

**CUSTOMER ADVISORY REGARDING THE ENFORCEMENT OF**

**ECONOMIC EMBARGOES AND TRADE SANCTIONS**

This Trade Sanction Advisory is part of **AIG Insurance Company of Canada** comprehensive compliance program and is meant to serve as a reminder of the existing applicable legal requirements with respect to Trade Sanctions.

Your rights as a policyholder and payments to you, any insured or claimant, for loss under this policy may be affected by the administration and enforcement of economic embargoes and trade sanctions applicable to you, any insured, claimant and/or to the insurer and their respective controlling entities (hereinafter “Trade Sanctions”).

**WHAT IS AN ECOMONIC EMBARGO AND/OR TRADE SANCTION**

Trade Sanctions involve the imposition by a country of legal measures to restrict or prohibit trade, services or other economic activity with a target country, entity or individual. For example, the Parliament of Canada has enacted legislation authorizing the imposition of Trade Sanctions through the *United Nations Act,* the *Special Economic Measures Act* and some provisions of the *Export and Import Permits Act.*

Depending upon the identity, domicile, place of incorporation or nationality of the policyholder, insured, claimant, insurer, or the parent company and ultimate controlling entity of the policyholder, insured, claimant or insurer, or the country where the claim arises, Trade Sanctions of foreign countries, including the United States of America, may be applicable. The application of sanctions could necessitate the seizure or freezing of property, including but not limited to the payment of a claim.

Existing Trade Sanctions can be amended, and new Trade Sanctions can be imposed, at any time.

**OBLIGATIONS PLACED ON US AS A RESULT OF TRADE SANCTIONS**

If we determine that you or any insured, additional insured, loss payee, or claimant are on a prohibited list or are connected to a sanctioned country, entity or individual, or a prohibited activity, as designated by the relevant Trade Sanction, we may be required to comply with the requirements of the applicable Trade Sanction, which by way of example, may include blocking or “freezing” property and payment of any funds and the reporting of such occurrences to the relevant authorities within the prescribed time periods, if any.

**POTENTIAL ACTIONS BY US**

Depending upon the requirements of the relevant Trade Sanction:

1. We may be required to immediately cancel your coverage effective on the day that we determine that we have transacted business with an individual or entity associated with your policy on a prohibited list or connected to a sanctioned country as described in the relevant Trade Sanction.
2. If we cancel your coverage, you may not receive a return premium unless permitted pursuant to the relevant Trade Sanction. All blocked or frozen funds will be placed in an interest bearing blocked account established on the books of a financial institution**.**
3. We may not pay a claim, accept premium or exchange monies or assets of any kind to or with individuals, entities or companies (including a bank) on a prohibited list or connected to, or carrying on business in, a sanctioned country as designated by the relevant Trade Sanction. Furthermore, we may not defend or provide any other benefits under your policy to individuals, entities or companies on a prohibited list or connected to, or carrying on business in, a sanctioned country as designated by the relevant Trade Sanction.

AIG INSURANCE COMPANY OF CANADA PRIVACY PRINCIPLES

# AIG and Individual Privacy

We at AIG Insurance Company of Canada (referred to as “AIG”, “we”, “our”, or “us”) abide by these *Privacy Principles* and want you, our applicants, policyholders, insureds, claimants, and any other individuals who provide us with personal information (referred to as “Customers” or “you”), to be aware of how and why we handle personal information. We work hard to respect and maintain your privacy. However, the very nature of our business is such that the collection, use and disclosure of personal information are fundamental to the products and services we provide.

As a worldwide leader in the delivery of insurance products and other services, the member companies of American International Group, Inc. (“AIG Companies”) offer numerous products and services to many types of consumers and clients in many different countries around the world. Therefore, differing AIG Companies may adopt differing privacy practices to fit their own jurisdiction and business requirements. The AIG Companies Privacy Policy, located at [www.aig.com](http://www.aig.com/), may also be applicable to our Customers as we conduct our business.

For the purposes of these *Privacy Principles* personal information means information about an identified or identifiable individual. For example: an individual’s name, birth date, address, age, health and financial information is personal information which AIG may collect, use and in certain circumstances, where necessary, disclose, in the course of providing insurance services and carrying on business.

# Consent and Personal Information

AIG obtains consent for the collection, use, and disclosure of personal information, except where consent is not required by law. AIG does not obtain your consent for the collection, use and disclosure of business contact information. By applying for or purchasing AIG’s products and services, you are providing your consent to our collection, use, and disclosure of your personal information as set out in these *Privacy Principles*. AIG relies on the broker’s advice where the insurance broker tells AIG that we have a Customer’s consent to collect information.

Consent may be obtained by AIG and its affiliated companies directly or through a broker or agent, an insurance adjuster, claims administrator, investigator, or lawyer when personal information is collected for claims purposes.

