stewart title

"GOLD" COMPREHENSIVE PROTECTION OWNER POLICY
ONE-TO-SIX RESIDENCES

ISSUED BY
STEWART TITLE GUARANTY COMPANY

OWNER'S COVERAGE STATEMENT

This Policy insures your Title to the Land as described in Schedule A—if that Land contains a single family residential dwelling or condominium unit or, if this Policy contains a multi-family residential endorsement, a building containing the number of residential units shown on the endorsement or, if this Policy contains a vacant land endorsement, a vacant residential lot. Your insurance, as described in this Coverage Statement, is effective on the Policy Date shown in Schedule A.

We insure you against Actual Loss resulting from:
- any risks described in the Covered Title Risks as set out in this Policy if the event creating the risk existed on the Policy Date or, to the extent expressly stated, after the Policy Date; and,
- any costs, legal fees and expenses we have to pay under this Policy.

Your insurance is limited by the following:
- The Policy Amount set out in Schedule A;
- The Exclusions set out in this Policy;
- The Exceptions set out in Schedule B to this Policy,
- The Conditions set out in this Policy; and
- The Company's Duty to Defend Against Legal Actions.

This Policy is not complete without Schedules A and B.

COVERED TITLE RISKS

THE COVERED TITLE RISKS ARE:
1. Someone else owns an interest in your Title.
2. Your Title is defective.
3. Someone else has rights affecting your Title arising out of leases, contracts, or options,
4. Someone else has an Servitude on your Land.
5. Someone else claims to have rights affecting your Title arising out of forgery, fraud, duress, incompetency, incapacity or impersonation.
6. Forgery of an instrument by which someone else claims to own an interest in or have a priority on your Title.
7. Someone else has the legal right to limit your use of the Land.
8. Any of Covered Title Risks 1 through 7 occurring after the Policy Date.
9. A document upon which your Title is based is invalid because it is not properly signed, sealed, delivered, registered or recorded.
10. You do not have both actual pedestrian and vehicular access to and from the Land, based upon a legal right.
11. There is a priority or charge on your Title because of:
    (a) a hypothec;
    (b) a judgment, tax, special assessment or public utility account; or,
    (c) a charge by a condominium corporation.
12. Charges incurred for public utilities supplied to the Land prior to the Policy Date—except charges you agreed to pay.

Signed under seal for the Company, but this Policy is only valid when it bears an authorized countersignature.

Countersigned by:

Authorized Countersignature

Stewart Title Guaranty Company
Toronto, Ontario, Canada

STEWART TITLE GUARANTY COMPANY INCORPORATED 1908 TEXAS

Frederick H. Eppinger
President and CEO

Denise Carraux
Secretary

Part 1 of
Guarantee
Serial No.

SAMPLE

13. After the Policy Date a Governmental Authority assesses supplemental real estate taxes not previously assessed against the Land for any period before the Policy Date, unless you agreed to pay the supplemental real estate taxes.
14. Your Land is unmarketable, which allows another person to refuse to perform a contract to purchase, lease or make a hypothec loan because:
    (a) it violates a restriction set out in Schedule B;
    (b) of adverse matters that would have been disclosed by an up-to-date Survey;
    (c) your Land violates an existing zoning by-law or ordinance;
    or,
    (d) your existing structures or any part of them are located on land under the jurisdiction of conservation or similar Governmental Authority without approval.
15. Rights of possession in favour of a spouse under applicable provincial or territorial legislation dealing with matrimonial property rights.
16. Someone else claims an interest in your Title because of a violation of any restriction, covenant, or condition which occurred before your acquired your Title, even if the restriction, covenant or condition is excepted in Schedule B.
17. Unmarketability of your Title.
18. You are forced by a Governmental Authority (or in the case of 18(a) hereunder, you are forced by the affected neighbour or a party who benefits from the Servitude) to remove or remedy your existing structure(s), or any portion thereof, other than a boundary wall or fence, because:
    (a) it extends on to adjoining land or on to any Servitude (even if the Servitude is excepted in Schedule B);
    (b) it violates a restriction, covenant or condition affecting the Land , even if the restriction, covenant or condition is excepted in Schedule B;
    (c) it violates an existing zoning by-law;
    (d) it is located on land under the jurisdiction of a conservation or similar governmental authority without approval;
    (e) of any outstanding notice of violation or deficiency notice;
    (f) any portion of it was built without obtaining a building permit from the proper Governmental Authority, provided a building permit would have been required by such Governmental Authority at the time of construction of the structure or relevant portion thereof.
19. There is a violation of the provisions of a provincial law or municipal subdivision by-law which restricts a cadastral operation relative to the parceling out of land.
20. Someone else, after the Policy Date, builds a structure – other than a boundary wall or fence—which encroaches on to your Land.
21. A residence with the municipal address shown in Schedule A is not located on the Land at the Policy Date.
22. Your existing improvements (or a replacement or modification made to them after the Policy Date) including lawns, shrubbery or trees are damaged because of the future exercise of a right to use the surface of the Land for the extraction or development of minerals, water, or any other substance, even if those rights are excepted or reserved from the description of the Land or excepted in Schedule B.
23. Your existing structure(s) have been damaged because of the exercise of a right to maintain or use any Servitude affecting the Land, even if the Servitude is excepted in Schedule B.
24. Any incorrectness in a written statement received by you from a Governmental Authority, indicating that there are no defects relating to the Land's compliance with applicable building and zoning by-laws at the Policy Date.
25. Any adverse circumstance affecting the Land which would have been disclosed by a Local Authority Search of the Land at the Policy Date.
26. You are forced to correct or remove an existing violation of any restriction, covenant, or condition affecting the Land, even if the restriction, covenant, or condition is excepted in Schedule B.
27. Your Title is lost or taken because of a violation of any restriction, covenant, or condition which occurred before you acquired your Title, even if the restriction, covenant, or condition is excepted in Schedule B.
28. Other defects, priorities, charges or encumbrances on your Title.
29. Any defect in or priority or encumbrance on the Title or other matter included in Covered Title Risks 1 through 28 above attaching or created subsequent to Date of Policy and prior to the date and time of registration or recording of the instrument by which you obtained your interest in the Land, unless you agreed to be responsible for them.

