

# STATUTORY CONDITIONS

## DIVISION I.

1. If any person insures property, and causes the same to be described otherwise than as it really is to the prejudice of the company, or misrepresents or omits to communicate any circumstance which is material to be made known to the company, in order to enable it to judge of the risk it undertakes, such insurance shall be of no force in respect to the property in regard to which the misrepresentation or omission is made.
2. Any change material to the risk, and within the control or knowledge of the assured, shall avoid the policy as to the part affected thereby, unless the change is promptly notified in writing to the company or its local agent; and the company when so notified may return the unearned portion, if any, of the premium which has been paid for the unexpired period and cancel the policy, or may demand in writing an additional premium, which the assured shall, if he desires the continuance of the policy, forthwith pay to the company; and if he neglects to make such payment forthwith after receiving such demand, the policy shall be no longer in force.
3. If the property insured is assigned without a written permission indorsed hereon by an agent of the company duly authorized for such purpose, the policy shall thereby become void; but this condition does not apply to change of title by succession or by the operation of the law, or by reason of death.
4. Money, books of account, securities for money, and evidences of debt or title, are not insured.
5. If the assured now has any other insurance on any property covered by this policy which is not disclosed to the company or hereafter effects any other insurance thereon without the written assent of the company, he shall not be entitled to recover in excess of sixty per cent. of the loss or damage in respect of such property; but if for any fraudulent purpose the assured does not disclose such other insurance to the company this policy shall be void.
  - (a) If within two weeks after written notice of such other insurance or of any intended insurance, or after that time and before such other insurance is effected, the company does not dissent by notice in writing to the assured, it shall be deemed to have assented thereto.
6. The company is not liable for the losses following, that is to say:
  - (a) For the loss of property owned by any other person than the assured, unless the interest of the assured is stated in or upon the policy;
  - (b) For loss caused by invasion, insurrection, riot, civil commotion, military or usurped power;
  - (c) Where the insurance is upon buildings or their contents—for loss caused by the want of good and substantial brick or stone or cement chimneys; or by ashes or embers being deposited, with the knowledge and consent of the assured, in wooden vessels; or by stoves or stovepipes being, to the knowledge of the assured, in an unsafe condition or improperly secured;
  - (d) For loss or damage to goods destroyed or damaged while undergoing any process in or by which the application of fire heat is necessary;
  - (e) For loss or damage occurring to buildings or to their contents while the buildings are being altered or repaired by carpenters, joiners, plasterers or other workmen, and in consequence thereof, unless permission to execute such repairs has been previously granted in writing, signed by a duly authorized agent of the company, but fifteen days are allowed in each year for incidental alterations or repairs, without such permission;
  - (f) For loss or damage occurring while petroleum, or rock, earth or coal-oil, camphene, gasoline, burning fluid, benzene, naphtha or any liquid products thereof, or any of their constituent parts (refined coal oil for lighting purposes only, not exceeding five gallons in quantity, or lubricating oil not being crude petroleum nor oil of less specific gravity than required by law for illuminating purposes, not exceeding five gallons in quantity, excepted), or more than twenty-five pounds weight of gunpowder is or are stored or kept by the assured or to his knowledge by any other person under his control, in the building insured or containing the property insured, unless permission is given in writing by the company.
7. Any written notice to the company may be delivered at the head office or chief agency of the company in Ontario, or sent by registered post addressed to the company, its manager or agent, at such head office or chief agency or may be delivered or sent by registered post to an authorized agent of the company.