An individual may decline to consent, or revoke consent, to the collection and use of personal information for insurance purposes but in that case, insurance products and related services and the assessment of applications, claims or complaints may be limited or terminated.

# Collecting Personal Information

We may collect information directly from the individual concerned on applications for insurance and through direct interactions with us, including via AIG websites, software applications made available by us for use on or through computers and mobile devices (the “Apps”), our social media pages set forth in the links in the footer on AIG.com and other means (for example, from your application and claim forms, telephone calls, e- mails and other communications with us, as well as from claim investigators, medical professionals, witnesses or other third parties involved in our business dealings with you). We also collect information

from various third-party sources such as: insurance brokers, adjusters, other insurance intermediaries, third party administrators, government, industry associations, and other entities that have information about you. For instance, we may obtain your driving record, claims history and/or credit history, where permitted by law, to assist us in underwriting your application for insurance. We and our service providers may supplement the personal information we collect with information from other sources, such as publicly available information from social media services, commercially available sources and information from our affiliates or business partners. This information from third parties is subject to the privacy policies under which the information was collected.

# Using Personal Information

Personal information is typically collected and used by us for insurance purposes such as: assessing risk, processing applications for insurance coverage, establishing rates, administering insurance products, developing and improving insurance products and services and other services, including actuarial and pricing tools and risk engineering, risk management and loss prevention programs for our insurance clients, claim assessment, processing and settlement, and, where applicable, managing claim disputes. AIG also uses personal information to detect and prevent fraud, to detect, prevent, and respond to actual or suspected information security events, compile statistics, verify and provide information to insurance industry associations, report to regulatory or industry entities in accordance with laws and prudent insurance industry practices, and conduct market research. This may also include collecting and disclosing personal information about third parties with respect to claims made against AIG Customers. We may collect and use personal information for other purposes, in which case, we will notify you of such other purposes prior to the collection and use of the personal information.

# Use of Personal information for Marketing Purposes

AIG may collect and use personal information for marketing purposes, such as identifying and communicating with individuals who are most likely to find AIG products and services of interest. AIG may also disclose personal information to our affiliates to use for marketing purposes to offer you their products and services, which may be of interest to you. You may opt not to have us, or alternatively not to have our affiliates, collect, use or disclose personal information for marketing purposes in which case we and our affiliates will not use or disclose personal information for marketing purposes. Offers of upgraded or additional coverage, special offers and promotional mailings, and offers of additional products and services from our affiliates will not be sent by us or our affiliates. As an AIG customer, if you have not opted out of receiving marketing communications, you may receive marketing emails regarding AIG products and services. Each marketing email will include an unsubscribe mechanism, available for you at any time to remove your consent.

# Accuracy of Your Personal Information

AIG maintains policies and procedures to ensure that the information we collect and use is accurate, up-to- date, and as complete as possible. However, we rely on individuals to disclose all material information to us and to inform us of any changes required. A request to access or correct your personal information in our possession may be made by contacting the Privacy Officer at the address set out below in the section titled *“Contacting the Privacy Officer,”* and by providing valid proof of your identity*.*

# Safeguarding Your Information

We apply appropriate safeguards to our computer networks and physical files, and we restrict access to personal information to those AIG employees and non-employee workers, to independent third-party service providers or technology service providers (“Authorized Administrator”) reinsurers, consultants or insurance representatives who need to know that information in order to underwrite, adjudicate or administer insurance products and services.

# Disclosure of Personal Information

Personal information is disclosed by us to both affiliated and unaffiliated insurance companies, reinsurers, insurance and reinsurance brokers and other intermediaries and agents, appointed representatives, distributors, financial institutions and insurance industry organizations at the time of assessing an application for insurance and any renewal, extension, variation or cancellation of any issued policy, as well as in the event of any claim, to the extent necessary for statistical purposes or to assess and rate a specific risk, determine the status of coverage, and to investigate, administer and provide updates regarding claims. We also share information to investigate allegations of combat fraud; to detect, prevent, and respond to actual and suspected information security incidents; where permitted or required by law; to protect and defend legal claims; and, at the request of government institutions in accordance with applicable law.

AIG sometimes retains an affiliated company, a reinsurer, or an Authorized Administrator to perform on our behalf certain functions in support of the products and services we provide. Such functions could include the underwriting, offering or administering of AIG insurance products and services or any related claims. Accordingly, in certain instances these affiliates or third parties require your personal information to the extent that it is necessary in the performance of those specific reinsurance, underwriting, marketing, consulting, administrative, analytical, rehabilitative, claims, investigation, reporting or related services. AIG obligates these affiliates and third parties to use and take steps to protect personal information in accordance with the requirements of these *Privacy Principles*.