COMPANY'S DUTY TO DEFEND AGAINST COURT CASES

We will defend your Title in any court case as to that part of the case that is based on a Covered Title Risk insured against by the Policy. We will pay the covered costs, legal fees, and expenses incurred in that defence.

We can end this duty to defend your Title by exercising any of our options listed in Item 4 of the Conditions.

EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, legal fees, and expenses resulting from:

1. Governmental power, and the existence or violation of any law, by-law, ordinance, order, code or government regulation. This includes laws, by-laws, ordinances, orders, codes or government regulations concerning:
    - building;
    - zoning;
    - land use;
    - land division;
    - improvements on the Land; or,
    - environmental protection.

    This exclusion does not apply to violations or the enforcement of these matters which appear in the Public Records at the Policy Date. This exclusion does not limit the coverage described in Items 10, 14 (b), 14(c), 14(d), 18, 19 and 22 of the Covered Title Risks.
2. The right to take the Land by expropriating it, unless:
    - a notice of the right being exercised appears in the Public Records on the Policy Date; or,
    - the expropriation happened prior to the Policy Date and is binding on you if you bought the land without knowing of the expropriation.
3. Risks:
    - that are created, allowed, or agreed to by you;
    - that are actually known to you, but not to us, on the Policy Date;
    - that result in no loss to you; or
    - that first affect your Title after the Policy Date—this does not limit the coverage described in Items 1, 8, 20 and 22 of the Covered Title Risks.
4. Failure to pay value for your Title.
5. Lack of a right:
    - to any land outside the area specifically described and referred to in Item 3. of Schedule A; or,

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- in streets, lanes, or waterways that touch your Land.
- This exclusion does not limit the coverage described in Items 10 and 18(a) of the Covered Title Risks.

6. Environmental concerns or matters of any kind, including but not limited to, legislation with respect to environmental protection, legislation with respect to waste water management including sewage ejector systems, underground fuel storage tanks, abandoned oil wells, mold, asbestos, urea-formaldehyde, termites, infestations of any kind, water leakage, and water quality and quantity.
7. The failure of all or part of the improvement(s) located on the Land to have been constructed in accordance with applicable building codes and/or to comply with current building codes. This exclusion does not apply to violations of building codes if notice(s) of violation appear(s) in the Public Records at the Policy Date or if the existence of the violation would have been disclosed by a Local Authority Search of your Land at the Policy Date. This exclusion does not limit the coverage described in Items 14, 18, 24 or 25 of the Covered Risks.
8. Physical/structural conditions and physical/structural defects including, but not limited to, those affecting the improvement(s) located on the Land and those that impact value or marketability. This exclusion does not limit the coverage described in Items 14, 18, 24 or 25 of the Covered Risks.
9. A breach of any governmental regulation requiring that improvements on the Land be retrofitted to comply with fire safety requirements.
10. The legal hypothecs in favour of the persons having taken part in the construction or the renovation of an immovable.
11. Any matters disclosed in a building inspection report or home inspection report obtained by the Insured prior to the Policy Date.

