

COMMERCIAL PACKAGE ENHANCED EXTENSION ENDORSEMENT

WORDS AND PHRASES IN BOLD HAVE SPECIAL MEANING AS DEFINED ON THIS FORM OR IN THE PROPERTY INSURANCE COVERAGE FORM TO WHICH THIS ENDORSEMENT IS ATTACHED

SUMMARY OF COVERAGES

The following Extensions of Coverage are in addition to the amounts of insurance as listed on the **Declaration Page** and are subject to all of the terms, definitions, limitations, provisions and other conditions of this Policy.

Item#	Coverage	Amount of Insurance
1.	Brands and Labels	\$ 25,000
2.	Building By-Law and Code Compliance Coverage	Included up to a Maximum of \$25,000
3.	Growing Plants, Trees, Shrubs in the Open	\$ 1,000 Maximum Value Per Plant \$ 10,000 Maximum Limit Per Occurrence
4.	Personal Property of Officers, Employees, Volunteers and Visitors	\$ 2,500 Maximum Per Person \$ 10,000 Maximum Per Occurrence
5.	Power Fluctuation	\$ 10,000
6.	Accounts Receivable	\$ 50,000
7.	Automatic Fire Suppression System Recharge	\$ 25,000
8.	Bailee's Coverage For Customers' Goods	\$ 10,000
9.	Building Damage By Theft	\$ 10,000
10.	Data	\$ 25,000
11.	Debris Removal	\$ 50,000
12.	Environmental Upgrades	\$ 25,000
13.	Fine Arts	\$ 1,000 Maximum Value any One Item \$ 25,000 Maximum Limit Per Occurrence
14.	Fire Department Charges	\$ 25,000
15.	Glass	Included up to a Maximum of \$ 10,000 Per Occurrence
16.	Installation of Customers' Goods	\$ 10,000
17.	Leasehold Interest (Rents)	Included up to a Maximum of \$ 10,000 Per Occurrence
18.	Master Key	\$ 10,000
19.	Media	\$ 25,000
20.	Off Premises Stock and Equipment	\$ 25,000
21.	Parcel Post	\$ 10,000
22.	Pollution Damage – Insured Premises	\$ 10,000
23.	Professional Fees	\$ 50,000
24.	Reward	\$ 5,000
25.	Sales Representative	\$ 10,000
26.	Signs	\$ 25,000
27.	Stock Spoilage	\$ 25,000
28.	Transit	\$ 10,000
29.	Valuable Papers and Records	\$ 50,000
30.	Automatic Inflation Protection	Included
31.	Newly Acquired Locations or Expansion of Current Operation	\$1,000,000
32.	Peak Season Stock Increase	25% increase on contents
33.	Exterior Paving	\$50,000

If the **Declaration Page** indicates that the **Commercial Package Basic Extension Endorsement** applies, the Insurer will provide the coverages as described below, only for those locations as described on the **Declaration Page**, up to the limit specified by this Extension Endorsement for the applicable extension. In the event that a similar extension to those provided by this Extension Endorsement applies to the same property lost or damaged as a result of a single **occurrence**, only the extension with the highest amount of insurance will apply. In the event that a more specific coverage elsewhere in the Policy applies to the risk insured by one of these extensions, only the more specific coverage will apply.

The Policy deductible applies to all extensions of coverage. The following extensions of coverage are not subject to a co-insurance requirement.

1. Brands and Labels

Amount of Insurance: \$25,000 Per Occurrence

If **stock** damaged by an insured peril is salvageable and bears a brand or trademark or guarantee, the Insurer agrees to pay for the removal of such brand, trademark or guarantee before sale of such **stock** as salvage.

2. Building By-Law and Code Compliance Coverage

Amount of Insurance: Included up to a Maximum of \$25,000 Per Occurrence

This extension provides coverage, only as a result of direct damage caused by an insured peril to pay for:

- a) loss resulting from the demolition of any undamaged portion of the specified **building(s)** or structure(s); or
- b) the cost of demolishing, and clearing the site of, any undamaged portion of the specified **building(s)** or structure(s); or
- c) any increase in the cost of repairing, replacing, construction or reconstructing the specified **building(s)** or structure(s) on the same site or on an adjacent site, of like height, floor area and style, and for like occupancy; arising from the enforcement of the minimum requirements of any by-law, regulation, ordinance of law which:
 - (i) regulates zoning or the demolition, repair or construction of damaged **building(s)** or structure(s); and
 - (ii) is in force at the time of such loss or damage.