Some AIG affiliates and Authorized Administrators may be located outside of Canada, in the United States of America or another foreign jurisdiction outside of Canada. When this occurs, the collection, use and disclosure of personal information will be subject to the laws of the jurisdiction in which it is situated. By communicating personal information to us, applying for and/or acquiring the products and services of AIG, you hereby consent to the AIG affiliates or Authorized Administrators located outside of Canada accessing, processing or storing your personal information (as the case may be) and disclosing such personal information as required by the governing laws of that jurisdiction. If you would like to obtain more information about our use of Authorized Administrators or any other service providers located outside of Canada, please contact the Privacy Officer at the address set out below in the section titled *“Contacting the Privacy Officer”.*

AIG may transfer your personal information as an asset in connection with any contemplated or actual sale, merger or other disposal of all or part of our business or assets, or as part of a corporate reorganization or other change in corporate control, including for the purposes of determining whether to proceed with such a transaction or fulfilling any records or other reporting requirements to such parties. In such circumstances, we will ensure that any transfer of personal information is handled by us in accordance with applicable law using appropriate data protection and security measures.

# Retention and Access to Your Personal Information

We retain personal information for the purposes described in these *Privacy Principles* but only for so long as is necessary to achieve the purpose(s) for which the personal information was collected and as required by law. Personal information is stored at one of our offices in Canada, or at a location of one of our affiliates or Authorized Administrators in the United States or another foreign country, as defined under “*Disclosure of Personal Information”* above. Access to your personal information is limited to our employees and non- employee workers, agents, insurance intermediaries, reinsurers, and Authorized Administrators who need access in order to perform their job or provide services.

A request to access information in our possession may be made by contacting the Privacy Officer at the address set out below in the section titled *“Contacting the Privacy Officer”.* The right to access information is not absolute. Therefore, AIG may decline access to personal information about you that we have under our control, subject to any legal restrictions. Such instances of refusal may, include but are not limited to the following:

* + the information is subject to solicitor/client privilege;
  + the information would reveal personal information about a third party;
  + the information could compromise the investigation of a claim; or
  + the information is confidential commercial information.

We may charge a reasonable fee in advance for copying and sending information you have requested and to which you have a right of access.

You may also request that we correct inaccurate personal information about you by contacting the Privacy Officer at the address set out below in the section titled “*Contacting the Privacy Officer*”. The right to access information is not absolute. Therefore, AIG may decline to modify personal information that we have about you under our control under certain circumstances, subject to any legal restrictions (for example, if we have evidence to support the fact that the personal information is accurate).

# Contacting the Privacy Officer

Requests for further information about our privacy policies and practices, personal information access or correction, or any concerns about how we handle your information with AIG should be referred to our Privacy Officer, as follows:

Privacy Officer

Mail: AIG Insurance Company of Canada 120 Bremner Blvd.

Suite 2200 Toronto, ON Canada M5J 0A8

Email: [AIGCanadaOmbudsman@aig.com](mailto:AIGCanadaOmbudsman@aig.com) Toll-free phone:1-800-387-4481

# Internet Privacy Practices

We may collect your personal information through AIG websites or mobile applications. All personal information collected through our websites and mobile applications are subject to these *Privacy Principles.*

We may collect other personal information (“**Other Information**”) through our websites or mobile applications that may or may not reveal your specific identity. Other Information includes but is not limited to:

* + browser information and settings;
  + computer or mobile device information (such as device IDs)
  + information collected through cookies, pixel tags, and other technologies;
  + demographic information and other similar information provided by you;
  + information about your physical location; and
  + aggregated information.

We and our third party service providers may collect Other Information in a variety of ways, including, but not limited to, the following:

