



Encompass Home System Warranty Program

Dear <Client Name>

We are delighted to offer you a THANK YOU gift along with your mortgage. Through our partners, CMLS Financial, we have arranged for you to have complimentary coverage in CMLS' Encompass Home System Warranty Program* for the first 12 months of your mortgage. This program covers the cost of repairs for unforeseen breakdowns in your home's plumbing, electrical, heating and air conditioning systems for up to \$10,000.00 per year. For every repair you will be responsible to pay the first \$50.00. After the 12-month complimentary period, you will be charged \$17.69 per month, plus any applicable taxes, which will be collected along with your regular mortgage payments. You will be under no obligation to continue your coverage beyond the complimentary period, and you will receive a reminder when it is about to expire.

Important note regarding Shariah-Compliance:

Please note that EQRAZ' Shariah Supervisory Board's has conditionally approved this warranty product, in accordance with AAOIFI standards, **only for the duration until a Shariah-compliant warranty program becomes available in Canada.** Accordingly, EQRAZ will be actively looking for Shariah-compliant alternatives, and will inform you as soon as one becomes available. You will then be required to cancel this subscription and optionally enroll in the Shariah-compliant program.

You can learn more about the program at <https://www.encompasshomeservice.com/CMLS/>. Kindly note that enrollment in this program is purely optional and can be cancelled at any time during or after the free period.

Please provide your choice by completing and signing this form below.

If you do enroll in the program, you will receive your coverage document in the mail shortly after your mortgage has closed. In the meantime, you can review or download a sample at www.encompasshomeservice.com/CMLS/certificate.php. We encourage you to read it carefully.

*The Encompass Home System Warranty Program is not available on high-rise condominiums or other multi-unit properties with shared home systems, or properties used primarily for business purposes. The information contained herein is only an outline of coverages available and is not intended to be a legally binding agreement. For exact terms, conditions, limitations, exclusions, and extension, please refer to the coverage wording. The program is administered by Encompass Home Service Corp.

- I wish to enroll in the Home System Warranty Program
- I do NOT wish to enroll

• Principal Applicant	<hr/> Signature Date
• Co Applicant	<hr/> Signature Date

Encompass Home System Warranty Program

Plumbing, electrical, heating, air-conditioning – no matter when a problem happens, simply phone the 24-hour toll-free number for assistance. Arrangements will be made to send a qualified licensed repair technician to your home.

If you've ever had your furnace falter on a cold weekend, or your air-conditioning fail in the heat of August, you know how valuable this service can be.

Read some case histories of real Canadian mortgage customers² who have been helped by this Program.

The heat transfer coil on the Burkes' heating system failed, leaving them with no heat. The repair would have cost them about \$1,800, but the Burkes paid only the \$50 consultation fee. The Encompass Home System Warranty Program covered the rest.

The three-way lighting circuit on the stairway of the Da Silvas' older home failed and the electrician was having problems. The Encompass Home System Warranty Program arranged to install a new three-way system, which would have cost the Da Silvas almost \$1,000.

ENCOMPASSHOMESERVICE.COM/CMLS



 **Encompass Home Service**®

Need to Make a Claim?

PLEASE CALL 1-866-217-5993

The Program offers 24-hour claim service and emergency repair services.

You can also get more information by visiting:

www.encompasshomeservice.com/CMLS

Or email: helpme@encompasshomeservice.com

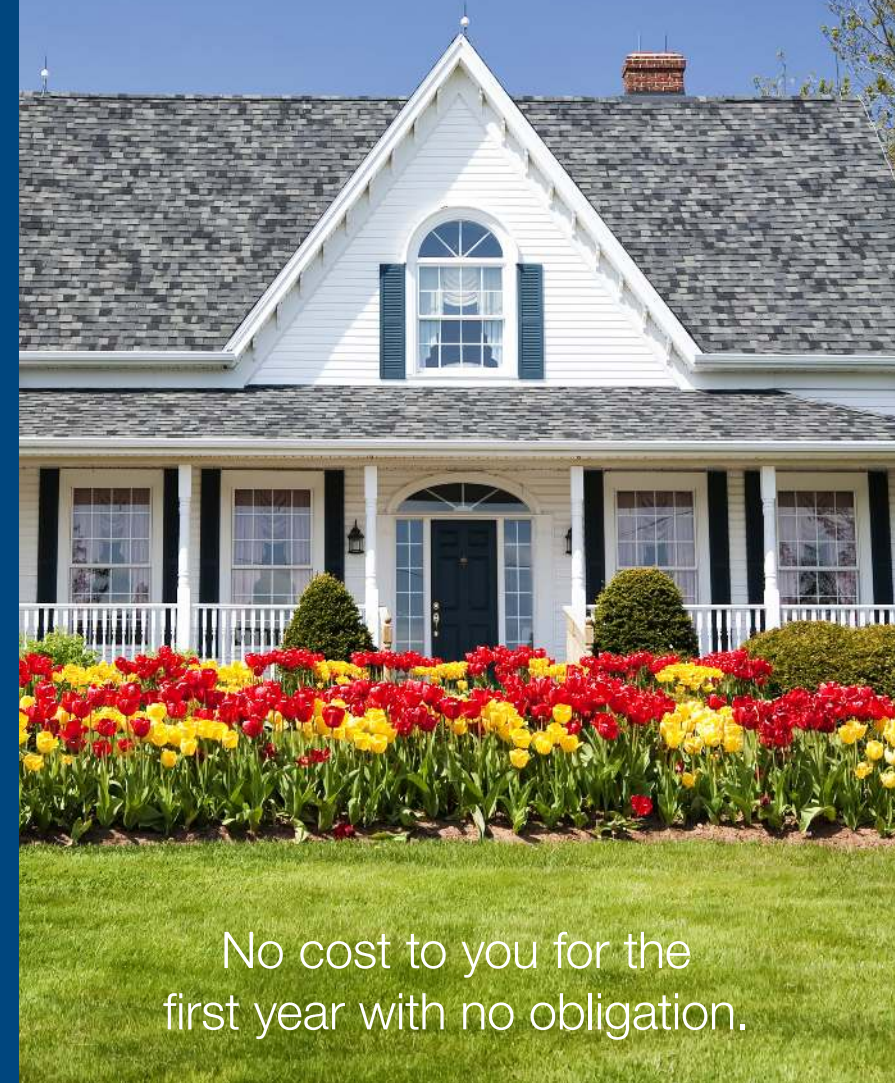
© TM Trademark of Encompass Home Service Corp.



¹ This Program is provided by Aviva Warranty Services Inc., a member of the Aviva Canada group of companies. Encompass Home Service Corp. is the Program administrator. The first year of coverage is courtesy of CMLS Financial Ltd. The information contained in this document is only an outline of coverages available and is not intended to be a legally binding agreement. For exact terms, conditions, limitations, exclusions and extensions, please refer to the certificate wording. This Program is available to residents in the provinces of Newfoundland & Labrador, New Brunswick, Nova Scotia, Prince Edward Island, Quebec, Ontario, Manitoba and the territories of Nunavut and Northwest Territories.