The Insurer will not pay the additional cost caused by the enforcement of any by-law, regulation, ordinance or law which prohibits you from rebuilding or repairing on the same site or an adjacent site or prohibits continuance of like occupancy.

This extension does not override any provision in the Basis of Claim settlement of the Policy to which this Extension Endorsement is attached.

3. Growing Plants, Trees, Shrubs or Flowers in the Open

Amount of Insurance: \$1,000 Maximum Value Per Plant; \$10,000 Maximum Limit Per Occurrence

This extension provides coverage for loss or damage to growing plants, trees, shrubs or flowers in the open caused directly by **Named Perils**, with the exception of windstorm or hail as described in the Commercial Property Broad Form or Commercial Property Named Perils to which this endorsement is attached to, or from theft or attempted theft. This extension's limit includes the amount of debris removal expense for the growing plants, trees, shrubs or flowers in the open.

4. Personal Property of Officers, Employees, Volunteers and Visitors

Amount of Insurance: \$2,500 Maximum Per Person; \$10,000 Maximum Per Occurrence

At the option of the **Insured**, **equipment** also includes personal property of the **Insured's** officers, employees, volunteers and visitors. The insurance on such property:

- a) shall not attach if it is insured by the owner unless the **Insured** is obliged to insure it or is liable for its loss or damage;
- b) is, in any event, limited to a maximum amount as specified on the Summary of Coverages of this endorsement in respect of any one officer, employee, volunteer or visitor; up to a maximum limit per **occurrence** as specified on the Summary of Coverages of this endorsement;
- c) shall apply only to loss or damage occurring at a location as described on the **Declaration Page** or included in **newly acquired location**.

5. Power Fluctuation Coverage

Amount of Insurance: \$10,000 Per Occurrence

The Insurer will indemnify the **Insured** for any direct loss or damage to insured **content(s)** caused by a power fluctuation, meaning a sudden rise or fall of electrical power that is not caused by lightning. This extension will not apply to:

- a) property undergoing any process or while being worked on where the damage results from such process or work;
- b) the property item which generated the power fluctuation;
- c) any loss for which indemnity is provided under an Equipment Breakdown Rider.

6. Accounts Receivable

Amount of Insurance: \$50,000 Per Occurrence

The Insurer will indemnify the **Insured** for all sums due to the **Insured** from customers, provided that the **Insured** is unable to effectively collect them as a direct result of loss of or damage to records of accounts receivable contained on the insured **premises** and resulting from a peril insured against. This extension of coverage also includes the following:

- a) Interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by such loss, destruction or damage.
- b) Collection expense in excess of normal collection cost and made necessary because of such loss, destruction or damage.
- c) Other expenses, when reasonably incurred by the Insured in re-establishing records of accounts receivable following such loss, destruction or damage.

7. Automatic Fire Suppression System Recharge Expense

Amount of Insurance: \$25,000 Per Occurrence

This extension compensates the **Insured** for any automatic fire suppression system recharge expense incurred by the **Insured** due to the leakage or discharge of the fire suppressant within any automatic fire suppression system. This applies only at the **premises** of the **Insured** as described on the **Declaration Page** and where such discharge or leakage is caused by or results from a peril insured against under this Policy.

8. Bailee's Coverage For Customers' Goods

Amount of Insurance: \$10,000 Per Occurrence

This extension provides coverage on all kinds of lawful goods and articles that are the property of the **Insured's** customers and have been accepted by the **Insured** for processing, maintenance or repair usual or incidental to the business operations as described on the **Declaration Page**. Coverage applies while in the possession of the **Insured** at the **premises** location as described on the **Declaration Page** and while in the **Insured's** vehicle. The Insurer shall not be liable for more than the **actual cash value** of customers' goods at the time any loss or damage occurs.

