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a sub-contractor.

7. Property damage to impaired property or property that has not been physically injured, arising out of:

- (i) a defect, deficiency, inadequacy or dangerous condition in your product or your work or
- (ii) a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with the terms.

This exclusion does not apply to loss of use of other property arising out of a sudden and accidental physical injury to your product or your work after it has been put to its intended use.

8. Any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (i) your product;
- (ii) your work;
- (iii) impaired property;

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

9. Pollution Liability Exclusion:

a) bodily injury or property damage arising out of the actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of pollutants:

- (i) at, or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to you;
- (ii) at, or from any premises, site or location which is or was at any time used by or for you or others for the handling, storage, disposal, processing or treatment of waste;
- (iii) which are or were at any time transported, handled, stored, treated or disposed of, or processed as waste by or for you or any person or organization for whom you may be legally responsible; or
- (iv) at or from any premise, site or location on which you or any contractors or sub-contractors working directly or indirectly on your behalf are performing operations:

a) if the pollutants are brought on or to the premises, site or location, in connection with such operations by you, such contractor or sub-contractor; or

b) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize, or in any way respond to, or assess the effect of pollutants;

c) any loss, cost or expense arising out of any request, demand or order that you or others test for, monitor, cleanup, remove, contain, treat, detoxify, decontaminate, stabilize, remediate or neutralize or in any way respond to, or assess the effect of pollutants unless such loss, cost or expense is consequent upon bodily injury or property damage covered by this policy;

c) fines, penalties, punitive or exemplary damages arising directly or indirectly out of the discharge, emission, dispersal, seepage, leakage, migration, release or escape of pollutants;

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

10. Bodily injury or property damage arising out of your product sold, handled, or distributed by you or on your behalf outside of Canada.

11. Bodily injury or property damage arising out of your work performed by you or on your behalf outside of Canada.

12. a) sexual, physical, psychological or emotional abuse, molestation or harassment, including corporal punishment by, at the direct of, or with the knowledge of any person insured by this policy; or

b) failure of any person insured by this policy to take steps to prevent sexual, physical, psychological or emotional abuse, molestation or harassment or corporal punishment.

13. Punitive or exemplary damages, meaning that part of an award by a court which is in excess of compensation for loss and is stated or intended to be a punishment to any person or named insured who is insured by this Extension.

14. Premises other than the personal use residence premises we insure, as stated on the Coverage Summary page, to which this Extension is attached.

15. The rendering or failure to render any professional service.

16. Personal injury or Advertising Injury:

a) arising out of oral or written publication of material, if done by or at the direction of any person or any named insured who is insured by this Extension with knowledge of its falsity;

b) arising out of oral or written publication whose first publication took place before the beginning of the policy period;

c) for which you have assumed liability under any contract or agreement;

d) arising out of the willful violation of a penal law or ordinance committed by, or with the knowledge of, any person or any named insured who is insured under this Extension;

e) sustained by any person or any named insured who is insured by this Extension as a result of an offense directly or indirectly related to employment of such a person by you;

f) arising out of any civic or public activities performed for pay by any person or named insured who is insured by this Extension.

Definitions

In addition to the Definitions under your personal use residence premise policy to which this Extension is attached, the following additional definitions apply to Section II, Liability Insured, of this Extension.

1. "You" and "Your" have the same meaning described in the Policy. In addition, You and Your includes:

- a) any person or any named insured who is insured by this Extension;
- b) your employees, but only for acts within the scope of their employment with respect to the home based business operation of the personal use residence we insure under this Extension.

2. "Advertising Injury" means any injury arising out of one or more of the following offenses:

- a) oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- b) oral or written publication of material that violates a person's right of privacy;
- c) misappropriation of advertising ideas or style of doing business; or
- d) infringement of copyright, title or slogan.

3. "Business" means any continuous or regular pursuit undertaken for financial gain including a trade, profession or occupation.

4. "Impaired Property" means tangible property, other than your product or your work that cannot be used or is less useful because:

- a) it incorporates your products or your work that is known or thought to be defective, deficient, inadequate or dangerous; or

b) you have failed to fulfill the terms of a contract or agreement, if such property can be restored to use by:

- i) the repair, replacement, adjustment or removal of your product or your work; or
- ii) your fulfilling the terms of the contract or agreement.

5. "Occurrence" means an accident, including continued or repeated exposure to substantially the same general harmful conditions that results during the policy period.

6. "Personal Injury" means injury arising out of one or more of the following offences:

- a) bodily injury, sickness or disease or resulting death;
- b) false arrest, detention or imprisonment;
- c) malicious prosecution; or
- d) wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies.

7. "Products-Completed Operations Hazard" includes all bodily injury and property damage occurring away from the premises you own or rent and arising out of your product or your work except:

- a) products that are still in your physical possession; or
- b) work that has not been completed or abandoned.

Your work will be deemed completed at the earliest of the following times:

- a) when all of the work called for in your contract has been completed;
- b) when all of the work to be done at the site has been completed if your contract calls for work at more than one site;
- c) when that part of work done at a job site has been put to its intended use by any person or organization other than another contractor or sub-contractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed. This hazard does not include bodily injury or property damage arising out of the existence of tools, un-installed equipment or abandoned or unused materials.

8. "Residence Premises" means the premises we insure under a personal use Homeowners, or Tenants policy coverage, on this RV Campground policy, to which this Extension is attached where you conduct your home based business operation.

9. "Your Product" means:

- a) any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - i) you; or

ii) others trading under your name; or

iii) a person or organization whose business or assets you have acquired during the policy term; and

b) containers (other than vehicles), materials, parts or equipment furnished in connection with such goods and products.

Your product includes warranties or representations made at the time with respect to the fitness, quality, durability or performance of any of the items included in a) and b) above.

Your product does not include vending machines or other property rented to or located for the use of others but not sold.

10. "Your Work" means:

a) work or operations performed by you or on your behalf; and

b) materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at the time with respect to the fitness, quality, durability or performance of any of the items included in a) and b) above.

ADDITIONAL CONDITIONS

The coverage under this Extension replaces, and is not in addition to, any coverage for business property and liability relating to the home based business already provided under this Policy.

Coverage under this Extension is subject to all other provisions, conditions, definitions, limitations and exclusions of Section I, Property Insurance, and Section II, Personal Liability Insurance, of your personal use residence premises policy to which this Extension is attached.

All other terms and conditions of the Policy remain unchanged.