

ANTIQUE TRACTOR

AGREEMENT

We provide the insurance described in this policy in return for payment of the premium and subject to the terms and conditions set out. We insure your "antique tractor(s)", listed on the Declaration Page and/or Supplemental Schedule subject to the terms and conditions of this form.

This policy consists of three Sections:

SECTION I describes the insurance for your property.

SECTION II describes the insurance for your legal liability to others because of bodily injury and property damage.

SECTION III describes the General Policy Conditions applicable to this insurance.

Limits of insurance shown on this policy are in Canadian Currency.

TERRITORIAL LIMITS

Insurance provided by this policy applies only within the territorial limits of Canada and the continental United States of America.

SECTION I – PROPERTY COVERAGE

The amounts of insurance are shown on the Declaration Page of this Policy. If you must remove insured property from your premises to protect it from loss or damage, it is insured by this policy for 30 days or until your policy term ends, whichever occurs first. The amount of insurance will be divided in the proportions that the value of the property removed bears to the value of all property at the time of loss.

INSURED PERILS

We insure your "antique tractor" against "all risks" of direct physical damage, subject to Loss or Damage Not Insured below.

LOSS OR DAMAGE NOT INSURED

- (1) We do not insure:
 - (a) licensed automobiles, motor trucks or any motorcycles, snowmobiles, air cushion vehicles, aircraft, watercraft, portable saw mills, or machinery or equipment used in logging or forestry operations;
 - (b) property illegally acquired, kept, stored, transported or property subject to forfeiture;
 - (c) loss or damage to property seized or confiscated for breach of contract, breach of law, or by any order of public authorities unless such property is destroyed to prevent the spread of fire;
 - (d) loss or damage to tires or tubes unless:
 - (i) the loss or damage is caused by fire, windstorm, theft, vandalism, impact from attached vehicle, or collision or overturn of a transporting vehicle, or
 - (ii) the loss is coincident with other loss or damage insured by this policy;
- (2) We do not insure loss or damage caused by or resulting from:
 - (a) wear and tear, deterioration, latent defect, inherent vice, mechanical or electrical breakdown or failure, corrosion, rust, vermin, rodents, wet or dry rot, mould, shrinkage, dampness or dryness of atmosphere, freezing, or extremes of temperature;
 - (b) repairing, adjusting, servicing or maintenance operations performed on the equipment unless fire or explosion ensues and then only for the loss or damage caused by such ensuing fire or explosion;
 - (c) infidelity of your employees or persons to whom your property is entrusted or from mysterious disappearance;
 - (d) any intentional act caused by you or your employees;
 - (e) radioactive contamination, however caused;
 - (f) any nuclear incident as defined in the Nuclear Liability Act, or any law, statute or law amendatory, or nuclear explosion, however caused;
 - (g) short circuit or other electrical disturbances of any kind, exclusive of lightning, within electrically equipped machinery or equipment, unless fire ensues, and then for loss or damage caused by fire only;
 - (h) war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, or military power;
 - (i) the weight of a load exceeding the rated capacity of any machine or damage caused by any race or speed test;
 - (j) delay, loss of use or loss of market.

EXTENSIONS OF COVERAGE

- (1) We will insure your "antique tractor" while taking part in any fair, parades, tractor shows, plowing matches, or other competitive events such as antique tractor pulls, demonstrations or displays or exhibitions situated anywhere in Canada or the continental United States of America.
- (2) We will insure tools, parts, accessories and other components of your "antique tractor" while the unit is undergoing restoration, repairs, or refurbishing.

- (3) We will insure an additional amount up to 10% of the insured value of your "antique tractor" for spare parts, filters, bulbs, and other accessories used in connection with your "antique tractor".
- (4) If you acquire an additional "antique tractor" we will automatically insure it provided you advise us within 30 days of acquisition and agree to pay additional premium from the date of acquisition. Under this extension we will not pay more than 25% over and above the total amount of insurance under the coverage for "antique tractor" that was in force prior to the acquisition.