CONDITIONS

1. DEFINITIONS

(a) Actual Loss – the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, priority or encumbrance insured against by the Policy.
(b) Servitude – the right of someone else to use your land for a special purpose.
(c) Governmental authority – any department or division of the government of Canada, or any province or territory or of the municipality in which the Land is located which has jurisdiction with respect to matters of building and zoning compliance.
(d) Land – the land or condominium unit described in Schedule A and any improvements on the land which are real property.
(e) Local Authority Search – any search of local government records pertaining to the land which would customarily be required by a solicitor qualified to practice law in the jurisdiction in which the lands are located in the normal course of a real estate transaction
(f) Hypothec – a hypothec, charge, trust deed or other security instrument.
(g) Public Records - records established and maintained by legislation of the province or territory in which the Land is situated for the registration and/ or recording of interests in title.
(h) Survey – a building location certificate, real property report or certificate of localization prepared by a surveyor qualified to survey land in the province or territory where the Land is located.
(i) Title – the registered estate or interest in the land set out in paragraph 5 of Schedule A which is disclosed by the Public Records. Title is not affected by matters relating only to any improvement(s) on the Land, unless notice of those matters is registered in the Public Records as of Date of Policy.
(j) Unmarketability of your Title - Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease or lend if there is a contractual condition requiring the delivery of marketable title. Unmarketability of your Title is not created by matters relating only to physical/structural conditions and/or physical/structural defects of the Land, including the improvement(s) located thereon.

2. CONTINUATION OF COVERAGE

This Policy protects you as long as you own your Title. This Policy also protects you if take back a hypothec from anyone who buys your land; or are liable for any covenants given by you or implied by statutes relating to the registration of documents in the jurisdiction where the land is located. This Policy also protects:

- anyone who receives your Title because of your death;
- trustee or successor trustee of a trust, in which you are the trustor/settlor to whom you transfer your Title after the Policy Date;
- your spouse or child who receives your Title because of a transfer by you where the transfer is for nominal consideration only or in settlement of your obligation under the property division provisions of the matrimonial statutes intended for such a purpose;
- any successor or assign of a hypothec you took back from anyone who bought your land; and,
- the beneficiaries to whom the trustee or successor trustee of a trust in which you are the settler, transfers your Title by operation of the terms of the trust.

We can assert against anyone making a claim under this Policy any of the same rights and defences that we have against anyone previously insured under this Policy.

3. HOW TO MAKE A CLAIM

(a) You Must Give The Company Notice Of Your Claim. If anyone claims a right against your insured Title, you must notify us promptly in writing. Send the notice to Company Claims Department at Royal Bank Plaza, North Tower, 200 Bay Street, Suite 2600, Toronto, Ontario, Canada, M5J2J2 or 300-3080 Le Carrefour Blvd, Laval, Quebec, H7T 2R5. Please include the Policy number shown in Schedule A, and the municipality and province where land is located. Our obligation to you could be reduced if:
    - you fail to give prompt notice; and,
    - your failure affects our ability to dispose of or to defend you against the claim.
(b) Proof Of Your Loss Must Be Given To The Company. You must give us a written statement to prove your claim of loss. This statement must be given to us no later than 90 days after you know the facts which will let you establish the amount of your loss. The statement must have the following facts:

    - the Covered Title Risks which resulted in your loss;
    - the dollar amount of your loss; and
    - the method you used to compute the amount of your loss.

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You may want to provide us with an appraisal of your loss by a professional appraiser as a part of your statement of loss. We may require you to show us your records, cheques, letters, contracts, and other papers which relate to your claim of loss. We may make copies of these papers. We may require you to answer questions under oath. Our obligation to you could be reduced if you fail or refuse to:

- provide a statement of loss; or,
- answer our questions truthfully under oath; or,
- show us the papers we request; and
- your failure or refusal affects our ability to dispose of or to defend you against the claim.

4. OUR CHOICES WHEN YOU NOTIFY US OF A CLAIM

After we receive your claim notice or in any other way learn of a matter for which we are liable, we can do one or more of the following:

(a) Pay the claim against your Title.
(b) Negotiate a settlement.
(c) Prosecute or defend a court case related to the claim.
(d) Pay you the amount required by the Policy.
(e) Take other action which will protect you, including removing the cause of the claim.
(f) Cancel the Policy by paying the Policy Amount, then in force, and only those costs, legal fees and expenses incurred up to that time which we are obligated to pay.
(g) Pay you the Actual Loss as at the date the defect is discovered.
(h) Pay any amount due you under the Policy to the insured holder of any hypothec shown in this Policy or a later hypothec given by you, and this payment shall be treated as a payment to you under the Policy.
(i) For a claim under Covered Title Risk 18 (f), even if the defect is also covered under another Covered Title Risk, we have the following options:
    (i) Where the cost of removing or remedying the portion of the structure built without a permit is less than $50,000, we will pay for the removal or remediation.
    (ii) Where the cost of removing or remedying the portion of the structure built without a permit is greater than $50,000, we may,
        1. Pay for the removal or remediation: or
        2. End the coverage for the claim by paying you your Actual Loss as determined by an appraisal conducted by a member of the Accredited Appraiser Canadian Institute and those costs, legal fees and expenses incurred up to that time which we are obligated to pay. The appraiser will be selected by you from a list of at least 2 appraisers to be provided by us. The appraiser will be instructed by us. We will pay the appraiser's fees and expenses. If we cannot agree on the value of the Actual Loss, we can end all coverage under this Policy by paying you the current fair market value of the Land without regard to the defect insured against by the Policy, and you will transfer your Title to the Land to us.