² All names have been changed to protect privacy.

Encompass Home System Warranty Program



No cost to you for the first year with no obligation.

Over 40 years, 10,000 customers and \$10 billion in assets under administration. A dedication to Customer Forward.



CANADA'S MORTGAGE COMPANY™

A NEW HOME – or a new mortgage – can mean both excitement and even some moments of uncertainty. At CMLS, we understand and want to help you cope with the unexpected surprises of home ownership. Which is why we're happy to announce our new home system warranty program.

CMLS has arranged for you, our mortgage clients, to be eligible for complimentary coverage – for an initial 12-month period – under the Encompass Home System Warranty Program.

If you are purchasing a home, transferring or renewing an existing mortgage, you'll receive access to up to \$10,000 per year in eligible home system repairs.

Your plan covers breakdowns for a variety of home maintenance issues.

If ever you have an incident, you would pay only a \$50 initial consultation fee. After that, everything from parts and labour - including emergency overtime and after-hours charges – is covered.



Coverage includes:

CENTRAL HEATING & AIR CONDITIONING

All electrical and mechanical parts, including gas, oil, and central electric heating systems, gas or electric fireplace inserts, space heaters, and base-board heaters affixed to walls, central or permanently installed air conditioners (not window-installed units), heat and circulating pumps.

ELECTRICAL SYSTEM

All switches, circuits, breaker panels, and fuse boxes.

WATER HEATER

All parts, if owned by you, including the water heater tank, burner, all valves, electric fittings, and other mechanical parts.

PLUMBING

Any water, gas, drain, vent or waste pipe that is blocked, leaking or broken (excluding toilets, clogged sinks, and leaks from taps, showers or tub controls). Limitations may apply if the source of the problem is outside your home; e.g. a cracked sewer main.

COMPREHENSIVE CLEAN-UP

If a repair services technician needs to break through a wall, ceiling, or floor to repair your central heating/air conditioning or electrical system, coverage includes the restoration of any structural components, exclusive of decor. This means, for example, your wall will be repaired, but not re-painted. Any re-decorating decisions will be left to you, since it might not be possible to match your current pattern or colour.

Q. When can I start using the Program's services?

Your coverage will begin on your mortgage closing date, provided you enroll in the Encompass Home System Warranty Program when you sign your CMLS mortgage commitment or renewal offer.

Q. Do I need to have my home inspected to qualify?

No. CMLS Financial Ltd. clients are able to participate in the Program on a pre-approved basis. No inspection is required, although it is a requirement that all home systems are in working order at the time of mortgage closing.

Q. Do I pay for the repair services myself and get reimbursed later?

No. You'll pay only the \$50 consultation fee.

Q. What kinds of services are not included?

The Program is designed to provide repair services for spontaneous breakdowns of your home's systems. It does not include services for problems where the underlying cause is:

- rust or corrosion;
- an external factor including natural events, electrical events and/or caused by a person:
 - failure to perform normal maintenance as specified by the manufacturer;
 - improper installation, improper use, improper construction, alteration, modification, addition to or deletion from any home system or used in a manner other than as approved or recommended by the manufacturer;
 - inadequacy or lack of capacity of any item;
 - freezing or heating of a plumbing system;
 - structural defects, latent defects and/or asbestos, lead or the disposal of refrigerants, contaminants or other hazardous materials;
- any dishonest act;
 - consequential loss or damage
 - any items covered by an extended coverage or homeowner's insurance
 - violations of building codes or by-laws

Shortly after your mortgage closes or renews, you'll receive your certificate. It will provide a complete description of the benefits of the Program. Please read it carefully and keep it in a safe place for future reference.



WARRANTY CERTIFICATE

(Applicable in the provinces and territories of Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, Northwest Territories and Nunavut)

The Encompass Home System Warranty Program (the "Program")



The Program is provided by: Aviva Warranty Services Inc. (the "Provider")

10 Aviva Way, Suite 100 ♦ Markham, Ontario ♦ L6G 0G1

We are pleased to confirm Your participation in the Encompass Home System Warranty Program. We hope You enjoy some extra peace of mind, knowing that Your central heating and air conditioning, core plumbing system, electrical system and more are now protected. This contract with the Provider tells You everything You need to know about all the services available and how to access them. Please read it carefully and feel free to call 1 (866) 217-5993 if You have any questions.

Name(s)		
Property Address		
Coverage Start Date		
Complimentary Period End Date		
Program Fee	During the Complimentary Period: Program fee is compliments of CMLS Financial Limited, thereafter You pay a fee of \$17.69 per month, plus applicable taxes. You will receive a reminder notice at least 45 days before the Complimentary Period ends. Simply follow the instructions in the notice if You do not wish to continue to participate at that time.	
Coverage	Aggregate annual limit: \$10,000 (Incl. taxes)	Consultation fee: \$50 per occurrence

Important Information: This certificate is in excess of all other sources from which You may benefit including insurance, other coverages or refunds. All liability limits stated herein include applicable taxes. Words and phrases beginning with upper case letters have special meanings as defined in section [A] Definitions.

A. DEFINITIONS

"Coverage Start Date" means the closing date of an Eligible CMLS Mortgage, as shown above.

"Complimentary Period" means the period of time starting on the Coverage Start Date and ending on the Complimentary Period end date, as shown above.

"Eligible CMLS Mortgage" means a new mortgage held by CMLS Financial Limited ("CMLS") on a Canadian Home as long as it is not (i) a residential dwelling where more than 50% of the dwelling's square footage is used for business purposes, or (ii) any property located in a province where a regulatory authority or legislation prevents the Program from being offered.

"Home" means the residential dwelling which You own that is [i] a house with no more than two distinct living units, that share common heating, air conditioning, electrical or plumbing systems ("**House**") or [ii] a residential condominium unit as defined and limited by Your condominium corporation ("**Condominium**") but excludes any and all condominium common elements and/or where the Condominium corporation is responsible for the Home System.

"We" means Encompass Home Service Corp. ("**Encompass**"), and/ or the Provider. Please note that Encompass may appoint a new provider at any time, without notice to You.

"You" and **"Your"** means a customer of CMLS with an Eligible CMLS Mortgage as at the mortgage closing date and who has consented to participate in the program.

B. PAYMENT OF PROGRAM FEES

Coverage during the Complimentary Period is provided at no cost to You, compliments of CMLS. This no-cost benefit is available only once, and does not renew on any changes in mortgage terms. Thereafter, a monthly

program fee of \$17.69 (plus any applicable taxes) is payable and due at the same time as Your mortgage payments. This program fee is subject to change but We will provide You with advance written notice. If You select a mortgage payment frequency other than monthly, the program fee collected with each mortgage payment will be adjusted accordingly. CMLS will collect Your program fees, as part of Your regular payments, and remit them to the program on Your behalf.