BASIS OF CLAIM PAYMENT

We will pay the least of the following:

- (1) The appraised value of the "antique tractor";
- (2) The amount shown on the Declaration Page and/or Supplemental Schedule;
- (3) The cost to repair or replace with property of similar kind and quality at the time of loss without deduction for depreciation or betterment;
- (4) Your interest in the property insured.

DEDUCTIBLE

We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of deductible shown on the Declaration Page in any one occurrence. In the event that a loss to your "antique tractor" is a total loss, the deductible will be waived.

APPRAISAL

It is a condition of this insurance that any "antique tractor" to be insured under this form, for a value of \$7,500 or more, have an accredited appraisal that is five years old or less, from a recognized antique tractor appraiser.

DEFINITIONS

"Antique tractor" means any self-propelled tractor manufactured at least 40 years previous to the current calendar year and not in active farm use. "Antique tractor" shall also include other antique farm implements manufactured 40 years previous to the current calendar year and not in active farm use. The term "antique tractor" shall not include any modified or super stock tractors.

"You" and **"your"** means the person(s) named as Insured on the Declaration Page and, while living in the same household, his or her husband or wife, the relatives of either or any person under age 21 in their care. Husband and wife includes a man and a woman who are living together as husband and wife and have so lived together continuously for a period of 3 years or, if a child was born of their union, for a period of 1 year. Only the person(s) named on the Declaration Page may take legal action against us.

"We", **"us"** and **"our"** means the Company (the Insurer) providing this insurance.

REQUIREMENT AFTER LOSS Notice to Police

In the event of loss or damage to insured property by suspected vandalism, theft, or burglary, you shall give immediate notice to the police or other law enforcement agency having jurisdiction.

REINSTATEMENT

Any loss under this policy shall not reduce the amount of insurance provided by this policy.

INSURANCE UNDER MORE THAN ONE POLICY

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

SECTION II – ANTIQUE TRACTOR LIABILITY

DEFINITIONS (APPLICABLE TO SECTION II)

"**You**" or "**your**" in this Section have the same meaning as in Section I. In addition, the following persons are insured:

- (1) any person or organization legally liable for damages caused by an "antique tractor" owned by you, and to which this insurance applies. This does not include anyone using or having custody of the "antique tractor" in the course of any business or without the owner's permission.
- (2) your legal representative having temporary custody of the insured "antique tractor", if you die while insured by this policy, for legal liability arising out of the insured "antique tractor".

"**We**", "**us**" and "**our**" in this Section have the same meaning as in Section I. "**Bodily Injury**" means bodily injury, sickness or disease or resulting death. "**Property Damage**" means damage to, or destruction of, or loss of use of property.

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

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

COVERAGES

This insurance applies only to accidents or occurrences, which take place during the term of this policy. The amounts of insurance are shown on the Declaration Page. Each person insured is a separate Insured but this does not increase the limit of insurance.

LEGAL LIABILITY

We will pay all sums, which you become legally liable to pay as compensatory damages because of bodily injury or property damage arising from the ownership, use or operation of the "antique tractor" insured by this policy and described on the Declaration Page.

The amount of insurance is the maximum amount we will pay, under Legal Liability, for all compensatory damages in respect of one accident, or occurrence other than as provided under Defense, Settlement, Supplementary Payments.

You are insured for claims made against you arising from:

Legal Liability - for unintentional bodily injury or property damage caused by an "antique tractor" owned by you and described on the Declaration Page. You are not insured for claims made against you arising from:

- (1) damage to property you own, use, occupy or lease;
- (2) damage to property in your care, custody or control;
- (3) bodily injury to you or to any person residing in your household.

