

# **REPORTING FORM – MONTHLY AVERAGE WITH PREMIUM ADJUSTMENT AT SPECIFIC RATE AT EACH LOCATION**

Loss, if any, payable to AS INDICATED ON THE DECLARATIONS PAGE

On Stock, as herein defined consisting principally of goods and merchandise usual or incidental to the business of the Insured as indicated on the Declarations Page.

Whilst situate at the locations indicated on the Declarations Page  
Indicated On the  
Declarations Page

At any other locations acquired within the geographical limits indicated on the Declarations Page if included in the next succeeding monthly report of values as provided in the Value Reporting Clause.

## **PROVISIONAL PREMIUM**

The total provisional premium shall be 75% of the sum of the annual premiums at each location computed on the stated limit of liability and the rate applying at each location, or \$100. per account, whichever is the greater, and the provisional premium for this Policy shall be its proportion of the foregoing premium.

## **PROVISIONAL AMOUNT CLAUSE**

The amount of insurance provided for hereunder is provisional and is the amount on which the deposit premium is based, it being the intent of this insurance subject to the limit(s) of liability to insure hereunder the total actual value of the property described herein. Any loss in excess of the limit(s) stated in the contract shall be borne by the Insured to the extent of such excess, notwithstanding the requirement that premium is to be adjusted on the basis of total values reported.

## **EXCLUSION CLAUSE**

This Policy does not cover

“A” Motor Vehicles, or property at or in fairs or expositions; machinery, furniture and fixtures, except as specified under Paragraph 1 hereof.  
“B” At any location where the Insured had property as above described which was not declared to this Insurer unless included in the first report of values as provided in the Value Reporting Clause and is then subject to the limit of liability of an acquired location as indicated on the Declarations Page.

## **ADDITIONAL LOCATIONS OR CHANGES IN LIMIT(S)**

A new location shall be added or a change in the limit of liability at an existing location shall be made by endorsement. On an endorsement adding a location or increasing a limit of liability, an additional provisional premium, payable as of the effective date of the endorsement, shall be computed pro rata for the unexpired term of the Policy at the rate applicable to the location on the basis of 75% of the limit of liability at each new location or of the amount of increase of the limit of liability.

## **FURTHER CONCURRENT INSURANCE**

It is a condition of this Policy that every other insurance effected by the Insured or on their behalf on property described herein is and shall be written upon the same plan, terms, conditions and provisions as those contained in the form attached to this Policy, i.e. insurance written upon the Reporting Form with premium adjustment.

## **VALUE REPORTING CLAUSE**

It is a condition of this Policy that the Insured shall report to this Insurer in writing not later than thirty days after the last day of each month, the exact location of all the property covered hereunder and the total actual value of such property at each location on the last day of each month. At the time of any loss, if the Insured has failed to file with this Insurer reports of values as above required, this Policy, subject otherwise to all its terms and conditions, shall cover only at the locations(s) and for not more than this Insurer's percentage of the amounts included in the last report of values filed in writing prior to the loss, and further if such delinquent report is the first report of values herein required to be filed, this Policy shall cover only at the respective location(s) specifically named herein and for not more than this Insurer's percentage of 75% of the applicable limit(s) of liability

## **FULL REPORTING CLAUSE**

In case of loss, liability hereunder shall not exceed that proportion of such loss which the last reported value filed prior to the loss for the location where the loss occurs bears to the total actual value of said property at the location on the date for which such report is made. Except as provided in Value Reporting Clause, liability for loss occurring at any location acquired since the last report shall not exceed that proportion which the last reported values filed prior to the loss for all locations bears to the total actual values at such locations on the date for which such report is made.

If this Policy is a renewal, continuation or replacement of a previous policy with the Insurer the provisions of Clauses 8 and 9 apply to reports filed or required to be filed whether such reports pertain to the current or preceding insurance year.

## **PREMIUM ADJUSTMENT CLAUSE**

The premium named in this Policy is provisional only. The actual premium consideration for the liability assumed hereunder shall be determined, at the expiration of this Policy, by application of the following formula:

“A” An average of total values reported at each location shall be made, and if the premium on such average values at the rate applying at each location herein provided exceeds the provisional premium, the Insured shall pay an additional premium for such excess. If such premium is less than the provisional premium, the Insurer shall refund to the insured any excess paid.