At least 45 days prior to the date on which CMLS will begin to collect Your program fees, You will be sent a written notice by mail, reminding You of the addition of the program fee to Your mortgage payment amount. If You wish, You may cancel Your membership in the program at that, or any other time by notifying CMLS in writing. **You are under absolutely no obligation to continue Your coverage beyond the Complimentary Period.**

C. WHEN COVERAGE BEGINS AND ENDS

Coverage begins on Your Coverage Start Date and continues until the earliest of the following events:

1. You pay off or transfer Your mortgage to another lender; or
2. CMLS receives Your written request to cancel coverage; or
3. CMLS is not able to collect Your monthly program fee along with Your regular mortgage payment and it becomes more than 60 days past due; or
4. The Program is terminated, of which You will be given advance written notice.

D. SERVICES PROVIDED

This certificate provides You with Program Services. "**Program Services**" are those services required to repair the systems and components of Your Home, unless otherwise specified (the "**Home Systems**"). Program Services will only be provided to restore the Home Systems described

below to operational use. Cosmetic or superficial damage to Home Systems is not covered. We will provide all components, materials, and labour to repair the Home System only when an unforeseen spontaneous breakdown has occurred. Both parts and labour are included, as well as the cost of any necessary after-hours Program Services in the case of an emergency.

The Provider will arrange for the services of a fully qualified contractor, technician, or repair person (the "Repair Services Technician"). When any Program Services are provided, You must pay an initial consultation fee of \$50 to the Repair Services Technician, regardless of whether or not You ultimately require any Program Services. In the event the Repair Services Technician must make more than one (1) visit to repair such breakdown for that service call, only the initial \$50 consultation fee would apply. In the case of a request for Program Services involving more than one (1) of the four (4) Home Systems described in sub-sections 1 through 4 below, each sub-section is subject to a separate consultation fee. The applicable restrictions and limitations appear in Section D-6 and D-7.

1. CENTRAL HEATING AND AIR CONDITIONING SYSTEM

(if owned by You)

- a) If applicable, We cover all parts of centralized systems as well as:
- Any air conditioners that are permanently installed for Your House, but this excludes portable units such as window-installed units;
 - All floor, ceiling, or window heating units, including gas or electric fireplace inserts (excluding chimneys/ flues), and electric baseboard heaters and space heaters when affixed to walls;
 - Heat pumps located within or outside Your House: evaporative coolers, compressors; control systems; heat recovery ventilation units, energy recovery ventilation units, oil storage tanks located within Your House.
 - All exposed or accessible duct work pertaining to a central heating and/or a central air conditioning system.
- b) For a Condominium unit We cover all parts of the fan coil unit(s) permanently installed and located within the Condominium which provide and/or receive airflow or water flow through a central system for heating/cooling purposes and/or that are stand alone electric built-in units. This excludes portable units such as window-installed units.

2. ELECTRICAL SYSTEM

We cover all electrical switches, electrical receptacles, electrical circuits (including repair of electrical short circuits), internal circuit breaker panels, breakers and fuse boxes, and for Your House We include coverage in or on a building on Your premises.

3. WATER HEATER AND WATER SOFTENER (if owned by You)

If applicable, We cover all gas control valves, bypass valves, control valves, air check valves; thermostats; heating elements; burner and pilot assemblies; burner blower motors and blower wheels; pumps; injection and piston assembly; fuel units; static discs; air tubes; nozzles and nozzle lines; line filters and strainers; impellers; ignition wires; electrodes; terminals and transformers; pressure and temperature relief valves; thermo couplers; resin and brine tanks; drain cocks; fuel pipe and fittings; and water heater tank.

4. CORE PLUMBING SYSTEM

We cover any internal blockage, leak or breakage of water, gas, drain, vent or waste piping and fittings.

Important Notes: For a House core plumbing only includes the following external repairs: [i] Program Services for septic drain field piping, except when it is behind or encased in concrete it is limited to \$500 and [ii] Program Services for a cracked sewer main is limited to \$2,500. For a House and Condominium core plumbing excludes sump and well pumps, lead drain lines/pipes and/or any polybutylene piping, often referred to as "POLY" pipe including Kitec plumbing or similar and services required to eradicate clogged sink drains and leaks from taps, faucets, shower or tub controls, toilets or toilet component parts.

5. ANCILLARY REPAIRS

If, as a result of performing Program Services described in subsections 1 or 2 above, the Repair Services Technician must break through any wall, floor or ceiling, the Provider will arrange for additional Program Services, valued up to \$500, to restore the affected wall, floor or ceiling to a rough finish. Decorating services (e.g. in respect of paint, wallpaper, trim, etc.) are not included in the Program.

6. RESTRICTIONS AND SERVICES NOT INCLUDED

We do not provide coverage for Home Systems for which warranty coverage is in effect by a manufacturer and/or by any provincial homeowner protection act or similar legislation. This program does not cover losses, damages or Program Services arising directly or indirectly from:

- any causes or occurrences that are external to the House except as specifically included under Home Systems including natural events (such as weather, earthquake, tree roots), electrical events and/or caused by a person;
- loss or damage that originated from sources outside Your Condominium unit or which are the responsibility of the condominium corporation;
- loss or damage to other building units or common areas in the building which originated from Your Condominium or loss or damage which originated from common areas and/or shared systems in multiple-unit dwellings and/or for Home Systems where the Condominium corporation is responsible for the Home System;
- improper construction methods or construction materials or by structural defects or any other structural problems;
- other than the normal use of a Home System including uses that are contrary to those uses stated by the manufacturer and/or failure to provide proper maintenance, as specified by the manufacturer;
- any cause that could be covered by what is commonly known as "extended coverage" or homeowner's insurance;
- the inadequacy or lack of capacity of any Home System or component or part thereof, or improper installation of equipment, or design deficiencies;
- alteration, modification, addition to or deletion from any Home System or a component or part thereof;
- any violations of building codes, by-laws or other laws including any upgrade work or service required to meet building code or to conform to by-laws or other laws;
- consequential loss or damage, including as a result of delays;
- any dishonest act;
- freezing or heating of a plumbing system;
- rust or corrosion; and
- latent defects and/or asbestos, lead or the disposal of refrigerants or contaminants or other hazardous materials or an unsafe condition.

7. MAXIMUM PROGRAM SERVICE LIMITS

If the cost of any repair exceeds the cost of replacement with materials of like kind and quality, size, capacity or functionality, then the part, component or system may be replaced rather than repaired. In the event repairs cannot be carried out because the necessary part(s) are either no longer manufactured or no longer available, then Program Services end. The maximum value of all Program Services provided by the Program is a total of \$10,000 in any 12-month period.

E. HOW TO ACCESS PROGRAM SERVICES

Call anytime for 24-hour Program Service access.

**ENCOMPASS HOME SERVICE:
1-866-217-5993**

Services must be arranged by the Provider and We are not liable for the cost of any services provided, except when supplied by a Repair Services Technician from the Provider. The Repair Services Technician will be dispatched in no more than 48 hours from the time You report a problem. In the event of a furnace or heating system malfunction during the months of November through March inclusive, Program Services will be initiated immediately. If You have a general enquiry that does not require the urgent assistance of the Provider:

email - helpme@encompasshomeservice.com

fax - 1-888-365-3466

This Certificate is only valid if signed by an authorized representative of Aviva Warranty Services Inc.