When we choose the options in paragraph 4 (a), (b), (d), (e), (f), (g), (h) , (i), all our obligation for the claim ends, including our obligation to defend, or continue to defend or prosecute any legal action.

5. HANDLING A CLAIM OR COURT CASE

You must cooperate with us in handling any claim or court case and give us all relevant information. If you do not do so, your coverage under the Policy will be reduced or ended, but only to the extent your failure or refusal to co-operate or give us all relevant information affects our ability to resolve the claim or defend you. We are required to repay you only for those settlement costs, legal fees, and expenses that we approve in advance. When we defend your Title, we have a right to choose the lawyer. We can appeal any decision to the highest court. We do not have to pay your claim until your case is finally decided.

6. LIMITATION OF THE COMPANY'S LIABILITY

(a) We will pay up to (i) your Actual Loss; or (ii) the Policy Amount in force when the claim is made—whichever is less.
(b) If you cannot use any of your land because of a claim against your Title, and you rent reasonable substitute land or facilities, we will repay you for your actual rent until:
    - the cause of the claim is removed; or
    - we settle your claim.
(c) The Policy Amount will be reduced by all payments made under this Policy—except for costs, legal fees and expenses.
(d) The Policy Amount will be reduced by any amount we pay to our insured holder of any hypothec shown in this Policy or a later hypothec given by you.
(e) If you do anything to affect any right of recovery you may have, we can subtract from our liability the amount by which you reduced the value of that right.
(f) Our liability may be reduced or eliminated if you do anything to settle any claim or suit without prior written consent of the Company.
(g) If we remove the cause of the claim with reasonable diligence after receiving notice of it, all our obligations for the claim end, including any obligation for loss you had while we were removing the cause of the claim.
(h) If you have insurance with another insurer for a Covered Title Risk for which you are making a claim under the Policy, we are only liable for that proportion of the your Actual Loss and costs, legal fees and expenses covered by the Policy, that the Policy Amount bears to the total amount of insurance you have with us and the other insurer.

7. TRANSFER OF YOUR RIGHTS

(a) When we settle a claim, we have all the rights you had against any person or property related to the claim. You must transfer these rights to us when we ask, and you must not do anything to affect these rights. You must let us use your name in enforcing these rights.
(b) We will pay any money we collect from enforcing those rights: first to us for costs, legal fees and expenses incurred in enforcing those rights, second to your for your loss that you have not already collected, and third to us for any money paid out under the Policy on account of your claim.
(c) We will not be liable to you if we decide not to pursue these rights, or if we do not recover all amounts that might be recoverable.

SAMPLE

(d) If you have rights under contracts to recover all or part of your loss, then all of those rights are transferred to us, even if those contracts provide that those obligated have all of your rights under this Policy.
(e) We have the right to use all information gathered during the underwriting and handling of any claim made under this Policy for the purpose of underwriting, issuing, and administering title insurance policies for future transactions with respect to the Land.

8. OUR LIABILITY IS LIMITED TO THIS POLICY

The Policy, plus any endorsements, are the entire contract between you and the Company. Any claim you make against the Company must be made under this Policy and is subject to its terms.

9. INFLATION COVERAGE

The Policy Amount stated in Schedule A will increase based upon an increase in the fair market value of the land up to a maximum Policy Amount of two hundred percent (200%) of the original Policy Amount.

10. SEVERABILITY

In the event any provision of this policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

For purposes of the Insurance Companies Act (Canada), this document was issued in the course of Stewart Title Guaranty Company's insurance business in Canada.

Stewart Title Guaranty Company is committed to protecting the privacy of personal information of those insured under Stewart Title Guaranty Company policies. The information provided is kept confidential and used only for the purposes set out in our privacy policy; including, but not limited to, for the purpose of issuing of policies and administering any claims which may arise under those policies. Our privacy policy sets out provisions regarding how you may access your personal information; regarding safeguards we have put in place; and regarding transfers of personal information to third parties, including our parent company in the USA. For a copy of our complete privacy policy (which may be amended from time to time), please visit our website at www.stewart.ca, or contact our Privacy Officer at privacySTGC@stewart.com

SAMPLE

STEWART TITLE GUARANTY COMPANY
RESIDENTIAL TITLE INSURANCE POLICY
SCHEDULE A

Stewart Title® Guaranty Company
300-3080 Le Carrefour Blvd
Laval, Québec, H7T 2R5

Tel : (450) 973-4446
Toll free : 1 866 235-9152
Fax : (450) 973-4447

File No.
Lawyer File No.