* + **Through your internet browser:** Certain information is collected by us through your internet browser, such as your IP address (that is, your computer’s address on the internet), screen resolution, operating system type (e.g., Windows or Mac OS) and version, internet browser type and version, time of the visit and the page or pages visited. We use this information for purposes such as calculating our website usage levels, helping diagnose server problems, and administering our website.
  + **Using cookies:** Cookies are pieces of information stored directly on the computer you are using. Cookies allow us to recognize your computer and to collect information such as internet browser type, time spent on our website, pages visited, and language preferences. We may use the information for security purposes, to facilitate navigation, to display information more effectively, to personalize your experience while visiting our website, or to gather statistical information about the usage of our website. Cookies further allow us to present to you the advertisements or offers that are most likely to appeal to you. We may also use cookies to track your responses to our advertisements and we may use cookies or other files to track your use of other websites.
  + **Using pixel tags, web beacons, clear GIFs or other similar technologies:** These may be used in connection with some of our website pages and HTML-formatted e-mail messages to, among other things, track the actions of our website users and e-mail recipients, measure the success of our marketing campaigns, and compile statistics about our website usage and response rates.
  + Cookies and similar technologies provided by third parties that we use include products and services from Google (trading as DoubleClick), Meta, LinkedIn, Twitter and Adobe. To opt out of the DoubleClick advertisement cookie(s), please visit: <http://www.google.com/intl/en/policies/privacy/#infochoices>. For information about how to opt-out of certain Meta tracking technologies and opt-out methods, please visit: [https://www.facebook.com/privacy/policy.](https://www.facebook.com/privacy/policy) For information about LinkedIn tracking technologies and opt-out methods, please visit: [https://www.linkedin.com/legal/cookie-policy.](https://www.linkedin.com/legal/cookie-policy) For information about Twitter tracking technologies and opt-out methods, please visit: <https://twitter.com/en/privacy>. We also use Adobe’s analytics tools, which use cookies and web beacons, to help us understand more about how our website is used by consumers so we can continue to improve it. For more information about Adobe’s analytics tools, including opt-out methods, please visit: https://[www.adobe.com/privacy/opt-out.html#customeruse.](http://www.adobe.com/privacy/opt-out.html#customeruse) In many cases, you can also refuse to accept certain other cookies we use by adjusting your browser settings. However, if you do not accept the use of these cookies, you may experience some inconvenience in your use of our website and some of our online products.
  + **From you:** Some information (for example, your location or preferred means of communication) is collected when you voluntarily provide it. Unless combined with personal information, this information may not identify you personally.
  + **Using your physical location:** We may collect the physical location of your device by, for example, using satellite GPS, cell phone tower or WiFi signals. We may use your device’s physical location to provide you with personalized location-based services and content, for example, to provide location based reminders or offers when using applications. We may also share your device’s physical location, combined with information about what advertisements you viewed and other information we collect, with our marketing partners to enable them to provide you with more personalized content on our behalf and to study the effectiveness of advertising campaigns. In some instances, you may be permitted to allow or deny such uses and/or sharing of your device’s location, but if you choose to deny such uses and/or sharing, we and/or our marketing partners may not be able to provide you with the applicable personalized services and content. In addition, we may obtain the precise geolocation of your device when you use our mobile applications for purposes of providing travel or other assistance services to our clients who are enrolled in such services. In connection with providing travel or other assistance services, we may share your device’s precise geolocation information with our clients and other entities with whom we work. You may opt-out of our collection and sharing of precise geolocation information by deleting the mobile application from your device, by disallowing the mobile application to access location services through the permission system used by your device’s operating system, or by following any additional opt-out instructions provided in the privacy notice available within the mobile application.
  + **By aggregating information:** We may share non-personally identifiable information collected from you and/or from your use of our Apps with our third party service providers in an anonymous and aggregated form for data analytics and to ensure you receive a better consumer experience, in order to improve and modify our products and services.

Please note that we may use and disclose Other Information for any purpose, except where we are required to do otherwise under applicable law. If we are required to treat Other Information as personal information under applicable law, then, in addition to the uses listed in this “*Website Privacy Practices*” section, we may use and disclose Other Information for all the purposes for which we use and disclose personal information.

## Third Party Websites

These *Privacy Principles* do not address, and we are not responsible for, the privacy, information or other practices of any third parties, including any third party operating any website to which our website contains a link. The inclusion of a link on our website does not imply endorsement of the linked site by us or by our group companies.

## Use of Site by Minors

Our website is not directed to individuals under the age of 18, and we request that these individuals do not provide Personal Information through our website.

## Changes to these Privacy Principles

AIG Canada reserves the right to modify these *Privacy Principles* from time to time. If these *Privacy Principles* change materially, we will take reasonable measures to notify you, including posting a copy of the revised *Privacy Principles* to our website. Accordingly, we recommend that you review our current Privacy *Principles* from time to time at Aig.ca.

CLAIM NOTICE

Report your Property claim by providing written notice as soon as practicable by email or mail as follows:

1. Email: [propertyclaimsCA@aig.com](mailto:propertyclaimsCA@aig.com)

OR

1. Mail:

AIG Property Claims

120 Bremner Boulevard,

Suite 2200

Toronto, ON M5J 0A8

Such written notice shall include the Named Insured and address as shown on the Declarations, Insured’s contact information, the policy number, the date of loss, the loss location and a brief description of the loss.

If the claim is an emergency and you need to make a report after standard business hours, call toll free at 1-800-235-8784.

STATUTORY CONDITIONS

Applicable to all Common Law Provinces and Territories except Alberta, British Columbia, Manitoba, Quebec, and Saskatchewan

The following policy conditions, as modified or supplemented by the attached forms or endorsements, apply to all perils insured by this Policy (including fire).

1. Misrepresentation

If a person applying for insurance falsely describes the property to the prejudice of the Insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the Insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

1. Property of Others

Unless otherwise specifically stated in the contract, the Insurer is not liable for loss or damage to property owned by any person other than the Insured, unless the interest of the Insured in such property is stated in the contract.