9. Building Damage by Theft

Amount of Insurance: \$10,000 Per Occurrence

This extension provides coverage for damage (except by fire) to the part of a **building** occupied by the **Insured** directly resulting from theft or any attempted theft and from vandalism or malicious acts committed on the same occasion, provided the **Insured** is the owner of such **building** or is liable for such damage and the **building** is not otherwise insured hereunder. Glass and lettering or ornamentation thereon is excluded from this extension.

10. Data

Amount of Insurance: \$25,000 Per Occurrence

This extension provides coverage for direct loss or damage by an insured peril to **data**. Coverage is included for the erasure or damage that is a result of direct physical damage to Electronic Data Processing Equipment from the perils insured against including power fluctuation coverage as outlined in this Extension Endorsement. Coverage is limited to the **actual cash value** of such **data**. Coverage does not apply to **data** that cannot be replaced with other of like kind and quality. This extension of coverage is for **data** at the **Insured premises** and subject to the following additional exclusions.

The Insurer shall not be liable for loss, damage or expense caused directly or indirectly by:

- a) loss or destruction of accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents except as they may be converted to **data** processing media form and then only in that form;
- b) loss of income or any other consequential or remote loss;

- c) programming errors or faulty machine instructions;
- d) cost of compiling such **data** if collection and reconstruction is so required.

11. Debris Removal

Amount of Insurance: \$50,000 Per Occurrence

When the damage to insured property plus the cost of removal of debris exceed the amounts of insurance available on the Policy to which this Extension Endorsement is attached, this extension provides an additional limit to cover debris removal expenses. This extension for debris removal also includes the expenses incurred for the removal of debris of other property which is not insured by this Policy but which has been blown by a windstorm to a location specified on the **Declaration Page**.

This Extension Endorsement does not apply to costs or expenses:

- a) to clean-up **pollutants** from land or water; or
- b) for testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants**.

12. Environmental Upgrades

Amount of Insurance: \$25,000 Per Occurrence

This extension, at the option of the **Insured**, provides a coverage response to any increase in direct costs to repair or replace damaged **building** and **equipment** using **environmentally friendly** material or modes of construction or **energy efficient** materials or modes of construction.

This coverage response includes additional fees incurred by the **Insured** to engage an accredited LEED® Canada professional in the design and/or repair and/or reconstruction phase plus the additional cost incurred by the **Insured** for certification or recertification by LEED® Canada.

When used in this Extension Endorsement:

- a) **“Environmentally Friendly”** means materials or modes of construction that are Canada Green Building Council/LEED® Canada accredited.
- b) **“Energy Efficient”** means those products or modes of construction that are Energy Star® or Canada Green Building Council/LEED® Canada rated or accredited.

There will be no coverage response under this Extension Endorsement:

- a) to **stock**, production machinery and **equipment**, electronic data processing equipment not used in the support of real property, molds and dies, property in the open or personal property of employees and officers;
- b) to any increase in the cost of repair or replacement of insured property occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law;
- c) in instances where no **environmentally friendly** or **energy efficient** equivalent exists. In those instances, the Insurer will pay only to replace with standard materials, modes of construction, equipment and products.

13. Fine Arts

Amount of Insurance: \$1000 Maximum Value For Any One Item; \$25,000 Maximum Per Occurrence

This extension provides coverage for unscheduled fine arts that are not **stock**, only while the fine arts are at the location(s) as described on the **Declaration Page**.

There will be no coverage for breakage of glassware, statuary, marbles, bric-a-brac, porcelains and other fragile articles, unless caused directly by fire, earthquake, explosion, falling object striking the exterior of a building, flood, impact by aircraft or land vehicle, lightning, riot, smoke, vandalism or malicious acts, windstorm or hail, by accident to land, water, or air conveyances, or by theft or attempted theft.

14. Fire Department Charges

Amount of Insurance: \$25,000 Per Occurrence

The Insurer will reimburse the **Insured** for fire department charges incurred for attending **premises** insured under this Policy to save or protect insured property from loss or damage, or further loss or damage insured against by this Policy.