Owner Form

Policy Number:

Date of Policy:

Amount of Insurance:
Transaction Premium:

1. **Name of Insured :**

2. **The estate or interest in the land which is covered by this policy:**

3. **Title to the estate or interest in the land is vested in :**

4. **The land referred to in this Policy is described as follows :**

   a. Municipal Address :

   b. Legal Description :

This Policy valid only if Schedule B is attached

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STEWART TITLE GUARANTY COMPANY
RESIDENTIAL TITLE INSURANCE POLICY
SCHEDULE B

Stewart Title® Guaranty Company
300-3080 Le Carrefour Blvd
Laval, Québec, H7T 2R5

Tel : (450) 973-4446
Toll free : 1 866 235-9152
Fax : (450) 973-4447

File No.
Lawyer File No.

Owner Form

Policy Number:

This Schedule B sets out the matters that form exceptions from coverage. If the exception is accompanied by affirmative language then the Company is willing to provide coverage for the matter, but only to the extent to set out below:

1. This policy does not insure against loss or damage (and the Company will not pay costs, legal fees, or expenses) which arise by reason of environmental concerns or matters of any kind.

2. The location of the fences/hedges/boundary walls does not correspond to the location of the boundary lines of the property. This policy does not insure against loss or damage which arises from claims relating to title to and/or possession of those portions of land between a fence/hedges/boundary walls and a boundary line, which loss or damage includes but is not limited to claims arising from loss of use, loss in marketability, and defence of title; furthermore, this policy does not insure against loss or damage related to the repair, the replacement or the removing of hedges and/or fences and/or boundary walls. This policy does not provide any coverage for loss or damage related to the repair, the replacement, or the removing of hedges and/or fences and/or boundary walls.

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3. ** rank hypothec in favour of ***** signed on *****, securing the principal sum of ***** $.

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Owner

Protection PLUS Endorsement

** Attached to and forming part of Policy No. **

Date Of Policy:	***
Closing Date:	*** (the "Closing Date")
To Insured:	***
From:	*** (the "Company")
Approved Notary/Lawyer:	***
Re:	*** (the "Land") ***

The Company has issued the title insurance policy attached wherein you are the named Insured in connection with the closing of a residential real estate transaction in which you are the purchaser or lessee of the interest in the Land or a lender secured by a mortgage of an interest in the Land, and the Company, subject to the Conditions and Exclusions set forth below, hereby agrees to reimburse you for actual loss incurred by you in connection with such closing when conducted by an Approved Notary/Lawyer who certifies the title to the Company, and upon whose certification the Company relied to issue the title insurance policy attached when such loss arises out of the Approved Notary/Notary committing an error or omission in providing legal services to you in connection with such closing prior to or on the Closing Date provided such error or omission affects the title to the Land or the right to the use and enjoyment of the Land and for which liability is imposed by law.

Conditions and Exclusions:

A. The Company will not be liable to you for loss arising out of loss or impairment of your funds in the course of collection or while on deposit with a bank due to bank failure, insolvency or suspension, except such shall result from failure of the Approved Notary/Lawyer to comply with your closing instructions to deposit the funds in a bank which you designated by name.
B. A title insurance policy in final form issued by the Company must have been received by you with this Protection PLUS Endorsement. In the event you are a lender secured by a mortgage of an interest in the Land, you must have provided written closing instructions to the Approved Notary/Lawyer prior to the closing of the transaction.
C. When the Company shall have reimbursed you pursuant to this Protection PLUS Endorsement, it shall be subrogated to all rights and remedies which you would have against any person or property had you not been so reimbursed. Liability of the Company for such reimbursement shall be reduced to the extent that you have knowingly and voluntarily impaired the value of such right of subrogation.
D. Any liability of the Company for loss incurred by you in connection with the closing of the residential real estate transaction by an Approved Notary/Lawyer shall be limited to the protection provided by this Protection PLUS Endorsement. However, this Protection PLUS Endorsement shall not affect the protection afforded by a title insurance policy issued by the Company. The protection afforded by this Protection PLUS Endorsement is not assignable or transferable to any other party except in accordance with the terms and conditions of the attached title insurance policy.
E. Claims shall be made within 90 days of date of discovery of the defect/matter at issue to the Company at its principal office at 3080, Le Carrefour Boulevard, Suite 300, Laval, Quebec, H7T 2R5. When the failure to give notice within the aforementioned prescribed period shall prejudice the Company then liability of the Company hereunder shall be reduced to the extent of such prejudice. In any event, the Company shall have no liability hereunder in respect of claims submitted in excess of one year from the date of discovery of the defect/matter at issue.
F. This Protection PLUS Endorsement is made a part of the policy attached herewith and is subject to the terms and provisions thereof. Except to the extent expressly stated, this Protection PLUS Endorsement neither modifies any of the terms and provisions of the attached policy, nor does it extend the effective date of the attached policy, nor does it increase the face amount thereof. To the extent that there are inconsistencies between this Protection PLUS Endorsement and the policy attached herewith, the terms of the policy shall prevail.



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Authorized Countersignature

Stewart Title Guaranty Company
Toronto, Ontario, Canada

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stewart title

ENDORSEMENT TO TITLE POLICY

Attached to and forming part of Policy No.