1. Change of Interest

The Insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act (Canada) or change of title by succession, by operation of law, or by death.

1. Material Change

Any change material to the risk and within the control and knowledge of the Insured avoids the contract as to the part affected by the change, unless the change is promptly notified in writing to the Insurer or its local agent. The Insurer, when so notified, may return the unearned portion, if any, of the premium paid and cancel the contract. Alternatively, the Insurer may notify the Insured in writing that, if the Insured desires the contract to continue in force, the Insured must, within fifteen days of the receipt of the notice, pay to the Insurer an additional premium. In default of such payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.

1. Termination
   1. This contract may be terminated,
      1. by the Insurer giving to the Insured written notice of termination at least:
         1. five days before the effective date of termination if personally delivered;
         2. fifteen days before the effective date of termination if the contract is terminated by registered mail for nonpayment of premium; or
         3. thirty days before the effective date of termination if the contract is terminated by registered mail for any other reason.
      2. by the Insured at any time on request.
   2. When this contract is terminated by the Insurer,
      1. the Insurer shall refund the, excess of premium actually paid by the Insured over the proportionate premium for the expired time, subject to any minimum retained premium specified; and
      2. the refund shall accompany the notice, unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
   3. When this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
   4. The refund may be made by money, postal or express company money order or cheque payable at par.
   5. The fifteen and thirty days mentioned in clauses (1)(a)(ii) and (iii) of this condition commence to run on the day following the receipt of the registered letter at the post office to which it is addressed.
2. Requirements after Loss
   1. Upon the occurrence of any loss of or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11,
      1. immediately give notice of the loss or damage in writing to the Insurer;
      2. deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
         1. giving a complete inventory of the lost or damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,
         2. stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes,
         3. stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the Insured,
         4. showing the amount of other insurances and the names of other Insurers,
         5. showing the interest of the Insured and of all others in the property with particulars of all mortgages, liens, encumbrances and other charges upon the property,
         6. showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,
         7. showing the place where the insured property was located at the time of loss or damage;
      3. if required, give a complete inventory of undamaged property, showing in detail quantities, cost, actual cash value;
      4. if required and if practicable, produce accounts, warehouse receipts, stock lists, invoices and other pertinent records, verified by statutory declaration, as well as any relevant contracts or agreements with others.
   2. The evidence furnished under clauses (1) (c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.
3. Fraud

Any fraud or willfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declaration.

1. Who May Give Notice and Proof

In case of absence or inability of the Insured to give notice of loss or make proof of loss, notice of loss may be given and proof of loss may be made by the agent of the Insured. If the Insured fails to give notice immediately, the notice of loss may be given and the proof of loss may be made by a person to whom any part of the insurance money is payable.

1. Salvage
   1. The Insured, in the event of any loss or damage to any insured property, shall take all reasonable steps to prevent further damage to such property and to prevent damage to other insured property, including, if necessary, removal to a secure location.
   2. The Insurer shall contribute proportionately, according to the respective interests of the parties, towards any reasonable and proper expenses in connection with steps taken by the Insured and required under subsection (1) of this condition.
2. Entry, Control, Abandonment

After loss or damage to insured property, the Insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage. After the Insured has secured the property, the Insurer has a further right of access and entry sufficient to enable its agents to make appraisement or particular estimate of the loss or damage. The Insurer is not entitled to the control or possession of the insured property.

There can be no abandonment of insured property to the Insurer without the Insurer's consent.

1. Appraisal

In the event of disagreement as to the value of the insured property or the value of the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the Insurance Act before there can be any recovery under this contract, whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand for one is made in writing and until proof of loss has been delivered.

1. When Loss Payable

The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

1. Replacement
2. The Insurer, instead of making payment, may repair, rebuild, or replace the property lost or damaged, giving written notice of its intention to do so within thirty days after receipt of the proof of loss.
3. In that event, the Insurer shall commence to repair, rebuild, or replace the property within forty¬five days after receipt of the proof of loss, and shall proceed with all due diligence to completion of the work.
4. Action

Every action or proceeding against the Insurer for the recovery of any claim shall be absolutely barred unless commenced within one year after the loss or damage occurs, unless legislation provides otherwise.

1. Notice

Any written notice to the Insurer may be sent by registered mail or delivered to the chief agency or any office of the Insurer in Canada. Written notice may be given to the Insured by letter personally delivered to the Insured or by registered mail addressed to the Insured at the Insured's latest post office address as notified to the Insurer. In this condition, the expression 'registered" means registered in or outside Canada.

1. Contribution

If on the happening of any loss or damage to property in consequence of which a claim is or may be made under this policy there is in force more than one contract covering the same interest, the liability of the Insurer hereunder shall be limited to its rateable proportion of such claim.