15. Glass

Amount of Insurance: Included up to a \$10,000 Maximum Limit Per Occurrence

This extension provides coverage for all loss or damages to exterior glass, lettering, ornamentation and burglar foils on the insured **premises** caused by accidental breakage of such glass.

The Insurer shall not be liable under this extension for:

- a) loss or damage directly or indirectly from fire whether in the **premises** described in the **Declaration Page** or elsewhere;
- b) loss or damage caused directly or indirectly by the perils excluded in Perils Excluded of the Commercial Property Broad Form or Commercial Property Named Perils Form, whichever is attached to this Policy;
- c) the cost of removing or replacing any fixtures or other obstructions to the replacement of the glass.

16. Installation of Customers' Goods

Amount of Insurance: \$10,000 Per Occurrence

This extension provides coverage for the supplies, machinery, **equipment** and material which are the property of the **Insured** or for which the **Insured** is legally liable that will be used to complete an installation contract entered into by the **Insured**. Coverage is provided anywhere in Canada, but only while such property is in transit to the **premises** for installation or while at that **premises** awaiting installation or while being installed.

The Insurer shall not be liable under this extension for any of the above mentioned property when:

- a) the **Insured's** interest ceases; or
 - b) the property installed has been accepted; or
 - c) thirty (30) days after completion of the installation; or
 - d) this Policy expires;
- whichever occurs first.

This extension does not insure:

- a) contractors' and subcontractors' tools and equipment;
- b) loss or damage to any installation or part thereof from the commencement of use for the purpose for which it was intended;
- c) any loss or damage covered under any guarantee or warranty (expressed or implied) by any contractor, manufacturer or supplier, whether or not such contractor, manufacturer or supplier is insured under this Policy;
- d) property while located on any **premises** owned, leased or occupied by the **Insured**.

17. Leasehold Interest (Rents)

Amount of Insurance: Included up to a \$10,000 Maximum Limit Per Occurrence

The Insurer will indemnify the **Insured** for any increase in the **Insured's** rent where such an increase:

- a) arises from the termination of the **Insured's** lease by the **Insured's** landlord, in accordance with the terms of the **Insured's** lease; and
- b) the termination of the **Insured's** lease is caused by damage to the **building** by perils insured against on this Policy; and
- c) the **Insured** enters into a new lease of premises of like kind and size for the purpose of continuing the **Insured's** operations.

The Insurer's liability under this extension is limited to the actual increase in rents for the period beginning with the termination of the **Insured's** lease and ending on the expiry date of the terminated lease or twelve (12) months from the date of the termination, whichever is sooner.

The Insurer is not liable for any loss resulting from the **Insured** exercising an option to terminate the lease.

The Insurer is not liable for any loss arising from the termination of a lease renewal option unless the renewal offer had been accepted in writing by the landlord prior to the loss.

18. Master Key

Amount of Insurance: \$10,000 Per Occurrence

The Insurer will reimburse the **Insured** for the cost to replace lock(s) and key(s) at the **premises** insured made necessary by the actual destruction, disappearance or wrongful abstraction of master key(s) and/or lock(s) as the result of an insured peril damaging or destroying insured property.

19. Media

Amount of Insurance: \$25,000 Per Occurrence

This extension provides coverage for the depreciated cost of **media** including magnetic tapes, discs, disc packs, portable memory devices, paper tapes and cards. Coverage under this extension is limited to **media** on the insured **premises** and the direct physical loss or damage must be caused by an insured peril. Coverage does not apply to **media** that cannot be replaced with other **media** of like kind and quality.

“**Media**” means material on which data is recorded.

20. Off Premises Stock and Equipment

Amount of Insurance: \$25,000 Per Occurrence

This extension provides coverage for insured **stock** and **equipment** sustaining direct damage by an insured peril:

- a) while temporarily removed from the Insured **premises**; or
- b) while in transit; or
- c) in the custody of the **Insured**, any officer or employee or volunteer.

In no event does this extension apply to contractor’s stock, equipment and tools.

The Insurer is not liable under this extension for insured **stock** and **equipment** at any location, including any job site, that is rented or controlled in whole or in part by the **Insured**, but this does not include locations where the **Insured** has paid a fee to rent for the purposes of a trade show, craft show, exhibition, or similar type of event.