## DIVISION II.

8. After application for insurance it shall be deemed that any policy sent to the assured is intended to be in accordance with the terms of the application, unless the company points out in writing the particulars wherein the policy differs from the application.
9. In the event of there being any other insurance on property herein described at the time of the happening of any loss or damage in respect thereof, then this company shall be liable only for the payment of a rateable proportion of such loss or damage or of such amount as the assured shall be entitled to recover as provided by Condition No. 5.
10. The company will make good loss or damage caused by the explosion of coal or natural gas in a building not forming part of gas works, and loss or damage by fire caused by any other explosion or loss or damage caused by lightning, whether fire ensues therefrom or not, but if dynamos, exciters, lamps, switches, motors, or other electrical appliances or devices are insured, any loss or damage to them caused by lightning or other electrical currents, artificial or natural, is expressly excluded, and the company is liable only for such loss or damage to them as may occur from resultant fire originating outside the machines themselves.

11. The insurance may be terminated by the company by giving seven days' notice to that effect, and, if on the cash plan, by tendering therewith a rateable proportion of the premium paid, for the unexpired term, calculated from the termination of the notice, and the policy shall cease after such notice or notice and tender as the case may be, and the expiration of the seven days.
12. The insurance, if, on the cash plan, may also be terminated by the assured by giving written notice to that effect to the company or its authorized agent, in which case the company may retain the customary short rate for the time the insurance has been in force, and shall repay to the assured the balance of the premium paid.
13. No condition of the policy, either in whole or in part, shall be deemed to have been waived by the company, unless the waiver is clearly expressed in writing, signed by an agent of the company.
14. Any officer or agent of the company, who assumes on behalf of the company to enter into any written agreement relating to any matter connected with the insurance, shall be deemed *prima facie* to be the agent of the company for the purpose.
15. Any written notice to the assured may be by letter delivered to the assured or by registered letter addressed to him at his last post office address notified to the company or where no address is notified and the address is not known, addressed to him at the post office of the agency, if any, from which the application was received.

## DIVISION III.

16. Where property insured is only partially damaged, no abandonment of the same will be allowed unless by the consent of the company or its agent; and in case of removal of property to prevent damage thereto, the company will contribute to the loss and expenses attending such act of salvage proportionately to the respective interests of the company or companies and the assured; and that part of this policy in excess of its proportion of any loss and of the value of the property remaining in the original location, shall, for the ensuing seven days only or for the unexpired term of the policy if less than seven days, cover the property so removed in the new location or locations in the proportion that the value in any one such new location bears to the value in all such new locations.
17. Subject to condition 19 proof of loss must be made by the assured, although the loss is payable to a third person.
18. Any person entitled to make a claim under this policy shall
  - (a) Forthwith after loss give notice in writing to the company;
  - (b) Deliver, as soon after as practicable, as particular an account of the loss as the nature of the case permits;
  - (c) Furnish therewith a statutory declaration declaring, That the account is just and true; When and how the loss occurred, and if caused by fire how the fire originated, so far as the declarant knows or believes; That the loss did not occur, or if caused by fire, that the fire was not caused through any wilful act or neglect, or the procurement, means or contrivance of the assured; The amount of other insurances; All liens, and incumbrances on the subject of insurance; The place where the property insured, if movable, was deposited at the time of the fire;
  - (d) If required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by a statutory declaration in support of his claim, and furnish copies of the written portion of all policies, separate as far as reasonably may be the damaged from the undamaged property and exhibit for examination all that remains of the property which was covered by the policy. The evidence furnished under this clause shall not be considered proofs of loss within the meaning of condition 22.
19. The above proofs of loss may be made by the agent of the assured, in case of the absence or inability of the assured himself to make the same, such absence or inability being satisfactorily accounted for, or in the like case or if the assured refuses to do so, by a person to whom any part of the insurance money is payable.
20. Any fraud or false statement in any statutory declaration, in relation to any of the above particulars, shall vitiate the claim of the person making the declaration.
21. If any difference arises as to the value of the property insured, the property saved, or the amount of the loss, such value and amount and the proportion thereof (if any) to be paid by the company shall, whether the right to recover on the policy is disputed or not, and independently of all other questions, be submitted to the arbitration of some person to be chosen by both parties, or if they cannot agree on one person, then to two persons, one to be chosen by the party assured and the other by the company, and a third to be appointed by the persons so chosen, or on their failing to agree, then by a Judge of the County or District Court of the County or District in which the loss has happened; and such reference shall be subject to the provisions of *The Arbitration Act*; and the award shall, if the company is in other respects liable, be conclusive as to the amount of the loss and the proportion to be paid by the company; where the full amount of the claim is awarded the costs shall follow the event; and in other cases all questions of costs shall be in the discretion of the arbitrators.
22. The loss shall be payable in sixty days after the completion of the proofs of loss, unless a shorter period is provided for by the contract of insurance.
23. The company, instead of making payment, may repair, rebuild or replace, within a reasonable time, the property damaged or lost, giving notice of their intention within fifteen days after receipt of the proofs herein required.
24. Every action or proceeding against the company for the recovery of any claim under or by virtue of this policy, shall be absolutely barred, unless commenced within one year next after the loss or damage occurs.