In the event of any report not being made within the period stipulated in the Value Reporting Clause, then for the purpose of adjustment of premium only hereon, an amount representing the sum of the limits of liability at all locations shall be taken as the value at risk on the day fixed for ascertaining the values.

“B” In consideration of the insurance not being reduced by the amount of any loss the Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the date of the expiry of the period of insurance. Such extra premium may be deducted from the payment of the said loss.

“C” It is a further condition of this Policy, anything to the contrary notwithstanding, that the total final adjusted premium as provided in this clause shall in no event be less than \$100. per account.

## **VERIFICATION OF VALUES**

This Insurer or its duly appointed representative shall be permitted at all reasonable times during the term of this Policy, or within a year after its expiration, to inspect the property covered hereunder and to examine the Insured’s books, records and such policies as relate to any property covered hereunder. This inspection and/or examination shall not waive nor in any manner affect any of the terms or conditions of this Policy.

## **DEFINITIONS**

### **STOCK**

Wherever the word “Stock” is used in the Policy, it shall include goods, wares and merchandise of every description, including all packing and wrapping and advertising materials and supplies kept or used by the Insured chiefly in connection with the business herein described, owned by the Insured, including similar property belonging to others held in trust, on consignment or commission, or sold but not removed, and which the Insured is under obligation to keep insured or for which the Insured is legally liable, all while in or on the building herein described and on platforms, sidewalks and ground anywhere on the premises and in or on cars and motor vehicles on the premises and within 300 feet of the premises.

### **PREMISES**

Wherever the word “Premises” is used in this Policy, it shall mean the entire area within the property lines at the location herein described, including areas under adjoining sidewalks and driveways.

### **SUBROGATION**

Any release from liability entered into by the Insured prior to loss shall not affect the right of the Insured to recover.

### **BREACH OF CONDITIONS CLAUSE**

Conditions of this Policy relating to matters before the happening of a loss, breach of which would disentitle the Insured to recover, shall be read distributively, so that in the event of a loss, breach of such conditions in any portion of the property neither damaged nor destroyed, shall not disentitle the Insured to recover in respect of claim for loss to other portions of the property hereby covered that are damaged, but in which no breach of such conditions has occurred.

### **PROVINCIAL CONDITIONS**

This Policy shall be subject only to the Statutory Conditions/Conditions of the Policy of the Province in which the property insured is located and to such variations of the Conditions and such other terms and conditions as are herein printed or represented in writing.

## **PERMISSION IS GRANTED**

### **APPLICABLE TO UNSPRINKLERED LOCATIONS ONLY:**

- (a) To make additions, alterations or repairs without limit of time.
- (b) To cease operations or to remain vacant or unoccupied for a period not exceeding thirty (30) days at any one time.
- (c) To do such work and to keep and use such articles, materials and supplies in such quantities as are usual or necessary to the Insured’s business.
- (d) To keep and use fuel oil in the building for heating purposes.
- (e) To keep automobiles, tractors or other motor vehicles.

### **APPLICABLE TO SPRINKLERED LOCATIONS ONLY:**

- (a) For plant changes, alterations and repairs, and for ordinary additions without limit of time; but extraordinary additions and extensions are only permitted provided notice thereof is given the Insurer at or about the time when work is commenced. Subject to the foregoing, the insurance on the property covered under this Policy is hereby extended to said additions and extensions, subject to all the terms and conditions of the Policy and to any adjustment of premium deemed necessary.
- (b) To cease operations in, and for any individual buildings to remain vacant or unoccupied without limit of time, but the entire plant not to cease operations, or to be vacant or unoccupied for a period exceeding thirty (30) days at any one time.
- (c) To do such work and to keep and use such articles, materials and supplies in such quantities as are usual or necessary to the Insured’s business.

### **AUTOMATIC FIRE PROTECTION MAINTENANCE CLAUSE**

The rate of premium being fixed having regard to the fact that the risk is mainly under sprinkler protection, it is understood and agreed that the Insured shall forthwith notify the Insurer of any interruption to or flaw or defect in the sprinkler equipment coming to the knowledge of the Insured.