President

Corporate Secretary





ENCOMPASS™ HOME SYSTEM BREAKDOWN PROGRAM
(Applicable to the provinces of British Columbia and Alberta)

DECLARATION

Underwritten by: Aviva Insurance Company of Canada ("Aviva")

10 Aviva Way, Suite 100 ♦ Markham, Ontario ♦ L6G 0G1

Broker: RDA Inc., 290 Rowntree Dairy Road, Woodbridge, Ontario L4L 9J7
("Broker")

We are pleased to confirm Your participation in the Encompass Home System Breakdown Program. We hope You enjoy some extra peace of mind, knowing that Your central heating and air conditioning, interior plumbing system, interior electrical system and more are now protected. This Policy tells You everything You need to know about all the services available and how to access them.

Please read this Policy carefully and call 1-866.217.5993 if You have any questions. For claims service call 1-866-217-5993.

Words and phrases beginning with upper case letters have special meanings as defined in section [A] Definitions.

This Policy does not afford coverage for home systems, products or parts for which warranty coverage was issued as required by the British Columbia Homeowner Protection Act or the Alberta New Home Warranty Program.

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act. Applicable to Alberta and British Columbia risks **only**.

THIS POLICY IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH ON ALL PAGES.

Refer to all sections of this Policy, including the Limits of Liability and the Exclusions sections.

POLICY NUMBER: (EN-mortgage number)

Name(s)		
Residential Property Address		
Effective Date* (dd/mm/year)		
Complimentary Period End Date		
Expiry Date*	Your Policy is continuous until (a) Your mortgage is paid off, transferred or expires (b) We terminate the Policy in writing (c) CMLS is not able to collect Your monthly Premium along with Your regular mortgage payment and it is more than 60 days past due, or (d) You terminate the Policy.	
*The Policy Effective Date and Expiry Date take effect at 12:01 a.m. local time at the property address indicated above.		
Coverage	Aggregate limit: \$10,000 (including taxes)	Deductible: \$50 per occurrence
Complimentary Coverage Period:	The first 12 months of coverage, compliments of CMLS Financial Limited.	
Premium	\$17.69 per month (plus applicable taxes) after the Complimentary Period has ended. You will receive a reminder notice at least 45 days before the Complimentary Period ends. Simply follow the instructions in the notice if You do not wish to continue to participate at that time.	

THIS POLICY CONTAINS CLAUSES THAT MAY LIMIT THE AMOUNT PAYABLE.

This Policy is only valid if signed by an authorized representative of the Insurer.

President & CEO

Corporate Secretary

IMPORTANT INFORMATION

- You are under absolutely no obligation to continue Your coverage beyond the Complimentary Period.
- Repairs necessitated due to lack of maintenance of a Home System are not covered. Before repair of a Home System, You may be required to provide proof of maintenance.
- All liability limits stated herein include applicable taxes.
- This Policy is in excess of all other sources from which You may benefit including insurance, other coverages or refunds.
- Services must be arranged by Us and We are not liable for the cost of any services provided in Your home, except when supplied by a Repair Services Technician.

A. DEFINITIONS

"Complimentary Period" means the period of time starting on the Effective Date and ending on the Complimentary Period end date, as shown in the declaration.

"Coverage Period" means the period between the Effective Date and the Expiry Date as shown in the declaration and continues until the earliest of the following events:

- a) You pay off or transfer Your mortgage to another lender; or
- b) You cancel Your coverage; or
- c) CMLS is not able to collect Your monthly Premium along with Your regular mortgage payment and it becomes more than sixty (60) days past due; or
- d) the Program is terminated, of which You will be given advance written notice.

"Eligible CMLS Mortgage" means a new mortgage held by CMLS Financial Limited ("**CMLS**") on a Canadian Home as long as it is not (i) a residential dwelling where more than 50% of the dwelling's square footage is used for business purposes, or (ii) any property located in a province where a regulatory authority or legislation prevents the Program from being offered.

"Home" means the residential dwelling which You own that is [i] a house with no more than two distinct living units, that share common heating, air conditioning, electrical or plumbing systems ("**House**") or [ii] a residential condominium unit as defined and limited by Your condominium corporation ("**Condominium**") but excludes any and all condominium common elements and/or where the Condominium corporation is responsible for the Home System.

"Home System" means only one (1) of each residential home system, including the mechanical or electrical components and/or subassembly, as listed in this Policy under Section G, Covered Home Systems.

"Policy" means this document issued to You evidencing coverage.

"Premium" means the dollar amount, excluding applicable taxes, as specified in the declaration as payable to Us.

"Program Services" means those services required to repair the Home System(s) and their respective components as described and limited under this Policy.

"We", "Us" and "Our" means Aviva Insurance Company of Canada and all its assignees and representatives authorized to act on their behalf.

"You" and "Your" means a customer with an Eligible CMLS Mortgage who is/are the owner(s) of the Home as named in the declaration and who has elected to participate in the Program.

B. PAYMENT OF PREMIUMS

The Complimentary Period as stated in Your declaration is provided to at no cost to You, compliments of CMLS. This complimentary free period is available only once while You have a mortgage with CMLS and does not renew on any changes in mortgage terms. Thereafter, the monthly Program Premium of \$17.69 (plus any applicable taxes) falls due at the same time as Your mortgage payments. If You select a mortgage payment frequency other than monthly, the Program Premium collected with each mortgage payment will be adjusted accordingly.

CMLS will collect Your Premiums, as part of Your regular mortgage payments, and they will be remitted to Us on Your behalf.

At least forty-five (45) days prior to the date on which CMLS will begin to collect Your Premiums, You will be sent a written notice by mail, reminding You of the addition of the Premium to Your mortgage payment amount. If You wish, You may cancel Your Policy at that, or any other time by notifying the Broker in writing.

C. INSURING AGREEMENT

In consideration of the payment of Premium and subject to all the terms, conditions limitations and exclusions of this Policy, We agree to provide coverage as stipulated herein.

The Encompass System Breakdown Program covers You for the repair of Your Home System(s).

This Policy is non-transferrable.

D. ELIGIBILITY

This Policy applies to only one (1) Canadian Home. During the Coverage Period, We will repair or replace Home Systems in accordance with the terms and conditions of this Policy provided they are properly installed for technical diagnosis throughout the Coverage Period.

E. LIMITS OF LIABILITY

Our liability is limited to an amount of up to ten thousand dollars (\$10,000) for Home Systems in any consecutive twelve (12) month period starting from the Effective Date.

We reserve the right to select any materials and parts to be used in the repair or replacement and to determine whether to repair or replace any covered parts and to not use certain manufacturers and/or their components.