Defense, Settlement, Supplementary Payments

We will defend you against any suit which makes claims against you for which you are insured under Legal Liability and which alleges bodily injury or property damage and seeks compensatory damages, even if it is groundless, false or fraudulent. We reserve the right to investigate, negotiate and settle any claims or suit if we decide this is appropriate.

In addition to the limit of insurance under Legal Liability, we will pay:

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

Voluntary Medical Payments

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

The maximum amount we will pay for each person in respect of one accident or occurrence is \$2,500.

We will not pay expenses covered by any medical, dental, surgical or hospitalization plan or law, or under any other insurance contract.

We will not pay your medical expenses or those of persons residing with you, other than residence employees.

We will not pay medical expenses of any person covered by any workers' compensation statute. You shall arrange for the injured person, if requested, to:

- (1) give us, as soon as possible, written proof of claim, under oath if required;
- (2) submit to physical examination at our expense by doctors we select as often as we may reasonably require;
- (3) authorize us to obtain medical and other records.

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

Voluntary Payment for Damage to Property

We will pay for unintentional direct damage to property caused by your "antique tractor", even though you are not legally liable. You may also use this coverage to reimburse others for direct property damage caused intentionally by anyone included in the definition of "you" or "your" in Section II of this policy, 12 years of age or under.

You are not insured for claims:

- (1) for property you or your tenants own or rent;
- (2) which are insured under Section I;
- (3) caused by the loss of use, disappearance or theft of property.

Basis of Payment: We will pay whichever is the least of the following:

- (1) the actual cash value of the property at the time of loss;
- (2) what it would cost to repair or replace the property with materials of similar quality at the time of loss;
- (3) \$1,000.

We may pay for the loss in money or may repair or replace the property, and may settle any claim for loss of property either with you or the owner of the property. We may take over any salvage if we wish.

Within 60 days after the loss, you must submit to us (under oath if required) a PROOF OF LOSS FORM containing the following information:

- (1) the amount, place, time and cause of loss;
- (2) the interest of all persons in the property affected;
- (3) the actual cash value of the property at the time of loss.

If necessary, you must help us verify the damage.

LOSS OR DAMAGE NOT INSURED (APPLICABLE TO SECTION I AND II)

You are not insured for claims arising from:

- (1) war, invasion, act of a foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- (2) bodily injury or property damage which is also insured under a nuclear energy liability policy issued by the Nuclear Insurance Association of Canada, or any other group or pool of Insurers regardless of exhaustion of such policy limits or its termination;
- (3) your business or any business use of your property except as specified in this policy;
- (4) the rendering or failure to render any professional service;
- (5) bodily injury or property damaged caused by any intentional or criminal act or failure to act by:
 - (a) any person insured by this policy; or
 - (b) any other person at the direction of any person insured by this policy;
- (6) contamination or pollution, or the release discharge or dispersal of contaminants or pollutants however caused.

CONDITIONS

Notice of Accident or Occurrence: When an accident or occurrence takes place, you must promptly give us notice (in writing if required). The notice must include:

- (1) your name and policy number;
- (2) the time, place and circumstances of the accident;
- (3) the names and addresses of witnesses and potential claimants.

Co-operation: You are required to:

- (1) help us obtain witnesses, information and evidence about the accident and co-operate with us in any legal actions if we ask you;
- (2) immediately send us everything received in writing concerning the claim including legal documents.

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

Action Against Us - Legal Liability - You shall not bring suit against us until you have fully complied with all the terms of this policy, nor until the amount of your obligation to pay has been finally determined, either by judgment against you or by an agreement which has our consent.

Action Against Us - Voluntary Medical Payments and Voluntary Payment for Damage to Property - You shall not bring suit against us until you have fully complied with all the terms of this policy, nor until 60 days after the required PROOF OF LOSS FORM has been filed with us.

