

# RECREATIONAL VEHICLE INSURANCE POLICY

Sandbox Mutual Insurance Company  
250 Willis Crescent  
Saskatoon, SK S7T 0V2  
800.667.3067 sandbox.ca



## INSURING AGREEMENTS

In consideration of the premium stated in the Declarations, and subject to the limits, amounts, provisions, exclusions and conditions of this policy, the Insurer agrees to indemnify the named Insured for direct loss or damage to property insured hereunder, to an amount not exceeding the Insured's interest in such property. Where the insurance applies to the property of more than one person or interest, the Insurer's total liability for loss sustained by all such persons or interests shall be limited in the aggregate to the specified limit(s) and amount(s).

## INSURED PROPERTY AND AMOUNTS OF INSURANCE

This policy insures:

1. The vacation trailer, camper unit or Motorhome described in the declarations (hereinafter referred to as the "vehicle") including built-in accessories forming a permanent part of the vehicle. Exterior attachments which do not form a part of the vehicle while in transit are not covered under this item.  
THE AMOUNT OF INSURANCE is the amount specified for "Vehicle" in the Declarations.
2. Contents, meaning personal property not included in item 1 above, owned by the insured or members of his family permanently residing with him, but only while contained in the described vehicle. Exterior vehicle attachments which do not form a part of the vehicle while in transit are not covered under this item.  
THE AMOUNT OF INSURANCE on contents is an amount equal to Fifteen Percent (15%) of the amount of insurance on the described vehicle in which the contents are contained or \$3,000, whichever is the lesser amount, PLUS such additional amount, if any, as may be specified for "Contents" in the Declarations. Special Condition 3. Other Insurance does not apply to this coverage.
3. Exterior attachments to the described vehicle, meaning decks, patios, awnings, or porches which do not form part of the vehicle while in transit.  
Such property is insured only while actually attached to or while inside the described vehicle.  
THE AMOUNT OF INSURANCE on property covered under this item is \$500. in all.

## EXTENSIONS OF COVERAGE

1. EMERGENCY ACCOMMODATION EXPENSE ALLOWANCE  
In the event the described vehicle, while being used on vacation by the Insured or a member of his family permanently residing with him, is rendered uninhabitable because of loss or damage insured by this policy, the Insurer agrees to reimburse the insured for any necessary and reasonable additional expense for living accommodation to a limit of \$100. per day, subject to an aggregate maximum of \$1,000. in any one occurrence, for the lesser of the applicable periods below:
  - a) the time required with the exercise of due diligence and dispatch to repair or replace the damaged or destroyed vehicle; or
  - b) the remainder of the intended period of vacation from the date on which the loss or damage occurs, plus one week.The insurance afforded by this extension shall apply only to such expense incurred by or on behalf of the Insured and a member of his family permanently residing with him.
2. TOWING AND STORAGE CHARGES  
The Insurer agrees to reimburse the Insured for reasonable and necessary towing and storage charges incurred as a direct result of loss or damage to the described vehicle by an Insured Peril for which a claim is payable under this policy.

The amounts payable under the foregoing Extensions of Coverage are in addition to the Amount of Insurance stated in the Declarations.

## INSURED PERILS

This Policy insures against ALL RISKS of direct physical loss or damage from any external cause, except as hereinafter excluded.

## EXCLUSIONS

1. PROPERTY EXCLUDED. This Policy does not insure loss or damage to:
  - a) motorized vehicles, bicycles, or watercraft, including their furnishings, equipment or appurtenances, except the described vehicle;
  - b) money, bullion, securities, manuscripts, accounts, bills, currency, deeds, evidences of debt, letters of credit, stamps, travel tickets, tokens and all similar property;
  - c) jewellery, precious or semi-precious stones, watches, silverware, silverplated ware, goldware, goldplated ware, furs and garments trimmed with fur;
  - d) property pertaining to a business, profession or occupation or while being used for business purposes;
  - e) property illegally acquired, imported, kept, stored or transported;
  - f) property seized or confiscated for breach of any law or by order of any civil authority but this exclusion shall not apply to property seized or confiscated for the purpose of destruction at the time of a fire for prevention of the spread of such fire;
  - g) property while waterborne unless caused by stranding, sinking, burning or collision of a regular ferry;
  - h) tires or tubes, unless co-incident with other loss or damage covered by this policy;

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- i) property rented or leased to others unless permission for such rental or leasing has been given by endorsement hereon.