ISSUED BY
STEWART TITLE GUARANTY COMPANY
HEREIN CALLED THE COMPANY

IMPROVEMENT ENDORSEMENT
OWNER'S POLICY

1. The Company hereby insures the Insured

   a. That in the event of a loss otherwise insured against by this policy, such loss shall include the interest of the Insured in any improvements located on the Land, however such improvements shall not include personal property or improvements not characterized as fixtures, and the definition of "Land" as set out in the within policy shall be extended to include such improvements.

   b. That at such time when the erection of improvements contemplated upon the Land herein shall be commenced, liability under this policy shall increase, as the improvements progress, in the amount equal to the greatest of (i) the cost of the improvements, or (ii) the value of the improvements, but in each case only up to the face amount of the policy, as amended in Schedule B to this Policy.

2. Notwithstanding the additional coverage contained within this Endorsement and notwithstanding any other provisions of this Policy, the Company is not liable for and will not pay any loss or damage related to the inability of the Insured:

   a. to have constructed any improvements on the Land;

   b. to legally use any improvements on the Land constructed after the Policy Date; or

   c. to have constructed on the Land a single family residence

SAMPLE

This endorsement is issued as part of the policy. Except as expressly stated, it does not: (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and any prior endorsements. Signed under seal for the Company, but this endorsement is to be valid only when it bears an authorized countersignature.

Countersigned by:

Authorized Countersignature

Stewart Title Guaranty Company
Toronto, Ontario, Canada



Frederick H. Eppinger
President and CEO

Denise Carraux
Secretary

stewart title

ENDORSEMENT TO TITLE POLICY

Attached to and forming part of Policy No.

ISSUED BY
STEWART TITLE GUARANTY COMPANY
HEREIN CALLED THE COMPANY

SEPTIC ENDORSEMENT
Owner Policy

1. The Company insures against loss or damage sustained by the Insured arising from any outstanding notice of violation, deficiency notice or work order issued as of the Policy Date affecting the septic system which services the Land.

2. The Company also insures against loss or damage sustained by the Insured in the event that a Local Authority Search would have disclosed:

   a) that the certificate of approval and/or the use permit issued for the septic system servicing the Land does not conform with the current as-built nature of construction; or
   b) that a certificate of approval and/or a use permit had not been issued at the time the septic system was constructed and a certificate and/or use permit was required at the time of construction.

3. The Company does not insure against any loss or damage related to the functionality and/or age of the septic system unless such loss or damage arises from an issue covered under paragraphs 1 and 2 above.

4. For the purposes of item 25 under the Covered Title Risks section of this policy a response to a Local Authority Search indicating that there is no record with respect to a septic system installation or permit for the Land shall not constitute an adverse circumstance for the purposes of item 25.

5. Coverage under this Endorsement applies provided that the Governmental Authority having jurisdiction over the regulation of the septic system would respond to requests for certificates of approval, use permits and/or work orders, if requested.

6. Coverage under this Policy and Endorsement applies if the septic system services only a residential house of 1-6 units. There is no coverage under this Policy and Endorsement for septic systems that service commercial buildings or residential buildings of more than 6 units or for mixed use commercial/residential buildings.

SAMPLE

This endorsement is issued as part of the policy. Except as expressly stated, it does not: (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and any prior endorsements. Signed under seal for the Company, but this endorsement is to be valid only when it bears an authorized countersignature.

Countersigned by:

Authorized Countersignature

Stewart Title Guaranty Company
Toronto, Ontario, Canada

STEWART TITLE GUARANTY COMPANY INCORPORATED 1908 TEXAS

Frederick H. Eppinger
President and CEO

Denise Carraux
Secretary

stewart title

ENDORSEMENT TO TITLE POLICY

Attached to and forming part of Policy No.

ISSUED BY
STEWART TITLE GUARANTY COMPANY
HEREIN CALLED THE COMPANY

VACANT LAND ENDORSEMENT
Owner Policy

1. The within Policy is hereby amended as follows:

   a. The addition of a new Covered Title Risk 30 which shall read

      The following use is allowed as of the Policy Date under the zoning classification applicable to the Land – continuation of the present use as vacant land.

   b. The deletion of Covered Title Risk 21.

2. Schedule B of this Policy is hereby amended to add the following exception from coverage:

   The Company does not insure against loss or damage arising from the zoning for the Land not permitting the construction of a residential dwelling or any other improvements on the Land.

3. Notwithstanding any other provisions of this Policy, the Company is not liable for and will not pay any loss or damage related to the inability of the Insured:

   a. to have constructed any improvements on the Land;

   b. to legally use any improvements on the Land constructed after the Policy Date; or

   c. to have constructed on the Land a single family residence.

SAMPLE

This endorsement is issued as part of the policy. Except as expressly stated, it does not: (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and any prior endorsements. Signed under seal for the Company, but this endorsement is to be valid only when it bears an authorized countersignature.