21. Parcel Post

Amount of Insurance: \$10,000 Per Occurrence

This extension provides coverage for **equipment** and **stock** in the course of transit by parcel post for loss caused by a peril insured against.

22. Pollution Damage – Insured Premises

Amount of Insurance: \$10,000 Per Policy Term

Indemnity Agreement

The Insurer will indemnify the **Insured**, subject to the deductible, for expenses incurred to clean-up **pollutants** from land or water at the **premises** provided the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of **pollutants**:

- (i) is occasioned by loss or damage to property insured at the **premises** for which insurance is afforded under the Policy to which this Extension Endorsement is attached;
- (ii) is sudden, unexpected and unintentional from the standpoint of the **Insured**; and
- (iii) is required to be reported to a provincial authority; and
- (iv) first occurs during the Policy period.

Limit of Insurance

The maximum amount of insurance under this Extension Endorsement during the Policy term shall not exceed the amount of insurance specified in the Coverage Summary on the Extension Endorsement.

Reinstatement

Following a loss under this Extension Endorsement, the amount of insurance specified in the Extension Endorsement for this term will be reduced by the amount payable.

Additional Exclusions

The Insurer shall not be liable for:

- (i) expenses for clean-up away from or beyond the **premises** resulting from any spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of **pollutants** even if the **pollutants** emanated from the **premises**;
- (ii) expenses for clean-up of any spill discharge, emission, dispersal, seepage, leakage, migration or escape of **pollutants** that began before the effective date of this Policy;
- (iii) fines, penalties, punitive or exemplary damages;
- (iv) expenses incurred for the clean-up of **pollutants** at or from any **premises**, site or location which is or was at any time used by or for any **Insured** or others for the handling, storage, disposal, processing or treatment of waste.

Additional Conditions

Reporting Period:

- (i) It is a condition precedent to recovery under this extension that all expenses insured by this extension be incurred and reported to the Insurer within one hundred and eighty (180) days of the spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of **pollutants** for which clean-up expenses are being claimed.

23. Professional Fees

Amount of Insurance: \$50,000 Per Occurrence

This extension provides coverage for reasonable fees payable to professionals whom an **Insured** may hire to produce and certify particulars or details of the **Insured's** business required by the Insurer to arrive at the loss payable to the **Insured**.

24. Reward

Amount of Insurance: \$5,000 Per Occurrence

This extension provides a payment of a reward, including costs to advertise a reward payment, to any person or persons other than the **Insured** and officers and partners thereof, for information leading to the arrest and conviction of any person or persons for the crimes of arson, vandalism, theft, burglary or robbery or attempted theft, when such crime results in the payment of a claim under this Policy in respect of the insured property. The Insurer will be the sole judge as to the person or persons to whom a reward is paid and as to the size of the reward paid after costs for advertising the reward are deducted.

25. Sales Representative

Amount of Insurance: \$10,000 Per Occurrence

This extension provides coverage for **equipment** and **stock** while off **premises** in the custody of all sales representatives of the **Insured**.

26. Signs

Amount of Insurance: \$25,000 Per Occurrence

This extension provides coverage for direct physical loss or damage to exterior signs located on the **premises**.

The Insurer shall not be liable under this extension for:

- a) loss or damage caused directly or indirectly by the perils excluded in this Policy; or
- b) loss or damage caused during the process of cleaning, moving, repairing or reconstructing.

27. Stock Spoilage

Amount of Insurance: \$25,000 Per Occurrence

This extension provides coverage for physical loss of or damage to **stock** or **content(s)** on the **premises** caused by dampness or dryness of atmosphere or change of temperature. The dampness or dryness of atmosphere or change of temperature must be the direct result of (a) or (b) below:

- a) Physical loss of or damage to **building, equipment** or **content(s)**, including supply or transmission lines and pipes and their connections furnishing **services**, on the **premises**.

The physical loss or damage must directly result from a peril insured against. The part of the **building** or of the **equipment** or **content(s)** that sustains loss or damage must be used for refrigerating, cooling, humidifying, heating or for generating or converting power.