### 2. LOSSES EXCLUDED. This Policy does not insure:

- a) wear and tear or mechanical breakdown;
- b) loss or damage caused by deterioration, dampness of atmosphere, freezing, extremes of temperature, contamination, vermin or insects, inherent vice or latent defect, rust or corrosion, wet or dry rot, mould, settling, expansion, contraction, shifting, bulging buckling or cracking, unless loss or damage by fire or explosion ensues and then only for the loss or damage resulting from such ensuing fire or explosion;
- c) the cost of making good faulty workmanship, construction or design;
- d) loss or damage to electrical devices, appliances or wiring caused by electrical currents other than lightning unless fire ensues and then only for such loss or damage resulting from such fire;
- e) loss or damage to any property while undergoing any process or while being actually worked upon and where any loss or damage is due thereto unless fire or explosion ensues, and then only for such loss or damage resulting from such fire or explosion;
- f) breakage of brittle or fragile articles, or marring or scratching unless such loss or damage occurs concurrently with other loss or damage covered by this policy;
- g) mysterious disappearance or unaccountable loss;
- h) accumulative damage, however caused;
- i) loss or damage caused by any dishonest or wilful act on the part of the insured or other party of interest;
- j) loss or damage resulting from conversion, embezzlement or by theft by any person in lawful possession of the vehicle under a mortgage, conditional sale, lease or any other similar written agreement;
- k) loss or damage caused directly or indirectly by contamination by radioactive material;
- l) loss or damage caused by war, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection or military power;
- m) loss or damage occurring while a Motorhome insured by this policy or an automobile on which an insured Camper Unit is mounted or which is being used to tow an insured Vacation Trailer is being driven or otherwise operated by the Insured or any other person with the Insured's consent while
  - (i) under the influence of an intoxicating substance to such an extent as to be for the time being incapable of the proper control of the Motorhome or automobile; or
  - (ii) in a condition for which he or she is convicted of an offence under section 253(a) or (b) (operation of a motor vehicle when impaired or alcohol-blood ratio exceeding 80 milligrams of alcohol in 100 millilitres of blood) of the Criminal Code (Canada); or in a condition or under or in connection with circumstances for which he or she is convicted of an offence under section 254(5) (refusal to comply with a demand for a breath sample) of the Criminal Code (Canada); or is in a condition or under or in connection with circumstances for which he or she is convicted of any similar offence in any jurisdiction in Canada or the United States of America; or
  - (iii) his or her license to drive an automobile is suspended or while his or her right to obtain a license is suspended or while he or she is prohibited under order of any court from driving or operating an automobile.

### DEDUCTIBLE

The Insurer is liable only for the amount by which the loss or damage caused by any of the perils insured against in any one occurrence exceeds the deductible amount stated in the Declarations. This clause does not apply where the loss or damage exceeds \$10,000. in any one occurrence.

### BASIS OF LOSS SETTLEMENT

#### 1. REPLACEMENT COST

This basis of loss settlement, as defined herein, is applicable only to property for which "Replacement Cost" is designated as the basis of loss settlement in the Declarations.

In the event of loss or damage to insured property for which indemnity is provided by this policy, the insurer agrees to make settlement on the basis of the cost of repairs or the cost of replacement with new property of similar kind and quality, whichever is the lesser, without deduction for depreciation, provided that repair or replacement is made with due diligence and dispatch, otherwise settlement will be on the basis of "Actual Cash Value".

Indemnity is limited to the sums actually and necessarily expended by the Insured for repair or replacement, but the Insurer's liability shall in no event exceed the applicable amount of insurance.

Replacement Cost basis of loss settlement does not apply to:

- a) property no longer in use for its originally intended purpose;
- b) antiques, fine arts, paintings, statuary, memorabilia and similar articles which by their nature cannot be replaced.

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### 2. ACTUAL CASH VALUE (A.C.V.)

In the event of loss or damage to insured property for which indemnity is provided by this policy and "Replacement Cost" is not applicable, the insurer is not liable beyond the actual cash value of the property at the time the loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed the lesser of the following:

- a) what it would cost to repair or replace the property with material of like kind and quality;
- b) the applicable amount of insurance.