STATUTORY CONDITIONS

# Applicable to the Provinces of Alberta, British Columbia, Manitoba, and Saskatchewan Only

Misrepresentation

1. If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

Property of others

1. The insurer is not liable for loss or damage to property owned by a person other than the insured unless:
   1. otherwise specifically stated in the contract, or
   2. the interest of the insured in that property is stated in the contract

Change of interest

1. The insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy and Insolvency Act (Canada) or a change of title by succession, by operation of law or by death.

Material change in risk

1. (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is:
   1. material to the risk, and
   2. within the control and knowledge of the insured
2. If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
3. If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may:
   1. terminate the contract in accordance with Statutory Condition 5, or
   2. notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.
4. If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

Termination of insurance

1. (1) The contract may be terminated
   1. by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
   2. by the insured at any time on request.
2. If the contract is terminated by the insurer,
   1. the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
   2. the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
3. If the contract is terminated by the insured, the insurer must refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
4. The 15 day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

Requirements after loss

1. (1) On the happening of any loss of or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,
   1. immediately give notice in writing to the insurer,
   2. deliver as soon as practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration,
      1. giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the amount of loss claimed,
      2. stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
      3. stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the insured,
      4. stating the amount of other insurances and the names of other insurers,
      5. stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
      6. stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
      7. stating the place where the insured property was at the time of loss,
   3. if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
   4. if required by the insurer and if practicable,
      1. produce books of account and inventory lists,
      2. furnish invoices and other vouchers verified by statutory declaration, and
      3. furnish a copy of the written portion of any other relevant contract.

(2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

Fraud

1. Any fraud or willfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

Who may give notice and proof

1. Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made
   1. by the agent of the insured, if
      1. the insured is absent or unable to give the notice or make the proof,and
      2. the absence or inability is satisfactorily accounted for, or
   2. by a person to whom any part of the insurance money is payable, if the insured refuses to do so or in the circumstances described in clause (a) of this condition.

Salvage

1. (1) In the event of loss or damage to insured property, the insured must take all reasonablesteps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.

(2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) of this condition.

Entry, Control, Abandonment

1. After loss or damage to insured property, the insurer has
   1. an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
   2. after the insured has secured the property, a further right of access and entry by accredited, representatives sufficient to enable them to appraise or estimate the loss or damage, but
      1. without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and
      2. without the insurer's consent, there can be no abandonment to it of the insured property.

In case of disagreement

1. (1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the Insurance Act, whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.

(2) There is no right to a dispute resolution process under this condition until

1. a specific demand is made for it in writing, and
2. the proof of loss has been delivered to the insurer.

When loss payable

1. Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

Repair or replacement

1. (1) Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.

(2) If the insurer gives notice under subparagraph (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

Notice

1. (1) Written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the province.

(2) Written notice to the insured may be personally delivered at, or sent by registered mail addressed to, the insured's last known address as provided to the insurer by the insured.

STATUTORY CONDITIONS

Applicable to the Provinces of Quebec Only

Reference to Civil Code articles in some instances is for easier reading only and should not be construed as exact quotations.

For all coverages except where inapplicable.

1. STATEMENTS
   1. *Representation of risk (Article 2408)*

The client, and the Insured if the Insurer requires it, is bound to represent all the facts known to him which are likely to materially influence an insurer in the setting of the premium, the appraisal of the risk or the decision to cover it, but he is not bound to represent facts known to the Insurer or which from their notoriety he is presumed to know, except in answer to inquiries.

The client means the person submitting an insurance application.

* 1. *Material change in risk (Articles 2466 and 2467)*

The Insured shall promptly notify the Insurer of any change that increases the risks stipulated in the policy and that results from events within his control if it is likely to materially influence an insurer in setting the rate of the premium, appraising the risk or deciding to continue to insure it.

On being notified of any material change in the risk, the Insurer may cancel the contract or propose, in writing, a new rate of premium. Unless the new premium is accepted and paid by the Insured within thirty days of the proposal, the policy ceases to be in force.

* 1. *Misrepresentations or concealment (Articles 2410, 2411 and 2466)*

Any misrepresentation or concealment of relevant facts mentioned in section 1.1 and in the first paragraph of section 1.2 by the client or the Insured nullifies the contract at the instance of the Insurer, even in respect of losses not connected with the risk so misrepresented or concealed.

Unless the bad faith of the client or of the Insured is established or unless it is established that the Insurer would not have covered the risk if he had known the true facts, the Insurer remains liable towards the Insured for such proportion of the indemnity as the premium he collected bears to the premium he should have collected.

* 1. *Warranties (Article 2412)*

Any increase in risk resulting from a breach of warranty suspends the coverage until accepted by the Insurer or until such breach has been remedied by the Insured.