Limits of Liability - Two or more Policies, Riders or Endorsements

In the event that injury, loss or damage occurs, which is covered by this policy and also by any other policy, rider or endorsement of liability issued by Heartland Farm Mutual Inc. to the Named Insured, the maximum limit of liability that will be paid by the insurer under all such policies, riders or endorsements combined for such injury, loss or damage is the highest applicable limit of liability of any one of such policies.

SECTION III - GENERAL POLICY CONDITIONS**Misrepresentation**

If in applying for this insurance you falsely describe or misrepresent or fraudulently omit to communicate any circumstance that is material to be made known to us, this policy shall be void.

Change of Interest

This policy shall be void if at any time after the commencement of this insurance:

- (1) your business is wound up or carried on by a liquidator or receiver or permanently discontinued; or
- (2) your interest in the property insured under this policy ceases otherwise than by death unless its continuance be permitted by endorsement signed by or on behalf of us.

Material Change

Any change material to the risk and within your control and knowledge avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to us; and we, when so notified may return the unearned portion, if any, of the premium paid and cancel the policy, or may notify you in writing that, if you desire the contract to continue in force, you must, within fifteen days of the receipt of the notice, pay to us an additional premium, and in default of such payment the policy shall no longer be in force and we shall return the unearned portion, if any, of the premium paid.

Termination of Insurance:

- (1) This contract may be terminated:
 - (a) by us giving you fifteen days notice of termination by registered mail, or five days written notice of termination personally delivered;
 - (b) by you at any time on request.
- (2) Where this contract is terminated by us:
 - (a) we shall refund the excess of premium actually paid by you 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 determination as to amount, in which case the refund shall be made as soon as practicable.
- (3) Where this contract is terminated by you, we shall refund as soon as practicable the excess of premium actually paid by you 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 fifteen days mentioned in clause (a) of subparagraph (1) commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

Minimum Retained Premium

If you cancel this policy or delete any coverage provided by this policy, the premium will be fully earned and no refund shall apply.

Requirements after Loss

- (1) You shall give immediate notice to us of any accident, occurrence or loss that may give rise to a claim under this policy.
- (2) Within sixty days following the date of damage or destruction giving rise to a claim under this policy, unless such time is extended in writing by us, you shall render a proof of loss, verified by statutory declaration stating your knowledge and belief as to the following:
 - (a) the time and origin of the loss or damage giving rise to a claim under this policy;
 - (b) the interest of you and of all others in property insured under this policy;
 - (c) any changes in the title, nature, location, encumbrance or possession of the location(s) described on the Declaration Page;
 - (d) the particulars of your claim and stating that the loss of or damage to the insured property did not occur through any willful act or neglect or the procurement, means or connivance of you.
- (3) You shall produce and furnish to us, or such person as shall be designated by us, such books of accounts and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, computer records or certified copies if originals are lost, and shall permit extracts and copies to be made thereof, explanation and other evidence as may reasonably be required by us for the purpose of investigating or verifying the claim.
- (4) You shall produce for examination to us, or any person designated by us, all that remains of any property insured under this policy.
- (5) You shall submit to an examination under oath, and shall produce for examination at such reasonable places and times as may be designated by us or any person designated by us all documents in your possession or control that relate to the matters in question, and you shall permit extracts and copies to be made thereof.

Fraud

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

Who May Give Notice and Proof

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

Appraisal

In the event of disagreement as to the amount to be paid under this policy (liability being otherwise admitted), such disagreement shall be referred to and resolved by appraisal as provided under *The Insurance Act*. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after a proof of loss has been delivered.

When Loss Payable

The loss shall be payable within sixty days after completion of the proof of loss.

Action

Every action or proceeding against us 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 date upon which the loss or damage occurred.

Notice to Us

Written notice to us may be delivered at or sent by registered mail to: Heartland Farm Mutual Inc.
100 Erb Street East, Waterloo, Ontario, Canada N2J 1L9

Notice to You

Written notice to you may be delivered at or sent by registered mail to your latest post office address as notified to us. In this condition the expression "registered" means registered in or outside Canada.