### SUBROGATION

The Insurer, upon making any payment or assuming liability therefore under this policy, shall be subrogated to all rights of recovery of the Insured against any person, and may bring action in the name of the Insured, to enforce such rights. Where the net amount recovered after deducting the costs of recovery is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportions in which the loss or damage has been borne by them respectively.

### CONDITIONS

All of the Conditions set forth under the titles Special Conditions, Additional Conditions and Statutory Conditions apply with respect to all of the perils insured by this Policy except as these Conditions may be modified or supplemented by the Forms or Endorsements attached.

### SPECIAL CONDITIONS

1. **TERRITORIAL LIMITS:** This policy insures only within the territorial limits of Canada and the continental United States of America or while in transit between points therein.
2. **OWNERSHIP AND USE OF PROPERTY INSURED:** The property insured may be owned by the Insured or in his custody or control and for which he is legally liable. It is a condition of this policy that any insured vehicle is used solely for private pleasure purposes and will not be used as a permanent residence or rented to others.
3. **LOSS CLAUSE:** The amount of insurance provided by this policy shall not be reduced as a consequence of loss payment except in the event of a total or constructive total loss under this policy in which event the total premium of the policy shall be deemed to be earned in full.
4. **SUBROGATION:** Any release from liability entered into by the Insured prior to loss shall not effect the right of the Insured to recover.
5. **OTHER INSURANCE:** Where there is any other valid insurance on the vehicle providing indemnity for loss for which this policy provides indemnity, the Insurer shall be liable only for its rateable proportion of the loss. Where there is any other valid insurance on unscheduled personal property providing indemnity for loss for which this policy provides indemnity, this insurance shall apply only as excess insurance and in no event as contributing insurance and then only after all other insurance has been exhausted.

### ADDITIONAL CONDITIONS

#### Notice to Authorities

Where the loss is due to a malicious act, burglary, robbery, theft, or attempt thereof, or is suspected to be so due, the Insured shall give immediate notice thereof to the police or other authorities having jurisdiction.

#### No Benefit to Bailee

It is warranted by the Insured that this insurance shall in no way enure directly or indirectly to the benefit of any carrier or other bailee.

#### Pair and Set

In the case of loss or damage to any article or articles, whether scheduled or unscheduled, which are part of a set, the measure of loss or of damage to such article or articles shall be a reasonable and fair proportion of the total proportion of the total value of the set, but in no event shall such loss or damage be construed to mean total loss of set.

#### Parts

In the case of loss or damage to any part of the insured property whether scheduled or unscheduled, consisting, when complete for use, of several parts, the Insurer is not liable for more than the insured value of the part lost or damaged, including the cost of installation.

#### Sue and Labour

It is the duty of the Insured in the event that any property insured hereunder is lost to take all reasonable steps in and about the recovery of such property. The Insurer shall contribute pro-rata towards any reasonable and proper expense in connection with the foregoing according to the respective interests of such parties.

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### Examination Under Oath

After a loss which may be insured under this policy, the Insured shall, upon the insurer's request:

1. Submit to an examination under oath or affirmation, and produce for the examination, at a reasonable place and time as designated by the Insurer, all documents in the Insured's possession or control that relate to the matters in question, and permit extracts and copies to be made;
2. Use reasonable best efforts to produce employees or others who have or may have relevant information/documentation about the loss, for examination under oath or affirmation.

### STATUTORY CONDITIONS

**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.** 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 under 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 fifteen 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 - 5.

- (1) This contract may be terminated,
    - (a) by the Insurer giving to the Insured fifteen 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 determination 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 cheque payable at par.
  - (5) The fifteen 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) On 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 a 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,

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- (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 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 sub-paragraph (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 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 Insurance Act before there can be any recovery under this contract whether the right to recovery 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 is payable within sixty 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 thirty 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 forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

Action - 14. Every action or proceeding against the Insurer for the recovery of a claim under or by virtue of this contract shall be absolutely barred unless commenced within one year next after the loss or damage occurs.

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. Written notice may be given to the Insured named in this 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. In this condition, the expression "registered" means registered in or outside Canada.

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