1. GENERAL PROVISIONS
   1. *Insurable interest (Articles 2481 and 2484)*

(Applicable only to property insurance)

A person has an insurable interest in a property where the loss or deterioration of the property may cause him direct and immediate damage. It is necessary that the insurable interest exist at the time of the loss but not necessary that the same interest have existed throughout the duration of the contract. The insurance of a property in which the Insured has no insurable interest is null.

* 1. *Changes (Article 2405)*

The terms of this policy shall not be waived or changed except by endorsement.

* 1. *Assignment (Articles 2475 and 2476)*

This policy may be assigned only with the consent of the Insurer and in favour of a person who has an insurable interest in the insured property.

Upon the death or bankruptcy of the Insured or the assignment of his interest in the insurance to a co- Insured, the insurance continues in favour of the heir, trustee in bankruptcy or remaining Insured, subject to his performing the obligations that were incumbent upon the Insured.

* 1. *Books and records*

The Insurer and its authorized representatives shall have the right to examine the Insured's books and records related to the subject matter of this insurance at any time during the period of this policy and the three subsequent years.

* 1. *Inspection*

The Insurer and its authorized representatives shall have the right but are not obligated to make inspections of the risk, inform the Insured of the conditions found and recommend changes. Any inspections, surveys, findings or recommendations relate only to insurability and the premiums to be charged. They shall not constitute a warranty that the premises, property or operations are safe or healthful or comply with laws, codes or standards.

* 1. *Currency*

All limits of insurance, premiums and other amounts as expressed in this policy are in Canadian currency.

1. LOSSES
   1. *Notice of loss (Article 2470)*

The Insured shall notify the Insurer of any loss which may give rise to an indemnity, as soon as he becomes aware of it. Any interested person may give such notice.

In the event that the requirement set out in the preceding paragraph is not fully complied with, all rights to compensation shall be forfeited by the Insured where such non-compliance has caused prejudice to the Insurer.

* 1. *Information to be provided (Article 2471)*

The Insured shall inform the Insurer as soon as possible of all the circumstances surrounding the loss, including its probable cause, the nature and extent of the damage, the location of the insured property, the rights of third parties, and any concurrent insurance: he shall also furnish him with vouchers and swear or warrant to the truth of the information.

Where, for a serious reason, the Insured is unable to fulfill such obligation, he is entitled to a reasonable time in which to do so. If the Insured fails to fulfill his obligation, any interested person may do so on his behalf.

In addition, the Insured shall forthwith send to the Insurer a copy of any notice, letter, subpoena or writ or document received in connection with a claim.

* 1. *False representation (Article 2472)*

Any deceitful representation entails the loss of the right of the person making it to any indemnity in respect of the risk to which the representation relates.

However, if the occurrence of the event insured against entails the loss of both movable and immovable property or of both property for occupational use and personal property, forfeiture is incurred only with respect to the class of property to which the representation relates.

* 1. *Intentional Fault (Article 2464)*

The Insurer is never liable to compensate for injury resulting from the Insured's intentional fault. Where there is more than one Insured, the obligation of coverage remains in respect of those Insureds who have not committed an intentional fault.

Where the Insurer is liable for injury caused by a person for whose acts the Insured is liable, the obligation of coverage subsists regardless of the nature or gravity of that person's fault.

* 1. *Notice to police*

(applicable to property insurance only)

The Insured must promptly give notice to the police of any loss caused by vandalism, theft or attempted theft or other criminal act.

* 1. Safeguarding and examination of property (Article 2495) (applicable to property insurance only)

At the expense of the Insurer, the Insured must take all reasonable steps to prevent further loss or damage to the insured property and any further loss or damage resulting directly or indirectly from the Insured's failure to take such action shall not be recoverable.

The Insured may not abandon the damaged property if there is no agreement to that effect. The Insured shall facilitate the salvage and inspection of the insured property by the Insurer.

He shall, in particular, permit the Insurer and his representatives to visit the premises and examine the insured property before repairing, removing or modifying the damaged property, unless so required to safeguard the property.

* 1. *Admission of/lability and cooperation*

The Insured shall cooperate with the Insurer in the processing of all claims.

(The following two paragraphs are applicable to liability insurance only: article 2504). No transaction made without the consent of the Insurer may be set up against him.

The Insured shall not admit any liability nor settle or attempt to settle any claim, except at his own risk.

1. COMPENSATION AND SETTLEMENT
   1. *Basis of settlement (Articles 2490, 2491, 2493)*

(applicable to property insurance only)

Unless otherwise provided, the Insurer shall not be liable for more than the actual cash value of the property at the time of loss as normally determined.

In unvalued policies, the amount of insurance does not make proof of the value of the insured property. In valued policies, the agreed value makes complete proof, between the Insurer and the Insured, of the value of the insured property.