If the cost of any repair exceeds the cost of replacement with materials of like kind and quality, size, capacity or functionality, then at our sole discretion the part, component or Home System may be replaced rather than repaired. In the event that repairs cannot be carried out because the necessary part(s) are either no longer manufactured or no longer available, then Our liability will be limited to the greater of five hundred dollars (\$500), or the manufacturer's last known list price for those parts.

Policy Sub-limits

We will pay only up to the maximum amounts stated below per each consecutive twelve (12) month period during the Coverage Period:

- a. We pay up to a maximum of five hundred dollars (\$500) to return the access opening to a rough finish condition for access and diagnoses through unobstructed walls, ceilings or floors or if the plumbing (including septic fields or piping), ductwork or heating Home System is fully or partially concrete-encased.
- b. We will pay up to a maximum of twenty-five hundred dollars (\$2,500) to repair or replace a cracked sewer main on Your property and for which You are responsible.

F. DEDUCTIBLE AND SERVICE CALL CHARGE

Your deductible is indicated in the declaration. We will arrange for the services of a fully qualified contractor, technician, or repair-person (the "**Repair Services Technician**"). When any Program Services are provided, You must pay the deductible to the Repair Services Technician, regardless of whether or not You ultimately require any Program Services. In the event the Repair Services Technician must make more than one visit to repair such breakdown for that service call, only the initial deductible would apply. In the case of a request for Program Services involving more than one of the four Home Systems described in sub-sections 1 through 4 below, each sub-section is subject to a separate deductible.

G. COVERED HOME SYSTEMS

We cover You only for those Home System components described below in order to restore the Home System described to operational use. Cosmetic or superficial damage to Home Systems is not covered. We will provide all components, materials, and labor to repair the Home System only when an unforeseen spontaneous breakdown has occurred. Both parts and labour are included, as well as the cost of any necessary after-hours Program Services in the case of an emergency. In the event Your furnace or heating system malfunctions during the months of November through March inclusive, repairs will be initiated on an urgency basis.

1. CENTRAL HEATING AND AIR CONDITIONING SYSTEM (if owned by You)

- a) If applicable, We cover all parts of centralized systems as well as:
 - i. Any air conditioners that are permanently installed in Your House, but this excludes portable units such as window-installed units;
 - ii. All floor, ceiling, or window heating units, including gas or electric fireplace inserts (excluding chimneys/

- flues/ remote controls), and electric baseboard heaters and space heaters when affixed to walls;
 - iii. Heat pumps located within or outside Your House: evaporative coolers, compressors; control systems; heat recovery ventilation units, energy recovery ventilation units, oil storage tanks located within Your House.
 - iv. All exposed or accessible duct work pertaining to a central heating and/or a central air conditioning system.
- b) For a Condominium unit, We cover all parts of the fan coil unit(s) permanently installed and located within the Condominium which provide and/or receive airflow or water flow through a central system for heating/cooling purposes and/or that are stand alone electric built-in units. This excludes portable units such as window-installed units.

2. ELECTRICAL SYSTEM

We cover all electrical switches, electrical receptacles, electrical circuits (including repair of electrical short circuits), internal circuit breaker panels, breakers and fuse boxes, and for Your House We include coverage in or on a building on Your premises.

3. WATER HEATER AND WATER SOFTENER (if owned by You)

If applicable, We cover all gas control valves, bypass valves, control valves, air check valves; thermostats; heating elements; burner and pilot assemblies; burner blower motors and blower wheels; pumps; injection and piston assembly; fuel units; static discs; air tubes; nozzles and nozzle lines; line filters and strainers; impellers; ignition wires; electrodes; terminals and transformers; pressure and temperature relief valves; thermo couplers; resin and brine tanks; drain cocks; fuel pipe and fittings; and water heater tank.

4. CORE PLUMBING SYSTEM

We cover any internal blockage, leak or breakage of water, gas, drain, vent or waste piping and fittings.

Important Note: For a House core plumbing only includes the following external repairs: [i] Program Services for septic drain field piping, except when it is behind or encased in concrete it is limited to \$500 and [ii] Program Services for a cracked sewer main is limited to \$2,500. For a House and Condominium core plumbing excludes sump and well pumps, lead drain lines/pipes and/or any polybutylene piping, often referred to as "POLY" pipe including Kitec plumbing or similar and services required to eradicate clogged sink drains and leaks from taps, faucets, shower or tub controls, toilets or toilet component parts.

H. EXCLUSIONS

We do not provide coverage for Home Systems for which coverage is in effect by a manufacturer and/or by any provincial homeowner protection act or similar legislation.

This Policy does not cover losses or damages arising directly or indirectly from:

- a) any causes or occurrences that are external to the House except as specifically included under Home Systems including natural events (such as weather, earthquake, tree roots), electrical events and/ or caused by a person.
- b) loss or damage that originated from sources outside Your Condominium unit or which are the responsibility of the condominium corporation.
- c) loss or damage to other condominium units or common areas in the building which originated from Your Condominium or loss or damage originated from common areas and/or shared systems in multiple-unit dwellings and/or for Home Systems where the Condominium corporation is responsible for the Home System.
- d) improper construction methods or construction materials or by structural defects or any other structural problems in the home.
- e) other than the normal use of a Home System including uses that are contrary to those uses stated by the manufacturer and/or failure to provide proper maintenance, as specified by the manufacturer.

- f) any cause that could be covered by a third party, including a manufacturer, contractor, builder, installer, insurer or repair warranty, including extended coverage and/or homeowner's insurance.
- g) the inadequacy or lack of capacity of any Home System or component or part thereof, or improper installation of equipment, or design deficiencies.
- h) any alteration, modification, addition to or deletion from any Home System or a component or part thereof.
- i) any violations of building codes, by-laws or other laws including any upgrade work or service required to meet building code or to conform to by-laws or other laws.
- j) any consequential loss or damage, including as a result of delays.
- k) any dishonest act.
- l) freezing or heating of a plumbing system.
- m) rust or corrosion.
- n) latent defects and/or asbestos, lead or the disposal of refrigerants or contaminants or other hazardous materials or an unsafe condition.
- o) clogged sink drains and leaks from taps, faucets/fixtures, shower or tub controls, septic tanks, saunas or steam rooms, toilets or toilet component parts, and/or perimeter drains, lead drain lines/pipes and/or any polybutylene piping, often referred to as "POLY" pipe including Kitec plumbing or similar.

I. STATUTORY CONDITIONS

All of the conditions set out under the title Statutory Conditions apply with respect to all of the perils insured under this Policy except as these Conditions may be modified, improved or supplemented by the provisions of this Policy.

J. PROGRAM CHANGES

We reserve the right to change the Premium. We reserve the right to change, at any time, any of the terms and conditions of this Policy. You will be notified in writing 45 days in advance of any changes to the coverage or Premium.

STATUTORY CONDITIONS

The conditions set forth in this section shall be deemed to be part of every contract in force in British Columbia and Alberta and shall be printed in English or French in every policy with the heading "Statutory Conditions" or "Conditions légales", as may be appropriate, and no variation or omission of or addition to any statutory condition is binding on the Insured. All of the conditions set out under the title Statutory Conditions apply with respect to all of the perils insured under this policy except as these Conditions may be modified or supplemented by the provisions of the said policy or by forms or endorsements which may be attached.