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MULTI UNIT RESIDENTIAL ENDORSEMENT
Owner's Policy

The policy is hereby amended as follows:

1. Covered Title Risk #18; is hereby deleted and replaced with the following:

   "You are forced by a Governmental Authority (or in the case of 18;(a) hereunder, you are forced by the affected neighbour or a party who benefits from the Servitude) to remove or remedy your existing structure(s), or any portion thereof, other than a boundary wall or fence, because:

   (a) it extends on to adjoining land or on to any Servitude (even if the Servitude is excepted in Schedule B);
   (b) it violates a restriction, covenant or condition affecting the Land, even if the restriction, covenant or condition is excepted in Schedule B;
   (c) it violates an existing zoning by-law;
   (d) it is located on land under the jurisdiction of a conservation or similar governmental authority without approval;
   (e) of any outstanding notice of violation or deficiency notice;
   (f) any portion of it was built without obtaining a building permit from the proper Governmental Authority, provided a building permit would have been required by such Governmental Authority at the time of construction of the structure or relevant portion thereof."

SAMPLE

This endorsement is issued as part of the policy. Except as expressly stated, it does not: (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and any prior endorsements. Signed under seal for the Company, but this endorsement is to be valid only when it bears an authorized countersignature.

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CONDOMINIUM ENDORSEMENT
Owner's Policy

The Company hereby insures against loss or damage by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the jurisdiction in which the unit and its common elements are located.

2. The failure of the documents required by said condominium statutes to comply with the requirements of said statutes to the extent that such failure affects the title to the unit and its common elements.

3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are contained in the condominium documents provided that said restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.

4. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.

5. Any obligation to remove any improvements which exist at date of policy because of any present encroachment or because of any future unintentional encroachment of the common elements upon any unit or of any unit upon the common elements or another unit.

6. Loss or damage to that portion of the unit and its common elements not subject to any servitude registered against the unit and its common elements, as a result of the existence of said servitude(s).

7. Violations on the land of any enforceable terms, conditions, covenants, restrictions, obligations or reservations contained within registered instruments to which the municipality, a utility company, the developer, the builder, or the Condominium Corporation are parties, up to the policy date, save those specifically excluded in Schedule "B".

SAMPLE

This endorsement is issued as part of the policy. Except as expressly stated, it does not: (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and any prior endorsements. Signed under seal for the Company, but this endorsement is to be valid only when it bears an authorized countersignature.

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FARM RESIDENTIAL ENDORSEMENT
Owner Policy

All of the provisions of our "Gold" Comprehensive Protection Owner's Policy shall apply, except as waived, varied, amended, deleted or added herein. The within Endorsement supersedes our Septic Endorsement, and applies to farm properties where the Amount of Insurance is $2 million or under.

1. The Company insures against loss or damage sustained by the Insured arising from any outstanding notice of violation, deficiency notice or work order issued as of the Policy Date affecting the septic system which services the private residence on the Land.

2. The Company also insures against loss or damage sustained by the Insured in the event that a Local Authority Search would have disclosed:

   (a) that the certificate of approval and/or the use permit issued for the septic system which services the private residence on the Land does not conform with the current as-built nature of construction; or

   (b) that a certificate of approval and/or a use permit had not been issued at the time the septic system which services the private residence on the Land was constructed and a certificate and/or use permit was required at the time of construction.

3. The Company does not insure against any loss or damage related to the functionality and/or age of the septic system which services the private residence on the Land unless such loss or damage arises from an issue covered under paragraphs 1 and 2 above.

4. For the purposes of item 25 under the Covered Title Risks section of this Policy a response to a Local Authority Search indicating that there is no record with respect to a septic system installation or permit for the Land shall not constitute an adverse circumstance for the purposes of item 25.

5. Coverage under this Endorsement applies provided that the Governmental Authority having jurisdiction over the regulation of the septic system would respond to requests for certificates of approval, use permits and/or work orders, if requested.

This endorsement is issued as part of the policy. Except as expressly stated, it does not: (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and any prior endorsements. Signed under seal for the Company, but this endorsement is to be valid only when it bears an authorized countersignature.

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6. Coverage under this Policy and Endorsement applies if the septic system services only a residential house of 1-6 units. There is no coverage under this Policy and Endorsement for septic systems that service commercial buildings or residential buildings of more than 6 units or for mixed use commercial/residential buildings.

7. Coverage under sections 1, 2 & 3 of this Endorsement applies provided that the governmental authority having jurisdiction over the regulation of the residential septic system would respond to requests for certificates of approval, use permits and/or work orders, if requested.

8. The Company does not insure against any loss or damage arising from any outstanding notice of violation, deficiency notice, work order issued, lack of a permit or failure of the permit to conform with the current as-built nature of construction relating to any septic system on the subject property other than the septic system which services the private residence on the land.