If the amount of insurance is less than the value of the property the Insurer is released by paying the amount of the insurance in the event of total loss or a proportional indemnity in the event of partial loss.

* 1. *Pair and set*

(applicable to property insurance only)

In the case of loss of or damage to any article or articles, whether scheduled or unscheduled, which are part of a set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, but in no event shall such loss or damage be construed to mean

* 1. *Parts*

(applicable to property insurance only)

In the case of loss of or damage to any part of the insured property, whether scheduled or unscheduled, consisting, when complete for use, of several parts, the Insurer is not liable for more than the insured value of the part lost or damaged, including the cost of installation.

* 1. *Fire insurance (Articles 2485 and 2486)*

(applicable to property insurance only)

In fire insurance, the insurer is bound to repair any damage which is an immediate consequence of fire or combustion, whatever the cause, including damage to the property during removal or that caused by the means employed to extinguish the fire, subject to the exceptions specified in the policy. The insurer is also liable for the disappearance of insured things during the fire, unless he proves that the disappearance is due to theft which is not covered.

The insurer is not liable for damage caused solely by excessive heat from a heating apparatus or by any process involving the applications of heat where there is no lire or commencement of fire but, event where there is no fire, the insurer is liable for damage caused by lightning or the explosion of fuel.

An insurer who insures a property against fire is not liable for damage due to fires or explosions caused by foreign or civil war, riot or civil disturbance, nuclear explosion, volcanic eruption, earthquake or other cataclysm.

* 1. *Replacement (Article 2494)*

(applicable to property insurance only)

Subject to the rights of preferred and hypothecary creditors, the Insurer reserves the right to repair, rebuild or replace the insured property. He is then entitled to salvage and may take over the property.

* 1. *Time of payment (Articles 1591, 2469 and 2473)*

The Insurer shall pay the indemnity within sixty days after receiving the notice of loss or, at his request, all relevant information and vouchers, provided the Insured shall have complied with all the terms of the contract.

Any outstanding premium may be deducted from the indemnity payable.

* 1. *Property of others*

(applicable to property insurance only)

Where a claim is made as a result of loss of or damage to property not owned by the Insured, the Insurer reserves the right to pay the indemnity to the Insured or to the owner of the property and to deal directly with such owner.

Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of the policy by any act relating to arbitration or to the completion or delivery of proof of loss, or to the investigation or adjustment of the claim.

* 1. *Limitation of actions (Article 2925)*

Every action or proceeding against the Insurer under this policy shall be commenced within threee years from the date the right of action has arisen.

* 1. *Subrogation (Article 2474)*

Unless otherwise provided, the Insurer shall be subrogated to the extent of the amount paid or the liability assumed therefore under this policy to the rights of the Insured against persons responsible for the loss except when they are members of the Insured's household. The Insurer may be fully or partly released from his obligation towards the Insured where, owing to any act of the Insured, he cannot be so subrogated.

1. OTHER INSURANCE
   1. *Property insurance (Article 2496)*

The Insured who, without fraud, is insured by several insurers, under several policies, for the same interest and against the same risk so that the total amount of indemnity that would result from the separate performance of such policies would exceed the loss incurred may be indemnified by the insurer or insurers of his choice, each being liable only for the amount he has contracted for.

No clause suspending all or part of the performance of the contract by reason of other insurance may used against the Insured.

Unless otherwise agreed, the indemnity is apportioned among the insurers in proportion to the share of each in the total coverage, except in respect of specific insurance, which constitutes primary insurance.

1. CANCELLATION (Articles 2477 and 2479)

This policy may be cancelled at any time:

1. By mere written notice from each of the Named Insureds. Termination takes effect upon receipt of the notice and the Insured shall therefore be entitled to a refund of the excess of the premium actually paid over the short-term rate for the expired time.
2. By the Insurer giving written notice to each Named Insureds. Termination takes effect fifteen days following receipt of such notice by the Insured at his last known address and the Insurer shall refund the excess of premium actually paid over the pro rata premium for the expired time. If the premium is subject to adjustment or determination as to amount, the refund shall be made as soon as practicable.

Where one or more of the Names Insureds have been mandated to receive or send the notices provided for under paragraph a) or b) above, notices sent or received by them shall be deemed to have been sent or received by all Named Insureds.

In this Condition, the words 'premium actually paid" means the premium actually paid by the Insured to the Insurer or its representative but do not include any premium or part thereof paid to the Insurer by a representative unless actually paid to the representative by the Insured.

1. NOTICE

Any notice to the Insurer may be sent by any recognized means of communication to the Insurer or its authorized representative. Notice may be given to the named Insured by letter personally delivered to him or by mail addressed to him at his last known address. It is incumbent upon the sender to prove that such notice was received.