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 of 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

2. The Insurer is not liable for loss or damage to property owned by a person other than the Insured, unless
 - (a) otherwise specifically in the contract, or
 - (b) the interest of the insured in that property is stated in the contract.

Change of Interest

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

Material Change

- 4.
- (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
 - (a) Material to the risk, and
 - (b) Within the control and knowledge of the insured
 - (2) If an insurer or its agent is not properly 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
 - (a) terminate the contract in accordance with Statutory Condition 5 or
 - (b) 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 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

- 5.
- (1) This contract may be terminated:
 - (a) 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
 - (b) by the Insured at any time on request.
 - (2) If the contract is terminated by the insurer,
 - (a) 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, shall the prorated premium for the expired time be less than any minimum retained premium specified in the contract; and
 - (b) 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 the 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

- 6.
- (1) On the happening of any loss 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 conditions 9,
 - (a) immediately give notice in writing to the insurer;
 - (b) deliver as soon as practicable to the insurer a proof of loss in respect of loss or damage to the insured property verified by a statutory declaration:
 - (i) giving a complete inventory of that property and showing in detail quantities, cost of that property and particulars of amount of loss claimed,
 - (ii) 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,
 - (iii) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the insured,

- (iv) showing the amount of other insurances and the names of other insurers,
 - (v) showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,
 - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the contract was issued, and,
 - (vii) stating the place where the insured property was at the time of loss,
- (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities, cost of that property, and
 - (d) if required by the insurer and if practicable,
 - (i) produce books of account and inventory lists,
 - (ii) furnish invoices and other vouchers verified by statutory declaration, and
 - (iii) furnish a copy of the written portion of any other contract;
- (2) The evidence given, produced or furnished under subparagraph and of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

Fraud

7. 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 making the declaration.

Who May Give Notice and Proof

8. Notice of loss under Statutory Conditions 6 (1)(a) may be given and proof of loss Statutory Conditions 6 (1)(b) may be made
 - (a) by the agent of the Insured
 - (i) the insured is absent or unable to give notice or make proof, and
 - (ii) the absence or inability is satisfactorily accounted for, or
 - (b) 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 of this condition.

Salvage

- 9.
- (1) In the event of any loss or damage to insured property, the insured must take all reasonable steps 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 to the property.
 - (2) The insurer shall contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under sub-condition of this condition.

Entry, Control, Abandonment

10. After loss or damage to insured property, the insurer has
 - (a) 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,
 - (b) after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them appraise or estimate the loss or damage, but
 - i. without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and
 - ii. without the insurer's consent, there can be no abandonment to it of insured property.

In Case of Disagreement

- 11.
- (1) In the event of disagreement as to the value of the property insured, 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
- (a) a specific demand is made for it in writing, and
 - (b) the proof of loss has been delivered to the insure.

When Loss Payable

12.

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 the Statutory Condition 6 and delivered to the insurer.

Repair or Replacement

13.

- (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 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

14.

- (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.

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 insure by the insured.

HOW TO ACCESS PROGRAM SERVICES

Call anytime for 24-hour Program Service access.

<p style="text-align: center;">CLAIM SERVICE: 1.866.217.5993</p>
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Services must be arranged by Us and We are not liable for the cost of any services provided, except when supplied by a Repair Services Technician.

The Repair Services Technician will be dispatched in no more than 48 hours from the time You report a problem. In the event of a furnace or heating system malfunction during the months of November through March inclusive, Program Services will be initiated immediately.

If You have a general enquiry contact:

email - helpme@encompasshomeservice.com

fax - 1-888-365-3466





ENCOMPASS™ HOME SYSTEM BREAKDOWN PROGRAM
(Applicable to the province of Saskatchewan)

DECLARATION

Underwritten by: Aviva Insurance Company of Canada ("Aviva")

10 Aviva Way, Suite 100 ♦ Markham, Ontario ♦ L6G 0G1

Broker: RDA Inc., 290 Rowntree Dairy Road, Woodbridge, Ontario L4L 9J7 ("Broker")

We are pleased to confirm Your participation in the Encompass Home System Breakdown Program. We hope You enjoy some extra peace of mind, knowing that Your central heating and air conditioning, interior plumbing system, interior electrical system and more are now protected. This Policy tells You everything You need to know about all the services available and how to access them.

Please read this Policy carefully and call 1 (866) 217.5993 if You have any questions. For claims service call 1 (866) 217.5993.

Words and phrases beginning with upper case letters have special meanings as defined in section [A] Definitions.

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act.

THIS POLICY IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH ON ALL PAGES.

Refer to all sections of this Policy, including the Limits of Liability and the Exclusions sections.

POLICY NUMBER: (EN-mortgage number)

Name(s)		
Residential Property Address		
Effective Date* (dd/mm/year)		
Complimentary Period End Date		
Expiry Date*	Your Policy is continuous until (a) Your mortgage is paid off, transferred or expires (b) We terminate the Policy in writing (c) CMLS is not able to collect Your monthly Premium along with Your regular mortgage payment and it is more than 60 days past due, or (d) You terminate the Policy.	
*The Policy Effective Date and Expiry Date take effect at 12:01 a.m. local time at the property address indicated above.		
Coverage	Aggregate limit: \$10,000 (including taxes)	Deductible: \$50 per occurrence
Complimentary Coverage Period:	The first 12 months of coverage, compliments of CMLS Financial Limited.	
Premium	\$17.69 per month (plus applicable taxes) after the Complimentary Period has ended. You will receive a reminder notice at least 45 days before the Complimentary Period ends. Simply follow the instructions in the notice if You do not wish to continue to participate at that time.	

THIS POLICY CONTAINS CLAUSES THAT MAY LIMIT THE AMOUNT PAYABLE.

This Policy is only valid if signed by an authorized representative of the Insurer.

President & CEO

Corporate Secretary

IMPORTANT INFORMATION

- You are under absolutely no obligation to continue Your coverage beyond the Complimentary Period.
- Repairs necessitated due to lack of maintenance of a Home System are not covered. Before repair of a Home System, You may be required to provide proof of maintenance.
- All liability limits stated herein include applicable taxes.
- This Policy is in excess of all other sources from which You may benefit including insurance, other coverages or refunds.
- Services must be arranged by Us and We are not liable for the cost of any services provided in Your home, except when supplied by a Repair Services Technician.

A. DEFINITIONS

"Complimentary Period" means the period of time starting on the Effective Date and ending on the Complimentary Period end date, as shown in the declaration.

"Coverage Period" means the period between the Effective Date and the Expiry Date as shown in the declaration and continues until the earliest of the following events:

- a) You pay off or transfer Your mortgage to another lender; or
- b) You cancel Your coverage; or
- c) CMLS is not able to collect Your monthly Premium along with Your regular mortgage payment and it becomes more than sixty (60) days past due; or
- d) the Program is terminated, of which You will be given advance written notice.