- b) Interruption to the supply of **services** to the **premises**.
- c) The interruption must be caused by physical loss of or damage to apparatus that generates or supplies such **services** to the **premises**. The physical loss or damage must directly result from a peril insured against. The apparatus that sustains loss or damage must be located on or within one (1) kilometre of the **premises**.

This extension does not cover loss or damage resulting from partial or total interruption to the supply of **services** arising from:

- (i) loss or damage to any electrical transmission lines or distribution lines or their supporting structure(s), except for those located on the **premises**;
- (ii) lack of sufficient capacity; or
- (iii) intentional reduction in supply; or
- (iv) any loss for which indemnity is provided under an Equipment Breakdown Rider.

As used in this extension:

“**Services**” means electricity, water, gas or steam.

28. Transit

Amount of Insurance: \$10,000 Per Occurrence

This extension provides coverage for **equipment** and **stock** in transit (other than by parcel post) in owned vehicles or by common carrier.

29. Valuable Papers and Records

Amount of Insurance: \$10,000 Per Occurrence

This extension provides coverage for the extra expense necessarily incurred in the cost of compiling books of account, drawings, card index systems or other records including film, tape, disc, drum, cell or other magnetic recording or storage media for electronic data processing, all the property of the **Insured**, when such records are damaged by a peril insured against.

30. Automatic Inflation Protection

Amount of Insurance: Included

Where the **Declaration Page** sets out the basis of settlement as **replacement cost** it is agreed that:

- a) The amount of insurance applicable to **building(s)** shall be increased during the Policy period by the proportion by which the latest published Statistics Canada Construction Building Output Price Indexes (Non-residential – Commercial Buildings) have increased since the last **premium due date**.
- b) At the **premium due date**, the amount of insurance shall be increased automatically in accordance with the latest published Statistics Canada Construction Building Output Price Indexes (Non-residential – Commercial Buildings) and the appropriate premium charged.
- c) If the amount of insurance applicable to **building(s)** is changed at the request of the **Insured** during the Policy period, the effective date of this extension is deemed to coincide with the effective date of such change.
- d) If the Policy insures two or more items, the foregoing shall apply separately to each item to which this extension applies.

As used in this extension:

“**Premium Due Date**” means the inception, renewal or anniversary date of this Policy to which this Extension Endorsement is attached.

31. Newly Acquired Locations or Expansion of Current Operation

Amount of Insurance: \$1,000,000 Per Occurrence

This extension provides coverage for newly acquired **building(s)** or additions to existing **building(s)** up to a limit of two hundred fifty thousand dollars (\$250,000) or to newly acquired **content(s)** up to a limit of two hundred fifty thousand dollars (\$250,000), all to be used in conjunction with the expansion of the **Insured's** existing business. This additional coverage shall cease 60 (sixty) days from the date construction begins or **content(s)** are shipped. Additional premium for such new coverage shall be due and payable for values so reported, computed from the date construction begins or additional **content(s)** arrive at the **premises**. The **building** and/or **contents** must be situated within the territorial limits of Canada, and have been acquired or had construction begun by the **Insured** after the inception date of this Policy.

32. Peak Season Stock Increase

Amount of Insurance: 25% Increase on Contents

Up to 25% (twenty-five percent) of the total amount(s) specified for **stock** may be applied to increase the **stock** limit for 4 (four) months (120 consecutive days) to cover loss by a peril insured against. However, this increase shall not apply unless the limit of insurance shown on the **Declaration Page** is 80% (eighty percent) or more of the **Insured's** average monthly values for the 12 (twelve) months immediately preceding the date of loss, or in the event that the **Insured** has been in business for less than 12 (twelve) months, such shorter period of time.

33. Exterior Paving

Amount of Insurance: \$50,000 Per Occurrence

This extension provides coverage for loss or damage to roadways, walkways, parking lots or other exterior paved surfaces owned by the **Insured** as a result of a peril insured against. This extension of coverage shall be limited to a maximum recovery of fifty thousand dollars (\$50,000) in all, including debris removal expense.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY TO WHICH THIS ENDORSEMENT IS ATTACHED
REMAIN UNCHANGED.**