

Property Change Highlights

New Look and Style

Frank Cowan Company's property coverage has a new look and style that provides you with a more streamlined approach for your convenience and ease of reference. This redesign includes our wordings as well as our Declaration Pages and Summary of Coverage.

Overview

We have rewritten our Property Coverages with many improvements, including several new coverages making our wording much more flexible and adaptable to your needs while retaining the broad coverage Frank Cowan Company is known for.

While many changes have been made to expand coverage under your property policy, changes have also been made to clarify intent with coverage being much more clear and concise. There may also be areas where coverage is now more restrictive (e.g. vacancy exposures are automatically covered for up to 120 days, after which time coverage is to be reported). Due to the extent of changes, the structure, layout and terminology of our wordings have been modified significantly. As this document only provides a brief overview of changes, please read your policy carefully.

Moving forward, your policy will be comprised of a Base Property Wording and a new Public Entity Extension of Coverage Endorsement along with any miscellaneous or specific endorsements required to tailor coverage to your needs.

Base Property Wording (Property Coverage) Overview of Changes

Your property insurance includes broad coverage to protect your physical assets (e.g. buildings and other property you own, lease or are legally liable for) from direct physical loss. All parts of the base Property Wording have been re-written including the:

- Introduction
- Insuring Agreement
- Insurer's Liability Under the Form
- Property Insured
- Deductible and Dual Policy Deductible Clauses
- Perils Insured
- Property and Perils Excluded
- Supplemental Coverages

- Coverage Territory
- Loss Conditions
- Basis of Settlement
- Loss Agreement Clause
- Definitions

Improvements to the base Property Wording include the following:

- Additional titles and sections have been added for ease of reference.
- The Insuring Agreement has been re-written to clearly specify what the Insurer(s) agrees to indemnify the Insured for under the policy.
- The Insurer's Liability Under the Form clause clarifies the Insurer(s) intent when there is and is not a catastrophic limit shown on the Declarations.
- Two Deductible Clauses: We now have a standard Deductible Clause and a Dual Policy Deductible Clause. The Dual Policy Deductible Clause states how a deductible will be applied when there is both an automobile policy and a property policy involved in the same loss (when both policies are written with Frank Cowan Company).
- The 'Perils Insured' clause has been expanded to provide coverage on either a Named Perils or All Risk basis, whichever is indicated on the Declarations/ Summary of Coverage pages.

Exclusions Under the Base Property Wording

Many important changes have been made to both the Property and Perils Excluded Sections to remain current and in order to:

- Prevent duplication of coverage. Additional exclusions may be shown as in many instances coverage is more specifically insured under the policy (e.g. under the Public Entity Extension Endorsement we provide coverage for Fine Arts, Valuable Papers etc.).
- Clearly exclude exposures the policy was not intended to cover (e.g. Ocean Marine exposures, Property Illegally Acquired etc.).
- Allow us to review a risk exposure more thoroughly (e.g. Vacant Risks).
- Implement stronger exclusionary clauses with the addition of non-concurrency language under the Perils Excluded and Other Excluded Losses sections.

- Review our catastrophic coverage and exposures (e.g. Earthquake and Flood). These will now be added separately for a premium when you request coverage.
- Add Standard Exclusions within the base wording including exclusions for Terrorism, Fungi, Nuclear and Data.
- Remove the outdated exclusion for loss or damage to rented premises, where the cause of loss was due to neglect by tenants.

Additional Changes to the Base Property Wording

- **Loss Conditions:** An option for Insurer(s) to settle a loss directly with the Insured or owner of the property.
- **Loss Agreement:** Revisions to stipulate how the Equipment Breakdown and property policies will both respond in the event of a loss.
- **Territory:** Clarification that coverage is worldwide.
- **Basis of Settlement:** Expansion in various sections to clarify different settlement options.
- **Definitions:** Many new definitions have been added to provide clarification of intent.

Supplemental Coverage under the Base Property Wording

- Building Bylaws
- Building Damage by Theft
- Debris Removal Expense
- Electronic Computer Systems
- Expediting Expense
- Fire or Police Department Service Charges
- First Party Pollution Clean-Up Coverage
- Fungi (covers the expense for any testing, evaluating or monitoring for fungi or spores required due to loss)
- Furs, Jewellery and Ceremonial Regalia
- Inflation Adjustment
- Live Animals, Birds or Fish
- Newly Acquired Property
- Professional Fees
- Property at Unnamed Locations
- Property Temporarily Removed Including while on Exhibition and during Transit
- Recharge of Fire Protective Equipment
- Sewer Back Up and Overflow

Note: The Supplemental Coverage does not increase your Total Sum Insured in most cases.

Statutory and Additional Conditions Changes

Liberalization Clause: A new clause allowing any change in statutory coverage to automatically apply to the property policy.

This handout is intended to provide general information only. Please refer to the policy document for complete details. The policy terms, conditions and limitations shall apply in all instances. FCC-HPE 1018

Mortgage Clause: A new clause which was previously added via endorsement.

Verification of Values: A new clause which provides the Insurer access to your Insureds' books/records etc. which may be required especially in event of a loss.

Public Entity Extensions of Coverage Endorsement

Each Extension of Coverage will have an individual Limit of Insurance that will be shown on the Summary of Coverage/Declarations Page.

The Limit of Insurance for each Extension of Coverage is over and above the Total Sum Insured (unless shown as 'included' on the declarations or otherwise stipulated within the wording).

Limits of Insurance available for each Extension of Coverage will vary based on the individual risk.

- Accounts Receivable
- Bridges and Culverts
- Building Coverage Owned Due to the Non Payment of Municipal Taxes – *Named Perils Coverage applies*
- Building(s) in the Course of Construction Reporting Extension
- By Laws – Governing Acts
- Consequential Loss caused by Interruption of Services
- Cost to Attract Volunteers Following a Loss
- Docks, Wharves and Piers
- Green Extension
- Growing Plants
- Ingress and Egress
- Leasehold Interest
- Master Key
- Peak Season Increase
- Personal Effects
- Property of Others
- Errors and Omissions
- Exterior Paved Surfaces
- Extra Expense
- Fine Arts at Own Premises and Exhibition Site
- Fundraising Expenses
- Rewards: Arson, Burglary, Robbery and Vandalism
- Signs
- Vacant Properties – *Named Perils Coverage applies on an Actual Cash Value basis*
- Valuable Papers