"Eligible CMLS Mortgage" means a new mortgage held by CMLS Financial Limited ("**CMLS**") on a Canadian Home as long as it is not (i) a residential dwelling where more than 50% of the dwelling's square footage is used for business purposes, or (ii) any property located in a province where a regulatory authority or legislation prevents the Program from being offered.

"Home" means the residential dwelling which You own that is [i] a house with no more than two distinct living units, that share common heating, air conditioning, electrical or plumbing systems ("**House**") or [ii] a residential condominium unit as defined and limited by Your condominium corporation ("**Condominium**") but excludes any and all condominium common elements and/or where the Condominium corporation is responsible for the Home System.

"Home System" means only one (1) of each residential home system, including the mechanical or electrical components and/or subassembly, as listed in this Policy under Section G, Covered Home Systems.

"Policy" means this document issued to You evidencing coverage.

"Premium" means the dollar amount, excluding applicable taxes, as specified in the declaration as payable to Us.

"Program Services" means those services required to repair the Home System(s) and their respective components as described and limited under this Policy.

"We", "Us" and "Our" means Aviva Insurance Company of Canada and all its assignees and representatives authorized to act on their behalf.

"You" and "Your" means a customer with an Eligible CMLS Mortgage who is/are the owner(s) of the Home as named in the declaration and who has elected to participate in the Program.

B. PAYMENT OF PREMIUMS

The Complimentary Period as stated in Your declaration is provided at no cost to You, compliments of CMLS. This complimentary free period is available only once while You have a mortgage with CMLS, and does not renew on any changes in mortgage terms. Thereafter, the monthly Program Premium of \$17.69 (plus any applicable taxes) falls due at the same time as Your mortgage payments. If You select a mortgage payment frequency other than monthly, the Program Premium collected with each mortgage payment will be adjusted accordingly. CMLS will collect Your Premiums, as part of Your regular mortgage payments, and they will be remitted to Us on Your behalf.

At least forty-five (45) days prior to the date on which CMLS will begin to collect Your Premiums, You will be sent a written notice by mail, reminding You of the addition of the Premium to Your mortgage payment amount. If You wish, You may cancel Your Policy at that, or any other time by notifying the Broker in writing.

C. INSURING AGREEMENT

In consideration of the payment of Premium and subject to all the terms, conditions limitations and exclusions of this Policy, We agree to provide coverage as stipulated herein.

The Encompass System Breakdown Program covers You for the repair of Your Home System(s).

This Policy is non-transferrable.

D. ELIGIBILITY

This Policy applies to only one (1) Canadian Home. During the Coverage Period, We will repair or replace Home Systems in accordance with the terms and conditions of this Policy provided they are properly installed for technical diagnosis throughout the Coverage Period.

E. LIMITS OF LIABILITY

Our liability is limited to an amount of up to ten thousand dollars (\$10,000) for Home Systems in any consecutive twelve (12) month period starting from the Effective Date.

We reserve the right to select any materials and parts to be used in the repair or replacement and to determine whether to repair or replace any covered parts and to not use certain manufacturers and/or their components.

If the cost of any repair exceeds the cost of replacement with materials of like kind and quality, size, capacity or functionality, then at our sole discretion the part, component or Home System may be replaced rather than repaired. In the event that repairs cannot be carried out because the necessary part(s) are either no longer manufactured or no longer available, then Our liability will be limited to the greater of five hundred dollars (\$500), or the manufacturer's last known list price for those parts.

Policy Sub-limits

We will pay only up to the maximum amounts stated below per each consecutive twelve (12) month period during the Coverage Period:

- a. We pay up to a maximum of five hundred dollars (\$500) to return the access opening to a rough finish condition for access and diagnoses through unobstructed walls, ceilings or floors or if the plumbing (including septic fields or piping), ductwork or heating Home System is fully or partially concrete-encased.
- b. We will pay up to a maximum of twenty-five hundred dollars (\$2,500) to repair or replace a cracked sewer main on Your property and for which You are responsible.

F. DEDUCTIBLE AND SERVICE CALL CHARGE

Your deductible is indicated in the declaration. We will arrange for the services of a fully qualified contractor, technician, or repair-person (the "**Repair Services Technician**"). When any Program Services are provided, You must pay the deductible to the Repair Services Technician, regardless of whether or not You ultimately require any Program Services. In the event the Repair Services Technician must make more than one visit to repair such breakdown for that service call, only the initial deductible would apply. In the case of a request for Program Services involving more than one of the four Home Systems described in sub-sections 1 through 4 below, each sub-section is subject to a separate deductible.

G. COVERED HOME SYSTEMS

We cover You only for those Home System components described below in order to restore the Home System described to operational use. Cosmetic or superficial damage to Home Systems is not covered. We will provide all components, materials, and labor to repair the Home System only when an

unforeseen spontaneous breakdown has occurred. Both parts and labour are included, as well as the cost of any necessary after-hours Program Services in the case of an emergency. In the event Your furnace or heating system malfunctions during the months of November through March inclusive, repairs will be initiated on an urgency basis.

1. CENTRAL HEATING AND AIR CONDITIONING SYSTEM (if owned by You)

- a) If applicable, We cover all parts of centralized systems as well as:
- i. Any air conditioners that are permanently installed in Your House, but this excludes portable units such as window-installed units;
 - ii. All floor, ceiling, or window heating units, including gas or electric fireplace inserts (excluding chimneys/ flues/ remote controls), and electric baseboard heaters and space heaters when affixed to walls;
 - iii. Heat pumps located within or outside Your House: evaporative coolers, compressors; control systems; heat recovery ventilation units, energy recovery ventilation units, oil storage tanks located within Your House.
 - iv. All exposed or accessible duct work pertaining to a central heating and/or a central air conditioning system.
- b) For a Condominium unit, We cover all parts of the fan coil unit(s) permanently installed and located within the Condominium which provide and/or receive airflow or water flow through a central system for heating/cooling purposes and/or that are stand alone electric built-in units. This excludes portable units such as window-installed units.

2. ELECTRICAL SYSTEM

We cover all electrical switches, electrical receptacles, electrical circuits (including repair of electrical short circuits), internal circuit breaker panels, breakers and fuse boxes, and for Your House We include coverage in or on a building on Your premises.

3. WATER HEATER AND WATER SOFTENER (if owned by You)

If applicable, We cover all gas control valves, bypass valves, control valves, air check valves; thermostats; heating elements; burner and pilot assemblies; burner blower motors and blower wheels; pumps; injection and piston assembly; fuel units; static discs; air tubes; nozzles and nozzle lines; line filters and strainers; impellers; ignition wires; electrodes; terminals and transformers; pressure and temperature relief valves; thermo couplers; resin and brine tanks; drain cocks; fuel pipe and fittings; and water heater tank.

4. CORE PLUMBING SYSTEM

We cover any internal blockage, leak or breakage of water, gas, drain, vent or waste piping and fittings.