9. The Company does not insure against any loss or damage arising from any legislation relating to farm or agricultural operations on the land and, without limiting the generality of the foregoing, does not insure against any loss or damage arising from non-compliance with or contravention of the following Statutes and their Regulations as amended from time to time and any successor Legislation: Forestry Act; Environmental Protection Act; Farm Debt Mediation Act; Farm Income Protection Act; Drainage Act; Health Protection & Promotion Act; Weed Control Act; Cemeteries Act; Conservation Authorities Act and Ontario Water Resources Act, or comparable local legislation.

10. The addition of a new insuring provision "#30" which shall read:

    The following use is allowed as of the Policy Date under the zoning classification applicable to the Property – continuation of present use as agricultural and/or residential.

SAMPLE

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LEASEHOLD ENDORSEMENT (Owner)

1. As used in this endorsement, the following terms shall mean:

   (a) "Evicted" or "Eviction": (a) the lawful deprivation, in whole or in part, of the right of possession insured by this policy, contrary to the terms of the Lease or (b) the lawful prevention of the use of the Land or the Tenant Leasehold Improvements for the purposes permitted by the Lease, in either case, as a result of a matter covered by this policy.

   (b) "Lease": the lease agreement described in Schedule A.

   (c) "Leasehold Estate": the right of possession granted in the Lease for the Lease Term.

   (d) "Lease Term": the duration of the Leasehold Estate, as set forth in the Lease, including any renewal or extended term if a valid option to renew or extend is contained in the Lease.

   (e) "Personal Property": property, in which and to the extent the Insured has rights, located on or affixed to the Land on or after the Policy Date that by law does not constitute real property because (i) of its character and manner of attachment to the Land and (ii) the property can be severed from the Land without causing material damage to the property or to the Land.

   (f) "Remaining Lease Term": the portion of the Lease Term remaining after the Insured has been Evicted.

   (g) "Tenant Leasehold Improvements": those improvements, in which and to the extent the Insured has rights, including landscaping, required or permitted to be built on the Land by the Lease that have been built at the Insured's expense or in which the Insured has an interest greater than the right to possession during the Lease Term.

SAMPLE

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2. Valuation of Estate or Interest Insured

   If in computing loss or damage it becomes necessary to value the Title, or any portion of it, as the result of an Eviction, then, as to that portion of the Land from which the Insured is Evicted, that value shall consist of the value for the Remaining Lease Term of the Leasehold Estate and any Tenant Leasehold Improvements existing on the date of the Eviction. The Insured shall have the right to have the Leasehold Estate and the Tenant Leasehold Improvements affected by a defect insured against by this policy valued either as a whole or separately. In either event, this determination of value shall take into account rent no longer required to be paid for the Remaining Lease Term.

3. Additional Items of Loss Covered by This Endorsement

   If the Insured is Evicted, the following items of loss, if applicable to that portion of the Land from which the Insured is Evicted shall be included, without duplication, in computing loss or damage incurred by the Insured, but not to the extent that the same are included in the valuation of the Title determined pursuant to Section 2 of this endorsement, any other endorsement to the policy, or Section 6(a) of the Conditions in the policy.

   (a) The reasonable cost of (i) removing and relocating any Personal Property that the Insured has the right to remove and relocate, situated on the Land at the time of Eviction, (ii) transportation of that Personal Property for the initial one hundred kilometers incurred in connection with the relocation, (iii) repairing the Personal Property damaged by reasons of the removal and relocation, and (iv) restoring the Land to the extent damaged as a result of the removal and relocation of the Personal Property and required of the Insured solely because of the Eviction.

   (b) Rent or damages for use and occupancy of the Land prior to the Eviction which the Insured as owner of the Leasehold Estate may be obligated to pay to any person having paramount title to that of the lessor in the Lease.

   (c) The amount of rent that, by the terms of the Lease, the Insured must continue to pay to the lessor after Eviction with respect to the portion of the Leasehold Estate and Tenant Leasehold Improvements from which the Insured has been Evicted.

   (d) The fair market value, at the time of the Eviction, of the estate or interest of the Insured in any lease or sublease permitted by the Lease and made by the Insured as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements.

SAMPLE

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(e) Damages caused by the Eviction that the Insured is obligated to pay to the lessees or sublessees on account of the breach of any lease or sublease permitted by the Lease and made by the Insured as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements.

(f) The reasonable cost to obtain land use, zoning, building and occupancy permits, architectural and engineering services and environmental testing and reviews for a replacement leasehold reasonably equivalent to the Leasehold Estate.

(g) If Tenant Leasehold Improvements are not substantially completed at the time of Eviction, the actual cost incurred by the Insured, less the salvage value, for the Tenant Leasehold Improvements up to the time of Eviction. Those costs include costs incurred to obtain land use, zoning, building and occupancy permits, architectural and engineering services, construction management services, costs of environmental testing and reviews, and landscaping.

4. This endorsement does not insure against loss, damage or costs of remediation (and the Company will not pay costs, legal fees or expenses) resulting from environmental damage or contamination.

SAMPLE

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