## VARIATIONS IN CONDITIONS

"This policy is issued on the above Statutory Conditions with the following variations, omissions and conditions, which are, by virtue of THE ONTARIO INSURANCE ACT, in force so far only as they shall be held to be just and reasonable to be exacted by the Company."

1. CO-INSURANCE CLAUSE.—This policy shall be subject to the following co-insurance clause if it is stated on the face of this policy, as required by the Ontario Insurance Act, that it contains a co-insurance clause.

It is a part of the consideration of this policy and the basis upon which the rate of premium is fixed that the Assured shall maintain insurance concurrent in form with this policy on the property hereby insured (or such item or items thereof as are stated on the face of this policy or in any form or endorsement attached thereto to be subject to this clause) to such percentage of the cash value thereof as may be stated in this policy or in any form or endorsement attached thereto and if the Assured fails to do so this Company shall be liable only for that proportion of any loss for which it would have been liable if such amount of concurrent insurance had been maintained.

## REMOVAL

The property insured under this Policy having been removed to the.....story building built of.....and roofed with....., occupied.....situate No.....on the.....side of.....Street,.....it is hereby declared that such property shall in future be held insured in the above described building and not elsewhere.

Additional Premium \$.....

Endorsement Book.....Folio.....

By.....

Date,.....19.....

## FORM OF ASSIGNMENT

For value received.....hereby transfer, assign and set over unto.....of.....the\*.....of the Property, all.....right, title and interest in this Policy of Insurance, and all benefits and advantages to be derived therefrom.

Witness.....hand and seal at.....this.....day of.....19.....

Signed, Sealed and Delivered in the presence of }.....L.S.

## CONSENT

The CANADA SECURITY ASSURANCE COMPANY, hereby consents to the above assignment, subject, however, to all the provisos, conditions and stipulations in the said Policy contained therein or endorsed thereon\*.....

Endorsement No. ....

## FORM OF ASSIGNMENT

For value received.....hereby transfer, assign and set over unto.....of.....the\*.....of the Property, all.....right, title and interest in this Policy of Insurance, and all benefits and advantages to be derived therefrom.

Witness.....hand and seal at.....this.....day of.....19.....

Signed, Sealed and Delivered in the presence of }.....L.S.

## CONSENT

The CANADA SECURITY ASSURANCE COMPANY, hereby consents to the above assignment, subject, however, to all the provisos, conditions and stipulations in the said Policy contained therein or endorsed thereon\*.....

Endorsement No. ....

\* Purchaser, or Mortgagee, "as the case may be."

\* NOTE.—If assignment be made to a Mortgagee, or as collateral only, insert the words:

"The Insurance thereunder continuing in the name of the assured, with loss (if any) payable to assignee, as interest may appear."

\* Purchaser, or Mortgagee, "as the case may be."

\* NOTE.—If assignment be made to a Mortgagee, or as collateral only, insert the words:

"The Insurance thereunder continuing in the name of the assured, with loss (if any) payable to assignee, as interest may appear."