Important Note: For a House core plumbing only includes the following external repairs: [i] Program Services for septic drain field piping, except when it is behind or encased in concrete it is limited to \$500 and [ii] Program Services for a cracked sewer main is limited to \$2,500. For a House and Condominium core plumbing excludes sump and well pumps, lead drain lines/pipes and/or any polybutylene piping, often referred to as "POLY" pipe including Kitec plumbing or similar and services required to eradicate clogged sink drains and leaks from taps, faucets, shower or tub controls, toilets or toilet component parts.

H. EXCLUSIONS

We do not provide coverage for Home Systems for which coverage is in effect by a manufacturer and/or by any provincial homeowner protection act or similar legislation.

This Policy does not cover losses or damages arising directly or indirectly from:

- a) any causes or occurrences that are external to the House except as specifically included under Home Systems including natural events (such as weather, earthquake, tree roots), electrical events and/ or caused by a person.
- b) loss or damage that originated from sources outside Your Condominium unit or which are the responsibility of the condominium corporation.
- c) loss or damage to other condominium units or common areas in the building which originated from Your Condominium or loss or damage originated from common areas and/or shared systems in multiple-unit dwellings and/or for Home Systems where the Condominium corporation is responsible for the Home System.
- d) improper construction methods or construction materials or by structural defects or any other structural problems in the home.
- e) other than the normal use of a Home System including uses that are contrary to those uses stated by the manufacturer and/or failure to provide proper maintenance, as specified by the manufacturer.
- f) any cause that could be covered by a third party, including a manufacturer, contractor, builder, installer, insurer or repair warranty, including extended coverage and/or homeowner's insurance.
- g) the inadequacy or lack of capacity of any Home System or component or part thereof, or improper installation of equipment, or design deficiencies.
- h) any alteration, modification, addition to or deletion from any Home System or a component or part thereof.
- i) any violations of building codes, by-laws or other laws including any upgrade work or service required to meet building code or to conform to by-laws or other laws.
- j) any consequential loss or damage, including as a result of delays.
- k) any dishonest act.
- l) freezing or heating of a plumbing system.
- m) rust or corrosion.
- n) latent defects and/or asbestos, lead or the disposal of refrigerants or contaminants or other hazardous materials or an unsafe condition.
- o) clogged sink drains and leaks from taps, faucets/fixtures, shower or tub controls, septic tanks, saunas or steam rooms, toilets or toilet component parts, and/or perimeter drains, lead drain lines/pipes and/or any polybutylene piping, often referred to as "POLY" pipe including Kitec plumbing or similar.

I. STATUTORY CONDITIONS

All of the conditions set out under the title Statutory Conditions apply with respect to all of the perils insured under this Policy except as these Conditions may be modified, improved or supplemented by the provisions of this Policy.

J. PROGRAM CHANGES

We reserve the right to change the Premium. We reserve the right to change, at any time, any of the terms and conditions of this Policy. You will be notified in writing 45 days in advance of any changes to the coverage or Premium.

STATUTORY CONDITIONS

The conditions set forth in this section shall be deemed to be part of every contract in force in Saskatchewan and shall be printed in English or French in every policy with the heading "Statutory Conditions" or "Conditions légales", as may be appropriate, and no variation or omission of or addition to any statutory condition is binding on the Insured.

Misrepresentation

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

Property of others

2 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 therein is stated in the contract.

Change of interest

3 The insurer shall be liable for loss or damage occurring after an authorized assignment pursuant to the Bankruptcy and Insolvency Act (Canada) or change of title by succession, by operation of law, or by death.

Material change

4 Any change material to the risk and within the control and knowledge of the insured shall avoid the contract as to the part affected thereby, unless the change is promptly notified in writing to the insurer or its local agent; and the insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the insured in writing that, if he desires the contract to continue in force, he must, within 15 days of the receipt of the notice, pay to the insurer an additional premium; and in default of such payment the contract shall no longer be in force and the insurer shall return the unearned portion, if any, of the premium paid.

Termination of contract

5(1) This contract may be terminated:

- (a) by the insurer giving to the insured 15 days' notice of termination by registered mail, or five days' written notice of termination personally delivered;
- (b) by the insured at any time on request.

(2) Where this contract is terminated by the insurer:

- (a) the insurer shall refund the excess of premium actually paid by the insured over the pro rata premium for the expired time, but in no event, shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and
- (b) the refund shall accompany the notice unless the premium is subject to adjustment or termination as to amount, in which case the refund shall be made as soon as practicable.

(3) Where 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 by cheque payable at par.

(5) The 15 days mentioned in clause (a) of subcondition (1) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

Requirements after loss

6(1) Upon the occurrence of any loss of or damage to the insured property, the insured shall, if such loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11:

- (a) forthwith give notice thereof in writing to the insurer;
- (b) deliver as soon as practicable to the insurer a proof of loss verified by statutory declaration;
 - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed;
 - (ii) 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;
 - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured;
 - (iv) showing the amount of other insurances and the names of other insurers;
 - (v) showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property;
 - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract;
 - (vii) showing the place where the property insured was at the time of loss;
- (c) if required give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;
- (d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.

(2) The evidence furnished under clauses (c) and (d) of subparagraph (1) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

Fraud

7 Any fraud or wilfully false statement in a statutory declaration in relation to any of the above particulars, shall vitiate the claim of the person making the declaration.

Who may give notice and proof

8 Notice of loss may be given, and proof of loss may be made, by the agent of the insured named in the contract in case of absence or inability of the insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the insured refuses to do so, by a person to whom any part of the insurance money is payable.

Salvage

9 (1) The insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to any such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.

(2) The insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the insured and required under subparagraph 1 of this condition according to the respective interests of the parties.

Entry, control, abandonment

10 After any loss or damage to insured property, the insurer shall have 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, and, after the insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the insurer shall not be entitled to the control or possession of the insured property, and without the consent of the insurer there can be no abandonment to it of insured property.

Appraisal

11 In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under The Saskatchewan 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 therefor is made in writing and until after proof of loss has been delivered.

When loss payable

12 The loss shall be payable within 60 days after completion of the proof of loss, unless the contract provides for a shorter period.

Replacement

13 (1) The insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within 30 days after receipt of the proofs of loss.

(2) In that event the insurer shall commence to so repair, rebuild, or replace the property within 45 days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

14 **Repealed.** 2004, c.L-16.1, s.76.

Notice

15 Any 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; and written notice may be given to the insured named in the contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the insurer; and in this condition, the expression "registered" means registered in or outside Canada.

HOW TO ACCESS PROGRAM SERVICES

Call anytime for 24-hour Program Service access.

**CLAIM SERVICE:
1-866.217.5993**

Services must be arranged by Us and We are not liable for the cost of any services provided, except when supplied by a Repair Services Technician.

The Repair Services Technician will be dispatched in no more than 48 hours from the time You report a problem. In the event of a furnace or heating system malfunction during the months of November through March inclusive, Program Services will be initiated immediately.

If You have a general enquiry contact:

email - helpme@encompasshomeservice.com

fax - 1-888-365-3466

